



Ferguson Hyams

Ferguson Hyams Multi-Strategy Fund

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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](http://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](http://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](http://www.swissfunddata.ch)

# Introduction to Ferguson Hyams

Ferguson Hyams 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.

We are regulated by the Australian Securities and Investments Commission (ASIC).

Investments are 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.

We have been providing investments via managed accounts since 2016 and launched the Multi-Strategy Fund as a more scalable, less admin intensive solution for investors.

# 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.

# Fund terms

- 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 Invest



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



Cash sitting in bank accounts is earning zero or negative interest. We see a need for a low-risk alternative to this which diversifies a traditional investment portfolio containing stocks, bonds and property.



We have combined several of our tried and tested trading strategies with a great track record of risk-adjusted returns to produce a diversified investment product.

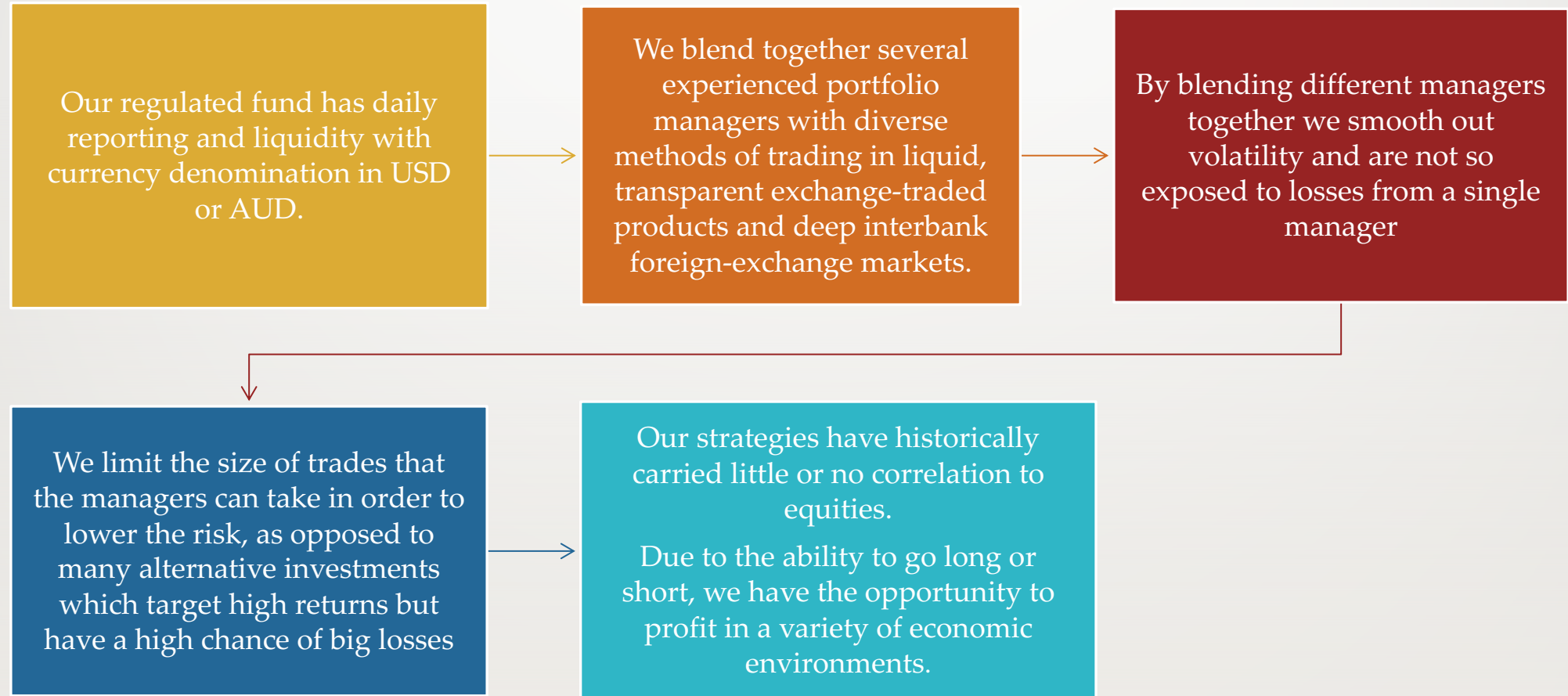


Our strategies have been selected from a rigorous evaluation of hundreds globally.



