



Ferguson
Hyams

Connecting investors to trading talent

ACN: 611 059 940
Australian Financial Services Licence no. 490023

October 2020

About Ferguson Hyams (FHIM)

FHIM is an investment manager whose mission is to find trading strategies with a great track-record of risk-adjusted returns and combine them to produce a diversified investment product.

The strategies have been selected from a rigorous evaluation of thousands globally. They are verified and managed to mandate by Chief Investment Officer Gideon Hyams, a distinguished and high performing risk manager of derivative trading teams.

By combining uncorrelated strategies, FHIM aim to produce 10-15% annual returns regardless of the direction of equity and other markets and are on target in 2020.

FHIM is regulated by the Australian Securities and Investments Commission (ASIC).

PRODUCT: Incu Global Ltd Ferguson Hyams Multi-Strategy Fund (FHMSF)

The Fund contains a blend of tried and tested strategies.

Terms of the Fund are:

- Trustee and Investment Manager - Incu Capital Management Ltd
- Fund Domicile and Regulation: Bermuda
- Investment Advisor: Ferguson Hyams Investment Management Pty Ltd
- Cash Custodian: DBS Bank Ltd Singapore
- Administrator: Krypton Fund Services Ltd
- Auditor: Deloitte Audit Limited
- Daily reporting and liquidity, NAV reported on Bloomberg
- Currency Denomination: USD or AUD
- Minimum Investment: USD\$100,000–HNW or Accredited investors only
- 1.5% Management Fee and 20% Performance Fee (only taken if above the High-Water Mark)

Reasons to engage

Ferguson Hyams are concerned that the longest economic expansion ever, fueled by record low global interest rates, has produced record asset bubbles globally.

An allocation to the Fund offers diversification and an overall targeted reduction in volatility for an existing portfolio which otherwise depends on the stock markets continuing to rise to achieve returns.

With deposit rates expected to stay at extremely low levels for the long term there is a need for liquid alternative products that can deliver solid risk-weighted returns in volatile markets.

We believe now is a great time to invest in actively managed uncorrelated strategies such as the FHMSF since we have moved into a new regime of higher volatility which is presenting great opportunities to the Fund portfolio managers.

TRIED AND TESTED TRADING STRATEGIES

Professionally managed liquid trading strategies.

EXPERIENCED GLOBAL TEAM

Risk-managed by CIO Gideon Hyams, a former investment bank Managing Director with 20 years of trading and risk-management experience for one of the world's largest FX Option books.

UNCONSTRAINED TRADING

Our strategies are selected from around the globe, giving a wide selection of the best trading talent worldwide.

RISK MANAGEMENT AND GOVERNANCE

Each of FHIM's tested strategies have a defined Risk Mandate and a rigid risk control framework.

DIVERSIFICATION

The strategies have historically carried little or no correlation to each other or to equities. Due to the wide range of trading strategies employed, positional concentration risk is kept low. These aspects are fundamental in keeping the investment volatility low.

Portfolio Manager Selection Procedure

The portfolio manager selection procedure is a rigorous process, with an acceptance rate of less than one percent from a large talent pool around the globe.

A proprietary filtering system uses the following criteria:

- Highly liquid markets
- Consistent risk-weighted returns on a real (not back-tested) account
- Low correlation to S&P500
- Low correlation or overlap of trading strategy to existing Portfolio Managers
- Scalability of strategy

