

## Quadriga Aqua UCITS

31st Aug 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.



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## Monthly Commentary

What happened during the month? Quadriga Aqua UCITS is -1,1% in August. During August we saw a correction of the previous two month rallies in developed market equities with SPX -1,59% and SXXP -2,51%, emerging markets found a deeper correction (-6,63%) with Chinese Hang Seng leading (-8,23%) due to very weak economic data and high worries coming from the troubled housing market. Stronger than expected macro numbers in the first couple of weeks pushed yields much higher correcting during last week to end +15bps in 10y treasuries (-1bps 2y, +8bps 5y, +21bps 30y), with a clear bear steepening. Higher yields helped precious metals down (gold -1,42%, silver -1,20%), Industrial metals as well corrected (Copper -5,6%, Aluminum -3,26%) with China woes in focus. USD stronger across the board with EUR and CHF down by -1,35%, JPY down by 2,29% and CNH down by 1,8%. China has been the main focus last few months, the imploding housing market, the related defaults in corporate bonds, and the overall high level of indebtedness are worrying investors. While the internal problems in China are very important issues, we think the major problem is that China may not be able to serve as a source of additional demand during the next crisis, as it has been the case since 2009, which could pose significant issues for the upcoming downturn. We continue to add inexpensive protection as the market becomes increasingly complacent.

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%	99.8%	-0.2%
INSURANCE	8.5%	10.0%	1.5%

Options (% AUM)	2023	2024	2025	>2025	Total
Gold & PM	0.0%	3.2%	0.4%	0.7%	4.3%
SPX & Vix	0.1%	2.5%	0.0%	0.0%	2.5%
FX & Rates	0.6%	0.1%	0.0%	2.3%	3.1%
<b>Total</b>	<b>0.7%</b>	<b>5.8%</b>	<b>0.4%</b>	<b>3.0%</b>	<b>10.0%</b>

## Performance Attribution Aqua UCITS

Attribution %	Month %	YTD	LTD
US EQUITIES	-1.6%	18.2%	88.2%
INSURANCE	0.4%	-7.0%	-19.6%
AQUA	-1.1%	11.2%	68.6%

Rebalancing	LTD Passive	LTD Reb	Reb Effect
US EQUITIES	76.7%	88.2%	11.4%
INSURANCE	-12.0%	-19.6%	-7.6%
	64.8%	68.6%	3.8%

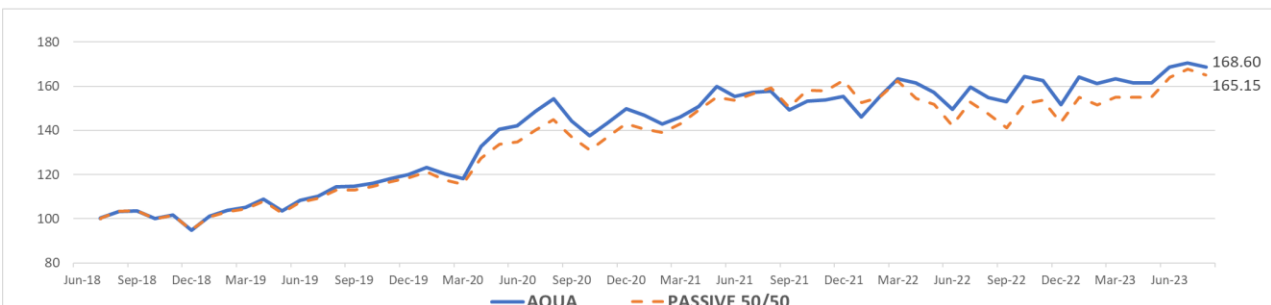
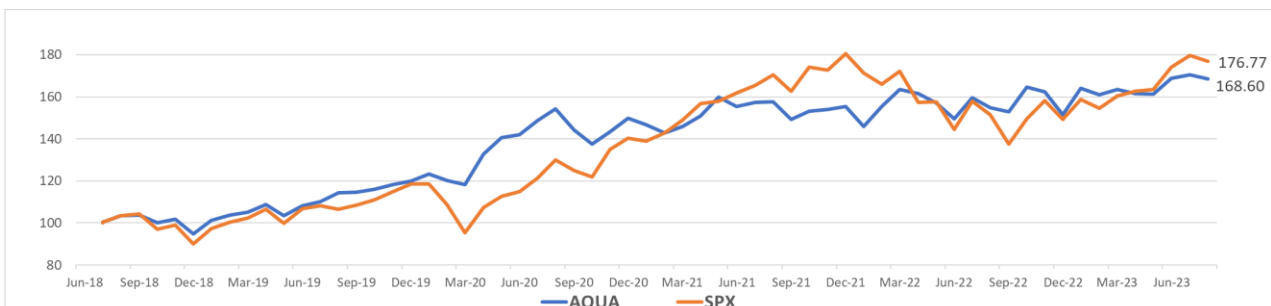
Closed/Restructured positions: We rolled our VIX call Spread.

New Trades:

## Absolute and Relative Performance and Risk

	Monthly (%)	YTD (%)	LTD (%)	LTD (% p.a.)	Vol (%)	Sharpe	Sortino	Peak Trough	NAV
SPX	-1.6%	18.2%	76.8%	11.7%	18.6%	0.6	1.0	-23.9%	176.8
AQUA	-1.1%	11.2%	68.6%	10.6%	14.0%	0.8	1.5	-10.9%	168.6
Difference	0.4%	-7.0%	-8.2%	-1.0%	-4.6%	0.1	0.5	13.0%	-8.2

## 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%	1.0%	-1.1%					2023	11.2%

**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.