# MONTHLY PERFORMANCE REPORT
# July 2019

The Fund returned +0.60% for the month, compared with +0.23 for the HFRX Absolute Return Index. The Fund continues to achieve its objective of being a low volatility fund (6.34% since inception July 2014) with low correlation to equity markets, as a consequence of our risk averse strategies.

At the end of H1 2019, our models indicate that all major markets' YTD rises have no basis in any fundamentals i.e. either company earnings or the macro backdrop. Volatility (VIX) is below its historical long term average. We expect the US dollar to continue appreciating in 2019 although the outlook for US interest rates is less certain. This implies an outlook of more defaults in lower-quality sovereign and corporate bonds.

**GENERAL INFORMATION**

**Base Currency**: AUD
**Entity Type**: Open Ended Unit Trust
**PMs**: Marcel von Pfyffer (CIO)
Neill Colledge
**Launch date**: Jul-2014
**Benchmark**: 0% (Absolute Return)
**Fees:** 1 and 10
**Domicile**: Australia
**Close of Financial Year**: 30th June
**Unit Pricing:** Weekly
**APIR Code:** PKF0001AU
**ISIN Code:** AU60PKF00011
**Fund Administration**: APEX Fund Services (Australia)
**Fund Custodian**: Sargon CT
**Prime Broker:** Interactive Brokers
**Auditors**: Grant Thornton
**Compliance**: King Irving

**INVESTMENT MANAGER**

Arminius Investment Management Pty Ltd
AFSR 471285 ACN 602780950
licensed by:
Arminius Capital Advisory Pty Ltd
AFSL 461307 ACN 165509928

**DISTRIBUTION DETAILS**

Arminius Investment Management
115 Wickham St
Fortitude Valley
QLD 4006
AUSTRALIA
+61 7 3102 5775
info@arminiuscapital.com.au

| PERFORMANCE (Inception JUL-2014) | Arminius Capital ALPS Fund | HFRX (USD) ABSOLUTE RETURN INDEX | CREDIT SUISSE GLOBAL MACRO (USD) INDEX | SOCIETE GENERALE CTA MUTUAL FUND INDEX |
|---|---|---|---|---|
| 1 Month | **0.60%** | 0.23% | 7.10% | 3.29% |
| 3 Months | **2.20%** | 1.03% | 5.82% | 4.23% |
| Calendar YTD | **2.54%** | 1.89% | 15.99% | 6.34% |
| 1 Year | **-8.30%** | 0.39% | 2.93% | 6.36% |
| 3 Years | **3.68%** | 4.74% | 14.95% | -2.77% |
| 5 Years | **11.66%** | 7.68% | 6.67% | 5.96% |
| **Cumulative since Inception JUL 2014** | **14.00%** | **7.05%** | **8.01%** | **6.12%** |

Arminius Capital ALPS Fund (Inception July-2014) Returns are net of base fees; gross of performance fee.

| % | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | CY |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **2014** | - | - | - | - | **INCEPTION =>** | | 2.09% | 0.04% | -1.43% | 2.02% | 1.18% | 2.35% | 6.37% |
| **2015** | 3.85% | 1.56% | -0.07% | -1.47% | 0.77% | -0.09% | 0.52% | -1.23% | -0.45% | 1.23% | 0.19% | -2.43% | 2.26% |
| **2016** | -0.38% | -2.38% | 0.54% | 2.37% | 1.22% | 0.41% | -0.10% | 0.03% | 0.00% | 0.20% | 3.55% | 4.60% | 10.33% |
| **2017** | -0.13% | 2.69% | 3.31% | 0.10% | 1.25% | 0.02% | -0.34% | 1.28% | -1.45% | 1.93% | -1.41% | 1.04% | 8.47% |
| **2018** | 3.94% | -2.64% | -3.56% | 0.49% | 0.24% | -0.57% | -1.77% | 0.88% | -1.94% | -3.90% | -3.75% | -2.26% | -14.1% |
| **2019** | 0.08% | 0.12% | 0.35% | -0.22% | 1.39% | 0.20% | 0.60% | - | - | - | - | - | 2.54% |

* 2014/07 - 2015/02 Strategy run as Mandate, 2015/03+ as Unit Trust Structure. EOM date is typically last Friday of month.

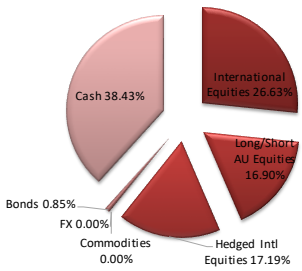
**FUND OBJECTIVES:** The fund provides investors with exposure to all asset classes in the global macro universe. Arminius' aim is to provide smooth positive returns with lower volatility and lower risk than concentrated single market/asset class exposure. Our absolute return investment methodology utilises a combination of fundamental, momentum and quantitative inputs. As an absolute return fund, the objective is to preserve the capital base across every 3 year rolling period.

**INVESTMENT STRATEGY:** Arminius uses econometric modelling based on macro-economic indicators alongside fundamentals pertinent to each individual instrument within each asset class. Momentum is taken into account only once the fundamental value of each instrument has been ascertained. Low volatility and risk management is complemented by frequent re-balancing and equal weighting, according to what each hedging sub-strategy dictates.