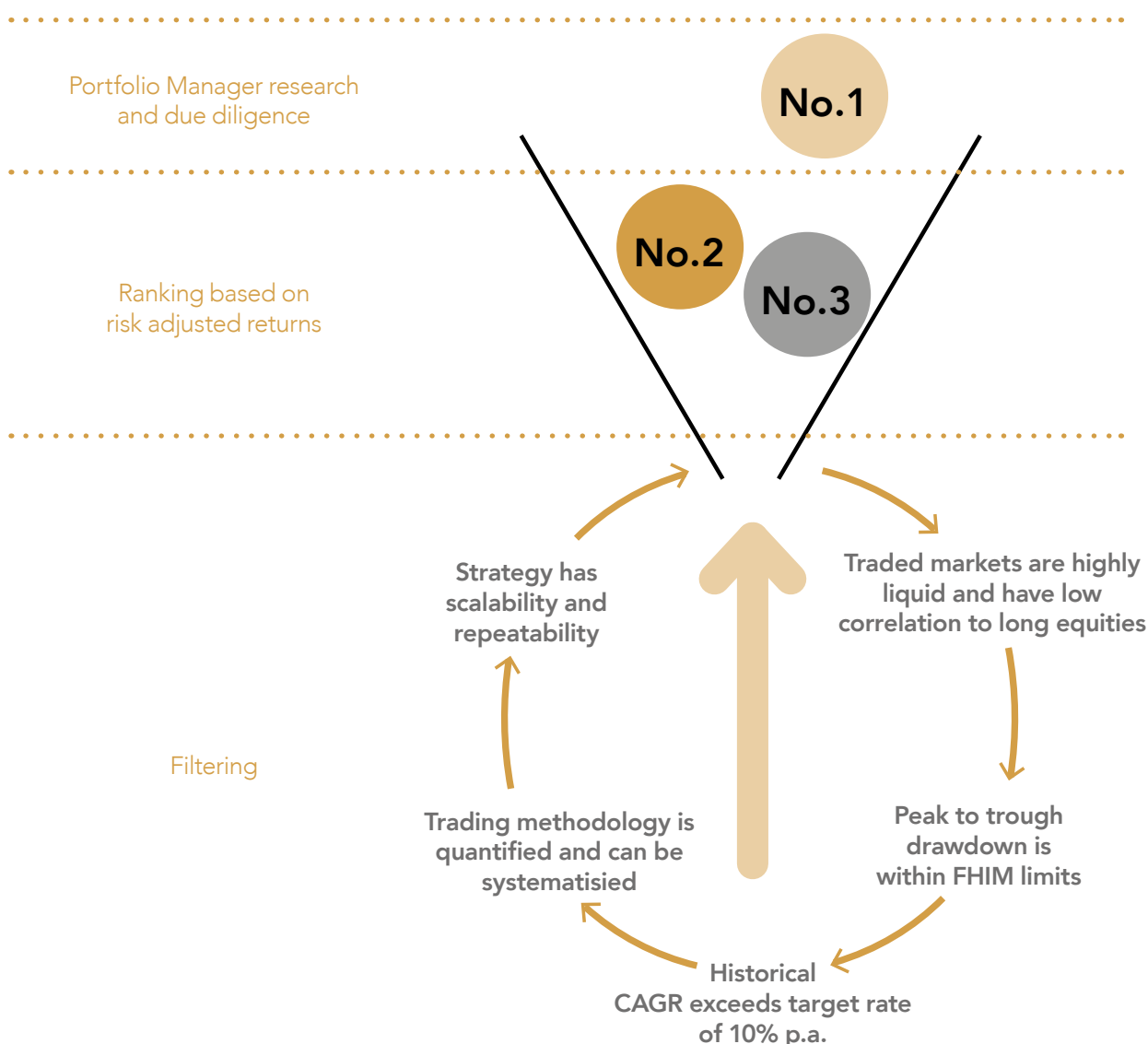
Particular value is placed on whether the trading strategy is quantifiable, repeatable and has a framework of risk-management.

Due to the importance of risk mandates, individual frameworks are created for each strategy.

If all conditions are met, FHIM fund a trial account with company capital where trading is monitored in real-time to get a better understanding of the strategy and to verify the daily returns are in line with their previous track record.

Only once they come through this process do the Portfolio Managers receive an allocation of capital with the Fund.

Tracking of trading success, investment of FHIM proprietary capital and demonstration of consistent delivery to mandate.