We aim to provide stable returns (target 10-15% annual return) with low risk which aren't reliant on traditional asset classes (such as shares, property and bonds) continuing to rise.

# The Opportunity



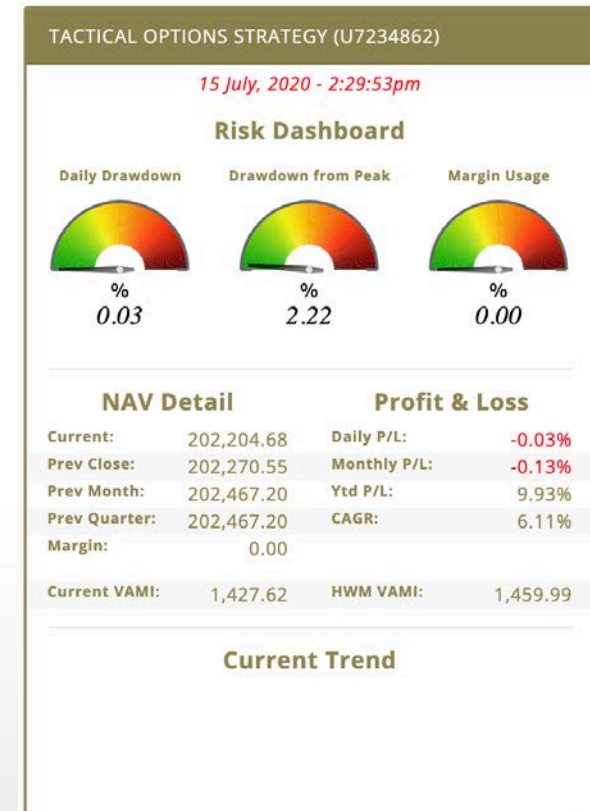
# Safety of Investment

- Ferguson Hyams' number one priority is the safety of our investors' assets.
- Our cash custodian is DBS Singapore which has a credit rating of Aa1 with Moody's and AA- with S&P.
- We only deal with fully regulated brokers to execute our trades.
- The investment has round the clock risk management (detailed in next slide). We can replace any manager who is consistently underperforming.



# Risk Management

- Our risk manager has 20 years of trading and risk management experience at UBS, where he was in charge of a team of 18 traders.
- Individual risk limits are designed for each Portfolio Manager within their personalised Risk Mandate.
- We have developed a proprietary Risk Dashboard allowing the real-time monitoring of all Portfolio Managers with customisable metrics.
- We set strict risk limits on the trading platform.



# Strategy Selection

- Our strategy selection procedure is a rigorous process, with an acceptance rate of less than one percent from a large talent pool from around the globe.
- A proprietary filtering system uses the following criteria: highly liquid markets; consistent risk-weighted returns; low correlation to S&P500; low correlation or overlap of trading strategy to existing strategies; scalability of strategy.
- We invest our own capital into every strategy before it can be added into the fund.
- This enables us to monitor the trading 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.