**FUND STATISTICS MONTHLY**

| *From July 2014* | ALPS Fund | XJO |
|---|---|---|
| Sharpe Ratio | **0.30** | 0.38 |
| Sortino Ratio (RFR) | **1.12** | 1.56 |
| Downside Deviation | **1.71%** | 2.75% |
| Standard Deviation | **1.83%** | 3.29% |
| Annualized SD | **6.34%** | 11.41% |
| Mean Monthly Return | **0.24%** | 0.44% |
| Compound Monthly Return | **0.22%** | 0.38% |
| Excess Return (RFR) | **1.92%** | 4.29% |
| Portfolio Correlation to XJO | **0.49** | - |
| $R^2$ Coefficient of Determination | **0.08** | - |

**STRATEGIC ASSET ALLOCATION**
**at Month's commencement**




**FUND PERFORMANCE:**

The Fund returned +0.60% for the month, compared with +0.23 for the HFRX Absolute Return Index. The Australian market's July rise of +2.93% beat all of the world's major equity markets. The US S&P500 price index rose by +1.31%, Japan's Nikkei 225 by +1.15%, and Europe's Stoxx 600 by only +0.23%. China's markets fell: the Shanghai Composite was down -1.56% and the Hang Seng dropped -2.68%.

**DISCLAIMER:** This report is made for information purposes only, reflecting Arminius' interpretation of a specific historic period, source referenced from the prime broker "Interactive Brokers" proprietary reporting software "*PortfolioAnalyst*". All other data is sourced from FACTSET and Hedge Fund Research Inc. This report is only made to investors who are wholesale clients (as defined in section 761G of the Corporations Act 2001) or which do not otherwise require the provision of a Product Disclosure Statement under Division 2 of Part 7.9 of the Corporations Act. This report does not constitute a Product Disclosure Statement, prospectus or other disclosure document within the meaning of the Corporations Act. It has not been, and is not required to be, lodged with the Australian Securities and Investments Commission under the Corporations Act 2001.

As if the ongoing protests in Hong Kong were not enough of a problem, Chinese investors worked out that the US trade war was not going to end any time soon. In addition, Chinese authorities stated very clearly that they were not planning another big stimulus for the economy, and they said very specifically that they were not going to pump up the property market again.

The S&P/ASX200 price index has finally broken its pre-GFC record of 6851.5, set on 30 November 2007. On 30 July the index hit an intraday high of 6872.9, but ended the day slightly lower and finished the month at 6813. All sectors of the ASX recorded positive returns in July, led by Consumer Staples, Healthcare, and Information Technology. Discouraging news on commodity prices (except gold!) meant that the Energy and Materials sector underperformed the rest of the market. BHP, Rio, and Fortescue all fell in price when the Brazilian iron ore exporter Vale indicated that it would be re-opening some of the mines which have been shut down.

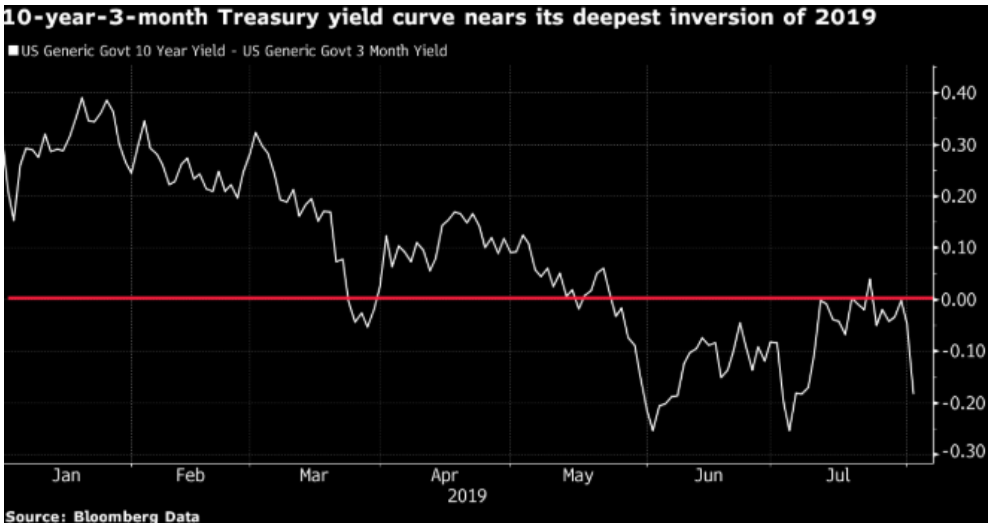
## INVESTMENT OUTLOOK

The outlook for global equity markets suddenly turned negative in early August, when The Donald sent out a tweet threatening China with more tariffs unless it did what he wanted. Global markets reacted with alarm. The Chinese government reacted with an official statement saying that China would not submit to US bullying. Investors have concluded that a negotiated peace in the US-China trade war is now unlikely, so they are preparing for slower economic growth, as well as serious disruption to trade and currencies. (Trends in the trade war are covered in more detail in our reports on the **Arminius ALCE Australian Equities Strategy** July 2019 Report found here: http://arminiuscapital.com.au/funds/ )


Investors lowered their portfolio risk by dumping equities in favour of government bonds, especially the bonds of stable jurisdictions like the US, Japan, Germany, and Switzerland. Yields on US bonds went into a power dive (see the chart above), reaching their lowest levels since 2016. Yields on Japanese, German and Swiss bonds are already negative, so they went more negative. More than USD $15 trillion worth of bonds now carry negative yields, including half the bonds issued by European governments. (Greek, Italian, Portuguese and Spanish bonds still carry positive yields.) As the chart below shows, bond yields are falling all around the world. The bond market is saying very clearly that it expects a global slowdown, not to mention recessions in several countries.

