

Quadriga Aqua UCITS

30th jun 2023

Quadriga AQUA UCITS is a liquid absolute return strategy focused on 1) capital preservation, 2) large absolute returns during risk on markets, and 3) flat to low negative returns in hostile markets, which we achieve via a structural allocation to anti-bubbles and anti-crisis strategies via long-only options. Managed on a discretionary basis following a disciplined framework and risk limits which include 1) no leverage, 2) no outright shorts, 3) long only options, combining fundamnetal top-down macro, bottom-up micro, quantitative, technical, and positioning analysis, within a disciplined framework for portfolio construction and risk management.



Diego Parrilla

Chief Investment Officer
diego.parrilla@quadrigafunds.es

Alfonso Torres

Senior Portfolio Manager
alfonso.torres@quadrigafunds.es

Monthly Commentary

What happened during the month? Quadriga Aqua UCITS is +4,6% in June. During the month of June we saw a very strong equity markets with SPX +6,6%, Nikkey +7,56%, Sotx 600 +2,45% and high yield bonds also higher. The USD basically outperformed Asian currencies (USDJPY +3,5%, USDCNH +2,1%) while losing ground with the preferred carry trades (USDMXN -3,2%, USDBRL -5,3%). Treasuries and Precious metals underperformed. Market is pricing lower probabilities of a hard landing and central banks are pointing to higher rates during 2023. We keep witnessing the dispersion in data, with manufacturing PMIs and new orders is recessionary territory, while consumer confidence has rebounded slightly and consumer disposable income keeps being healthy. We think companies in general are enjoying a very good cash situation due to the very cheap funding they got during pandemic, but we see with worry the refunding cliff that comes in the second half of 2023 and 2024. The equity markets look as expensive as they have been in decades compared to government and corporate yields, and while earnings expectations keep holding well we see high risk in margins coming from lower inflation and lower consumer savings. We keep having the portfolio well prepared to protect our equity exposure.

Class	Currency	ISIN	Fees
A	USD	LU1871084460	1,5%/0%
B	USD	LU1871084544	0%/20%
(Retro)C	USD	LU2357187157	2,0%/0%

Positioning Aqua UCITS

Positioning	Start Month	End Month	Total %
US EQUITIES	100.0%	104.0%	4.0%
INSURANCE	7.2%	9.4%	2.2%

Options (% AUM)	2023	2024	2025	>2025	Total
Gold & PM	0.0%	2.9%	0.4%	0.6%	3.8%
SPX & Vix	0.2%	2.6%	0.0%	0.0%	2.9%
FX & Rates	0.6%	0.2%	0.0%	1.9%	2.7%
Total	0.9%	5.7%	0.4%	2.5%	9.4%

Performance Attribution Aqua UCITS

Attribution %	Month %	YTD	LTD
US EQUITIES	6.5%	16.4%	85.6%
INSURANCE	-1.9%	-5.1%	-16.8%
AQUA	4.6%	11.4%	68.8%

Rebalancing	LTD Passive	LTD Reb	Reb Effect
US EQUITIES	74.1%	85.6%	11.5%
INSURANCE	-10.1%	-16.8%	-6.7%
	64.0%	68.8%	4.8%