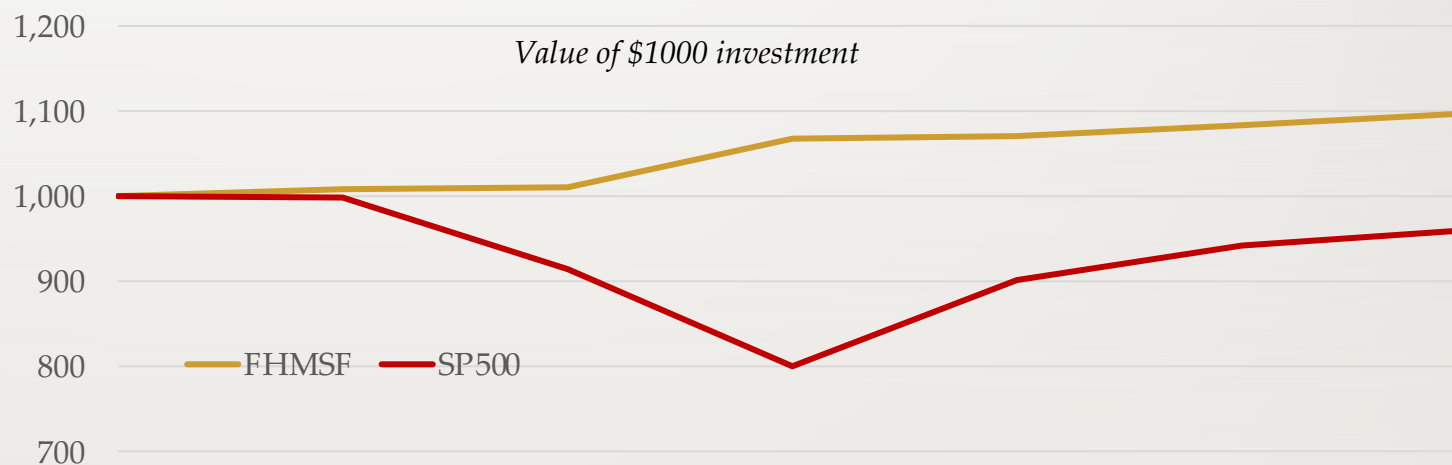
# Track Record

- The fund launched in August 2020 with five strategies (three which trade FX and two which trade global equities).
- The strategies have varying track-record lengths which will be detailed in later slides.
- We have been investing our own capital in these strategies since the start of 2020, hence this is the combined track record we are showing as a blended investment.
- We believe that 2020 has been a great test of our blend of strategies' ability to produce consistent returns going forward in volatile markets and a wide range of different trading conditions.
- The blend of strategies has produced an excellent risk-weighted return which is demonstrated by the very high Sharpe Ratio (which measures the risk-adjusted returns of an investment) of 2.61.

# Track Record

- Year to date return: +13.76%
- Sharpe Ratio: 2.61
- Maximum Drawdown: -1.95%
- Correlation to S&P 500: -21.7%
- Correlation to VIX: +15.6%

RETURNS AFTER FEES													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2020	0.80%	0.21%	5.66%	0.33%	1.16%	1.30%	1.56%	0.39%	1.69%				13.76%

