

MONTHLY REPORT

March 2019 Factsheet



Fund Details

Name	JB High Alpha Fund
Entity	Open-ended Investment Unit Trust
Domicile	Australia
Portfolio Manager	Stuart McAuliffe
Investment Manager	John Bridgeman Limited
Broking & Clearing	JB Markets Pty Ltd/ Macquarie Bank
Trustee	JB Markets Pty Ltd
Fund Inception Date	14 February 2017
Minimum Investment Amount	\$50,000
Investor type	Wholesale clients only
Units	All units will rank equally with each other
Currency	Reported in Australian Dollars
Management Fee	2.0% of net AUM
Performance Fee	23.0% of the increase in Fund's net asset value (NAV)
High water mark	Yes
Distributions	Nil
Liquidity	Weekly
APIR code	JBMX889AU

Investment Manager

The JB High Alpha Fund has appointed John Bridgeman Limited to manage the Portfolio in accordance with the terms and conditions of the Management Services Agreement. The Manager and its investment team have considerable experience in investment management across different geographies, sectors and industries. The Manager operates a specialist investment management business, and is listed on the National Stock Exchange of Australia under the ticker "JBL".

Portfolio Manager

Stuart McAuliffe, Managing Director and Chief Investment Officer of John Bridgeman Limited, has primary responsibility for the investment decisions of the Investment Manager. He is supported by a team of investment professionals who have skills and expertise across Australian and global markets.

Stuart has over 25 years' experience investing in global equity, bond, currency and commodity markets. He has pioneered innovative research into the correlation and causation between different global equity and currency markets over short, medium and long term time periods. As the senior executive responsible for investments, he uses a 'layered' approach combining multiple time frame fundamental analysis with short term technical trading patterns to maximise returns while managing risk.

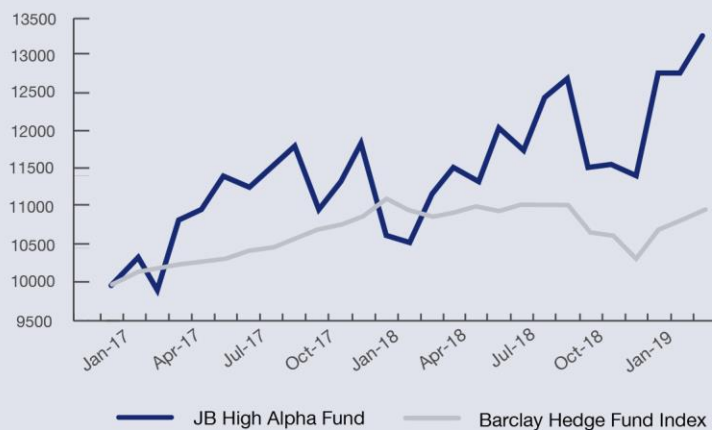
Performance at 31 March 2019

	Fund	Barclay Hedge Fund Index	Outperformance
1 Month	4.00%	0.68%	3.32%
3 Months	16.08%	5.56%	10.52%
6 Months	5.95%	-0.90%	6.85%
1 Year	19.08%	0.48%	18.60%
Since inception (Feb 17)	32.91%	8.84%	24.07%

Past trading performance is not a reliable indicator of future performance. Returns displayed are net of fees. Fees and other costs are exclusive of GST unless otherwise stated.

Performance Chart

Growth of \$10,000 investment since fund inception



Fund performance since inception, after fees.

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Market Update

Global equities extended gains in March capping off a strong first quarter as major central banks showed willingness to stay accommodative, and as the U.S and China were constructively working towards an agreement to resolve the bilateral trade dispute. U.S Tech continued to outperform, with Nasdaq hitting new highs up 2.40% on the month, whilst Dow was unchanged weighed down by the woes of airplane manufacturer Boeing. Chinese equities continued to outperform +3.20%.

Bond yields plunged after the Fed caught the market by surprise by signalling that it won't tighten at all in 2019 and only once in 2020, reflecting concerns that growth is slowing, whilst inflation pressures remain subdued saw U.S 10 yr yields fall 30bps to 2.36% as recessionary fears intensified as yield curves inverted. Similarly, in Europe the 10yr Bund yield went to negative 0.09% as the ECB changed policy guidance, keeping rates unchanged and will remain unchanged through 2019 as the major economies of Germany and France slowed.

Currency volatility picked in the month of March, dominated by GBP - 1.90% which gyrated with every Brexit headline, after the PM May failed in 3 attempts to strike a Brexit deal in the U.K parliament sparking fears of a hard Brexit.

Commodities were lower on global growth fears though Crude Oil continued to rally for its best quarter in two decades as supply disruptions along with higher than expected inventory drawdowns sent it +5% on the month.

Investment Manager Outlook Statement

Stuart McAuliffe, *Portfolio Manager*.

"After the severe global falls in Q4, the start of the new year offered sensible equities valuations once again. The Federal Reserve dramatically backed away from their aggressive rate rises and this rallied markets. In particular the UK and European equity markets offered good upside as they were at low bases with earnings at near recessionary levels. This equity rally has backed off a bit, except for China. The strength in equities in Q1 has also rallied commodities, in particular oil which was up 5% on the month. Onward and upward."

Fund Statistics

Annualised return	14.03%
Annualised volatility	0.1919
Sharpe ratio (risk free rate is AUD 3 month BB rate)	0.2086
Sortino ratio	0.3581
Positive Months (%)	66%

Fund Objective

The Fund's objective is to provide investors with moderate to high portfolio appreciation over the medium to long-term through active management of the investment assets. The Fund will invest in a range of financial products that focus on Global Macroeconomics and, in holding both long and short positions, will seek absolute returns regardless of market direction. The Fund will predominantly invest and trade in global futures markets worldwide, across categories such as share indices, interest rates, currencies and commodities. The Fund may also invest in over-the-counter derivatives, listed equities and cash.

Fund Strategy

The strategy aims to identify medium and long-term trends and trend shifts, but to also vary position size given short-term technical indicators including sentiment and momentum. The strategy targets positive results over 12 month rolling periods.

The Investment Manager's advantage lies in correct assessment of broad valuation measures, macroeconomic environment, sentiment and economic forecasting.

For more information, please speak to your financial advisor or contact us.

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