

# MONTHLY REPORT

## February 2020 Factsheet



### Fund Details

Name	JB High Alpha Fund
Entity	Open-ended Investment Unit Trust
Domicile	Australia
Key portfolio manager	Stuart McAuliffe
Investment Manager	John Bridgeman Limited
Broking & Clearing	JB Markets Pty Ltd/ Saxo Bank
Trustee	JB Markets Pty Ltd
Fund Inception Date	14 February 2017
Minimum Investment amount	\$50,000
Investor type	Wholesale clients
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
Withdrawals	Weekly
APIR code	JBM2867AU

### 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 28 February 2020

	Fund	Barclay Hedge Fund Index	Outperformance
1 Month	1.07%	-2.85%	3.92%
3 Months	-9.70%	-1.38%	-8.32%
6 Months	-29.20%	1.03%	-30.23%
1 Year	-18.10%	2.31%	-20.41%
Since inception (Feb 17)	4.70%	10.64%	-5.94%

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



# MONTHLY REPORT

## February 2020 Factsheet

### Market Update

The positive market sentiment of January shifted quickly towards the end of the month and into February, following the coronavirus outbreak in China. However, the US market still managed to reach all-time highs in mid-February after it appeared that the virus containment strategy in China had limited the potential problem. But very quickly thereafter investors started getting fearful that the coronavirus was going global. The full-blown epidemic, which draws parallels to the SARS outbreak in 2003, started to significantly weigh on the global economic outlook.

News of the spreading coronavirus stoked global economic fears and affected stocks in a broad cross-section of industries, including energy, travel, airlines, and gaming. With more cases reported in the U.S. – and China's struggles to contain the outbreak – stocks trended lower at the end of the month with the Dow Jones settling down 10 percent for February while the Standard & Poor's 500 Index lost 7.6 percent and the NASDAQ Composite outperformed with a loss of 6.3 percent. Over in Europe, the coronavirus outbreak also drove a heavy market sell-off in late February with the FTSE 100 ending down 12.3 percent, underperforming other European equity markets as a relatively strong British pound weighed on UK equities.

**We remain observant to reacting swiftly in either direction. In our view China remains undervalued by the broader market and in the longer term we anticipate that investing in the world largest physical economy to have a positive impact to the Fund's returns.**

**Investment Manager Outlook Statement**  
Stuart McAuliffe, *Portfolio Manager*.

### Statistics

Annualised return	1.51%
Annualised volatility	17.5%
Sharpe ratio (risk free rate is AUD 3 month BB rate)	.035
Sortino ratio	.053
Positive Months (%)	62%

### 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 listed equities and can hold relatively large cash exposures.

### 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.**

**Level 9, Riverside Centre**  
**123 Eagle Street, Brisbane, QLD, 4000**  
**Phone: 02-8188 9776**  
**Email: [info@jbmarkets.com](mailto:info@jbmarkets.com)**  
**Web: [www.jbmarkets.com](http://www.jbmarkets.com)**

**Important information:** This information is provided by JB Markets Pty Ltd for information only. Past trading performance is not a reliable indicator of future trading performance. Returns are net of fees and expenses and assume income is reinvested in additional units and that tax has not been deducted. No account has been taken of the objectives, financial situation or needs of any particular person. Accordingly, to the extent this material constitutes general financial product advice, investors should, before acting on the advice, consider the appropriateness of the advice, having regard to the investor's objectives, financial situation and needs. This is not an offer or recommendation to buy or sell securities or other financial products, nor a solicitation for deposits or other business, whether directly or indirectly. An Information Memorandum (IM) for the fund, under which invitations to apply to invest in the fund are made, is available from JB Markets Pty Ltd. Investors should consider the current IM in deciding whether to invest in the fund, or to continue to hold their investments in the fund. Unless an exemption applies, anyone wishing to apply to invest in the fund will need to complete the application form accompanying the IM. Prior to JB Markets providing any financial services to you, you should read JB Markets' Financial Services Guide which is available on website [www.jbmarkets.com](http://www.jbmarkets.com).