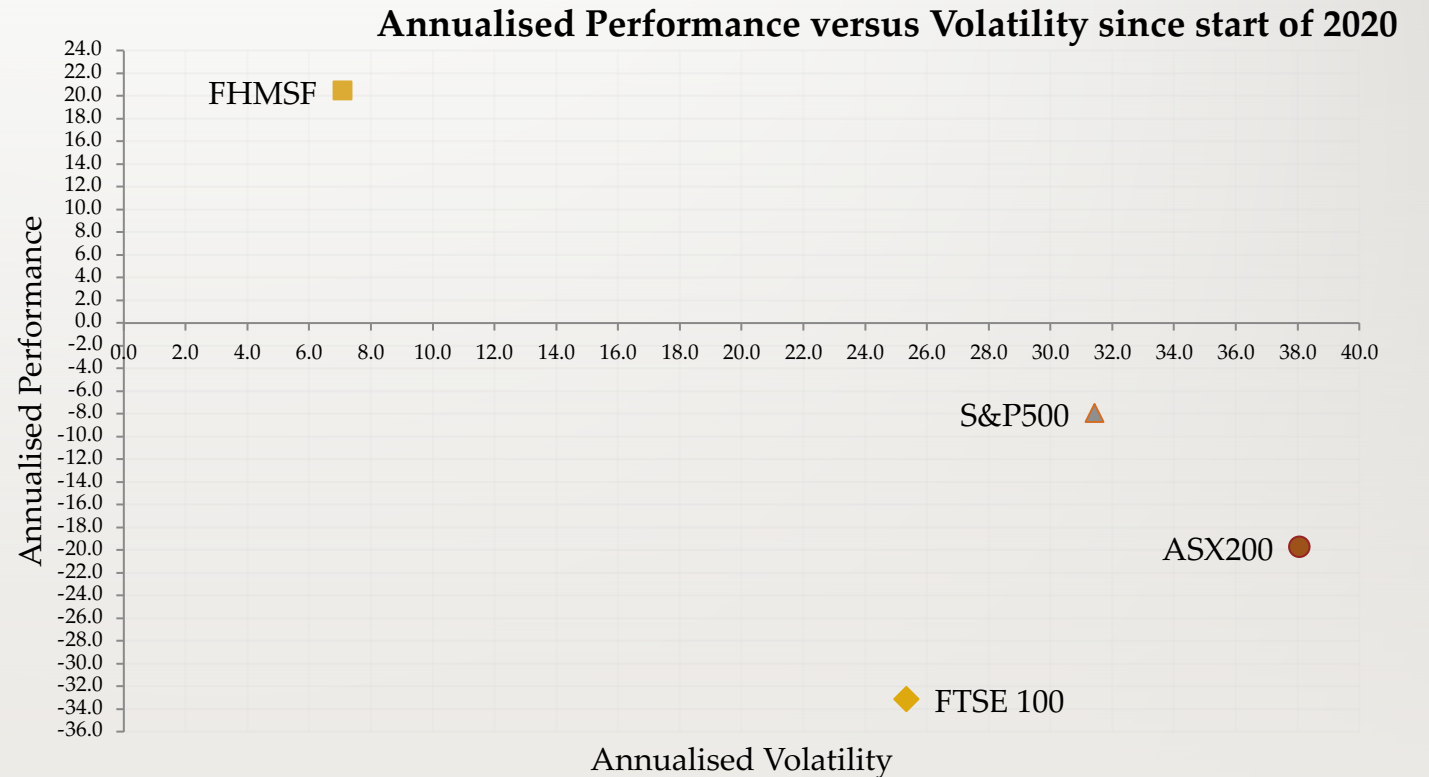


Live track-record is within a Managed Account structure since the start of 2020 until 18<sup>th</sup> August 2020 and then uses the fund results since the launch on 19<sup>th</sup> August 2020. Most strategies have longer individual track-records as detailed later in this presentation.

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.

# Track Record

This chart shows the much higher returns and lower volatility of the Ferguson Hyams Multi-Strategy Fund (FHMSF) in 2020 compared to major equity indices



# Track Record – Correlation Table

	FXG	GDFX	SMFX	QAES	TOS	FHMSF	S&P500	VIX
FXG		14.2%	-5.9%	1.3%	13.2%		12.5%	12.7%
GDFX	14.2%		15.6%	18.2%	17.3%		-38.6%	6.8%
SMFX	-5.9%	15.6%		-6.3%	0.0%		-6.0%	-13.5%
QAES	1.3%	18.2%	-6.3%		7.6%		-18.6%	11.7%
TOS	13.2%	17.3%	0.0%	7.6%			-34.7%	16.8%
FHMSF							-20.8%	16.0%
S&P500	12.5%	-38.6%	-6.0%	-18.6%	-34.7%	-20.8%		
VIX	12.7%	6.8%	-13.5%	11.7%	16.8%	16.0%		

This table shows the correlations of each strategy to each other as well as to the S&P500 and VIX index

