

# Man Series 7 OM-IP 220



## Monthly Report as at 30 June 2020

MTD : -0.14 % Year to date : -0.23 %

### Fund objective<sup>1</sup>

Man Series 7 OM-IP 220 (the 'Company') aims to generate medium to long term capital growth with the security of a capital guarantee and a rising guarantee from Westpac. The investment strategy is designed to capitalise on the performance of the AHL Diversified Program and the Man Investments Portfolio. The combination of the two complementary investments is designed to increase opportunities for profit and spread risk over more than 150 international markets and more than 70 specialised international fund managers.

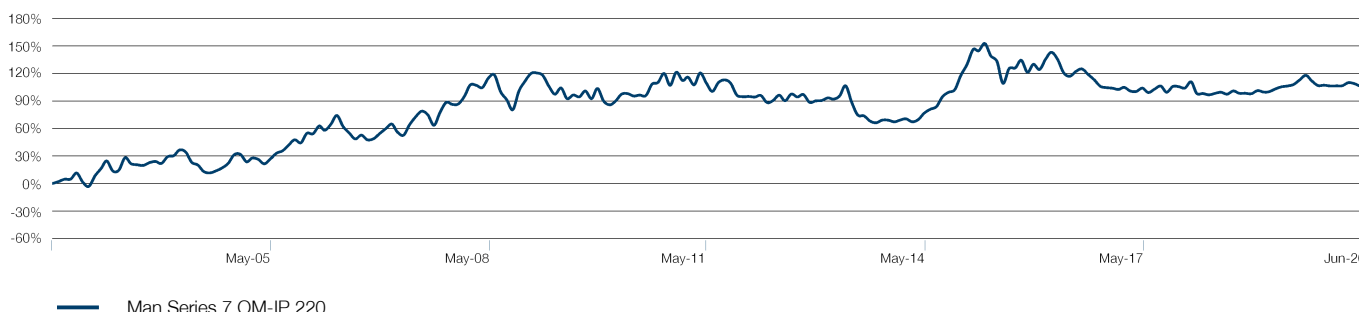
### Performance statistics

Last month	-0.14 %
Last 3 months	-1.93 %
Year to date	-0.23 %
Last 12 months	-1.01 %
Last 3 years annualised	1.10 %
Last 5 years annualised	-0.32 %
Cumulative return <sup>2</sup>	105.88 %
Annualised return <sup>2</sup>	4.08 %
Annualised volatility <sup>2</sup>	14.05 %
Percentage of up months <sup>2</sup>	54.38 %
Worst drawdown	-24.91 %

### Fund details

APIR code	MAN0012CK
Inception date	6 June 2002
Total NAV	31,009,119
NAV per share <sup>3</sup>	(AUD) 2.0588
Currency	AUD
Maturity date	31-Dec-2021
Capital Guarantee	1.9488
Valuation agent	Citco Fund Services (Ireland) Ltd

### Net track record



### Historical Performance (Last 10 years)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2011	-4.07 %	1.65 %	-3.84 %	6.25 %	-4.98 %	-4.36 %	4.84 %	1.36 %	-1.65 %	-6.18 %	-0.92 %	0.09 %	-11.96 %
2012	-0.30 %	0.87 %	-3.93 %	1.14 %	3.08 %	-3.11 %	3.83 %	-1.56 %	1.35 %	-4.33 %	0.85 %	0.24 %	-2.22 %
2013	1.50 %	-0.72 %	1.82 %	5.66 %	-8.81 %	-7.25 %	-0.55 %	-3.25 %	-1.12 %	1.75 %	-0.02 %	-1.08 %	-12.22 %
2014	1.23 %	0.71 %	-1.91 %	1.43 %	4.24 %	2.30 %	1.66 %	5.94 %	2.35 %	1.46 %	7.59 %	5.47 %	37.30 %
2015	7.16 %	-0.56 %	3.25 %	-5.31 %	-2.58 %	-10.23 %	7.68 %	0.32 %	3.71 %	-5.58 %	3.92 %	-2.47 %	-2.31 %
2016	5.11 %	3.09 %	-3.24 %	-6.10 %	-1.78 %	2.38 %	1.27 %	-2.64 %	-2.60 %	-3.39 %	-0.73 %	-0.30 %	-9.09 %
2017	-0.68 %	1.14 %	-1.95 %	-0.24 %	1.80 %	-2.35 %	1.85 %	1.67 %	-3.27 %	3.14 %	-0.11 %	-0.71 %	0.09 %
2018	3.32 %	-5.99 %	-0.08 %	-0.71 %	0.80 %	0.62 %	-1.03 %	1.74 %	-1.24 %	-0.03 %	-0.21 %	1.70 %	-1.39 %
2019	-0.80 %	0.25 %	1.50 %	1.11 %	0.46 %	0.78 %	2.43 %	2.30 %	-2.83 %	-2.35 %	0.19 %	-0.42 %	2.51 %
2020	0.05 %	0.04 %	1.64 %	-0.50 %	-1.31 %	-0.14 %							-0.23 %

