

# Aspect Diversified Futures

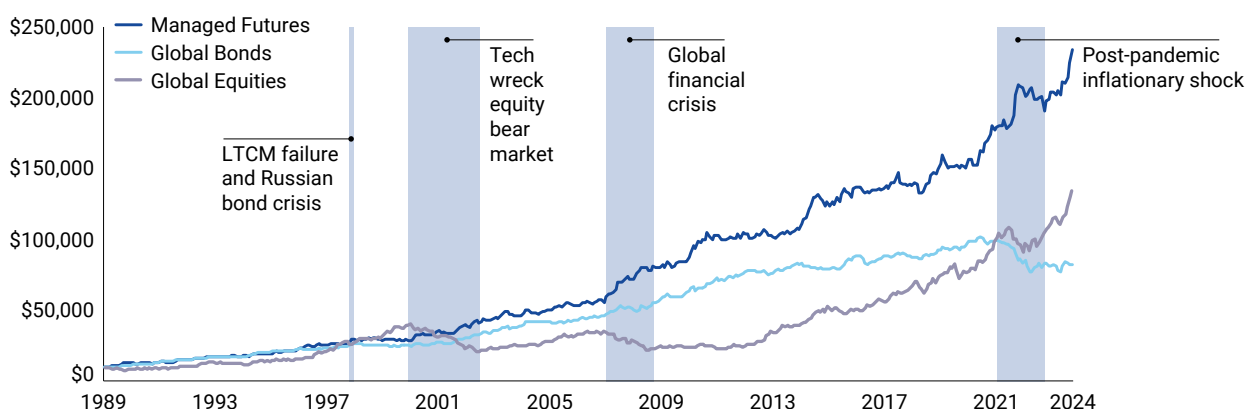
## Aspect Capital



Access an alternative source of growth with a fund equipped to perform in all market conditions

Managed futures have the ability to perform in both rising and falling markets, giving them a low correlation to traditional asset classes over the long term. According to benchmark market indexes, managed futures have outperformed both shares and bonds over the last 25 years – even during times of considerable market volatility. Managed futures also perform well compared with other asset classes, as shown in the chart below.

### Index performance comparison: The value of \$10,000 invested in Dec 1989 – March 2024



Source: Bloomberg, CISDM. Indices: Managed futures: CISDM CTA Equal Weighted Index (hedged into AUD); Global bonds: Barclays Global Aggregate (hedged into AUD); Global equities: MSCI World (in AUD). Performance is after fees and expenses. Past performance is no indication of future performance.

## Why invest with Aspect Capital?

UK-based Aspect Capital was founded in 1997 by Anthony Todd and Martin Lueck, who together have over 80 years' experience in quantitative investing. The company now has offices in London and the USA and employs over 140 investment professionals.



**Pioneers in systematic investing**  
Early users of computer modelling, now managing over \$12.9 billion as at February 2024



**Disciplined and repeatable process**  
Quantitative and systematic, model-based approach



**Research and development**  
Continuous research and development producing innovation for investors

## Why is this fund different?

Due to the systematic ability of the fund's modelling, Aspect can tactically allocate the portfolio between 230 liquid global markets to opportunistically profit from trends as they arise. Aspect has no market sector or directional preference, and markets are selected purely on the basis of diversification, liquidity and transaction costs. Exposures to any individual contracts are small, maximising diversification and expected long-term risk-adjusted returns.

## Investment process

Aspect's trend-following systems operate in most liquid global financial and commodity futures, currency forwards and other derivative contracts such as cleared over-the-counter (OTC) interest rate swaps across eight sectors. The manager employs a quantitative process to collect, process and analyse market data to determine a view of the trend-following opportunities for each market in the portfolio.

## Investment universe

Select liquid assets across more than 230 global futures markets, covering shares, bonds, currencies, interest rates and commodities.

## Market and statistical analysis

Quantitative process identifies market opportunities while model and proprietary statistical tools exploit market behaviour.

## Portfolio construction and management

The fund takes out a small exposure to individual contracts to achieve sector and contract diversification.

Positions are managed to maintain diversification, maximise expected long-term risk-adjusted returns and minimise unintentional currency exposure.

