Fund Fact Sheet

CFM ISTrends Trust - Class A Units

Quantitative Investment Solutions
April 2020

Fund objective

CFM Institutional Systematic Trends (ISTrends) is a Quantitative Investment Solution which aims to achieve long term capital appreciation through returns that seek to be uncorrelated with traditional asset classes.

Key facts

A$.97175	Unit Price
+0.47%	April ROR
-0.02%	Year to date ROR
A$76m	FUM IST Trust
US$1.5bn	FUM ISTrends

Key benefits

- A diversified multi-asset approach
- Risk managed to a target volatility
- Low historical correlation to traditional asset classes
- Aims to provide cost effective access to alternative strategies

CFM overview

QUANTITATIVE SYSTEMATIC ASSET MANAGER

FOUNDED IN **1991**

OFFICES IN **PARIS | LONDON | NEW YORK | TOKYO | SYDNEY**

AUM ACROSS ALL PROGRAMS **US$7.8 BILLION**

IST Trust monthly returns since inception (%)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2017							0.66	1.83	-0.99	3.72	0.73	1.84	**7.99**
2018	6.09	-7.06	0.08	0.78	-2.94	0.30	0.00	2.71	-1.08	-4.25	-2.98	-2.49	**-10.91**
2019	-1.31	1.10	2.85	0.57	-0.36	4.83	2.87	4.62	-3.91	-3.83	0.90	-1.99	**6.02**
2020	4.29	-2.80	-1.83	0.47									**-0.02**

Performance figures (%)

	3 months	6 months	Calendar YTD	1 Year	2 Years (%pa)	3 Years (%pa)	Since Inception (%pa)
CFM ISTrends Trust	-4.13	-1.13	-0.02	2.71	-2.55		0.69
Offshore strategy in USD [3]	-3.55	-0.35	0.48	6.19	0.17	2.29	6.05

CFM approach

Research
A dynamic research team dedicated to developing new strategies, improving execution algorithms and refining portfolio construction techniques

Technology
Developing proprietary platforms to implement structured trading strategies across key exchanges

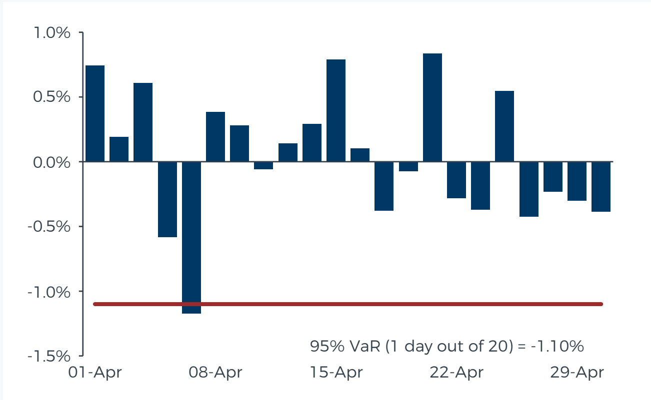
Risk Management
An independent risk team providing a multi-layered approach to market and operational risk

Collaboration
A collegial culture of cross-discipline teams fosters an environment of innovation and performance

Fund details

Strategy	A low turnover, long term trend following portfolio that seeks to harvest momentum returns via futures contracts in different asset classes over a universe of approximately 100 individual futures and forwards contracts.
Inception date:	July 1, 2017
AIPR:	PIM1966AU
Management fees:	0.60%
Fund expenses:	Capped at 0.2%
Performance fee:	10%
Buy/sell:	Nil
Min investment:	A$50,000
Distribution frequency:	If any, annually as of 30 June
Pricing:	Daily
Investor time horizon:	3-5 years
Benchmark:	Nil

