

# MONTHLY REPORT

## December 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 31 December 2020

	Fund	Barclay Hedge Fund Index	Outperformance
1 Month	0.46%	3.64%	-3.18%
3 Months	-3.10%	9.72%	-12.85%
6 Months	-7.10%	10.99%	-18.04%
1 Year	-33.30%	8.08%	-41.40%
Since inception (Feb 17)	-22.20%	23.35%	-45.51%

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



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### Market Update

#### December 2020 Commentary

##### The Past Year: 2020

- In the March quarter 2020 the Australian economy entered recession for the first time in 28 years – impacted by the COVID-19 coronavirus as well as drought, bushfires and storms.
  - In the June quarter, the economy contracted by 7 per cent – the biggest fall in activity since the end of World War II. The Australian economy contracted by 0.3 per cent in 2019/20.
  - But the recovery is underway with the economy growing by 3.3 per cent in the September quarter – the biggest lift since March 1976.
  - The Australian economy is recovering due to our relative success in suppressing the COVID-19 virus as well as the speed and size of economic stimulus and support supplied by all levels of government and the Reserve Bank.
  - The cash rate ended 2020 at a record low 0.1 per cent; the Aussie dollar ended the year at US77 cents; unemployment stands at 6.8 per cent; annual inflation is 0.7 per cent; the S&P/All Ordinaries ended 2020 at 6,851 points, up 0.7 per cent on the year; and the S&P/ASX 200 index ended the year at 6,587 points, down 1.5 per cent for the year. Total returns on shares (includes dividends) rose 3.6 per cent in 2020.
- The Aussie dollar rose by 9.9 per cent against the greenback over 2020. The 22-cent range for the Aussie over the year was the biggest in 11 years.

After an extended period of underperformance, UK equities look to be finally turning the corner. Buoyed by a stronger Pound, waning Brexit anxieties and an encouraging vaccination rollout, we expect the FTSE 100 to outperform as foreign investors reconsider their allocations.

#### Investment Manager Outlook Statement

Stuart McAuliffe, *Portfolio Manager*.

### Statistics

Annualised return	-6.20%
Annualised volatility	40%
Sharpe ratio (risk free rate is AUD 3 month BB rate)	0.0
Sortino ratio	0.0
Positive Months (%)	55%

### 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.

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**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).