**DISCLAIMER:** This report is made for information purposes only, reflecting Arminius' interpretation of a specific historic period, source referenced from the prime broker "Interactive Brokers" proprietary reporting software "*Portfolio Analyst*". All other data is sourced from FACTSET and Hedge Fund Research Inc. This report is only made to investors who are wholesale clients (as defined in section 761G of the Corporations Act 2001) or which do not otherwise require the provision of a Product Disclosure Statement under Division 2 of Part 7.9 of the Corporations Act. This report does not constitute a Product Disclosure Statement, prospectus or other disclosure document within the meaning of the Corporations Act. It has not been, and is not required to be, lodged with the Australian Securities and Investments Commission under the Corporations Act 2001.


We have previously mentioned the inversion of the US yield curve as a reliable indicator of recession within about 18 months. As the chart below shows, the inversion has become longer and deeper, flashing a very large warning signal. On top of that, US company results for the June quarter are showing little or no profit growth, amid management commentary about the problems caused by tariffs and the trade war.




On a brighter note, the US is not going to suffer another Federal budget squabble or debt ceiling collision or government shutdown. Under a negotiated compromise, the budgetary status quo has been extended to 2021, i.e. after the next Presidential election. Connoisseurs of US politics were able to enjoy watching how brutally the three septuagenarian cage-fighters Donald Trump, Mitch McConnell and Nancy Pelosi rammed the compromise down the throats of their reluctant followers.

Europe continues to provide endless entertainment. The long-running Brexit farce now looks like culminating in a no-deal Brexit on 31 October, followed by Boris Johnson gambling on a general election. The Italian government seems to have fallen flat on its face again, but Italy just can't compete with the English talent for comedy. The Germans, meanwhile, remain sober and sensible, with boringly logical politics which produces budget surpluses and trade surpluses year in and year out.

**DISCLAIMER:** This report is made for information purposes only, reflecting Arminius' interpretation of a specific historic period, source referenced from the prime broker "Interactive Brokers" proprietary reporting software "*PortfolioAnalyst*". All other data is sourced from FACTSET and Hedge Fund Research Inc. This report is only made to investors who are wholesale clients (as defined in section 761G of the Corporations Act 2001) or which do not otherwise require the provision of a Product Disclosure Statement under Division 2 of Part 7.9 of the Corporations Act. This report does not constitute a Product Disclosure Statement, prospectus or other disclosure document within the meaning of the Corporations Act. It has not been, and is not required to be, lodged with the Australian Securities and Investments Commission under the Corporations Act 2001.

Germany and Japan are already suffering from the global slowdown. In both countries, the core of their manufacturing industry is the production of capital goods (such as machinery) and consumer goods (such as cars) which are exported all over the world. But worldwide declines in business capex and the car industry are reducing demand for their products, which is the reason behind the current downturn in the German factory sector shown in the chart below.


The Australian economy is materially exposed to the US-China trade war and to the probable US recession. The upcoming result season will tell us a lot about the near-term prospects for Australia, but the news is unlikely to be good enough to offset the risks in the rest of the world. The resources sector (except for the gold miners!) is suffering from weakening commodity prices. The banking sector is having difficulty adjusting to life after the Hayne Royal Commission, not only in repaying their maltreated customers, but also in meeting new standards of behaviour. On top of this, the banks need to modify their business models to cope with a long period of low interest rates.

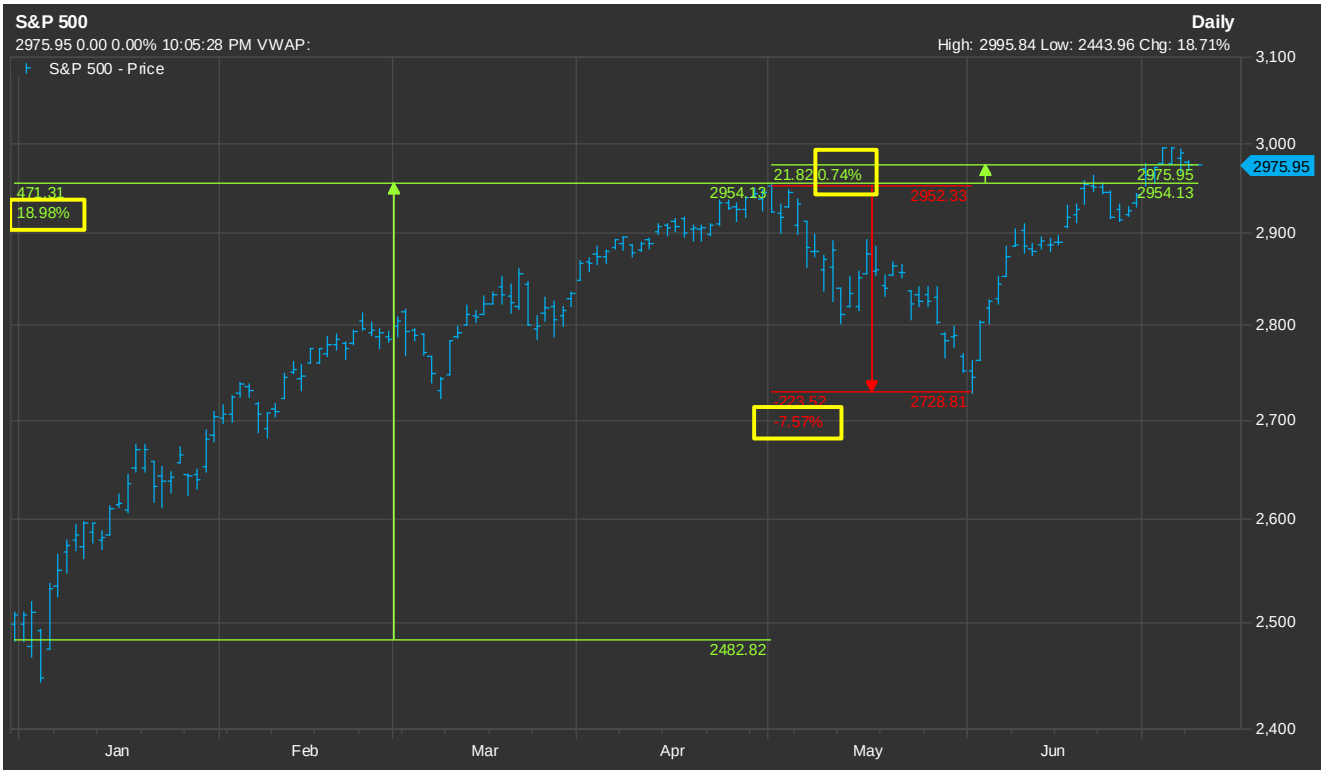
There are some bright spots. Income-oriented investors have rushed into high-yield stocks such as utilities and property trusts, propelling share prices upwards. House prices have stopped falling – but the collapsing prices of the building materials stocks are telling us that the housing market is not about to take off again. In addition, the newly elected Morrison government has a clear mandate to launch fiscal and industry policies which would stimulate the economy. On balance, we remain cautious, because the performance of the Australian share market depends on events outside Australia.

