

## January 2020 Statistics\*

YTD	Month return	AUM (AUD)	Month change	Rolling 12M Volatility	Month change
6.33%	↑6.33%	6.4M	→0.0M	9.83%	0.74pp

## Ark Global Fund January 2020 Commentary

## Ark Global Fund performance\*

- January performance was +6.3% for AUD Unhedged units and +1.6% for AUD Hedged units
- Fund One Class B Shares (the underlying investment) have returned +25.5% for the 31 months since inception. Holders of AUD Unhedged units would have received a return of +46.1% for the same period
- The best-performing assets for the month were: Gold (+2.16% of NAV), Topix (+2.13% of NAV), and 10 Year Government of Canada Bond (+1.68% of NAV)
- The worst-performing assets for the month were: E-mini S&P 500 (-1.90% of NAV), Silver (-1.89% of NAV), and Copper (-1.73% of NAV)

## Global forces in January

A new year - a new decade - brought plenty of buffeting for global markets. Early in January the US and Iran were moving steadily towards open warfare after the Soleimani assassination. Markets teetered, but the S&P 500 was back to hitting all-time highs shortly after the funeral. Mid-month the US and China signed their phase one trade deal, nudging US markets higher still. Late January was dominated by the Coronavirus, which spread globally from Wuhan and caused the World Health Organisation to declare a global health emergency for just the sixth time. And of course, the long dance towards the 2020 US election continued, with the Democrats shortlisting some very different nominees while the Republican-led Senate inched agonisingly towards the inevitable acquittal of Trump on impeachment charges. Oh, and Vladimir Putin replaced his entire government and redrafted the Russian constitution. A busy start to the year!

Market reactions to these events suggest some interesting dynamics in the constant conversation between money and news. It didn't take much of a trade deal for markets to shrug off the US-Iran conflict. And once it was out of the news, the two countries seemed happy to leave it alone too. The impact of Coronavirus has been significant, knocking 3% of the S&P 500 at one point. But the speed at which the 24 hour media can dig up comparisons with previous outbreaks means a killer flu has to break records to cause a real market dip these days. By the end of the month, it became clear that it's a helicopter crash, not a market crash, that people will remember from January 2020.

## Something to leave you with

Something different this month: time to play Coronavirus Factcheck. Three of the following four statements are correct, one is fake news. You have to pick the fake. Let's play!

- Experts estimate Coronavirus to have close to a 5% fatality rate
- As at 29 January, reported cases and fatalities gave Coronavirus a 2.6% fatality rate
- In Australia in 2019, influenza was responsible for over 800 deaths (by October 6) at a 0.27% fatality rate
- The only thing that can stop Liverpool winning the EPL this year is a killer flu pandemic

\* All performance figures are estimates only and are subject to confirmation from the Fund's administrator. The Ark Global Fund was established in August 2019 and all performance data prior to this period has been simulated by using the performance of the underlying investment, Fund One. The simulation does not take into account the impact of bank fees, hedging costs, other expenses, and any uninvested operating cash balances.

## Fundamentals

AUM (Jan. 31, 2020)	6.4M AUD
Inception	Aug. 1, 2019
Structure	Unit Trust
Domicile	Australia
UCITS?	No
Managed account?	No

## Strategy Overview

Type of Fund	Fund of Funds
Style	Fund of Hedge Funds
Strategy	None
Methodology	Quantitative
Region Exposure	World

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## Management Team

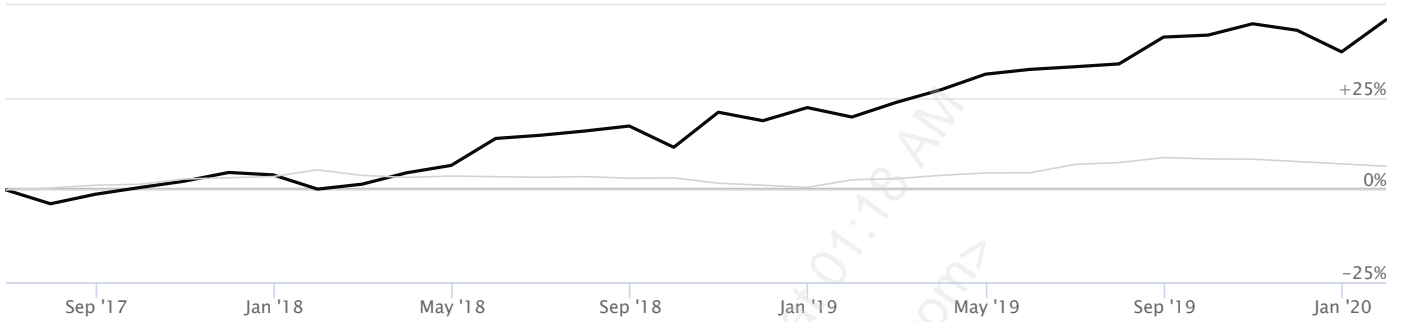
Director	Mike Gilbert
Director	Clint Maddock

Statistics - Since Inception\*

	CAGR	Volatility	Sharpe	Max DD	Alpha	Beta
Ark Global Fund	15.80%	10.91%	1.24	-5.24%	14.16%	n/a
Eurekahedge Macro Hedge Fund NR LCL	2.44%	3.03%	0.22	-4.49%	-	-

Cumulative Returns since Inception\*

■ Ark Global Fund ■ Eurekahedge Macro Hedge Fund NR LCL



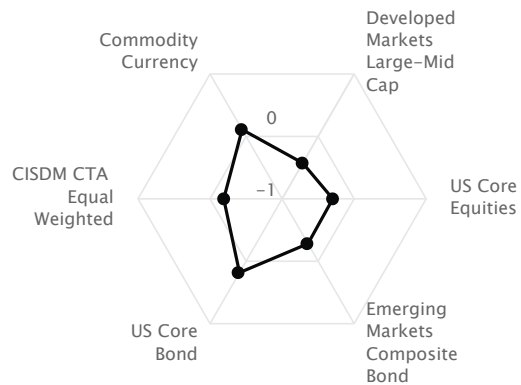
Monthly Returns over the Last 4 Years\*

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2017	-	-	-	-	-	-	-3.75%	2.66%	1.85%	1.70%	2.32%	-0.62%	4.07%
2018	-3.70%	1.34%	3.03%	1.91%	6.85%	0.75%	1.00%	1.17%	-4.91%	8.51%	-1.89%	2.99%	17.51%
2019	-2.09%	3.32%	2.75%	3.32%	0.99%	0.54%	0.58%	5.42%	0.37%	2.16%	-1.21%	-4.08%	12.34%
2020	6.33%	-	-	-	-	-	-	-	-	-	-	-	6.33%

Volatility and Tail Risk

	Ark Global Fund	Eurekahedge Macro H...
Annualized Volatility	10.91%	3.03%
Annualized Gain Volatility	7.52%	2.32%
Annualized Loss Volatility	5.30%	1.43%
Annualized Downside Volatility (5%)	6.15%	1.80%
Skewness	0.06	0.48

Correlations to Morningstar Indices



Volatility and Tail Risk

	Ark Global Fund	Eurekahedge Macro H...
Kurtosis	0.20	0.17

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