

# Tages Eckhardt Systematic Short-Term UCITS Fund

(sub fund of Tages International Funds ICAV)

June 2021

INVESTCORP-TAGES

## FIRM DESCRIPTION

Eckhardt Trading Company was founded in 1991 by William Eckhardt in Chicago. Eckhardt is a research driven investment manager with a systematic, technical and evolutionary approach to global markets. The manager employs a variety of short term and pattern recognition strategies with an average trade length of under 10 days. Since its founding, the firm has prioritised ongoing research and development, with a dedicated research team that has been working together for more than a decade. William Eckhardt has been a pioneer in the systematic space since the 1980's, culminating in a research partnership with the University of Chicago.

## INVESTMENT OBJECTIVE & STRATEGY DESCRIPTION

The investment objective of the Fund is to achieve long-term capital growth. Please refer to the latest prospectus and the relevant KIID of the Fund for more information.

The strategy uses market volatility as a key metric to identify and capture alpha by trading several models across multiple time horizons and volatility regimes. Eckhardt's unique analysis and understanding of volatility characteristics employs strategies across three system groups: 1) Short-term volatility trend captures price changes across short-term time frames in periods of changing volatility; 2) Pattern recognition uses proprietary models to seek contrarian profit opportunities during periods of consolidating or reversing markets; and 3) Risk-off alpha systems aim to capture alpha in periods of higher volatility, particularly in equity markets. The program uses a different set of signals to trade a select subset of commodities which Eckhardt has identified as behaving differently to other key markets. The Eckhardt program is based on 40 years of pioneering research from Bill Eckhardt and his team, applying evolutionary computing and risk-based utility theory with in-depth volatility analysis. The current portfolio has an average holding period of less than 10 days.

## PERFORMANCE SUMMARY

	MTD	YTD
Tages Eckhardt Systematic Short-Term UCITS	-0.67%	-2.14%
S&P 500	2.33%	15.25%
US Broad Investment-Grade Bond Index	0.83%	-1.11%

## FUND PERFORMANCE NET OF FEES (%) – GBP CLASS FOUNDER

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Year
2020										-1.83*	0.81	-0.34	<b>-1.37</b>
2021	-3.81	5.77	-2.07	-1.04	-0.08	-0.67							<b>-2.15</b>

Source: Northern Trust, Bloomberg as of 30<sup>th</sup> June, 2021. Returns are for GBP Class Founder. \*Class launched 7<sup>th</sup> October

## FUND PERFORMANCE NET OF FEES (%) – USD CLASS INSTITUTIONAL

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Year
2020											0.82*	-0.22	<b>0.60</b>
2021	-3.76	5.66	-1.81	-0.97	0.01	-0.58							<b>-1.68</b>

Source: Northern Trust, Bloomberg as of 30<sup>th</sup> June, 2021. Returns are for USD Class Institutional. \*Class launched 17<sup>th</sup> November. Past performance is not indicative, nor a guarantee, of future returns.

## STATS & CORRELATION SINCE INCEPTION

Compound Return	-3.49%	US Stocks [S&P 500TR]	-
Ann. Return	-	US Bonds [FTSE USBIG]	-
Ann. Volatility	-	Non-US Stocks [MSCI EAFE]	-
Sharpe Ratio	-	Hedge Funds [Credit Suisse]	-
Avg Margin*	-	Managed Futures [BTOP 50]	-
Avg Round Turns*	-		

Source: Investcorp-Tages, ETC. Stats are for GBP Class Founder \*Est. return contributions of the underlying strategies/asset class, excl. fund fees, expenses, etc. Data as at 30<sup>th</sup> June, 2021. Fund launched on 7<sup>th</sup> October, certain statistics will only be displayed once the Fund has been running for a set period of time

## COMMENTARY

Evolution Strategies made good gains from the long side of US fixed income as inflation concerns failed to persuade markets that Federal Reserve rate hikes were yet forthcoming. In Europe, the picture was more complex. Rising Covid rates and election-related volatility drove losses on the long- and short-sides of French bonds, bringing the European fixed income sector to a net loss.

Long positioning in energy made gains, particularly in crude and Brent crude, as OPEC internal disputes left production caps in place amid surging post-pandemic demand. Energy from the long side remains the best performer this year.

The solid gains in US fixed income and energy markets were unfortunately offset by small but cumulative losses in currencies, metals, and stock indices, leaving the program slightly negative at month end. Short-term Vol. trend systems were positioned for the US dollar to resume its fall as it had in profitable trading last month. The dollar rallied instead and there were long-side losses in non-US currencies offsetting long-side gains in the dollar. Long positions in precious and industrial metals lost ground as inflation concerns subsided.

Trading in stock indices was positive until a mid-month reversal proved sharp enough to trigger short positions but so brief that those positions closed with losses. Positioning in several markets showing small losses at the end of June shaped up nicely in the first few days of July.

