

**Quadrigo Igneo UCITS**

**31 AUG 2019**

Quadrigo 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. Quadrigo 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.



**Quadrigo Igneo UCITS Update**

August was very busy in events that affected global markets, especially Emerging Markets where equities fell close to 5% while developed equities fell just 1,5%. Trade war and economic slowdown brought a big rally in 10Y treasuries (+3,9%) and precious metals, with gold up 7% and silver finally outperforming with 12% performance. In terms of macro outlook, as discussed during precious updates and Aug intra-month email update, we believe the Chinese Yuan breaking the almighty 7 USDCNH “ceiling” on 2<sup>nd</sup> Aug 2019 was a truly MAJOR development and an inflection point for global markets, currency wars, and trade wars, that reinforces and accelerates our contrarian investment thesis, posing extraordinary risks and offering extraordinary opportunities to investors, in our view. Quadrigo Igneo UCITS class A was **+16.5% Aug 2019**, bringing cumulative net absolute return gains to **+24.4% (+21.8% p.a.)** since inception, and bringing risk adjusted returns to **+1.3 Sharpe Ratio** (return per unit of “average volatility”). Looking forward, Igneo remains very well positioned to continue to perform strongly, in line with its objectives and mandate 1) capital and profit preservation 2) high absolute returns during hostile markets, and 3) neutral/positive carry during neutral and benign markets, as we continue to accumulate and actively monetize anti-bubbles such as **tail risk with neutral/positive carry**.

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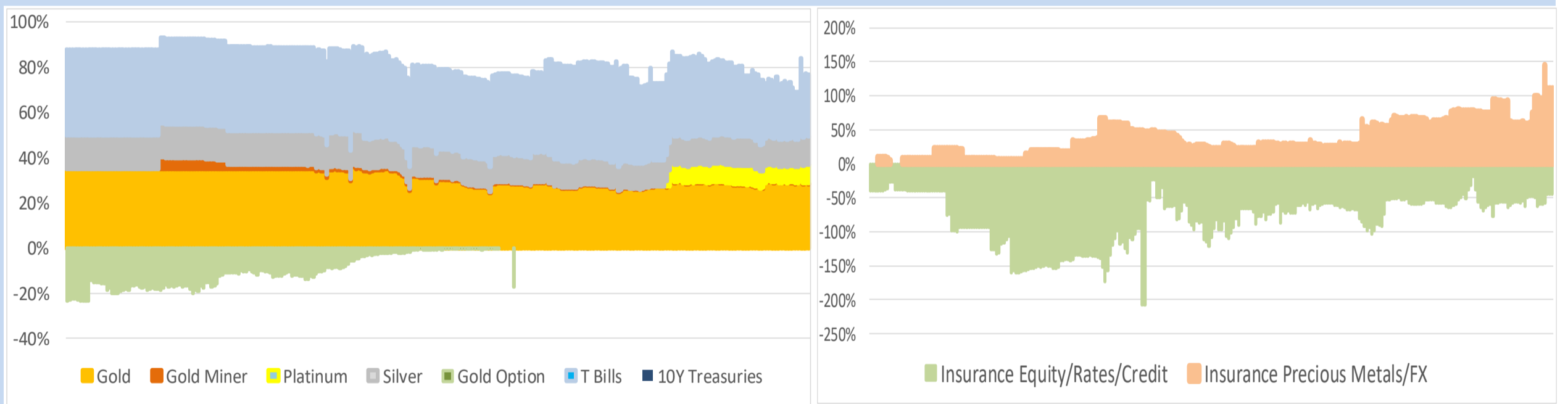
**Quadrigo IGNEO**

Precious Metals	Notional	g-Beta	g-Delta
Gold	29%	100%	29%
Silver	13%	150%	19%
Platinum	8%	70%	6%
Palladium	-	60%	-
Gold Miners	0.3%	150%	0.5%
Put Options	-	-	-
<b>Total Precious</b>			

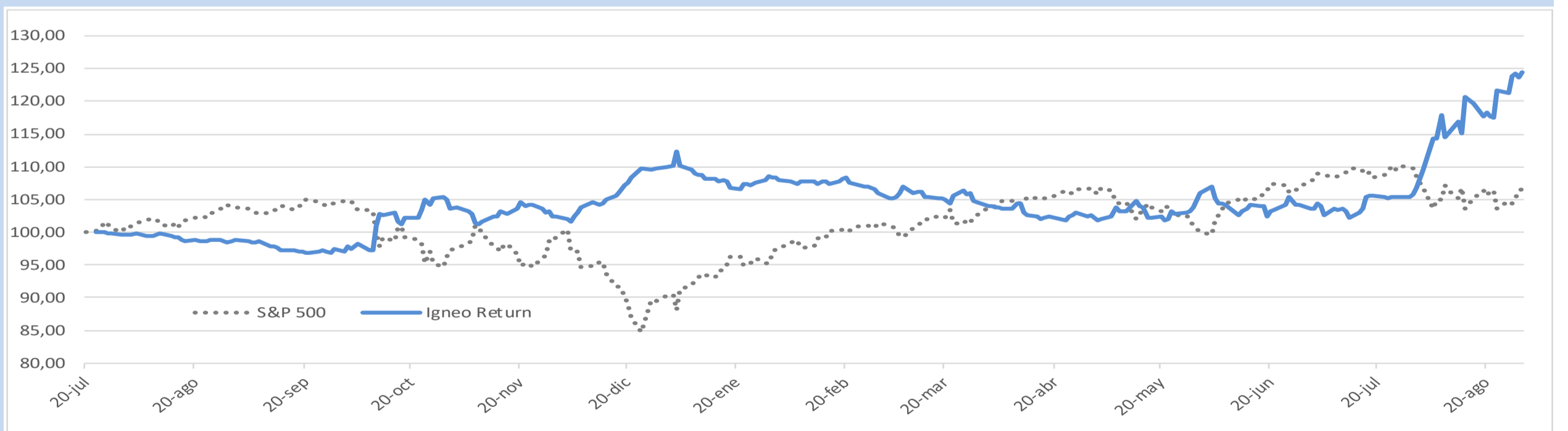
US Treasurie	Notional	Duration
US T-Bills	-	1.0
UST 5 year	-	4.8
UST 10 year	25.9%	8.7
UST 20 year	-	15.7
UST 30 year	-	19.0
Put Options	-	-
<b>Total UST</b>		

Long Insurance	Notional	Exposure	Vega
Call Precious Metals	184%	60%	0.19%
Call Treasuries & Rates	173%	9%	-
Call USD vs DM FX	173%	20%	1.30%
Call USD vs EM FX	321%	40%	0.47%
Put Credit & High Yield	-	-	-
Put Public Equities	291%	(44%)	0.39%

**Absolute Allocations (% Live Delta)**



**Absolute Performance (%)**



2018	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	FY 2018
Quadrigo Igneo UCITS							-0.1%	-0.9%	-1.3%	6.3%	-1.2%	7.3%	<b>9.9%</b>
2019	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	FY 2019
Quadrigo Igneo UCITS	-1.3%	-1.7%	-1.9%	-1.9%	3.3%	-1.7%	2.5%	16.5%					<b>13.2%</b>

**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.