

# Winton Global Alpha

Quarterly Investment Option Update

31 March 2020

## Aim and Strategy

To generate long-term total returns from a managed futures strategy by investing in exchange-traded futures and forward contracts providing exposure to underlying investments such as share indices, bonds, interest rates, currencies and commodities. The strategy holds both long and short positions in futures and will also hold cash and cash equivalents.

## Investment Option Performance

To view the latest investment performances for each product please visit [amp.com.au](http://amp.com.au)

## Investment Option Overview

<b>Investment Category</b>	Alternatives
<b>Suggested Investment timeframe</b>	5 years
<b>Relative risk rating</b>	4 / Medium
<b>Investment style</b>	Alternatives
<b>Manager style</b>	Single Manager

Sector Allocation	%
Base Metals	20.82%
Equities	12.45%
Energies	13.74%
Currencies	12.65%
Precious Metals	12.26%
Crops	11.07%
Bonds	4.28%
Interest Rates	4.41%
Livestock	8.31%

Asset Allocation	Benchmark (%)	Actual (%)
Alternatives	100.00	100.00

## Investment Option Commentary

The investment option delivered a negative return during the month, as gains made in Commodities were more than offset by losses in Equity Indices, Currencies and Fixed Income.

Equity markets continued to slide in March, with the MSCI World falling 17% in AUD terms from its February high. Stock prices ticked up towards the end of the month, but the MSCI World still ended March down 9% in AUD terms, with energy stocks leading the losses. The Fund reacted to the equity market sell-off in a manner consistent with its design, reducing long stock index positions gradually in response to changing signals and elevated market risk. The steady reduction in exposure mitigated losses, however the Fund still shared a proportion of the market's decline. The Fund's stock index positioning was broadly flat by month-end.

Fixed income markets were mixed in March, with European government bonds falling over the month, while their North American counterparts gained. The result for the Fund was slightly negative performance in the asset class.

In Commodities, WTI crude dipped below US\$20 a barrel, its lowest level in 18 years, and other commodity prices generally weakened, with gains for gold and wheat representing the most notable exceptions. For the Fund, positioning in metals added to returns, most notably short positions in copper and aluminium and long exposure to gold. The Fund also profited from short positions in energies.

Amid the considerable global disruption brought by COVID-19, Winton continues to operate as normal, with most staff working from home and Winton's IT infrastructure remaining resilient. Winton has invoked its Business Continuity Management Policy, simplifying the management of the firm into a four-person committee, chaired by CEO and co-CIO David Harding, which meets daily to manage the risk and operations of the firm. The investment committee is also meeting daily to assess the evolving risks in the portfolios

## Market Commentary

In a tumultuous quarter for global markets, concerns around the COVID19 crisis led to increased volatility across financial and commodities markets. Stocks suffered their largest fall since 2008 and crude oil prices fell by around two thirds, reaching lows not seen since 2003.

## Availability

Product name	APIR
AMP Flexible Lifetime Super	AMP1707AU
AMP Flexible Super - Retirement account	AMP1762AU
AMP Flexible Super - Super account	AMP1754AU
CustomSuper	AMP1707AU
Flexible Lifetime - Allocated Pension	AMP1715AU
SignatureSuper	AMP1723AU
SignatureSuper Allocated Pension	AMP1741AU

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