## US STOCKMARKET AND ECONOMY – ABOUT TO RUN OUT OF STEAM?

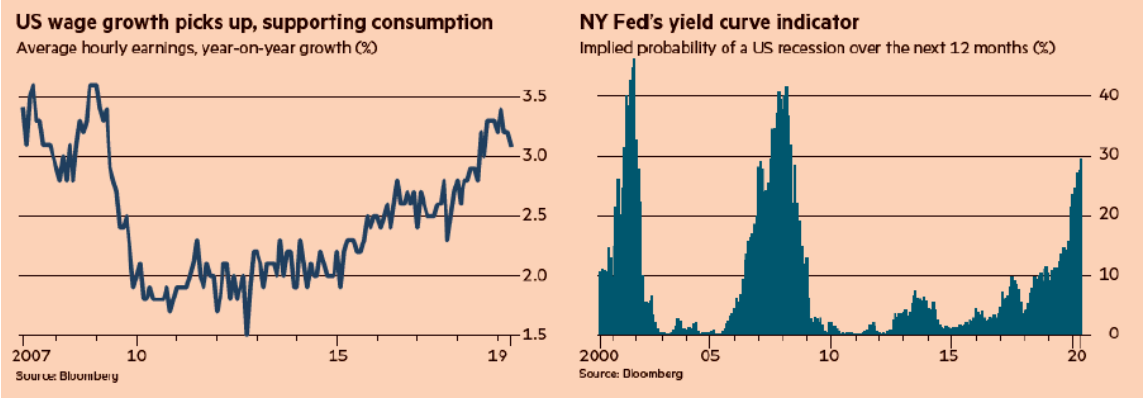
The majority of the impressive gains in CY2019 in the S&P500 have all been made up to 30 April. Through May, June and July the market has only contributed 0.74%.

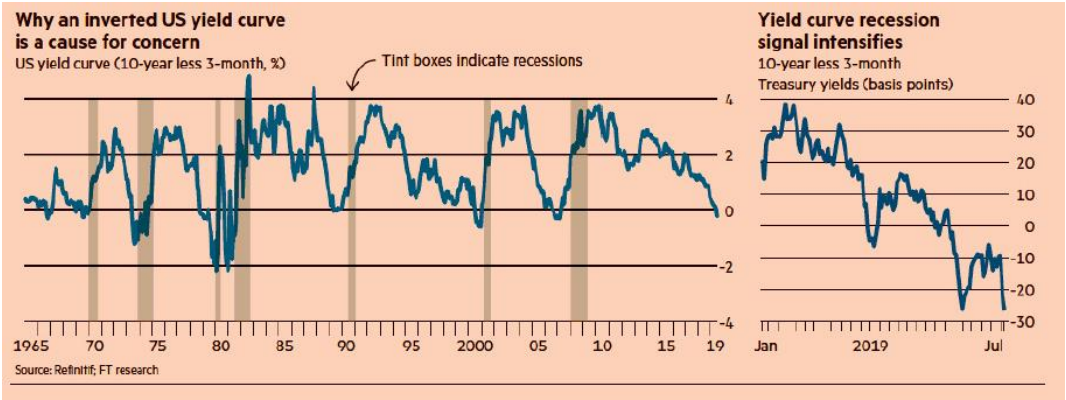
- Jan to April: +18.9%
- May: -7.5%
- June to July: +0.7%

**DISCLAIMER:** This report is made for information purposes only, reflecting Arminius' interpretation of a specific historic period, source referenced from the prime broker "Interactive Brokers" proprietary reporting software "*PortfolioAnalyst*". All other data is sourced from FACTSET and Hedge Fund Research Inc. This report is only made to investors who are wholesale clients (as defined in section 761G of the Corporations Act 2001) or which do not otherwise require the provision of a Product Disclosure Statement under Division 2 of Part 7.9 of the Corporations Act. This report does not constitute a Product Disclosure Statement, prospectus or other disclosure document within the meaning of the Corporations Act. It has not been, and is not required to be, lodged with the Australian Securities and Investments Commission under the Corporations Act 2001.