Risk Control

FHIM employ three layers of Risk Control which are of paramount importance:

- **Portfolio Manager level** – Individual Risk Limits are defined for each Portfolio Manager within their personalised risk mandate
- **CIO level** – FHIM developed a proprietary Risk Dashboard allowing the real time monitoring of all Portfolio Managers with customisable metrics
- **Platform level** – Strict limits are set on the trading platform

The Management Team



Luke Ferguson

Luke is the Chief Executive Officer and Responsible Manager for the AFSL. Prior to co-founding FHIM he was a director of a global alternative and automated trading research company for wholesale investors and high pedigree traders.



Gideon Hyams

Gideon is the Chief Investment Officer and has 20 years of trading experience with UBS and an outstanding record of investment performance.



Scott Charaneka

Scott is Chairman and is one of Australia's foremost lawyers in the Financial Services sector with over 25 years' experience.

Our Strategies

FX Growth — Employs technical indicators (RSI, Standard Deviation, Bollinger band, Moving Average) in various timeframes to identify overbought and oversold conditions, aiming to capture the price retracement with high winning ratio (approximately 70%) and low drawdown (mostly below 2%).

The strategy takes market volatility into consideration with the view of optimising returns both during large economic news releases (e.g. US non-farm payrolls) and during foreseeable potentially high volatility events, such as the US election in 2016, Brexit, US stock market crashes and recent Turkish lira depreciation. Opportunities are identified first by sorting markets into three conditions: Normal Range, Trading Range, and Out of Trading Range (black swan events or market crash). By doing so, "Out of Trading Range" events can be avoided due to unfavourable market conditions. Trading focuses when the market is deemed to be in the "Trading Range".

This strategy has been trading live since April 2018 with a total return of +50.9% (net of fees) as at end of October 2020. The strategy has also been back-tested back to 2007. This strategy posted a return of +13.68% in March 2020 during the extreme volatility and stock market crash.

Global Discretionary FX — Monitors economic and leading indicators as well as technical analysis to identify directional signals of major currencies, precious metals and major equity indices. It applies quantified price action analysis for entry/exit points. It uses tight stop losses and adds size to winning positions.

Between 2003 and 2016 the strategy achieved an annualized return of +27.68% with particularly strong returns during the Global Financial Crisis (+43.28% in 2008 and +43.72% in 2009).

The portfolio manager took a break from trading and resumed at the beginning of 2020.

Systematic Macro FX — This is a quantitative driven long/short FX strategy utilising a proprietary model to systematically capture divergence between economic fundamentals and the FX spot price.

The strategy is semi-automatic, with long/short signal generation 100% systematic, and entry/exits executed by the portfolio manager using an established framework.

Quant Alpha Equity Strategy — This is a quantitative equity long/short which performs a daily scan of the top 1000 most actively traded and liquid stocks across US markets. It seeks to take advantage of temporary dips in stocks which are trending higher and display strong short-term momentum and vice-versa take short positions in stocks which have been weak but show temporary strength.

The strategy trades on average two to three stocks per day and the maximum size of each trade is limited to 10% of the total account value. The exposures are dynamically weighted according to market conditions and positions are accumulated in a manner that keeps the average exposure low.

Year-to-date return is +41.25% (net of fees) as at end of October 2020.

Tactical Options Strategy — This strategy trades US equity index options and futures based on systematic technical analysis. It seeks to profit from buying options when implied volatility is low (making options cheap) and equity indices are trading at overbought or oversold levels.

After a strong performance in 2017 of +12.30% the strategy had small losses in 2018 and 2019 of

-4.82% and -5.57% respectively since it was mostly positioned short equities as the bubble continued to inflate. It has returned +8.32% year-to-date (net of fees) with a +4.92% return in March.

Allocation

The percentage allocation to strategies within the Fund will be reviewed on a quarterly basis and may be changed at the discretion of Ferguson Hyams.

For example, a consistently under performing strategy may be replaced from the pipeline of others FHIM are testing.

