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MEDIA RELEASE

Man's flagship Alpha fund upgraded to 'Highly Recommended'

Man Group's flagship fund, Man AHL Alpha (AUD) ('Man AHL Alpha' or 'the Fund'), has been upgraded to a **'Highly Recommended'** rating from research house Lonsec, recognising the fund's strong performance over the past three years of operation in the region.

The **'Highly Recommended'** rating indicates that Lonsec has very strong conviction the financial product can generate risk adjusted returns in line with relevant objectives and that it is considered a preferred entry point to this asset class or strategy.

Man AHL Alpha is a trend following oriented hedge fund which invests across a range of asset types and markets globally, through exchange traded futures and OTC contracts, with continuous 24 hour trading. The investment team uses a quantitative-based, computer-driven trading program to exploit price movements in over 500 international markets.

GSFM has been responsible for retail distribution of the London-headquartered fund in Australia and New Zealand since 2017.

Commenting on the **'Highly Recommended'** rating GSFM chief executive, Damien McIntyre, pointed to Man AHL Alpha's long heritage and track record.

"Underpinning the rating upgrade is Man's strong pedigree in trend following, a strategy it pioneered and has successfully deployed for more than 30 years.

"Lonsec highlighted Man's commitment to research and innovation which has differentiated the offering from peers over time. These comments underscore more broadly Man's ongoing dedication and commitment to CTA or trend following strategies.

"Staying true to label was particularly beneficial during March 2020, the month that COVID-19's pandemic status was officially declared," Mr McIntyre said.

"During this time Man AHL Alpha offered low correlation to equities and delivered positive returns when equity markets were in crisis.

"A key competitive advantage of Man AHL Alpha is its allocation of up to 25 per cent to the AHL Evolution programme. This programme is offered to institutional investors only with the only available access point for retail investors being via Man AHL Alpha. It provides exposure to a set of markets generally not traded by others offering further diversification to an equity biased portfolio".

In assessing the fund, Lonsec's product review report noted Man AHL Alpha's large and high-quality investment team, with execution considered a particular area of strength.

The research house stated a key competitive advantage of the Fund is its diversification of traded markets, experienced research team, execution infrastructure and platform, along with the model's overall responsiveness. Lonsec said it considers these aspects to be particularly valuable from a diversification perspective to an equity biased portfolio.

"Compared to most peers, the Fund's generally shorter horizon, more dynamic models are potentially better suited to provide greater convexity to an equity biased portfolio in V-shaped markets," Lonsec said.

"As a moderate-to-high volatility single strategy hedge fund, Lonsec considers this product should sit within the growth component of a diversified investment portfolio. The Fund is aimed at high risk profile investors with five-year plus investment time.

"It trades a highly diverse and differentiated set of markets compared to peers which may provide greater diversification benefits".

Mr McIntyre added that Man AHL Alpha has delivered strong performance in a variety of market environments because of the strategy's ability to profit from trends, either up or down, in hundreds of liquid markets across a variety of asset classes.

"This gives rise to a return stream which is generally uncorrelated to equity markets in the long term, but has the potential ability to perform strongly in times of stress."

Man Group is one of seven partnerships that GSFM has undertaken with specialist funds managers in the Australian market. These span Australian equities, global equities, fixed income, volatility and absolute return through global equities.

For more information please contact:

Damien McIntyre
Phone: 03 9949 8852
Email: dmcintyre@gsfm.com.au

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GSFM was established in July 2007 as a subsidiary of the Grant Samuel Group. In November 2016 CI Financial Corp (CI) purchased an 80 per cent stake in the business. CI is a diversified wealth management firm with fee-earning assets of CAD\$176.7 billion (as of 30 June 2020). GSFM specialises in marketing funds managed by high calibre local and international managers to Australian and New Zealand institutional and Australian retail investors.

Since 2007, GSFM has formed alliances with following investment managers to distribute investment products to Australian and New Zealand clients:

- *New York based Epoch Investment Partners, Inc.*
- *Tribeca Investment Partners, a successful Australian boutique manager*
- *Payden & Rygel, a Los Angeles based independent investment management firm*
- *Munro Partners, an independent global equity manager*
- *London-based Man Group plc*
- *Toronto and Boston based Cambridge Global Asset Management*

GSFM currently represents more than \$16.7 billion funds under management (as at 30 June 2020). For more information about GSFM please visit the website: www.gsfm.com.au