Quadriga Igneo UCITS

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30 SEP 2019

Quadriga 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. Quadriga Igneo Ucits folows 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.

Quadriga ASSET MANAGERS

Monthly Update

Quadriga 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 2nd 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. Quadriga Igneo UCITS class A was **+16.5% Aug 2019**, brining 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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Positioning

Quadriga Igneo UCITS

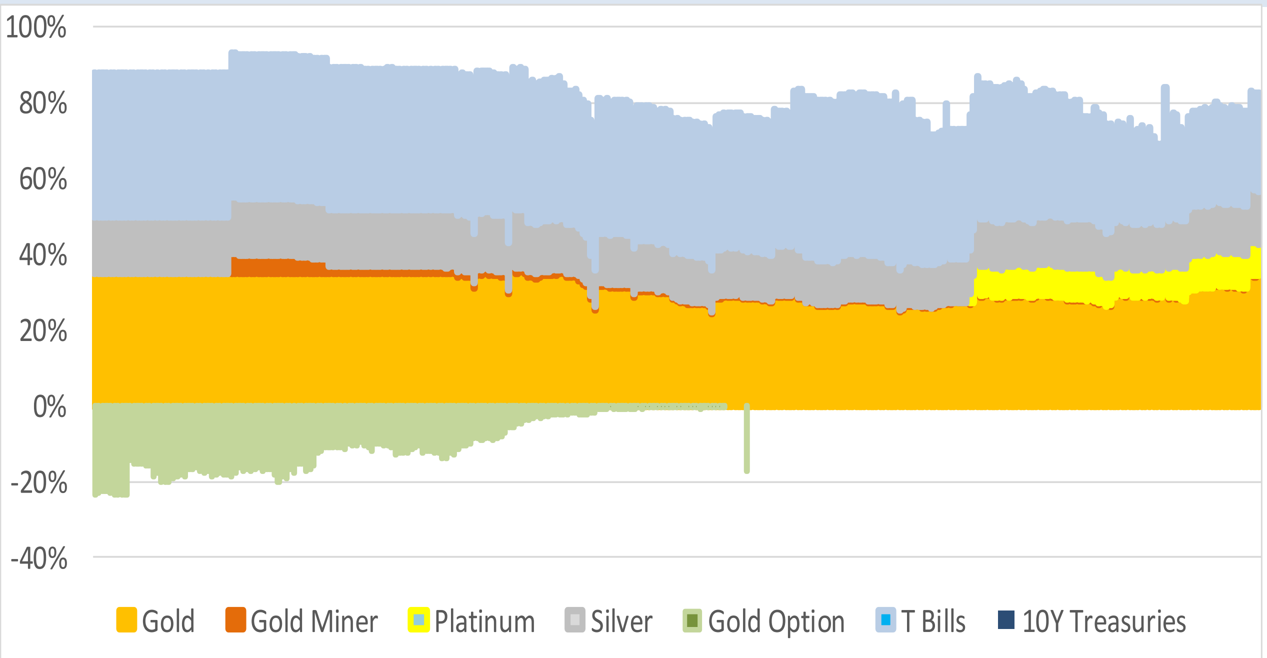
Precious Metals	Notional	g-Beta	g-Delta
Gold	28.2%	100%	28%
Silver	11.6%	150%	17%
Platinum	6.6%	70%	5%
Palladium	–	60%	–
Gold Miners	0.2%	150%	0.4%
Put Options	–	-	-
Total Precious			