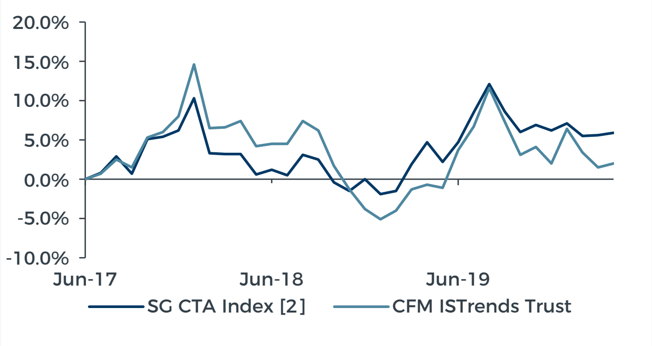
Daily returns (net)



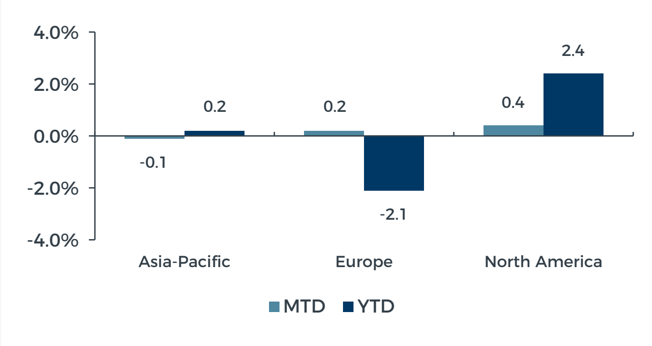
Unless otherwise stipulated, all monthly performance figures are based on the official NAV of CFM ISTrends Trust Class A Units. Returns are net of management and incentive fees.

PAST PERFORMANCE IS NOT A GUARANTEE OF FUTURE RESULTS. THERE IS RISK OF LOSS WHEN INVESTING IN A MANAGED ACCOUNT OR A FUND. RETURNS PRESENTED IN THIS DOCUMENT ARE UNAUDITED. ALL OPINIONS AND ESTIMATES INCLUDED IN THIS DOCUMENT CONSTITUTE JUDGMENTS OF CFM AS AT THE DATE OF THIS DOCUMENT AND ARE SUBJECT TO CHANGE WITHOUT NOTICE.

Compounded returns since inception



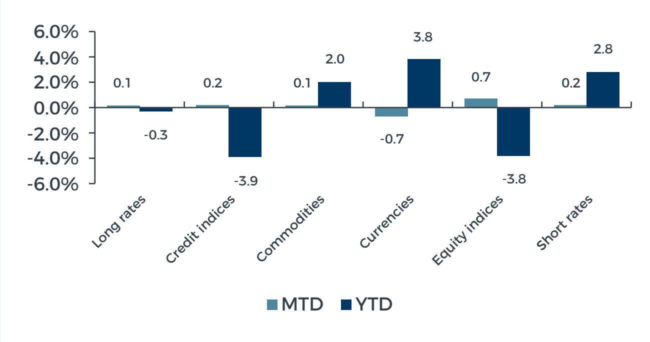
Contribution per geographic zone (gross)



Performance analysis

	Since Inception	Last 12 months
Total Cumulative Return	2.0%	2.7%
Annualized Rate of Return	0.7%	2.7%
% of Positive Months	55.9%	50.0%
Best Month	6.1%	4.8%
Worst Month	-7.1%	-3.9%
Peak to Valley Drawdown	-17.1%	-9.1%
Annualized Standard Deviation	10.3%	11.3%
Sharpe Ratio	0	0.2
Correlation [3] between IST and		
SG CTA Index [2]	0.64	0.74
Barclays Global-Agg [4]	0.06	0.24
MSCI World Index [5]	0.23	0.29

Contribution per asset class (gross)



For further details

Call us
+61 2 9159 3100

Email us
cfm@cfmaltbeta.com.au

Unless otherwise stipulated, all monthly performance figures are based on the official NAV of CFM ISTrends Trust Class A Units. Returns are net of management and incentive fees.

