

Man Diversified Alternatives



Monthly Report as at 30 April 2021

MTD: 1.27 % YTD: 1.60 % Annualised return since inception: 3.13 % Annualised volatility since inception: 3.05 %

Fund Aims

Man Diversified Alternatives (the 'Fund') is an Australian managed investment scheme designed to generate medium to long term investment returns by accessing a diversified portfolio using a range of alternative investment strategies, all managed by the Man Group (the 'Portfolio'). At any time, this Portfolio is expected to comprise between 6-15 investment strategies.

Fund Details

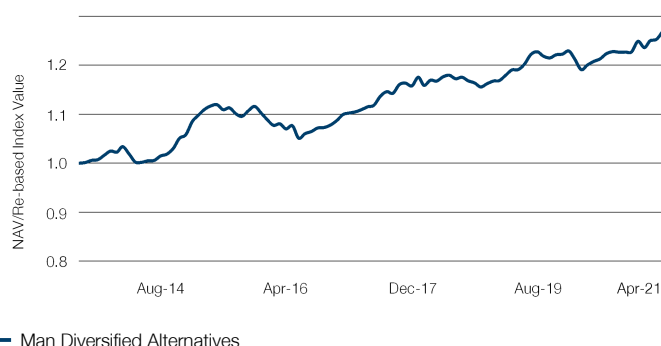
Launch date	13 August 2013
Fund AUM ¹	(AUD) 1,486,081
Portfolio manager	David Kingsley
Currencies	AUD
Minimum investment	A\$5,000
APIR	MAN0004AU

Net Performance Statistics*²

	Fund
Last month	1.27 %
Last 3 months	2.66 %
Year to date	1.60 %
Last 1 year	5.70 %
Last 3 years annualised	2.81 %
Last 5 years annualised	3.47 %
Since inception	26.89 %
Annualised volatility since inception	3.05 %
Annualised return since inception	3.13 %
Sharpe ratio	0.46

Net track record*

13 August 2013 to 30 April 2021



Historical performance²

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD ³
2021	-1.03 %	1.12 %	0.25 %	1.27 %									1.60 %
2020	0.51 %	-1.36 %	-1.75 %	0.78 %	0.62 %	0.41 %	0.88 %	0.35 %	-0.08 %	0.02 %	0.03 %	1.75 %	2.13 %
2019	0.46 %	0.08 %	0.94 %	0.91 %	0.07 %	0.94 %	1.63 %	0.45 %	-0.73 %	-0.28 %	0.52 %	0.12 %	5.19 %
2018	1.52 %	-1.41 %	0.90 %	-0.15 %	0.73 %	0.29 %	-0.61 %	0.26 %	-0.62 %	-0.37 %	-0.70 %	0.59 %	0.39 %
2017	1.16 %	0.27 %	0.22 %	0.41 %	0.54 %	0.29 %	1.63 %	0.83 %	-0.29 %	1.54 %	0.26 %	-0.47 %	6.55 %
2016	-1.29 %	-1.01 %	0.28 %	-0.95 %	0.60 %	-2.35 %	0.88 %	0.41 %	0.68 %	0.08 %	0.45 %	0.84 %	-1.43 %
2015	2.50 %	1.14 %	1.13 %	0.64 %	0.25 %	-0.91 %	0.32 %	-1.09 %	-0.45 %	1.06 %	0.78 %	-1.21 %	4.18 %
2014	-0.21 %	1.10 %	-1.45 %	-1.61 %	-0.06 %	0.31 %	0.09 %	0.89 %	0.36 %	1.14 %	2.00 %	0.72 %	3.27 %
2013								0.15 %	0.44 %	0.15 %	0.87 %	0.86 %	2.49 %

*Unless otherwise indicated, the performance data in this report is based on the reporting unit class of the Fund (shown in blue in the NAV table). Past performance is not a reliable indicator of future performance. Returns may increase or decrease as a result of currency fluctuations. Performance data is shown net of all fees with income reinvested and does not take into account sales and redemption charges where such costs are applicable. The performance chart above is expressed in log scale to uniformly illustrate percentage changes each month. It shows the actual trading results of the Fund. It is not designed to predict or forecast the future performance of the Fund.

This material is of a promotional nature

Commentary

The Fund reported a positive return in April with gains across all of its strategy groups. Global equity markets continued to rise during the month as robust first-quarter earnings and the release of supportive economic data outweighed concerns about the pandemic, boosting investor sentiment.