## INVESTMENT MANAGER

Tages Capital LLP

## FUND MANAGER

Eckhardt Trading Company

## STRATEGY

Systematic Short-Term

## VEHICLE

ICAV

## LAUNCH DATE

07 October 2020

## BASE CURRENCY

USD

## NAV

€96.50 (Class Founder)

\$98.91 (Class Institutional)

## FUND SIZE

\$134.1m

## MANAGEMENT FEE

Class Founder: 0.75%

Class I: 1.25%

## PERFORMANCE FEE

Class Founder: 15%

Class I: 15%

## MINIMUM INVESTMENT

Class Founder: EUR, GBP, USD, CHF 5,000,000,

Class I: EUR, GBP, USD, CHF 1,000,000

Class R: EUR, GBP, USD, CHF 10,000

## DEALING

Daily dealing (1 Business Day notice)

## ADMINISTRATOR / DEPOSITARY

Northern Trust International Fund

Administration Services (Ireland) Limited

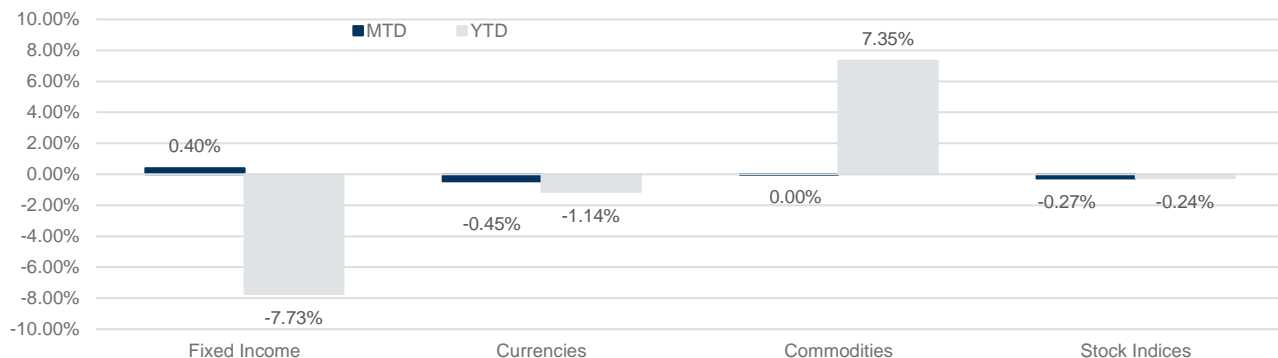
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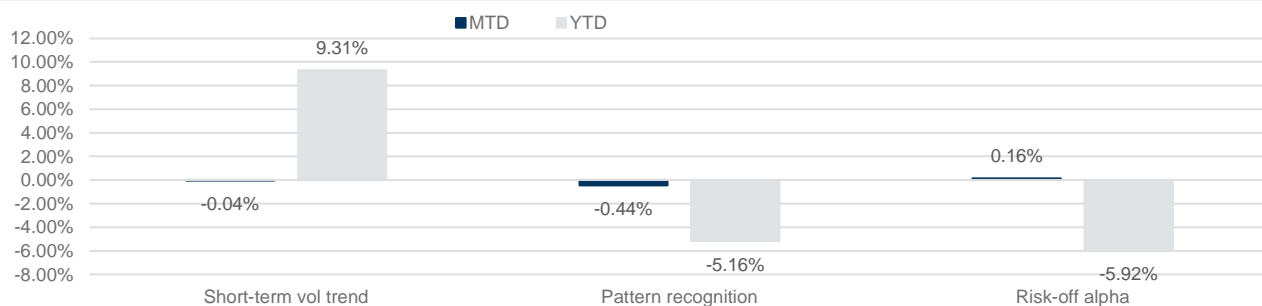
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## GROSS P&L BY ASSET CLASS



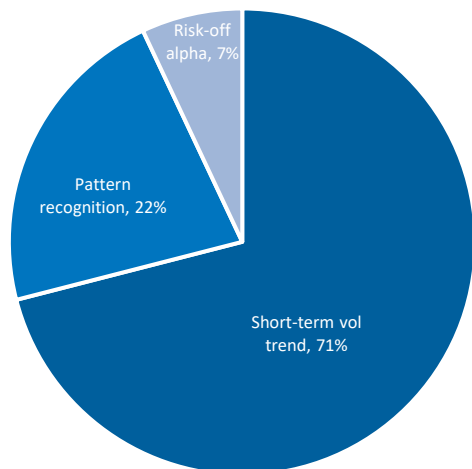
Source: Investcorp-Tages, ETC. Data as at 30<sup>th</sup> June, 2021

## GROSS P&L BY SYSTEM GROUP



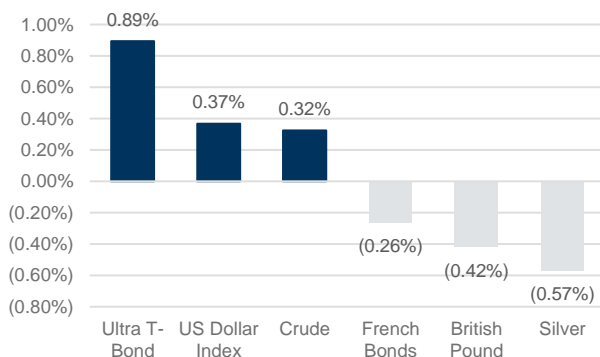
Source: Investcorp-Tages, ETC. Data as at 30<sup>th</sup> June, 2021

## COMMITMENT BY SYSTEM GROUP



Source: Investcorp-Tages, ETC. Data as at 30<sup>th</sup> June, 2021

## TOP 3 BEST/WORST PERFORMING MARKETS MTD



Source: Investcorp-Tages, ETC. Data as at 30<sup>th</sup> June, 2021

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The Company is an umbrella open-ended Irish collective asset-management vehicle with segregated liability between sub-funds formed in Ireland under the Irish Collective Asset-management Vehicles Act 2015 and authorised by the Central Bank of Ireland as a UCITS pursuant to the UCITS regulations. The registered office of the ICAV is located 32 Molesworth Street, Dublin 2, Ireland.

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