PAST PERFORMANCE IS NOT A GUARANTEE OF FUTURE RESULTS. THERE IS RISK OF LOSS WHEN INVESTING IN A MANAGED ACCOUNT OR A FUND. RETURNS PRESENTED IN THIS DOCUMENT ARE UNAUDITED. ALL OPINIONS AND ESTIMATES INCLUDED IN THIS DOCUMENT CONSTITUTE JUDGMENTS OF CFM AS AT THE DATE OF THIS DOCUMENT AND ARE SUBJECT TO CHANGE WITHOUT NOTICE.

Footnote definitions

1. FUM based on the FUM of the ISTrends Program expressed in terms of equivalent risk of 10%
2. SG CTA Index USD Daily (ticker: NEIXCTA)
3. Correlation coefficients are calculated using daily time series
4. Barclays Capital Global Aggregate Bond Index USD Hedged
5. MSCI World Index USD Daily Total Return Net

Important Disclosures

This document is issued by Capital Fund Management LLP ('CFM LLP') in relation to the CFM Institutional Systematic Trends Trust (the 'Fund'). Pursuant to ASIC Class Order 03/1099, CFM LLP, the investment manager of the Fund, is exempt from the requirement to hold an Australian financial services license under the Corporations Act. CFM LLP is regulated by the UK Financial Conduct Authority under the law of England and Wales, which differ from Australian laws. The Trust Company (RE Services) Limited ABN 45 003 278 831, AFSL 235 150 ('Perpetual') is the trustee of, and issuer of units in the Fund. The information provided in this document is general information only and does not constitute investment or other advice. The content of this document does not constitute an offer or solicitation to subscribe for units in the Fund. CFM LLP accepts no liability for any inaccurate, incomplete or omitted information of any kind or any losses caused by using this information. Any investment decision in connection with the Fund should only be made based on the information contained in the applicable Product Disclosure Statement of the Fund. Unless otherwise indicated, performance figures are net of applicable fees and expenses and presume reinvestment of income. Past performance is not a reliable indicator of future performance. An investment in the Fund carries significant risk of loss. Neither CFM LLP nor Perpetual guarantee repayment of capital or any particular rate of return from the Fund. Neither CFM LLP nor Perpetual give any representation or warranty as to the reliability or accuracy of the information contained in this document. All opinions and estimates included in this document constitute judgements of CFM LLP as at the date of this document and are subject to change without notice.

SBai
SIGNATORY
May '19

CFM ISTrends Trust - Class B Units

Quantitative Investment Solutions
April 2020

INSIGHT. DATA. CLARITY.

Fund objective

CFM Institutional Systematic Trends (ISTrends) is a Quantitative Investment Solution which aims to achieve long term capital appreciation through returns that seek to be uncorrelated with traditional asset classes.

Key facts

A$.93137	Unit Price
+0.66%	April ROR
-0.31%	Year to date ROR
A$76m	FUM IST Trust
US$1.5bn	FUM ISTrends

Key benefits

- A diversified multi-asset approach
- Risk managed to a target volatility
- Low historical correlation to traditional asset classes
- Aims to provide cost effective access to alternative strategies

CFM overview

QUANTITATIVE SYSTEMATIC ASSET MANAGER

OFFICES IN **PARIS | LONDON | NEW YORK | TOKYO | SYDNEY**

FOUNDED IN **1991**

AUM ACROSS ALL PROGRAMS **US$7.8 BILLION**

IST Trust monthly returns since inception (%)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2017							1.07	2.95	-1.73	6.18	1.12	3.00	**13.07**
2018	10.15	-12.12	0.04	1.17	-4.49	0.36	-0.12	3.99	-1.72	-6.42	-4.54	-3.81	**-17.63**
2019	-2.06	1.57	4.21	0.75	-0.63	7.24	4.55	7.73	-6.52	-6.09	1.30	-3.03	**8.12**
2020	6.67	-4.47	-2.82	0.66									**-0.31**

CFM approach

Research

A dynamic research team dedicated to developing new strategies, improving execution algorithms and refining portfolio construction techniques

Technology

Developing proprietary platforms to implement structured trading strategies across key exchanges