Across the Equity Long Short strategies, the stock picking skill of the underlying portfolio managers was the main driver of returns this month with Idiosyncratic risk contributing most. The main contributors and detractors to these idiosyncratic returns are discussed in detail below. Among the strategy's other risk attributes, both Industry risk and Style contributed positively, while Market and Country risk were flat for the month. Though Style risk's year to date contribution to returns remains in negative territory, this month saw the strategy's overall tilt against European value (towards growth) pay off. Of the strategy's 15 developed underlying strategies, the majority were positive for the month. UK Core, Risk Arbitrage and Europe Consumer were the top performing strategies on the platform this month. UK Core continues to benefit from companies that the investment team believe are poised to emerge from the pandemic environment in a stronger position. This includes a long position in Diageo, which rose in April following an upgrade from HSBC. Meanwhile, from a deal perspective, Risk Arbitrage benefitted from the US Federal Trade Commission authorizing AstraZeneca's acquisition of Alexion Pharmaceuticals. Finally, Europe Consumer saw long positions in both JS Global and Kering perform well after reporting strong results. On the flip side, it was a difficult month for Medical Devices and Pharmaceuticals. The underlying strategy saw a long position in iRhythm Technologies fall dramatically after the digital healthcare provider cautioned that new US Medicare reimbursement rates would have a significant negative impact on its revenue.

Within Risk Seeking, TargetRisk posted positive returns over the month, with profits recorded in most equity regions, with US stocks leading the gains. Credit index positions gained from tighter spreads across the US and Europe and inflation-robust assets continued their positive run as well, with gains once again coming from both the commodities index position as well as inflation-linked bonds. Trading in government bonds finished in the red for the month, with little price action to drive performance on the positive or negative side of the ledger. Event Driven's continued run of profits was driven by the ongoing supportive backdrop of Global M&A activity. YTD 2021 has been a record year for M&A with North American accounting for a large proportion of the overall activity, while there has also been a material uptick in cross border deals and unsolicited proposals.

And finally within the Diversifying strategy group, AHL Trend saw positive overall performance in equities, which was topped by longs in Taiwan's TAIEX and MSCI indices which rose over 5% on the month as the semiconductor shortage helped spur Taiwan's economy by its fastest rate in over 10 years and companies rushed to build new production lines. Longs in Japanese indices detracted. Credit spreads also tightened, with gains dominated by short CDS positions in US indices, although a small loss was made in the Asian ex Japan index. Fixed income yields in April took a respite from their recent rising theme, which resulted in a loss from the Fund's small aggregate short positions. Although individual market attributions were not material, losses were dominated by Canadian and US instruments, while small gains were made in their European counterparts. Losses in FX trading were also small in aggregate, and individual gains or losses depended broadly on positioning against the US dollar. Long positions in the greenback against the Swiss franc and New Zealand dollar were worst hit as the US Federal Reserve struck a dovish tone and US Treasury yields declined. Similar reasoning played out well for shorts against the Euro and Canadian dollar.

There have been no material changes to the Fund's risk profile and investment strategy since the last monthly report. There have also been no changes to the individuals who play a key role in the investment decisions of the Fund since the last monthly report.

Equity Attribution Analysis

Month to date allocation and attribution by holding

Holding	Allocation	Contribution
Man GLG Alpha Select	17.4 %	0.4 %
Man GLG European Equity Alternative	16.9 %	0.4 %
Man GLG European Mid-Cap Equity Alternative	14.1 %	0.2 %
Man AHL Trend Alternative	8.2 %	0.1 %
GLG Event Driven Alt	8.4 %	0.1 %
Man GLG Global Convertibles	15.9 %	0.1 %
Man AHL TargetRisk	7.5 %	0.1 %
Overlay, cash and other	11.5 %	0.0 %

Month to date allocation and attribution by strategy

Holding	Allocation	Contribution
Long / short	48.4 %	0.9 %
Risk	31.9 %	0.3 %
Diversifying	8.2 %	0.1 %
Overlay, cash and Other	11.5 %	0.0 %

