

Areus Pure Alpha Fund

February 2024 Commentary

The Systematic Gold Portfolio continued its run of positive performance in February (+1.44%). The unexpected jump in January inflation data has tempered expectations of an imminent Fed rate cut, with markets now fully pricing in only three 25bp rate cuts this year. In March Gold has since surged to a record high, driven by bullish sentiment and increased market confidence in a potential June Fed rate cut. The precious metal also benefited from continued central bank purchases. We continue to embark with caution as Western central banks carefully navigate rate cut expectations, balancing the risk of renewed inflation against potential harm to growth and jobs.

Portfolio Strategy Overview

The Areus Pure Alpha Fund primarily invests using a Systematic Gold (XAUUSD) Trading System.

The strategy is designed to be a technical, long-short, multi-strategy absolute returns focused portfolio, focusing on the spot Gold/USD currency pair.

The portfolio's returns come from realised trading gains in liquid spot gold transactions, via price action algorithmic trading strategies. With high trading volume and tight spreads Spot Gold is an evergreen asset class with high liquidity.

The trading portfolio is constructed with multiple diverse trading strategies to trade the spot gold instrument in order to exploit various market opportunities and inefficiencies and to diversify the portfolio's exposure to regulate overall capital drawdown.

It employs algorithms to minimise human failings and provides a systematic & risk disciplined approach in trade execution, optimising speed and scale for the portfolio

To complement the Systematic Trading System, Areus will look to allocate excess capital not required for Trading Strategy margin into The Optimus Fund, as well as other similar liquid investment grade assets including Term Deposit, NCD, cash and notice a/cs, bank bills, short duration bonds and FRNs. The Optimus Fund invests only in AUD Investment Grade, Fixed Income Securities with a minimum portfolio rating of A-.

The Areus Pure Alpha Fund seeks to deliver absolute positive double digit yearly returns in all market conditions.





Areus Pure Alpha Fund

Offer Type: Wholesale/Accredited - Unit Trust, Managed Fund.

Fund Name: Areus Pure Alpha Fund.

Asset Manager: Areus Asset Management.

Asset Manager Licensing/ Regulation: ASIC (Australian Securities & Investment Commission)

Underlying Portfolio Awards: Systematic Gold (XAUUSD) Trading System - Multiple BarclayHedge Top Ten Awards in its category for monthly performance.

Portfolio Investments: XAUUSD (Gold/USD currency pair). As well as The Optimus Fund and other similar liquid investment grade assets including term deposit, NCD, cash and notice a/cs, bank bills, short duration bonds and FRNs.

Portfolio Managers AUM: \$500m

Target Fund Returns: 20% net of fees*.

Minimum Investment Amount: \$50,000

Application/ Withdrawals: Monthly

Execution Broker: IG Group

Risks: Included in the Information Memorandum which must be read in full before considering any investment.

Management Fee: 1.99%

Performance Fee: 25% (Above HWM)

*20% is a target only and indicates what the Portfolio aims to achieve. However, there is no guarantee that the target return will be achieved.

Portfolio Returns to 29 February 2024

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2022			9.31%	9.14%	4.95%	7.80%	0.86%	6.90%	1.79%	6.92%	-4.92%	3.40%
2023	-3.59%	3.18%	0.00%	4.65%	0.78%	-0-34%	1.34%	2.90%	1.86%	2.72%	4.58%	2.18%
2024	0.90%	1.44%										

Portfolio Statistics as at 29 February 2024

Total net returns since inception	68.75%
Annualised (12mth) equivalent	34.37%
Positive months	87.71%

*Underlying Systematic Gold Trading System Portfolio inception date was 1 March 2022.
Past results are no guarantee of future returns.



Areus Pure Alpha Fund

About - Areus Asset Management

Areus Asset Management is an Australian asset management firm with the primary focus of identifying & managing what it considers to be best-in-class investment strategies & portfolios that have historically generated high risk-adjusted returns to investors. Generally, these strategies are not available to the public, or are only offered in limited geographic locations.

Areus Funds & Portfolio Products have been established as vehicles for accredited investors to access these portfolios & strategies. Access they would otherwise not have.

The Systematic Gold Trading System, which is exclusive to Areus clients, is a multi-award-winner having received six Top 10 awards for monthly performance from BarclayHedge.

About - IG Group

IG Group is responsible for the Areus Pure Alpha Fund: Systematic Gold Trading Execution Platform Services.

Founded in 1974, IG is publicly traded (LON: IGG) and regulated in eight Tier-1 jurisdictions, two Tier-2 jurisdictions, and one Tier-4 jurisdiction.

A trusted multi-asset broker, IG has been recognised time and time again by independent award panels. Having been recognised with over one hundred awards, most recently winning the coveted 2023 award as #1 overall forex broker.

About - The Optimus Fund

To complement the Systematic Gold Trading System, Areus will look to allocate excess capital not required for Trading Strategy margin into The Optimus Fund, as well as other similar liquid investment grade assets including Term Deposit, NCD, cash and notice a/cs, bank bills, short duration bonds and FRNs.

The Optimus Fund is managed by FIIG Securities. FIIG is Australia's leading independent fixed income specialist. For 25 years, they have provided investors with direct access to bond markets. They have grown to service over 6,000 clients with more than \$5bn in funds under advice and locations across Australia in Brisbane, Sydney, Melbourne and Perth.

FIIG offers a comprehensive range of fixed-income investment services for Private Clients, Intermediaries, Corporations, and Institutions, including Over-The-Counter Trading, Institutional Trading, Actively Managed Accounts, a Short-term Term Money Markets service, Debt Capital Markets and Private Debt issuance for corporate issuers, along with a dedicated, in-house, fixed-income Credit Research Team.





Our Commitment to Responsible Investing

Areus Asset Management is a proud signatory to the United Nations supported Principles for Responsible Investment (PRI), the world's leading proponent for responsible investment with over 5,000 signatories from 135 countries representing USD \$121 trillion AUM.

The PRI supports a global network of asset managers, owners and service providers to put responsible investment into practice. The six key principles which Areus will commit to, aim to provide a framework for integrating environmental, social and corporate governance (ESG) considerations into investment decision-making and ownership practices.

Signatory of:



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