

Quadriga Igneo UCITS

31 Dec 2019

Quadriga Igneo UCITS is a liquid absolute return strategy with a long bias to the Precious Metals sector and US treasuries, a long bias to implied volatility, and long-only tail risk insurance. Quadriga Igneo UCITS follows a proprietary multifactor investment process that combines both fundamental and quantitative inputs, including top-down macro, geopolitics, bottom-ups micro, technical analysis, and flow analysis, within a disciplined framework for portfolio construction and risk management.



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Quadriga Igneo UCITS Update

Quadriga Igneo UCITS was **-0.9% Full Year 2019** which combined with **+3%+ Jan as of cob 7th Jan** brings net cumulative gains since inception to **+13.1%**, which we achieved with asymmetric risk-adjusted returns (as per **+1.3 Sortino Ratio**), and with **strong negative correlation** during hostile markets.

December was another month of relentless risk-on fueled by positive narrative on the US-China Trade Wars and follow-through from October's "insurance rate cut" by the Federal Reserve, which brought the SPX to yet new all-time highs, shrugging-off weak macro-economic data and puzzling developments in the US repo markets.

Unlike November, December witnessed a pick-up in implied and realized volatility across asset classes and higher prices for Precious metals. December also witnessed a reversal in European Government Bonds yields from deeply negative territory. Very notably, the Riksbank (Central Bank of Sweden) the first Central Bank to impose negative interest rates in July 2009, raised interest rates back to 0%.

Looking forward, we believe that we are currently witnessing a paradigm shift whereby Central Banks and Governments that are seeking to transform too-big-to-fail bubbles into inflation via pre-emptive monetary and fiscal policies without limits, with an End Game that is becoming increasingly polarized between two extremes of 1) bubble burst and 2) inflation (most likely stagflation).

Monthly Update

Quadriga Igneo

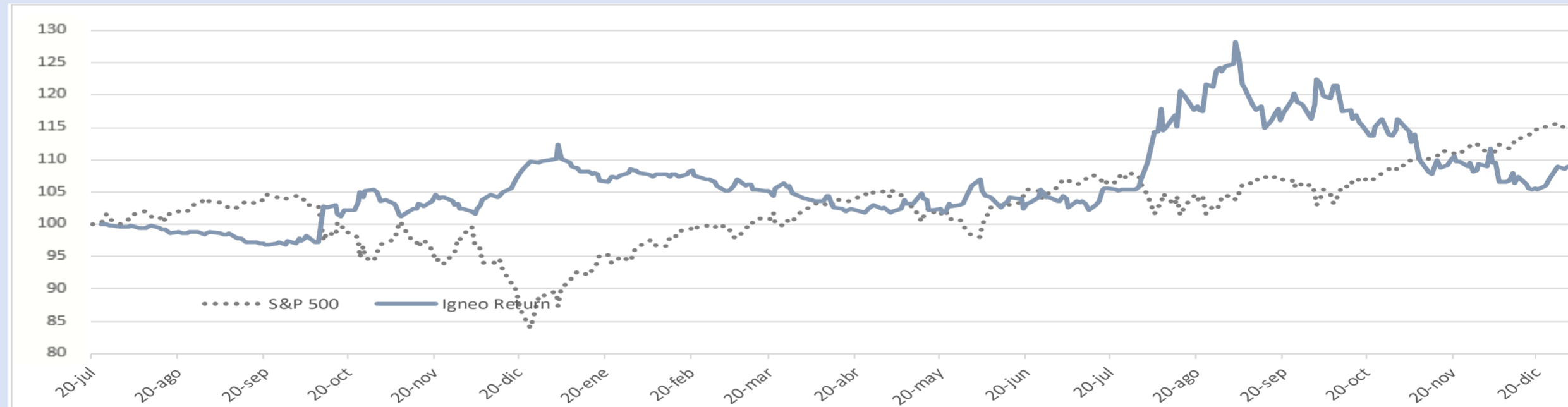
Positioning

Precious Metals	Notional	g-Beta	g-Delta
Gold	27.4%	100%	27%
Silver	10.5%	150%	16%
Platinum	6.7%	70%	5%
Palladium	-	60%	-
Gold Miners	0.1%	150%	0.1%
Put Options	-	-	-
Total Precious			