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## Our strategies

FX Growth Strategy

Global Discretionary FX Strategy

Systematic Macro FX Strategy

Quant Alpha Equity Strategy

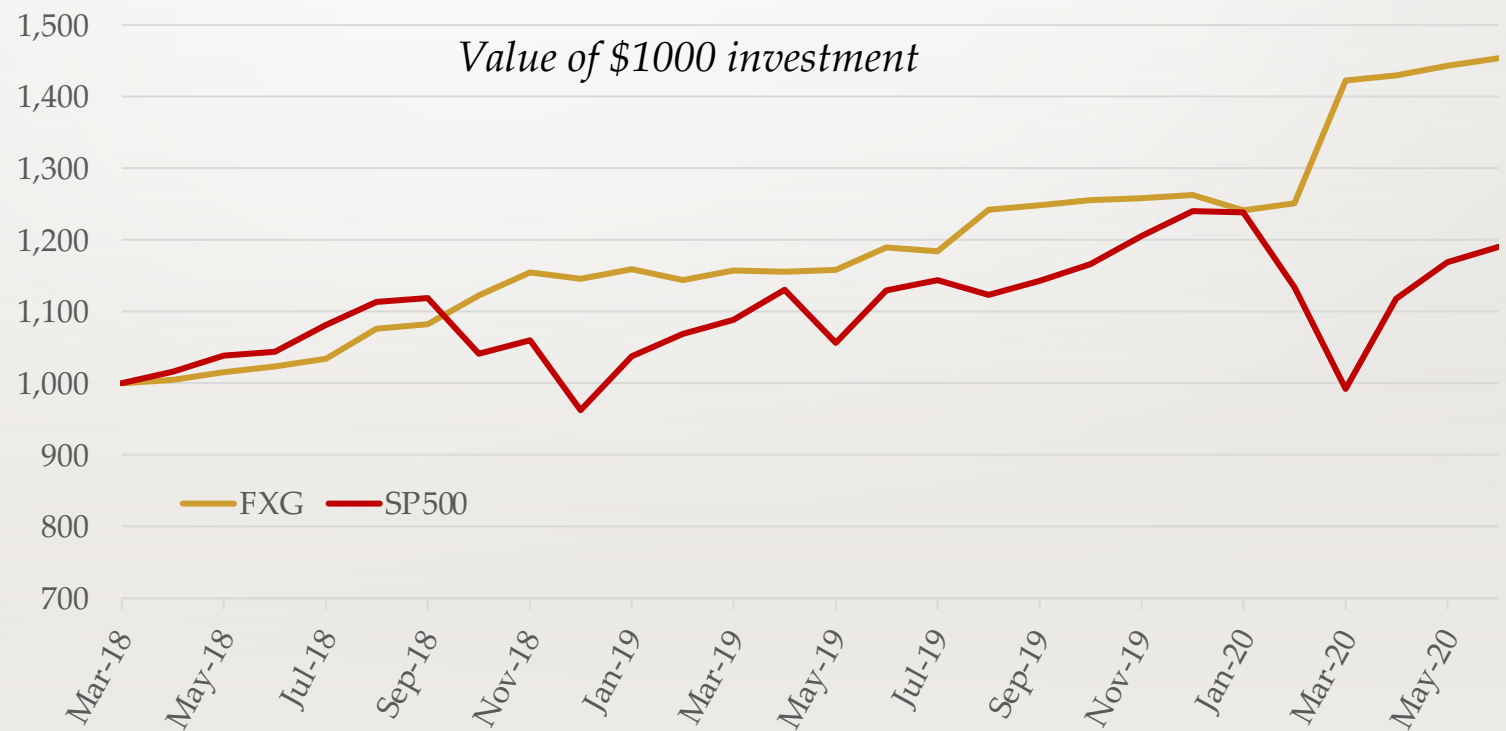
Tactical Options Strategy

# FX Growth

FX trading strategy which 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 a 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.

DATE	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL
2020	-1.66%	0.81%	13.68%	0.48%	0.95%	0.73%	1.89%	2.35%	-0.55%				19.42%
2019	1.17%	-1.32%	1.15%	-0.08%	0.22%	2.65%	-0.45%	4.89%	0.50%	0.62%	0.22%	0.32%	10.19%
2018				0.51%	1.03%	0.83%	1.02%	4.03%	0.63%	3.71%	2.86%	-0.81%	14.58%



# Global Discretionary FX

FX trading strategy which 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.

The portfolio manager took a break from trading in 2016 and resumed at the beginning of 2020.

DATE	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL
2020	-0.99%	-2.26%	3.28%	-1.83%	-2.33%	-1.29%	2.76%	0.13%	0.29%				-2.40%
2019													
2018													
2017													
2016	-1.50%	1.57%	-3.74%	-1.36%	0.91%	8.26%	2.76%	2.27%	-0.06%				9.01%
2015	8.72%	0.50%	1.62%	1.79%	0.34%	-0.89%	-2.21%	0.96%	-0.49%	2.60%	1.51%	-0.28%	14.68%
2014	-2.47%	-0.96%	2.16%	0.81%	-0.38%	0.51%	2.16%	-3.12%	1.62%	-4.47%	0.00%	0.00%	-4.30%
2013	3.17%	-4.86%	-1.22%	-1.57%	17.71%	12.81%	3.89%	2.13%	0.21%	-3.87%	2.60%	10.03%	46.26%
2012	2.21%	-0.24%	3.27%	1.62%	0.52%	-0.77%	1.38%	-1.96%	-0.41%	0.47%	-1.92%	1.07%	5.22%
2011	-0.19%	7.43%	4.61%	8.69%	-12.56%	-1.18%	1.01%	-2.13%	7.30%	2.32%	2.64%	-0.57%	16.68%
2010	-4.29%	0.73%	3.05%	2.53%	-2.77%	0.18%	1.71%	0.66%	4.40%	5.77%	5.91%	3.84%	23.35%
2009	4.13%	0.24%	1.96%	1.80%	6.80%	1.71%	2.34%	4.34%	1.25%	6.11%	1.59%	4.79%	43.72%
2008	7.95%	5.88%	-3.03%	2.05%	-1.10%	10.84%	2.36%	-2.11%	1.09%	2.23%	4.52%	6.77%	43.28%