Risk Management

An independent risk team providing a multi-layered approach to market and operational risk

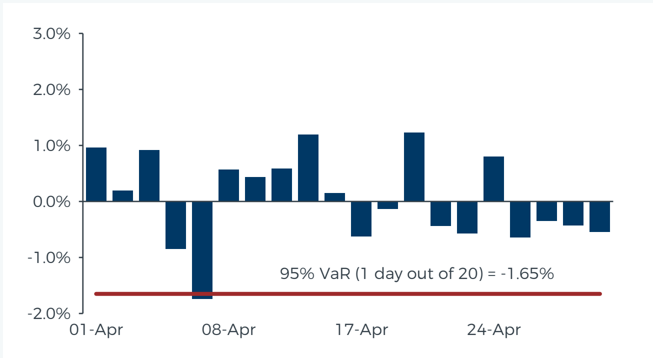
Collaboration

A collegial culture of cross-discipline teams fosters an environment of innovation and performance

Performance figures (%)

	3 months	6 months	Calendar YTD	1 Year	2 Years (%pa)	3 Years (%pa)	Since Inception (%pa)
CFM ISTrends Trust	-6.55	-2.08	-0.31	3.19	-4.81		0.13
Offshore strategy in USD [3]	-6.01	-1.03	0.16	8.24	-0.94	2.11	-2.30

Daily returns (net)



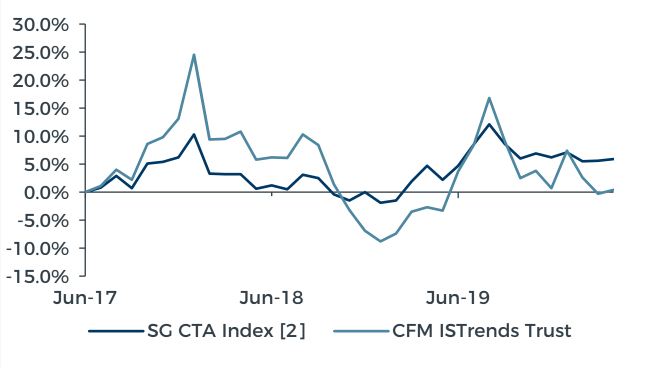
Fund details

Strategy	A low turnover, long term trend following portfolio that seeks to harvest momentum returns via futures contracts in different asset classes over a universe of approximately 100 individual futures and forwards contracts.
Inception date:	July 1, 2017
AIPR:	PIM8130AU
Management fees:	1.125%
Fund expenses:	Capped at 0.3%
Performance fee:	Nil
Buy/sell:	Nil
Min investment:	A$50,000
Distribution frequency:	If any, annually as of 30 June
Pricing:	Daily
Investor time horizon:	3-5 years
Benchmark:	Nil

Unless otherwise stipulated, all monthly performance figures are based on the official NAV of CFM ISTrends Trust Class B Units. Returns are net of management and incentive fees.

PAST PERFORMANCE IS NOT A GUARANTEE OF FUTURE RESULTS. THERE IS RISK OF LOSS WHEN INVESTING IN A MANAGED ACCOUNT OR A FUND. RETURNS PRESENTED IN THIS DOCUMENT ARE UNAUDITED. ALL OPINIONS AND ESTIMATES INCLUDED IN THIS DOCUMENT CONSTITUTE JUDGMENTS OF CFM AS AT THE DATE OF THIS DOCUMENT AND ARE SUBJECT TO CHANGE WITHOUT NOTICE.