The US economy is now in its 121st month of consecutive expansion, exceeding the previous record period of 1991-2001. We wrote last year that US wage growth needed to increase alongside jobs growth for the US economic growth record to continue. We have seen it do this through 2019, however it has also begun to occur alongside the "newly famous again" yield curve indicator of pending US recessions.

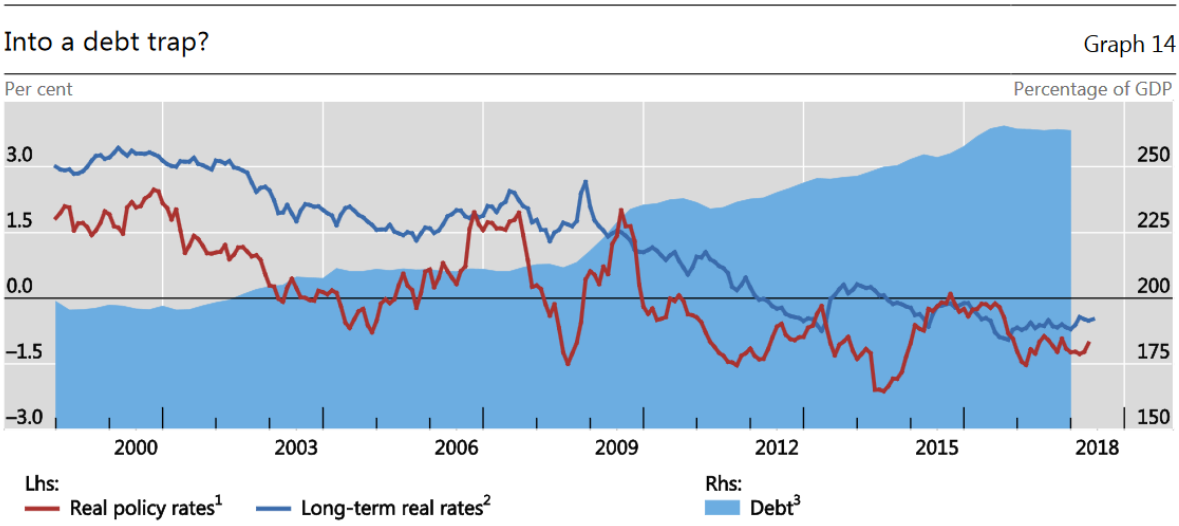



**DISCLAIMER:** This report is made for information purposes only, reflecting Arminius' interpretation of a specific historic period, source referenced from the prime broker "Interactive Brokers" proprietary reporting software "*PortfolioAnalyst*". All other data is sourced from FACTSET and Hedge Fund Research Inc. This report is only made to investors who are wholesale clients (as defined in section 761G of the Corporations Act 2001) or which do not otherwise require the provision of a Product Disclosure Statement under Division 2 of Part 7.9 of the Corporations Act. This report does not constitute a Product Disclosure Statement, prospectus or other disclosure document within the meaning of the Corporations Act. It has not been, and is not required to be, lodged with the Australian Securities and Investments Commission under the Corporations Act 2001.

Whilst global debt market issuances continues to revel in ultra low interest rates (and the negative rate grand total has now exceeded $14 Trillion in July) we observe in light of the US Federal Reserve cutting the Fed Funds rate by 0.25% in July, the potential tipping point of the beginning of the global debt trap that we have been warning of for some time.


The BIS in particular is beginning to devote more and more attention to this issue. If debt rises in proportion to GDP expansion, there is rationale for the continued issuance of debt.




[1] Nominal rate less headline consumer price inflation. Simple average of Germany, Japan and the United States. [2] Simple average of index-linked 10-year government bond yields of France, Japan and the United States. [3] Total credit to non-financial sectors. Weighted average of the G7 economies plus China based on GDP and PPP exchange rates.

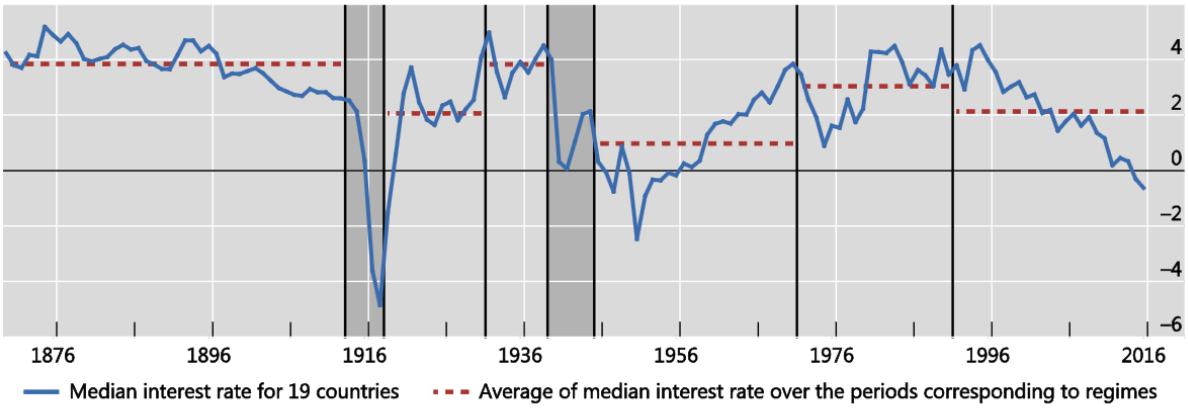
Sources: Bloomberg; Datastream; national data; BIS calculations.