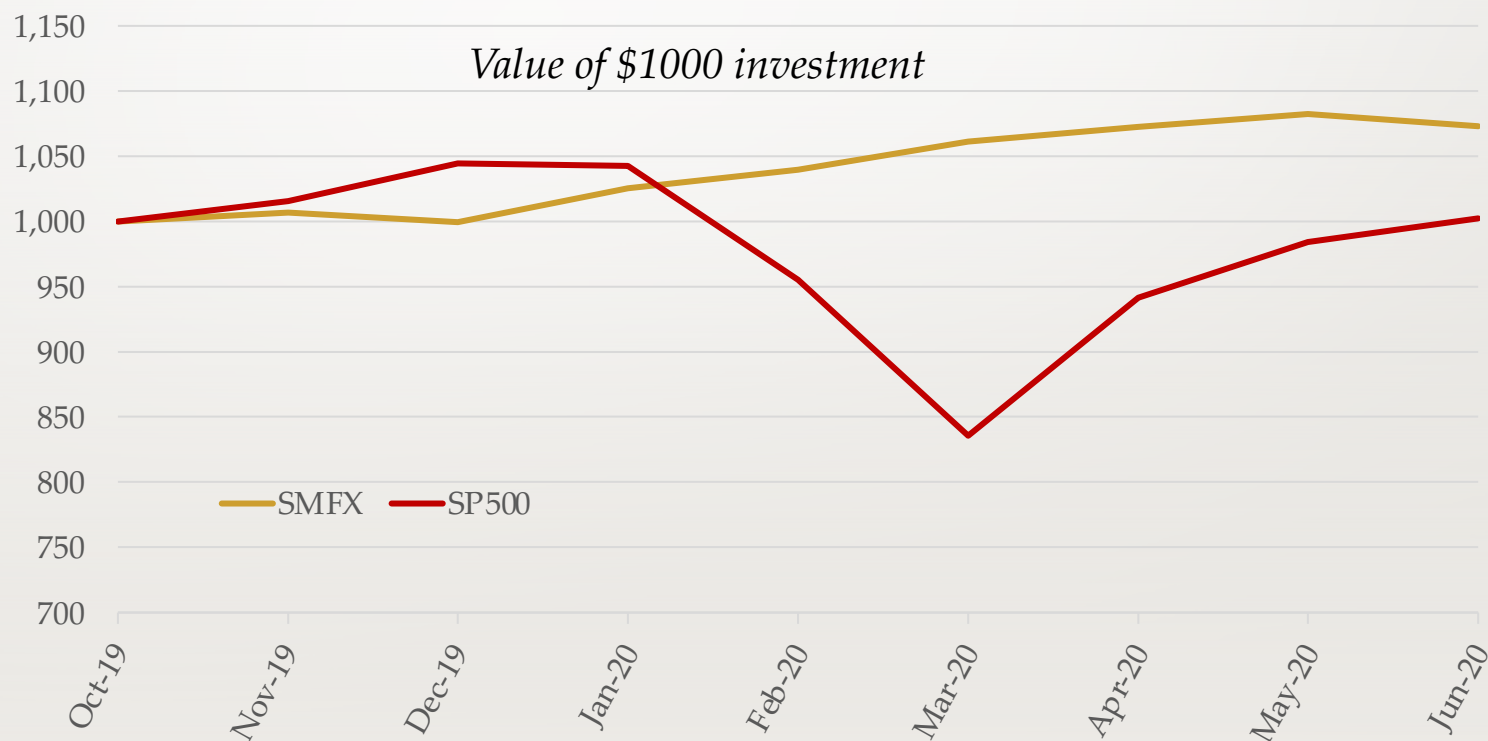
# Systematic Macro FX

FX quantitative driven long/short strategy utilising a proprietary model to systematically capture the 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.

Track record before November 2019 is unavailable as it belongs to another investment manager.

DATE	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL
2020	4.86%	1.15%	0.26%	1.30%	-0.66%	-0.03%	-0.11%	-1.21%	-0.35%				4.58%
2019											1.87%	-0.71%	1.14%



# Quant Alpha Equity

A quantitative equity long/short strategy 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.

The strategy has hypothetical back-tested results from 2004 to 2019 and began live trading at the start of 2020.

