

# Morningstar Global Trading Strategies Fund

previously Ibbotson Global Trading Strategies Trust

## Risk Profile

Medium

## Investment Horizon

5 years

## Inception

30 April 2007

## Fund Size \$Mil

15.8

Estimated frequency of annual negative return over a 20 year period 2 to less than 3

## Investment Objective

To maximise performance relative to the benchmark (UBS Bank Bill Index) over rolling five year periods.

## Multi-Manager Fund

A well diversified, absolute return strategy available to wholesale investors where the key driver of returns is the skill set of the underlying global trading managers selected by Morningstar.

Available to wholesale investors.

## Strategic Investment Mix

100% long-term exposure to alternative strategies.

The portfolio has exposure to global trading strategies (GTS) which seek to profit from extreme, short-term changes in the absolute or relative value of currencies and global investment markets. These strategies involve taking positive (long) and/or negative (short) positions to profit from positive and negative investment views.

Implementation is via derivative contracts, the value of which is linked to equity and bond market indices, commodities, or currencies.

## Key Attributes

High conviction portfolio construction

Exposure to leading global trading strategy investment managers

Complementary source of returns for portfolios invested in equities and fixed income

Adds a new source of returns that may not be present in an existing diversified portfolio

Diversification benefit in periods of negative equity market returns

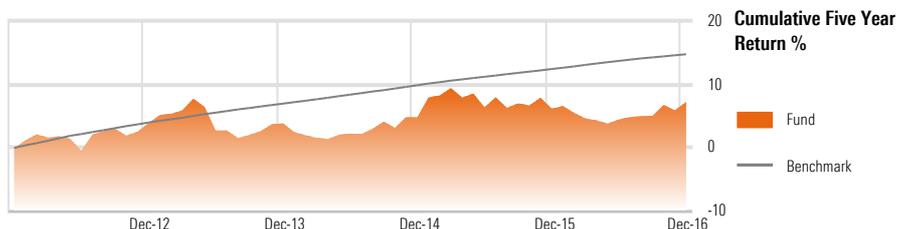
Low correlation to traditional asset classes

The ability to identify exceptional managers throughout the world is assisted by our access to global resources

## Operations

Limits on Transacting	Monthly applications
	Redemptions processed each month subject to 1 month notice and 12 months lock-up period
Unit Pricing	Monthly
Management Fee <sup>2</sup>	1.23%
Performance Fee <sup>3</sup>	10.25%
Buy/Sell Spread <sup>4</sup>	0.15% / 0.15%

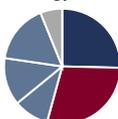
## Performance <sup>1</sup>



Total Return %	3 Months	6 Months	1 Year	3 Years (pa)	5 Years (pa)
Fund (Net of Fees)	2.08	2.63	0.98	1.06	1.40
Benchmark	0.44	0.92	2.07	2.37	2.79
Active Return	+1.65	+1.71	-1.10	-1.30	-1.38

## Portfolio Analysis <sup>2</sup> 31-12-16

### Strategy Allocation %



● Sovereign Fixed Income	25.4
● Foreign Exchange	28.9
● Equity	9.8
● Commodity	13.3
● Corporate Credit	0.0
● Cash	16.6
● Volatility	6.1

### Geographic Allocation %



● Cash	16.6
● Emerging Markets	35.9
● United States	25.9
● UK/Europe	12.3
● Asia Pacific Inc Japan	9.2

## The benefits of adding GTS to a portfolio

The inclusion of GTS in a diversified portfolio can provide valuable diversification benefits by:

- × increasing expected portfolio returns
- × lowering portfolio volatility
- × reducing the probability of negative returns

## Notes

1. Performance measures are expressed after fees, costs and taxes are deducted. Fund inception date 30 April 2007. Past performance is not indicative of future performance.

2. The Management fee is inclusive of GST.

3. The Performance fee is based on the outperformance above the benchmark of the Fund, subject to a high watermark – that is any negative performance is recouped prior to the Performance fee being charged, and this is an additional cost to investors. Refer to the disclosure document for more information on fees.

4. The sell spread may be higher in some limited circumstances. Refer to the disclosure document for more information.