**DISCLAIMER:** This report is made for information purposes only, reflecting Arminius' interpretation of a specific historic period, source referenced from the prime broker "Interactive Brokers" proprietary reporting software "*PortfolioAnalyst*". All other data is sourced from FACTSET and Hedge Fund Research Inc. This report is only made to investors who are wholesale clients (as defined in section 761G of the Corporations Act 2001) or which do not otherwise require the provision of a Product Disclosure Statement under Division 2 of Part 7.9 of the Corporations Act. This report does not constitute a Product Disclosure Statement, prospectus or other disclosure document within the meaning of the Corporations Act. It has not been, and is not required to be, lodged with the Australian Securities and Investments Commission under the Corporations Act 2001.

However, with the US effectively the only country of material note that is growing (EU & Japanese growth is stagnant, Chinese growth demonstrably slowing) then the justification for continued debt issuance at both corporate and sovereign levels, just to take advantage of "low interest rate repayments" to the bond holders, loses its economic justification – and invites the greater catastrophy of the pending debt trap. Should we indeed be embarking upon "a really new NEW normal" this time, of permanent low or negative interest rates, then debt issuance becomes a problem of cosmic proportions.

The influence of monetary regimes on the real long-term rate[1]

In per cent — Graph 3



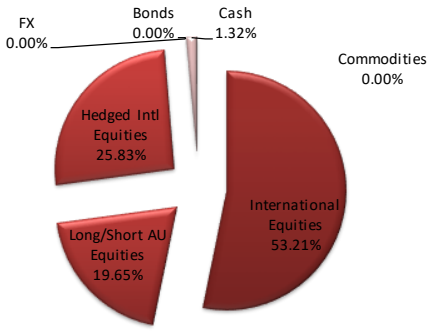

[1] Monetary policy regimes, in order: (mainly) classical gold standard; post-WWI gold standard; other interwar years; Bretton Woods; initial post-Bretton Woods (pre-Volcker); post-Volcker tightening and inflation targeting. Shaded areas indicate WWI and WWII (excluded from the empirical analysis).

Source: Borio et al (2017a).

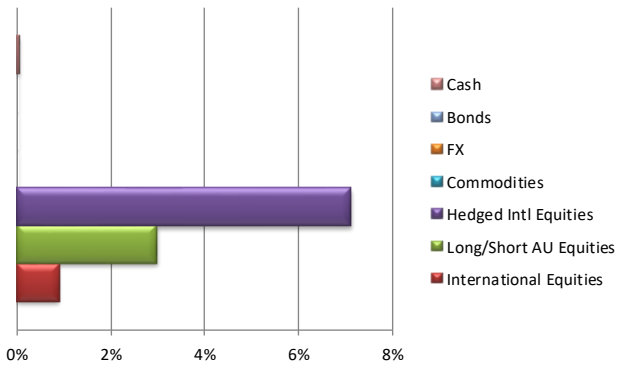
**DISCLAIMER:** This report is made for information purposes only, reflecting Arminius' interpretation of a specific historic period, source referenced from the prime broker "Interactive Brokers" proprietary reporting software "*PortfolioAnalyst*". All other data is sourced from FACTSET and Hedge Fund Research Inc. This report is only made to investors who are wholesale clients (as defined in section 761G of the Corporations Act 2001) or which do not otherwise require the provision of a Product Disclosure Statement under Division 2 of Part 7.9 of the Corporations Act. This report does not constitute a Product Disclosure Statement, prospectus or other disclosure document within the meaning of the Corporations Act. It has not been, and is not required to be, lodged with the Australian Securities and Investments Commission under the Corporations Act 2001.