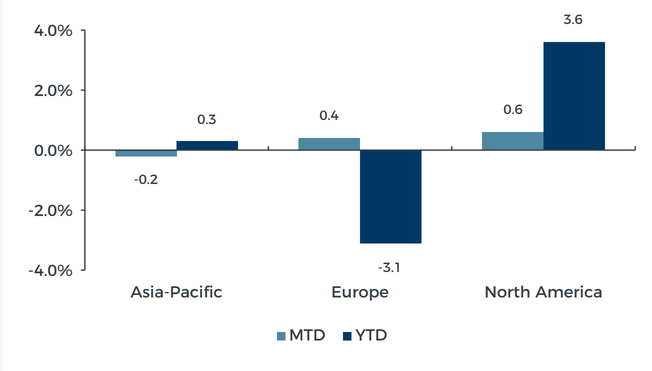
Compounded returns since inception



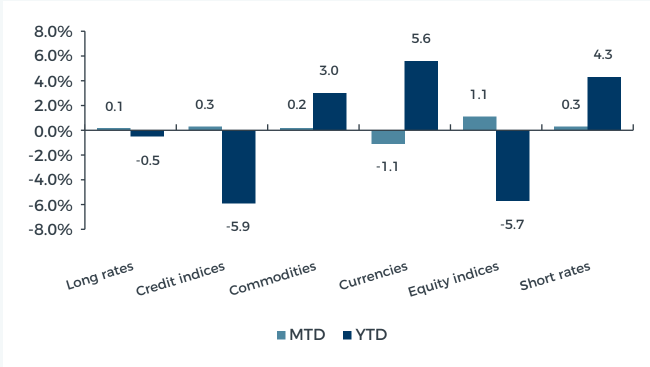
Performance analysis

	Since Inception	Last 12 months
Total Cumulative Return	0.4%	3.2%
Annualized Rate of Return	0.1%	3.2%
% of Positive Months	55.9%	50.0%
Best Month	10.2%	7.7%
Worst Month	-12.1%	-6.5%
Peak to Valley Drawdown	-26.8%	-14.6%
Annualized Standard Deviation	16.5%	17.9%
Sharpe Ratio	0	0.2
Correlation [3] between IST and		
SG CTA Index [2]	0.80	0.73
Barclays Global-Agg [4]	0.11	0.28
MSCI World Index [5]	0.29	0.29

Contribution per geographic zone (gross)



Contribution per asset class (gross)



For further details

Call us
+61 2 9159 3100

Email us
cfm@cfmaltbeta.com.au

Unless otherwise stipulated, all monthly performance figures are based on the official NAV of CFM ISTrends Trust Class B Units. Returns are net of management and incentive fees.

PAST PERFORMANCE IS NOT A GUARANTEE OF FUTURE RESULTS. THERE IS RISK OF LOSS WHEN INVESTING IN A MANAGED ACCOUNT OR A FUND. RETURNS PRESENTED IN THIS DOCUMENT ARE UNAUDITED. ALL OPINIONS AND ESTIMATES INCLUDED IN THIS DOCUMENT CONSTITUTE JUDGMENTS OF CFM AS AT THE DATE OF THIS DOCUMENT AND ARE SUBJECT TO CHANGE WITHOUT NOTICE.

Footnote definitions

1. FUM based on the FUM of the ISTrends Program expressed in terms of equivalent risk of 10%
2. SG CTA Index USD Daily (ticket NEIXCTA)
3. Correlation coefficients are calculated using daily time series
4. Barclays Capital Global Aggregate Bond Index USD Hedged
5. MSCI World Index USD Daily Total Return Net

Important Disclosures

This document is issued by Capital Fund Management LLP ('CFM LLP') in relation to the CFM Institutional Systematic Trends Trust (the 'Fund'). Pursuant to ASIC Class Order 03/1099, CFM LLP, the investment manager of the Fund, is exempt from the requirement to hold an Australian financial services license under the Corporations Act. CFM LLP is regulated by the UK Financial Conduct Authority under the law of England and Wales, which differ from Australian laws. The Trust Company (RE Services) Limited ABN 45 003 278 831, AFSL 235 150 ('Perpetual') is the trustee of, and issuer of units in the Fund. The information provided in this document is general information only and does not constitute investment or other advice. The content of this document does not constitute an offer or solicitation to subscribe for units in the Fund. CFM LLP accepts no liability for any inaccurate, incomplete or omitted information of any kind or any losses caused by using this information. Any investment decision in connection with the Fund should only be made based on the information contained in the applicable Product Disclosure Statement of the Fund. Unless otherwise indicated, performance figures are net of applicable fees and expenses and presume reinvestment of income. Past performance is not a reliable indicator of future performance. An investment in the Fund carries significant risk of loss. Neither CFM LLP nor Perpetual guarantee repayment of capital or any particular rate of return from the Fund. Neither CFM LLP nor Perpetual give any representation or warranty as to the reliability or accuracy of the information contained in this document. All opinions and estimates included in this document constitute judgements of CFM LLP as at the date of this document and are subject to change without notice.