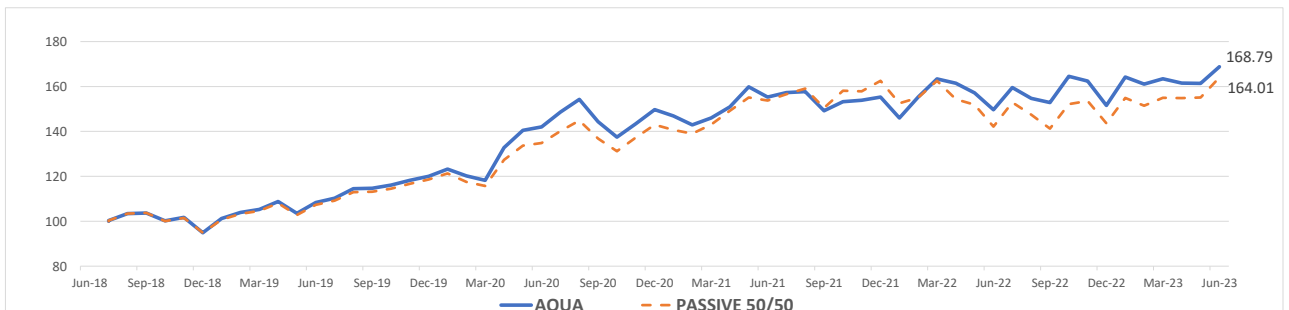
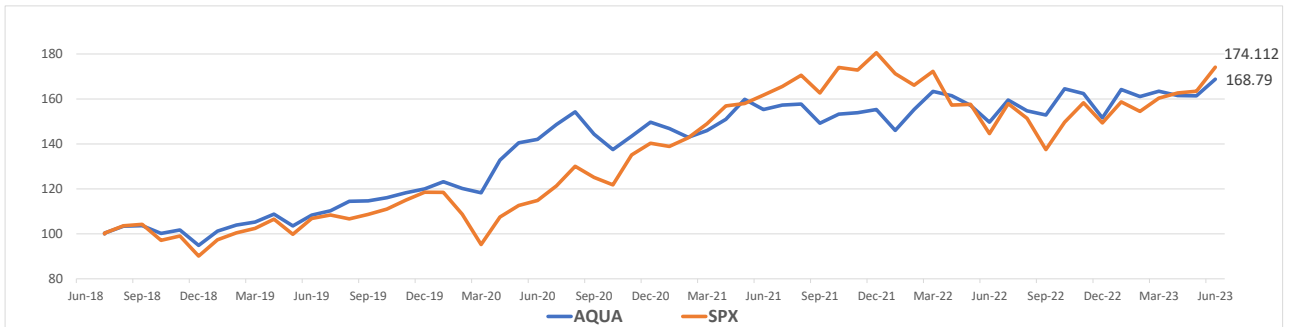
Closed/Restructured positions: We rolled our VIX call Spread. We closed USD TWD call

New Trades: We entered a SPX put with resettable strike

Absolute and Relative Performance and Risk

	Monthly (%)	YTD (%)	LTD (%)	LTD (% p.a.)	Vol (%)	Sharpe	Sortino	Peak Trough	NAV
SPX	6.5%	16.4%	74.1%	11.7%	18.8%	0.6	1.0	-23.9%	174.1
AQUA	4.6%	11.3%	68.8%	11.0%	14.2%	0.8	1.6	-10.9%	168.8
Difference	-2.0%	-5.1%	-5.3%	-0.7%	-4.6%	0.2	0.6	13.0%	-5.3

Historical Performance



Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	Total
2018	-	0.0%	0.0%	0.0%	0.0%	0.0%	0.3%	3.1%	0.3%	-3.4%	1.5%	-6.8%	2018	-5.1%
2019	6.7%	2.6%	1.3%	3.3%	-4.8%	4.6%	1.8%	3.8%	0.2%	1.2%	1.8%	1.5%	2019	26.5%
2020	2.7%	-2.5%	-1.6%	12.3%	5.8%	1.1%	4.7%	3.8%	-6.4%	-4.8%	4.3%	4.4%	2020	24.7%
2021	-1.9%	-2.7%	2.1%	3.4%	5.9%	-2.9%	1.3%	0.3%	-5.4%	2.7%	0.4%	0.9%	2021	3.7%
2022	-6.0%	6.4%	5.2%	-1.2%	-2.7%	-4.8%	6.6%	-3.0%	-1.2%	7.6%	-1.3%		2022	4.6%
2023	8.3%	-1.9%	1.4%	-1.2%	-0.1%	4.6%							2023	11.4%

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. The NAV of class A displayed in the factsheet is computed net of management and performance fees. The strategy is also available via other share classes in USD, EUR, and GBP with different management and performance fees, and minimum investment amount. All share classes available with daily liquidity at NAV.