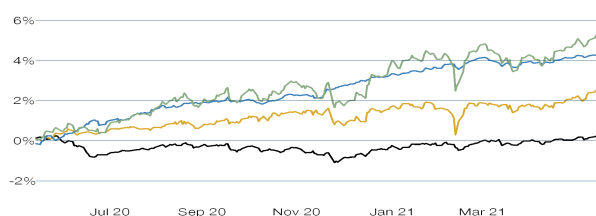
Year to date attribution by holding

Holding	Contribution
Man GLG European Mid-Cap Equity Alternative	0.4 %
GLG Event Driven Alt	0.4 %
Man AHL Trend Alternative	0.3 %
Man GLG Alpha Select	0.3 %
Man GLG Global Convertibles	0.3 %
Man GLG European Equity Alternative	0.1 %
Man AHL TargetRisk	0.0 %
Overlay, cash and other	-0.2 %

Year to date attribution by strategy

Holding	Contribution
Long / short	0.9 %
Risk	0.7 %
Diversifying	0.3 %
Overlay, cash and other	-0.2 %

Strategy contributions and Fund returns



— Diversifying Strategies
— Equity Long Short Strategies
— Risk Seeking Strategies
— Total

Strategy and Risk Factor Stand Alone VaR (97.7%)

Total Fund	Equity	Spread	FX	Interest Rate	Commodity	Vega
0.56 %	0.45 %	0.04 %	0.07 %	0.03 %	0.03 %	0.03 %

Risk and Beta Exposures

Equity Exposure	CS10% adj (bps)	Dv01 (bps)	Vega (bps)	S&P Beta (Total portfolio)	MSCI World Beta (Equity Only)
28.97 %	-15.33	-0.88	3.97	0.28	0.28

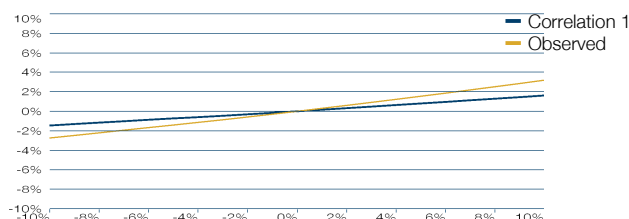
Historical replays

Sept 11 (7th - 21st Sept 2001)	Banking Crisis (6th - 20th Nov 2008)	Greek Crisis (23rd April - 7th May 2010)	Lehman Crisis (26th Sept - 10 Oct 2008)	Equity Mkt Rebound (9th -23rd March 2009)
-4.09 %	-5.95 %	-2.05 %	-5.36 %	7.64 %

Scenarios analysis (uncorrelated)

Equity +10%	Equity -10%	Rate +100bps	Rate -100bps	Credit spread +10%	Credit spread -10%	Volatility +500bps	Volatility -500bps	FX +10%	FX -10%
1.62 %	-1.46 %	-0.46 %	0.21 %	-0.10 %	0.10 %	0.28 %	-0.27 %	0.52 %	-0.57 %

Equity market slide



NAVs^{1,5}

Class	NAV	ISIN	Bloomberg	2018 Return	2019 Return	2020 Return
INW H AUD Acc	1.1083	AU60MAN00047		0.39 %	5.19 %	2.13 %

¹ Funds under management are as at the date of this monthly report. Past performance is not a reliable indicator of future performance. ² Past performance is not a reliable indicator of future performance. Performance figures are calculated net of all fees and assumes all distributions are reinvested. ³ When 12 months of performance data is unavailable for a calendar year, partial year to date is shown. ⁴ This is the redemption price per unit in the Fund (Unit) as at the date of this monthly report. ⁵ The performance data is based on the reporting unit class of the Fund (shown in blue in the NAV table). Information on the valuation of Units can be found at www.man.com/mandiversifiedalternatives.

Important Information

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The offer of Units in New Zealand is made pursuant to and in accordance with subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014. Investors receiving the PDS in New Zealand should read the 'New Zealand Unitholders: Warning Statement' in Section 11 of the PDS.

The information contained and used in this document is general information only and it has been prepared without taking into account anyone's objectives, financial situation or needs so before acting on it, consider its appropriateness to your circumstances. Persons considering investing in the Units should carefully read all of the PDS and speak to their financial advisor before making an investment decision. Please also refer to the Identification Requirements document. US Persons are not eligible to subscribe for Units pursuant to the PDS. Terms capitalised and used in this document have the same meaning as in the PDS. The data contained in this report is provided from the Man database.

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Man Investments Australia Limited
Level 27, Chifley Tower, 2 Chifley Square, Sydney NSW 2000 Australia