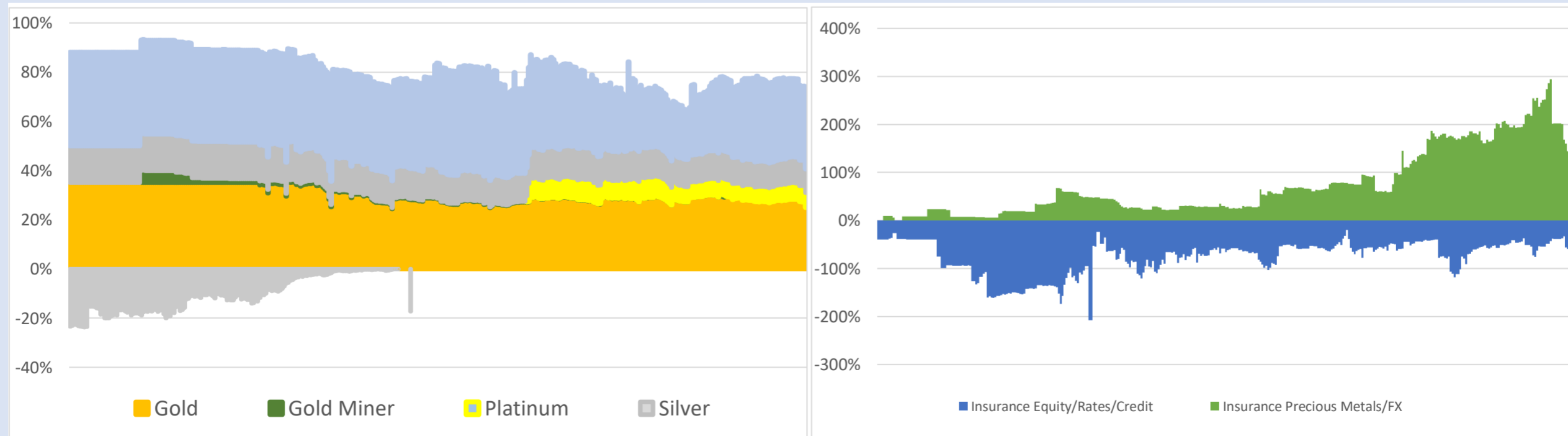
US Treasury	Notional	Duration
US T-Bills	-	1.0
UST 5 year	-	4.8
UST 10 year	-	8.7
UST 20 year	12.9%	15.7
UST 30 year	16.6%	19.0
Put Options	-	-
Total UST		

	Premium	Year	Premium
Call Precious Metals	(8.1%)	2020	(10.1%)
Call Treasuries & Rates	(0.9%)	2021	(5.18%)
Call USD vs DM FX	(4.6%)	2022+	(2.50%)
Call USD vs EM FX	(0.1%)		
Put Credit & High Yield	-		
Put Public Equities	(4.0%)		
Total	(17.8%)	Total	(17.8%)

Absolute Allocations (% Live Delta)



Absolute Performance (%)



2018	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	FY 2018
Quadriga Igneo UCITS							-0.1%	-0.9%	-1.3%	6.3%	-1.2%	7.3%	9.9%
2019	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	FY 2019
Quadriga Igneo UCITS	-1.3%	-1.7%	-1.9%	-1.9%	3.3%	-1.7%	2.5%	16.5%	-6.5%	0.1%	-5.9%	-0.5%	-0.9%

DISCLAIMER. This fact sheet is not a sales prospectus. The materials are intended solely for general information about the Strategy. Past performance is no guarantee of future results. Realized performance may differ from Target Performance, and can be positive or negative. Calculations do not include any fees.