

P/E Global FX Alpha Fund

Macquarie Professional Series

Monthly Report – December 2020

Investment objective

The Fund aims to generate long term total returns by investing in exchange traded futures providing exposure to currencies and gold.

Fund performance to 31 December 2020

	Total net Fund returns*	Benchmark returns**	Net excess returns
1 month (%)	-7.02	0.00	-7.02
3 months (%)	-13.03	0.02	-13.05
6 months (%)	-16.37	0.05	-16.42
Fin. YTD (%)	-16.37	0.05	-16.42
1 year (%)	-8.18	0.25	-8.43
2 years (% pa)	-0.95	0.72	-1.67
3 years (% pa)	4.96	0.99	3.97
Since inception (% pa)***	1.10	1.09	0.01

Past performance is not a reliable indicator of future performance. Total returns are calculated based on changes in net asset values and assumes the reinvestment of distributions.

*Total net returns are quoted after the deduction of all fees and expenses. Due to individual investor circumstances, your net returns may differ from the net returns quoted above.

** The benchmark is the RBA Cash Rate.

*** Inception date is 28 April 2017

Post fees monthly returns %

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2017					-5.09	2.53	-6.53	-1.94	2.74	4.88	-3.35	-3.10	-9.99
2018	-8.10	5.57	-0.54	5.23	6.00	2.19	-1.30	3.90	-0.87	6.94	-1.05	-0.37	17.88
2019	-1.26	2.74	3.34	0.47	1.97	-4.44	7.31	3.14	1.35	-5.19	3.67	-5.58	6.84
2020	5.64	3.97	10.74	-3.39	-3.34	-3.33	-3.52	-5.91	5.93	2.34	-8.60	-7.02	-8.18

Performance summary

- The Fund returned -7.02% in December 2020.
- During the month, the Fund continued to hold defensive positions in anticipation of risk aversion. Looking forward, P/E notes significant investor crowding in long Australian dollar and euro positions, typically a sign of short-term risk. Overall, P/E's factors continue to point to slower global growth and a rebound in the US dollar.
- The Fund focuses on fundamental factors, employing a Bayesian statistical process to forecast currency returns. Currently, four main factors are driving FX positioning: 1) commodity prices, where countries with lower commodity price sensitivity are more attractive, 2) long-term rates, where low yielding, safe haven currencies, such as the Japanese yen and the Swiss franc, are less attractive, 3) capital flows, where crowded trades such as the euro and Australian dollar are less attractive, and finally, 4) the long end of the yield curve, where steeper curves are more attractive.

Fund details	
Total funds under management	\$131.2m
Inception date	28 April 2017
Investment manager	P/E Global LLC
Suggested minimum investment timeframe	5 years
Benchmark	RBA Cash Rate
Management fee*	1.88% p.a. (inclusive of the net effect of GST)
Performance fee*	20.5% incl. GST of the cumulative outperformance of the Fund (after management fees and expenses) above the return of the Benchmark, subject to a high watermark.
APIR code	MAQ5143AU
Buy/sell spread	+0.01% / -0.01%
Minimum investment	\$20,000
Distributions	Semi annually

*Read the Product Disclosure Statement for more details on fees and expenses that may be charged.

Distribution history	Cents per unit
Dec-20	0.0000
Jun-20	3.2604
Dec-19	0.0000
Jun-19	8.8269

Unit prices	
Application price	\$0.9293
Redemption price	\$0.9291
NAV price	\$0.9292

Fund changes

There have been no material changes to the following since the last performance report:

- > Fund's risk profile
- > Fund's strategy
- > Key service providers or related parties
- > Individuals playing a key role in making the Fund's investment decisions

Information in this report has been sourced from P/E Global and Macquarie.

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The above information is not personal advice and does not take into account the investment objectives, financial situation or needs of any person. Investors should consider the offer document relating to the Fund in deciding whether to acquire or continue to hold units in the Fund. The offer document is available by contacting us on 1800 814 523.

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