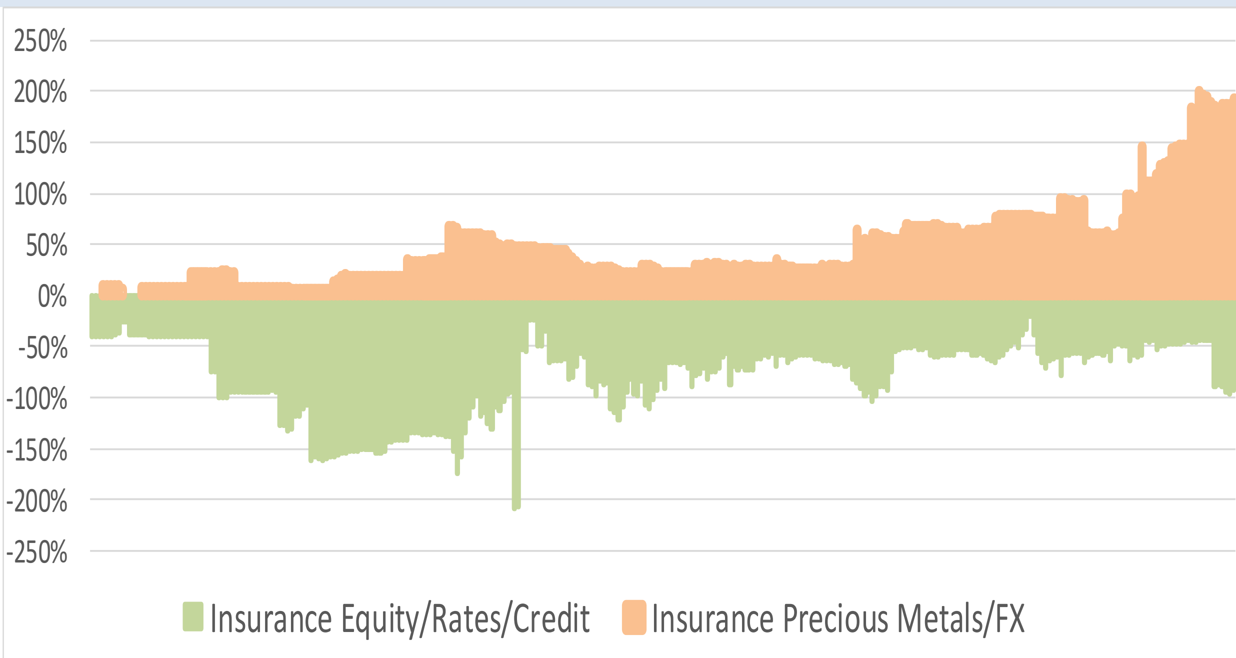
US Treasurie	Notional	Duration
US T-Bills	–	1.0
UST 5 year	–	4.8
UST 10 year	–	8.7
UST 20 year	–	15.7
UST 30 year	23.9%	19.0
Put Options	–	-
Total UST		

	Long Insurance	Notional	Exposure	Vega
Call	**Precious Metals**	256%	80%	0.32%
Call	**Treasuries & Rates**	176%	9%	–
Call	**USD vs DM FX**	300%	47%	1.32%
Call	**USD vs EM FX**	369%	40%	0.42%
Put	**Credit & High Yield**	142%	(38%)	0.25%
Put	**Public Equities**	256%	(38%)	0.34%

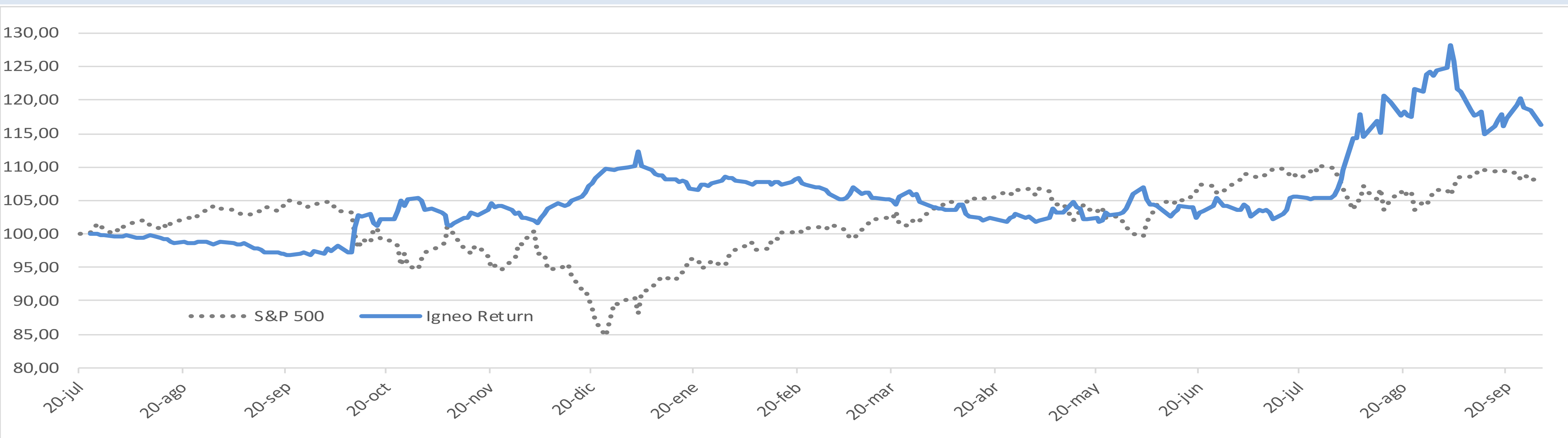
Absolute Performance and Risk Attribution

Absolute Allocations (% Live Delta)





Absolute Performance (%)



2018	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	FY 2018
Quadriga Igneo UCITS							-0.1%	-0.9%	-1.3%	6.3%	-1.2%	7.3%	**9.9%**
2019	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**	**Oct**	**Nov**	**Dec**	**FY 2019**
Quadriga Igneo UCITS	-1.3%	-1.7%	-1.9%	-1.9%	3.3%	-1.7%	2.5%	16.5%	-6.53%				**5.8%**