Past performance is not a reliable indicator of future performance. Returns may increase or decrease as a result of currency fluctuations. Performance data is shown net of all fees. The Performance Chart above is expressed in log scale to uniformly illustrate percentage changes each month. It shows the actual trading results of the Company. It is not designed to predict or forecast the future performance of the Company. Please refer to the section entitled 'Important Information' for further details.

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## Commentary

The fund posted a loss for the month of June.

June capped off a quarter during which risk assets substantially recovered from their late March lows. Although the majority of both developed and emerging market equity indices are still in the red for the calendar year, returns of 19% and 17% respectively for the second quarter are reminiscent of post GFC recovery in 2009. Despite the strong recovery, perceived safe haven assets showed little weakness. Assets such as Gold and US Government debt performed positively over the quarter. The yellow metal rallying 13% over three months as concerns over inflation grew on the back of the unprecedented money printing by central banks in response to the pandemic's hit on economies.

June however was not the straight-line recovery of prior months. Investors were torn between the continual wave of monetary and fiscal support, social lock-down measures easing, signs of economic recovery on one hand, and new record high number of COVID cases globally and regional pockets of accelerating cases in the US and emerging markets, most notably Latin America, on the other. Global reported cases surpassed 10 million during June; confirmed deaths rising to 500 thousand by the end of the month. The news of pockets of accelerating cases in select US states tempered investor sentiment, the S&P 500 index falling 5.9% in a single day on June 11th, despite recovering to return 2% for the month. The pace of economic recovery during the month exceeded expectations. Strong US job data and robust consumer spending, retail sales grew 17.7% month on month, as the economy continued to re-open helped support risk asset levels against the backdrop of rising case numbers.

The US federal reserve's pledge to keep rates close to zero until at least until 2022 helped anchor rates globally and trigger some weakness in the US dollar, most notably against the Australian Dollar and Euro. Global sovereign yields were broadly unchanged on the month, as benchmark 10 year German and UK yields were marginally tighter, US Treasury yields unchanged and Japanese marginally wider. The positive momentum of risk assets in the second quarter extended into the credit markets. Credit outperformed equities with all market sectors and quality of assets positive for the month. The rally in US high yield was once again led by lower-rated credits while the majority of industry groups were positive for the month with a strong rebound for the Transportation and Retail sectors. It was a record month for US high yield new issuance, led by strong refinancing activity. The risk on environment supported commodity markets, led higher by crude and industrial metals except for natural gas which was lower on decreasing seasonal demand.

## Sector allocations - AHL<sup>4</sup>

Sector	Exposure
Currencies	85.69 %
Commodities	14.31 %
Bonds and Rates	0.00 %
Stocks	0.00 %

## Sector allocations - Man Investments Portfolio

Sector	Exposure
Relative Value	38.49 %
Equity Long-Short	34.13 %
Overlays	13.69 %
Credit	11.16 %
Global Macro	2.53 %

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## Important Information

<sup>1</sup> Subject to the terms of the New Westpac Guarantee set out in Appendix A of the Explanatory Memorandum.

<sup>2</sup> Since inception of the Company. Past performance is not a reliable indicator of future performance.

<sup>3</sup> For information on valuation of Shares, refer to the Company's Articles. Past performance is not a reliable indicator of future performance.

<sup>4</sup> The sector allocations are designed to reflect the estimated risk exposure to each sector relative to the other sectors in the AHL Diversified Program. The figures are based on estimates of the risk exposure of each sector as at the date of this report. A geographical breakdown of the AHL Diversified Program is not shown due to the diverse nature of the markets traded.

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