## LIVE RESULTS

DATE	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL
2020	1.33%	-0.91%	7.82%	0.10%	4.95%	8.16%	3.66%	1.40%	9.44%				41.48%

## HYPOTHETICAL BACK-TEST RESULTS

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
2004	8.20%	5.80%	-2.20%	-3.90%	0.30%	3.20%	9.40%	4.50%	0.40%	6.30%	9.30%	1.00%	50.00%
2005	3.20%	2.50%	4.00%	2.20%	2.30%	2.00%	4.90%	3.70%	0.20%	3.70%	1.30%	2.10%	36.90%
2006	3.70%	-1.70%	5.80%	5.20%	0.30%	-1.20%	3.80%	3.30%	1.40%	2.10%	1.00%	4.30%	31.60%
2007	5.60%	0.80%	-0.50%	-0.30%	0.00%	2.30%	3.00%	7.10%	-0.70%	3.90%	5.40%	2.60%	32.90%
2008	5.40%	3.10%	2.70%	3.90%	5.10%	1.80%	10.60%	8.90%	6.50%	-0.40%	2.60%	7.50%	74.70%
2009	6.30%	8.30%	2.40%	11.80%	13.00%	1.50%	0.30%	3.80%	2.20%	-0.20%	3.40%	2.80%	70.60%
2010	1.40%	4.40%	0.50%	4.70%	1.50%	-1.70%	3.40%	2.60%	0.20%	5.90%	3.70%	0.30%	29.90%
2011	4.10%	1.20%	7.30%	4.40%	7.60%	-2.10%	3.20%	1.20%	2.50%	2.00%	3.60%	0.30%	41.20%
2012	3.30%	2.20%	1.00%	1.50%	1.80%	1.80%	4.40%	3.80%	0.50%	7.70%	5.00%	-2.20%	35.20%
2013	0.70%	3.00%	2.90%	4.50%	2.90%	1.20%	2.30%	3.90%	-1.10%	6.50%	1.70%	-0.10%	32.00%
2014	3.60%	-1.70%	6.80%	-1.70%	2.30%	1.20%	1.60%	1.20%	2.50%	-1.50%	2.80%	3.50%	22.10%
2015	2.00%	2.70%	2.80%	1.90%	6.50%	-2.20%	1.60%	-0.80%	0.90%	1.60%	1.30%	-3.40%	15.40%
2016	3.50%	2.10%	6.70%	1.90%	6.30%	-1.90%	2.00%	1.40%	2.50%	2.50%	3.10%	0.20%	34.20%
2017	2.10%	3.20%	2.10%	4.60%	-4.90%	4.70%	3.60%	2.70%	0.90%	5.80%	5.70%	1.90%	37.00%
2018	0.60%	7.90%	-1.70%	5.80%	1.40%	-1.30%	1.00%	1.20%	7.70%	0.20%	2.00%	0.10%	27.00%
2019	-0.90%	2.10%	4.10%	2.20%	2.70%	1.70%	0.50%	0.70%	-1.20%	2.30%	-3.50%	2.90%	14.20%

# Tactical Options Strategy

This strategy trades US equity index options and futures based on systematic technical analysis.

It mainly 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 made a strong start to 2020, returning +8.27% year-to-date (net of fees) with a +4.92% return in March.

DATE	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL
2020	0.37%	1.98%	4.92%	0.82%	3.20%	-1.79%	-0.27%	-0.97%	-0.10%				8.27%
2019	-0.07%	-1.65%	-0.58%	-2.63%	1.85%	-1.15%	-0.76%	2.26%	-1.20%	0.42%	-1.21%	-0.88%	-5.57%
2018	0.19%	-6.00%	1.18%	0.75%	0.15%	-0.82%	0.27%	-0.65%	0.25%	-2.32%	0.91%	1.41%	-4.82%
2017	0.89%	-0.23%	2.23%	1.65%	1.33%	-0.07%	1.38%	1.83%	0.73%	1.20%	-0.18%	0.91%	12.30%
2016	0.68%	1.18%	-3.37%	2.10%	3.10%	-0.30%	-1.88%	0.54%	0.04%	1.49%	0.72%	-1.06%	3.12%
2015	-2.31%	1.39%	2.73%	-3.34%	4.98%	0.80%	4.03%	-6.46%	7.81%	-0.28%	-0.20%	1.36%	10.14%
2014								-0.90%	2.84%	-0.29%	0.57%	0.85%	3.06%