### Types of futures contracts

- **Interest rate futures** e.g. US Treasury notes, SOFR futures
- **Stock or index futures** e.g. ASX, SPI and S&P 500 futures
- **Currencies/foreign exchange** e.g. Australia dollar, US dollar
- **Bonds** e.g. US Treasury bond futures

### Commodity assets

- **Metals** e.g. gold, silver and platinum futures
- **Energy** e.g. oil, gas and ethanol futures
- **Agricultural** e.g. cattle, corn, coffee futures

### Using the fund in client portfolios

Depending on your client's objectives, the fund could potentially enable you to:

- provide an alternate source of growth that is not reliant on a positive equity market outlook by substituting equity risk with the lowly correlated risk of managed futures,
- capitalise on shorter-term macro trends.

## Reasons to invest

### Strong track record over the long term

The systematic ability of managed futures strategies to tactically allocate between a diverse range of markets has resulted in the managed futures index (CISDM CTA Asset Weighted Index) performing strongly over the past 20 years.

### Diversified and diversifying

The fund's highly diversified managed futures investments can capture profit in both rising and falling market environments, while simultaneously delivering returns that have a low correlation to the returns of traditional asset classes over the long term. Combining the fund with traditional investments has a diversifying effect.

### Liquidity and transparency

Managed futures are exchange-traded, and both futures and currency forwards are valued daily using transparent, independent and publicly available pricing sources. The fund offers daily liquidity and is Australian dollar based.

Strong research rating



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Fund facts

Established	8 March 2010
Benchmark	Reserve Bank of Australia cash rate
Style	Alternative investments, managed futures
Investment objective	To generate significant medium-term capital growth independent of overall movements in traditional equity and bond markets within a rigorous risk management framework. To provide a return greater than the Reserve Bank of Australia cash rate over rolling three-year periods after fees and taxes.
Investment horizon	At least 5 years
Investible universe	>230 liquid futures, FX forwards and cleared OTC swaps
Cash limit	N/A
Management fee <sup>1</sup>	1.20% p.a. Class A 1.43% p.a. FirstChoice Wholesale Personal Super and Pension 1.40% p.a. FirstChoice Wholesale Investments
Performance fee <sup>1</sup>	20% of the dollar value of positive performance after management fees (less carried forward negative performance) above the Reserve Bank of Australia cash rate. For more information, refer to the PDS.
Buy/sell spread	Nil
Entry/exit fees	Nil
Minimum investment	\$25,000 Class A \$20,000 FirstChoice Wholesale Pension \$1,000 FirstChoice Wholesale Investments Nil FirstChoice Wholesale Super
APIR code	FSF1086AU Class A FSF1081AU FirstChoice Wholesale Investments FSF1089AU FirstChoice Wholesale Pension FSF1095AU FirstChoice Wholesale Personal Super

1 Please refer to the Product Disclosure Statement (PDS) for further details on fees and other costs that may apply.

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3 The Zenith Investment Partners (ABN 27 103 132 672, AFS Licence 226872) ("Zenith") rating (assigned FSF1086AU Feb/2024) referred to in this document is limited to "General Advice" (s766B Corporations Act 2001) for Wholesale clients only. This advice has been prepared without taking into account the objectives, financial situation or needs of any individual and is subject to change at any time without prior notice. It is not a specific recommendation to purchase, sell or hold the relevant product(s). Investors should seek independent financial advice before making an investment decision and should consider the appropriateness of this advice in light of their own objectives, financial situation and needs. Investors should obtain a copy of and consider the PDS or offer document before making any decision and refer to the full Zenith Product Assessment available on the Zenith website. Zenith usually charges the product issuer, fund manager or related party to conduct Product Assessments. Full details regarding Zenith's methodology, ratings definitions and regulatory compliance are available on our Product Assessments and at <http://www.zenithpartners.com.au/RegulatoryGuidelines>.



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## Find out more

To find out more about this fund, please contact your local Business Development Manager, call Adviser Services on **13 18 36** (8:30am to 6pm Sydney time) or visit **[www.cfs.com.au/investments](http://www.cfs.com.au/investments)**

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