

MONTHLY REPORT

April 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.

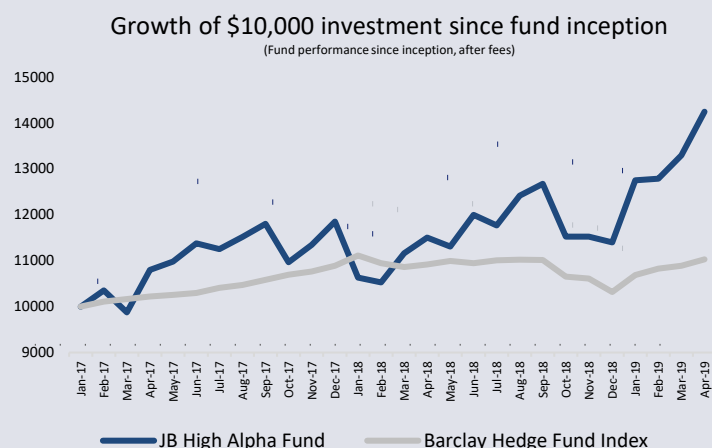
Stuart has over 25 years' experience investing in global equity, bond, currency and commodity markets. He has pioneered innovative research into the correlation and causation between different global equity and currency markets over short, medium and long term time periods. As the senior executive responsible 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 as at 30 April 2019

	Fund	Barclay Hedge Fund Index	Outperformance
1 Month	7.15%	1.28%	5.87%
3 Months	11.38%	3.15%	8.23%
6 Months	22.19%	3.63%	18.56%
1 Year	23.15%	1.26%	21.89%
Since inception (Feb 17)	42.42%	10.09%	32.33%

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



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Market Update

Global equities continued their upward ascent with U.S equities climbing to all-time highs on the back of better-than-forecast earnings with over 80% of SP500 companies reporting exceeding expectations. Despite disappointing results from Alphabet, FANG+ stocks allowed the Nasdaq to outperform +4.7%.

However, it was European equities turn to shine, outperforming U.S counterparts as better economic data, along with 2019 EPS projections exceeding those of the U.S sent Eurostoxx 50 +4.90%. Banks and automakers led the gains with Dax +7.00%. Chinese equities significantly underperformed -1.50% on disappointing manufacturing data along with reports that the U.S. wants to leave some punitive tariffs in place to enforce a trade deal, which is in its final stages.

It was a King USD story as demand for US assets saw \$Index rising to the highest level in 2yrs underscoring the strength of the U.S economy vs the rest of the world as U.S 10 yr yields remained steady at 2.52%. Stronger than expected data out of Europe saw 10yr Bunds underperform rising 4bps above negative territory to 0.01%. The global phenomenon of tepid inflation was non more evident than in Australia, with 10 yr bonds outperforming with yields down 1.4bps to 1.78% as talks of rate cuts intensified.

Commodities were lower across the board as USD surged, but Oil picked up where it left off with Brent hitting \$75/bbl on disruption supplies, American sanctions on Iran while OPEC remains committed to keep a lid on output sent prices up another 5%. Iron Ore also bucked the trend rallying 14% due to supply disruptions from WA and Brazil.

Investment Manager Outlook Statement

Stuart McAuliffe, *Portfolio Manager*.

"The big story for 2019 will continue to be equities. Sell in May and go away could still play out this year, but equities finish the year higher, possibly a lot higher. ASX, FTSE, Europe and China could easily go up double digits from here with limited downside.

What about the Trade War? What about it. Don't worry, equity markets boomed for decades during the Cold War and that included possible nuclear confrontation. We'll be fine."

Fund Statistics

Annualised return	17.02%
Annualised volatility	0.24376
Sharpe ratio (risk free rate is AUD 3 month BB rate)	0.249885
Sortino ratio	0.437436
Positive Months (%)	69%

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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