

Quadriga Aqua UCITS

31st Dec 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 +2,8% in December. Again, a very aggressive risk on market during December, extending the November rally with SPX +4,5%, SXXP +3,85%, EM +3,6%, apart from China with SHSZ300 falling -1,8% and NKY flat, affected by the JPY appreciation. The markets were very well supported by the strong movement again in yields, with treasuries moving down 45bps across the curve, also helping HY bonds rally around 3%. The main theme for the markets has been the FED shift from "higher for longer" to "possible cuts", due to faster inflation declines and signs of slower growth going forward. FED skipped any reference to financial conditions or the higher "Supercore" inflation, that have been recurrent themes in its messages this year, opening the door to renewed rate cut expectations, now pricing 150 bps for 2024. The mix of lower yields and soft-landing expectations have done the job, now the market must deliver on both sides to confirm the movement. The strong performance of risk assets and the very low volatility and skew poses a great opportunity to buy protection at actual levels. We see the actual market valuations, especially in the US market, as very over extended, and we keep adding insurance to protect on any downside move.

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%	100.3%	0.3%
INSURANCE	7.1%	5.4%	-1.7%

Options (% AUM)	2024	2025	2026	>2026	Total
Gold & PM	0.5%	0.3%	0.5%	0.0%	1.3%
SPX & Vix	1.3%	0.0%	0.0%	0.0%	1.3%
FX & Rates	0.0%	0.0%	0.5%	2.3%	2.8%
Total	1.8%	0.3%	1.0%	2.3%	5.4%

Performance Attribution Aqua UCITS

Attribution %	Month %	YTD	LTD
US EQUITIES	4.4%	24.3%	97.5%
INSURANCE	-1.6%	-13.7%	-29.8%
AQUA	2.8%	10.6%	67.7%

Rebalancing	LTD Passive	LTD Reb	Reb Effect
US EQUITIES	86.7%	97.5%	10.8%
INSURANCE	-17.2%	-29.8%	-12.5%
	69.5%	67.7%	-1.8%

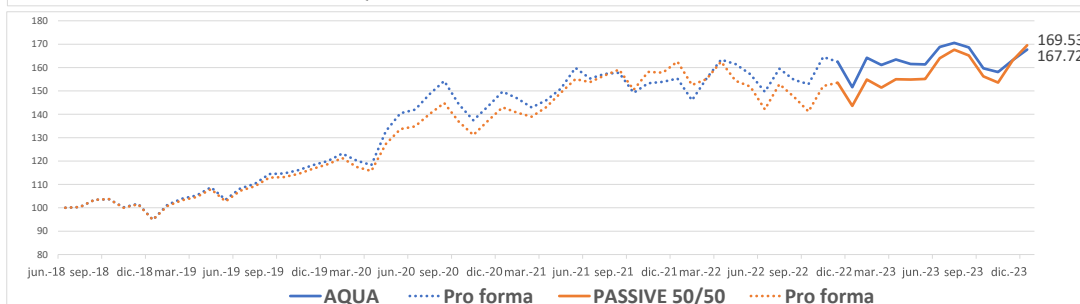
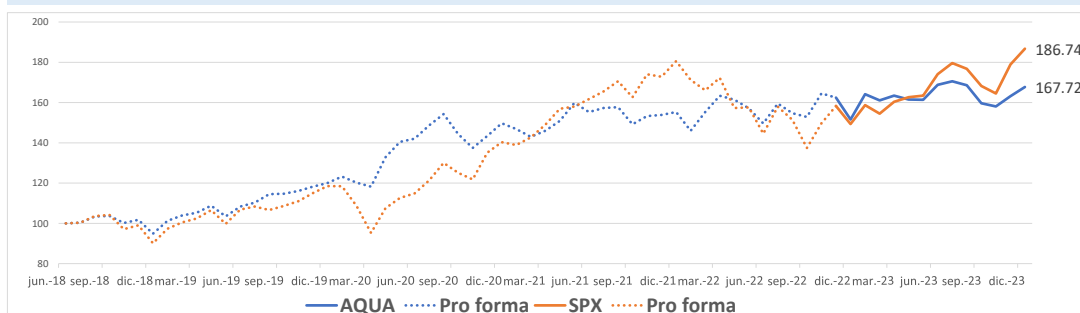
Closed/Restructured positions: We rolled our VIX call Spread.

New Trades:

Absolute and Relative Performance and Risk

	Monthly (%)	YTD (%)	LTD (%)	LTD (% p.a.)	Vol (%)	Sharpe	Sortino	Peak Trough	NAV
SPX	4.4%	24.3%	86.7%	12.0%	18.6%	0.6	1.1	-23.9%	186.7
AQUA	2.8%	10.6%	67.7%	9.9%	13.9%	0.7	1.4	-10.9%	167.7
Difference	-1.6%	-13.7%	-19.0%	-2.2%	-4.7%	0.1	0.3	13.0%	-19.0

Historical Performance



****DISCLAIMER.** Inception date for AQUA UCITS is 27/October/2022. All data depicted in historical Performance charts prior to 27/October/2022 is Pro Forma using internal calculations with SPX Index + Igneo option program.

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%	-6.7%	2022	-2.4%
2023	8.3%	-1.9%	1.4%	-1.2%	-0.1%	4.6%	1.0%	-1.1%	-5.3%	-1.0%	3.2%	2.8%	2023	10.6%

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, adn minimum investment amount. All share classes available with daily liquidity at NAV.