# PERFORMANCE TABLES

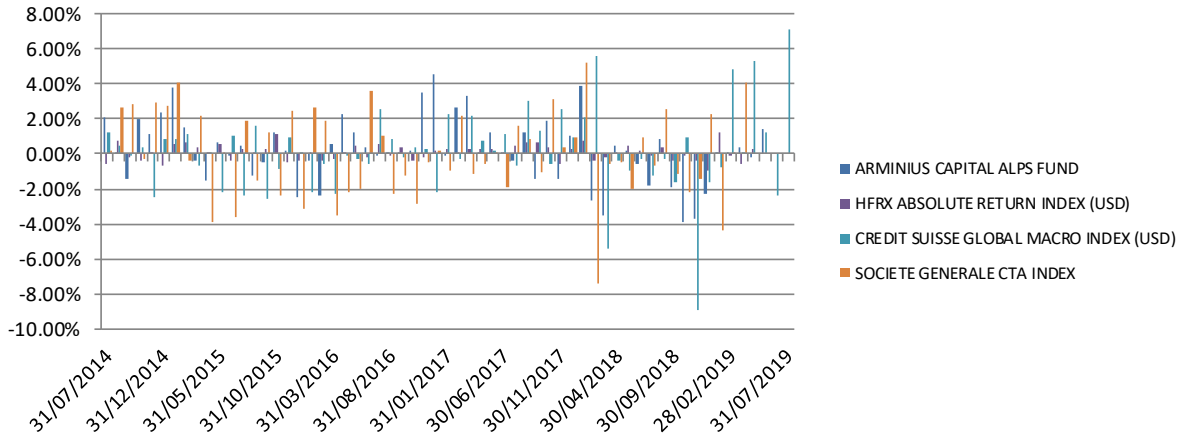
## Exposure at month's end as % of NAV



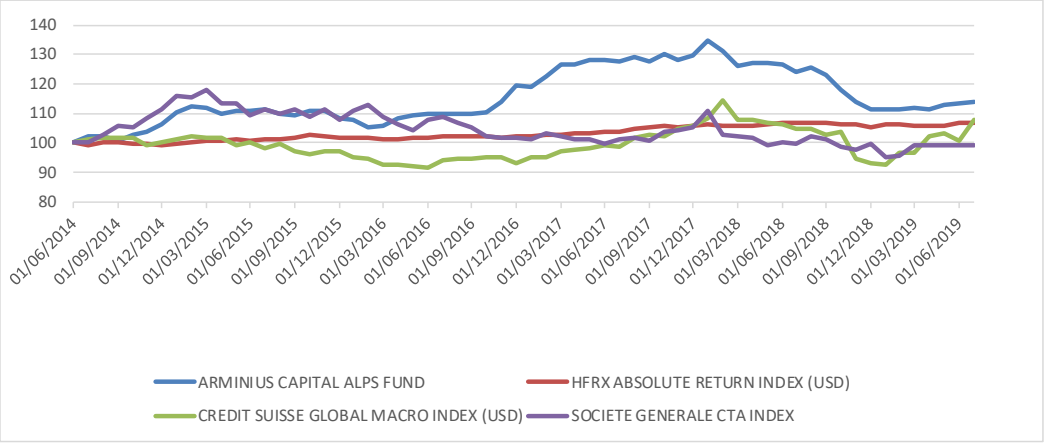

## Monthly Asset Class average returns of individual constituents per SAA in domestic market currency




## Monthly Performance since Inception July 2014




## Cumulative Performance since Inception (Base 100 = 30 June 2014)




**DISCLAIMER:** This report is made for information purposes only, reflecting Arminius' interpretation of a specific historic period, source referenced from the prime broker "Interactive Brokers" proprietary reporting software "*PortfolioAnalyst*". All other data is sourced from FACTSET and Hedge Fund Research Inc. This report is only made to investors who are wholesale clients (as defined in section 761G of the Corporations Act 2001) or which do not otherwise require the provision of a Product Disclosure Statement under Division 2 of Part 7.9 of the Corporations Act. This report does not constitute a Product Disclosure Statement, prospectus or other disclosure document within the meaning of the Corporations Act. It has not been, and is not required to be, lodged with the Australian Securities and Investments Commission under the Corporations Act 2001.

# GLOBAL FINANCIAL MARKETS – MONTHLY DATA

| EQUITIES | 30-Jun-19 | 31-Jul-19 | ROR |
|---|---|---|---|
| **EUROPE** | | | |
| Germany DAX (TR) | 12398.8 | 12189.0 | -1.69% |
| Switzerland SMI (PR) | 9898.2 | 9919.3 | 0.21% |
| STOXX Europe 600 (EUR) | 384.9 | 385.8 | 0.23% |
| FTSE 100 | 7425.6 | 7586.8 | 2.17% |
| France CAC 40 | 5539.0 | 5518.9 | -0.36% |
| FTSE MIB | 21234.8 | 21398.2 | 0.77% |
| Netherlands AEX | 561.8 | 572.1 | 1.84% |
| Belgium BEL 20 | 3547.5 | 3701.4 | 4.34% |
| OMX Stockholm 30 | 1622.4 | 1599.8 | -1.40% |
| Norway Oslo All-Share | 966.9 | 957.2 | -1.01% |
| Ireland ISEQ | 6152.6 | 6111.1 | -0.67% |
| Spain IBEX 35 | 9198.8 | 8971.0 | -2.48% |
| Cyprus CSE General | 71.1 | 70.6 | -0.70% |
| **AMERICAS** | | | |
| S&P 500 | 2941.8 | 2980.4 | 1.31% |
| DJ 30 Industrials | 26600.0 | 26864.3 | 0.99% |
| DJ 65 Composite Average | 8796.8 | 8895.2 | 1.12% |
| NASDAQ Composite | 8006.2 | 8175.4 | 2.11% |
| Russell 1000 | 1629.0 | 1652.4 | 1.44% |
| S&P TSX | 16382.2 | 16406.6 | 0.15% |
| Brazil Bovespa | 100967.2 | 101812.1 | 0.84% |
| Mexico IPC | 43161.2 | 40863.1 | -5.32% |
| **ASIA** | | | |
| S&P ASX 200 | 6618.8 | 6812.6 | 2.93% |
| Nikkei 225 | 21275.9 | 21521.5 | 1.15% |
| Hang Seng | 28542.6 | 27777.8 | -2.68% |
| Korea KOSPI | 2130.6 | 2024.6 | -4.98% |
| FTSE Strait Times | 3321.6 | 3300.8 | -0.63% |
| Taiwan TAIEX | 10730.8 | 10823.8 | 0.87% |
| New Zealand NZX 50 (TR) | 10501.1 | 10857.8 | 3.40% |
| Shanghai SSE Composite | 2978.9 | 2932.5 | -1.56% |
| China Shenzhen A Share | 1634.0 | 1643.3 | 0.57% |
| India S&P BSE SENSEX | 39394.6 | 37481.1 | -4.86% |
| FTSE Bursa Malaysia KLCI | 1672.1 | 1634.9 | -2.23% |
| Indonesia JSX | 6358.6 | 6390.5 | 0.50% |