CFM INSIGHT.DATA.CLARITY.

CFM ISTrends Trust

Quantitative Investment Solutions
April 2020

Key performance figures

Performance		FUM	
+0.4662%	Class A Monthly Return	**A$76m** leveraged FUM / **A$59m** equity	ISTrends Trust (10% vol)
-0.0194%	Class A YTD Return	**US$1.5bn** leveraged FUM / **US$1.2bn** equity	ISTrends Program (10% vol)
+0.6647%	Class B Monthly Return	**US$7.8bn** leveraged FUM / **US$6.3bn** equity	Firm-wide
-0.3168%	Class B YTD Return		
+0.24%	SG CTA Monthly Return		
-0.30%	SG CTA YTD Return		

Performance report

- A healthy rebound in equity markets was observed – wide consensus, however, points to risky assets not being driven by fundamentals, but by substantial fiscal and monetary stimulus.
- Despite the tidy rally, and volatility having declined, much uncertainty still remains over ultimate impact, scope, magnitude, lingering effects, and likely shape of any recovery. Many firms have suspended dividends, and analysts are projecting a double digit decline in earnings for 2020. Talk has turned to the various possible shaped recoveries, ranging from optimistic V-shaped, to more cautions U or Nike Swoosh-shaped, all the way to gloomy L-shaped.
- Given the massive amount of monetary accommodation and fiscal support measures, fixed income performed well. Corporate credit performed particularly well, with the Bloomberg Barclays US Corporate Total Return index (unhedged) gaining 5.2%.
- Commodities continued to labour heavily under deflationary pressure. Crude, however, made the most headlines, suffering a historic 300% daily loss on Monday, April 20. Diminishing demand, low and expensive storage, and investors scrambling to offload exposure before the front-month expired, all contributed to oil dropping below 0 dollars to the barrel. Making matters worse, traders who would have rolled over their positions for June, have instead chosen to close out. Given the drop in Crude over the weekend preceding expiry, the difference between the contract prices with delivery for May and June became large, making the rollover disadvantageous.

Trends

The Long Term Trend Following program registered slightly better than flat returns. Equity Indices delivered the best returns. Dollar positioning in FX, meanwhile, was the primary detractor.

Equity & Credit Indices

Equity markets rebounded, the rally fanned by significant and unprecedented stimulus enacted by governments and central banks. Evidence suggest that European countries have started to 'flatten the curve' of COVID-19 cases, with some key economies cautiously, and partially, reopening their economies. With some positive sentiment restored to markets, the S&P 500 TR index gained 12.8%.

Subsequently, the slightly net long Equity Indices position contributed positively to overall program performance. Long exposure to major US and European benchmark contracts contributed the most: a long mini S&P was the best performer, having gained 13% this month, more than erasing its 12.8% loss booked one month earlier.

Long exposure to Credit Indices gradually tapered down, with performance only slightly better than flat. As equities rebounded, credit markets – especially given the liquidity support to business – bounced back, with cost of insurance relaxing closer to levels seen at the end of February.

Interest rates

The US Federal Reserve (Fed) has committed to an unlimited government bond buying spree. Moreover, the Fed announced it will extend its fixed income buying list to include corporate bonds – investment grade, but also high yield if the rating was investment grade before March 22. These exceptional measures, combined with (and as a consequence of) led to some risk-on sentiment, with investors favouring a return to equity markets.