Performance

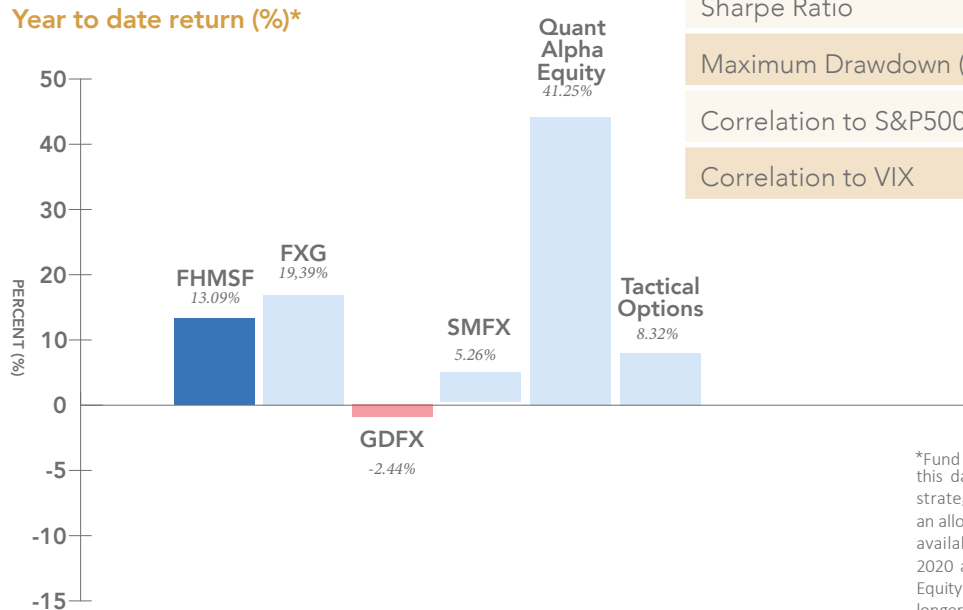
The year to date performance (as at end of October 2020) for the Incu Global Ltd - Ferguson Hyams Multi Strategy Fund (FHMSF) and each component strategy is shown below.

The Fund performed particularly strongly in March 2020, generating a return of +5.66%*.

Performance Metrics

| | |
|-------------------------------------|--------|
| Year to Date Return | 13.09% |
| Sharpe Ratio | 2.45 |
| Maximum Drawdown (using daily data) | -1.95% |
| Correlation to S&P500 | -22.1% |
| Correlation to VIX | +15.5% |

Year to date return (%)*



*Fund launch date was 19th August 2020. Returns before this date are based on actual trading results of five strategies within a managed account structure based on an allocation of 20% to each strategy (statements available upon request). Results are shown since January 2020 as this is when the live track-record of Quant Alpha Equity and GDFX began (the other three strategies have longer live track records).

Returns are net of 1.5% Annual Management Fees and 20% Performance Fees (only taken if above the High-Water Mark) deducted daily on a pro-rata basis.

Contact

For more information please email info@fergusonhyams.com

DISCLAIMER: Past performance is no guarantee or reliable indication of future results and all rates of return and past results provided herein are for historical comparison purposes only.

Trading involves risk of loss and may not be suitable for all investors. Any advice provided is general advice only and is based solely on consideration of the investment or trading merits of the financial products alone, without considering the investment objectives, financial situation and particular needs (i.e. financial circumstances) of any particular person. You must undertake your own investigations and obtain your own advice regarding the suitability of this product for your circumstances. Please ensure read and properly consider all related offer documentation to be fully informed regarding the key risks and costs.

The domicile of the Fund is Bermuda. The Representative of the Fund in Switzerland is OpenFunds Investment Services AG, with its registered office at Seefeldstrasse 35, CH-8008 Zurich, Tel +41 44 500 31 08, www.open-funds.ch. The Paying Agent in Switzerland is Società Bancaria Ticinese SA, Piazza Collegiata 3, 6501 Bellinzona, Tel. +41 91 821 51 21, Fax. +41 91 825 66 18, www.bancaria.ch. The distribution of Shares of the Fund in Switzerland must be made exclusively to Qualified Investors. The place of performance and jurisdiction for the Shares of the Fund distributed in Switzerland is at the registered office of the Representative. Publications in respect of the Shares of the Fund are effected on the electronic platform www.swissfunddata.ch