| FOREIGN EXCHANGE | 30-Jun-19 | 31-Jul-19 | ROR |
|---|---|---|---|
| AUD/USD | 0.704 | 0.685 | -2.63% |
| EUR/USD | 1.145 | 1.113 | -2.79% |
| JPY/USD | 107.170 | 108.419 | 1.17% |
| GBP/USD | 1.275 | 1.219 | -4.40% |
| CHF/USD | 1.032 | 1.011 | -2.07% |
| USD/CAD | 0.766 | 0.759 | -0.91% |
| EUR/GBP | 0.898 | 0.913 | 1.69% |
| EUR/AUD | 1.627 | 1.624 | -0.16% |
| USD/CHF | 0.977 | 0.994 | 1.78% |
| GBP/AUD | 1.808 | 1.777 | -1.73% |
| CBOE Volatility Index | 15.08 | 16.12 | 6.90% |

| COMMODITIES | 30-Jun-19 | 31-Jul-19 | ROR |
|---|---|---|---|
| **Energy** | | | |
| Crude Oil WTI (NYM $/bbl) Continuous | 58.47 | 58.58 | 0.19% |
| Brent Crude (ICE $/bbl) Continuous | 64.74 | 65.05 | 0.48% |
| NY Harbor ULSD (NYM $/gal) Continuous | 1.94 | 1.97 | 1.61% |
| NY Harb RBOB (NYM $/gal) Continuous | 1.90 | 1.86 | -1.78% |
| Natural Gas (NYM $/btu) Continuous | 2.31 | 2.23 | -3.25% |
| **Precious Metals** | | | |
| Gold (NYM $/ozt) Continuous | 1413.70 | 1437.80 | 1.70% |
| Silver (NYM $/ozt) Continuous | 15.34 | 16.41 | 6.94% |
| **Industrial Metals** | | | |
| Aluminum (LME Cash $/t) | 1773.50 | 1776.50 | 0.17% |
| High Grade Copper (NYM $/lbs) Continuous | 5972.00 | 5926.00 | -0.77% |
| Nickel (LME Cash $/t) | 12665.00 | 14360.00 | 13.38% |
| Iron Ore 62% CN TSI (NYM $/mt) | 109.18 | 120.02 | 9.93% |
| Zinc (LME Cash $/t) | 2580.50 | 2425.50 | -6.01% |
| **Agricultural** | | | |
| Corn (CBT $/bu) Continuous | 4.32 | 4.10 | -4.98% |
| Soybeans (CBT $/bu) Continuous | 9.23 | 8.82 | -4.50% |
| Wheat (CBT $/bu) Continuous | 5.27 | 4.87 | -7.59% |
| Cotton #2 (NYF $/lbs) Continuous | 0.66 | 0.64 | -3.39% |
| Sugar #11 (NYF $/lbs) Continuous | 0.13 | 0.12 | -3.25% |
| **Indices** | | | |
| GS Commodity (CME) Continuous | 423.85 | 421.45 | -0.57% |
| PowerShares DB Commodity Index Tracking Fund | 15.73 | 15.55 | -1.14% |
| db x-trackers SICAV - db x-trackers DB COMMODITY BO | 14.34 | 14.12 | -1.49% |

| 10 YEAR SOVEREIGN YIELDS | 30-Jun-19 | 31-Jul-19 | Yield D |
|---|---|---|---|
| US | 2.00% | 2.02% | 0.02% |
| UK | 0.83% | 0.62% | -0.20% |
| Europe | -0.32% | -0.43% | -0.10% |
| Australia | 1.32% | 1.20% | -0.12% |
| Belgium | 0.07% | -0.11% | -0.17% |
| Canada | 1.46% | 1.52% | 0.06% |
| Denmark | -0.26% | -0.36% | -0.11% |
| France | -0.01% | -0.17% | -0.16% |
| Germany | -0.33% | -0.43% | -0.10% |
| Greece | 2.43% | 2.02% | -0.40% |
| Ireland | 0.17% | 0.10% | -0.08% |
| Italy | 2.08% | 1.56% | -0.53% |
| Japan | -0.16% | -0.16% | 0.00% |
| Netherlands | -0.16% | -0.31% | -0.16% |
| New Zealand | 1.57% | 1.44% | -0.13% |
| Norway | 1.43% | 1.38% | -0.05% |
| Portugal | 0.47% | 0.36% | -0.11% |
| Spain | 0.39% | 0.30% | -0.09% |
| Sweden | 0.02% | -0.14% | -0.16% |
| Switzerland | -0.55% | -0.72% | 0.18% |

ROR = Rate of Return
Yield D = Yield differential

**DISCLAIMER:** This report is made for information purposes only, reflecting Arminius' interpretation of a specific historic period, source referenced from the prime broker "Interactive Brokers" proprietary reporting software "*PortfolioAnalyst*". All other data is sourced from FACTSET and Hedge Fund Research Inc. This report is only made to investors who are wholesale clients (as defined in section 761G of the Corporations Act 2001) or which do not otherwise require the provision of a Product Disclosure Statement under Division 2 of Part 7.9 of the Corporations Act. This report does not constitute a Product Disclosure Statement, prospectus or other disclosure document within the meaning of the Corporations Act. It has not been, and is not required to be, lodged with the Australian Securities and Investments Commission under the Corporations Act 2001.