Gilts dropped 23 basis points as the UK government announced a record £45bn issuance following an 'exceptional revision' to its issuance schedule for April. Yields have been driven lower by the BoE's interest-rate cuts, along with its accelerating quantitative-easing (QE) program. As a result, the program's long Gilt position contributed the most. Other contract positions flirted few basis points above and below flat. Most other contracts traded sideways, with the US 10-year keeping in a band between 0.6%-0.8%.

Long positioning in Short Term Interest Rates (STIRS) also made gains. Long exposure to the Australian 90-day Bank Bill Short Term Rate was the best performer: the Reserve Bank of Australia's (RBA) QE program that began on March 20 has acted as additional downward pressure on yields (after the March rate cut). The RBA has opted for yield-curve control, with targeted bond buying aimed at guiding rates to a certain level with a commitment to "buy bonds in whatever quantity is required to achieve our goals." As a result, markets are expecting lower rates, kept at those levels for longer, with the Bank Bill Short Term Rate dipping 27.5 basis points. A long position in the three month Short Sterling also contribute positively. The contract, based on the 3-month Libor rate, gained as the reference Libor rate sank nearly 90 basis points on lower future rate expectations.

Commodities

The Commodity sector delivered positive returns. The Energy subsector (where the strategy has a slight net short position) fared best.

The Energy sector remains subject to substantial downward pressure as aggregate demand has dwindled. Major news was, of course the price of the front-month WTI Crude contract that moved into negative territory, as limited storage exacerbated the poor short-term fortunes of oil. A short position in this contract registered good returns for the program. A net short exposure to UK Natural Gas, however, was the best performing contract this month. The price of UK gas was subject to a perfect storm of downward price pressures: demand from the electricity sector has dropped by a third from one month earlier, along with a substantial reduction in demand from the industrial sector. Warmer weather has also limited demand from the residential sector; windier weather brought more wind alternatives on line; along with a supply glut (imports from Qatar and the US, primarily) all sent the price of the contract down 18.3% (a fifth consecutive double-digit decline in the contract).

Palladium, meanwhile, was the worst performer. Palladium, a primary component in the manufacturing of catalytic converters, have seen demand slump on dwindling automotive sales. New passenger-car registrations in the EU and China dropped 55.1% and 43% YoY for the month of March respectively. The contract lost 15.1% during the month on the program's long position.

FX

FX offered negative returns. The dollar, while subject to a mildly volatile trading period, ended flat over the month (the DXY dollar index was down 0.03%). The US dollar was subject to a tug-of-war between downward pressures such as the US Fed rolling out its $2.3 trillion stimulus package in an effort to support local governments and small and medium-sized businesses and the improvement of global investor risk sentiment, while being supported by weaker emerging market currencies (owing to monetary policy easing measures by EM central banks). The dollar also risks becoming subject to lower demand if the appetite for US fixed income falls. With yields nearing zero, US fixed income assets are looking less attractive compared to other sovereign paper. Foreigners hold a third of US Treasures and investment grade bonds, and the dollar can fall victim to a buyers strike from large (esp. Asian) pension funds and large insurers.

Idiosyncratic performers was responsible for the asset class dipping into the red. The short position against the Australian dollar dragged most on overall performance as the Aussie gained 6.2% against the greenback. The Australian economy – albeit reliant on China for taking much of its export and raw materials – has weathered the Coronavirus outbreak much better than Europe or the US. Businesses are set to open sooner, and fiscal support would be much less demanding. Better-than-expected economic prints from China towards the end of the month (especially PMI) further helped support the Aussie.

A long dollar position against the euro, however, registered positive gains. The euro has been looking vulnerable, with recent data showing a significant slowdown in economic activity and suggesting any pick-up in CPI will take longer than expected. Interest rates versus the US are also likely to remain lower for longer. The euro fell 0.7% against the greenback.

At month-end, the program maintains its net long Equity,Credit Indices, Short Term Interest Rates, and US dollar position. Bond positioning also remains net long. The Commodity sector, meanwhile, maintains a slightly net short position.