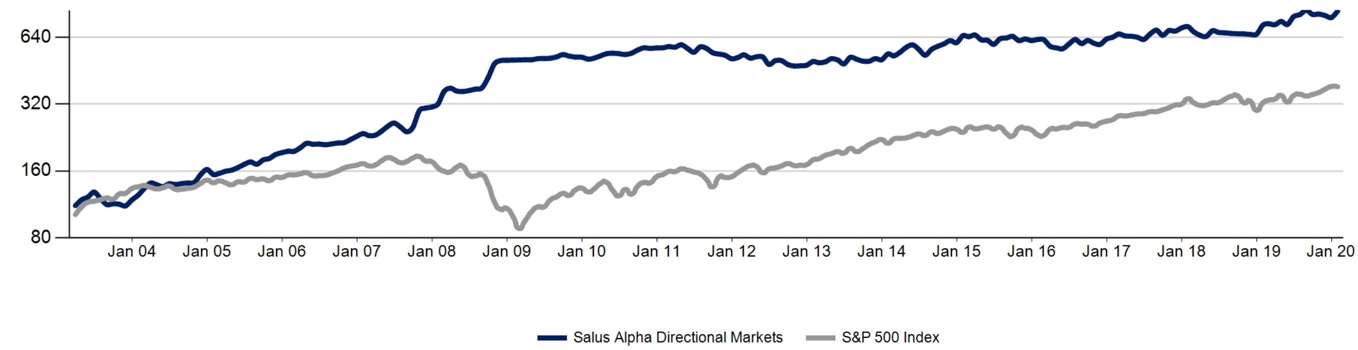
# Salus Alpha DMX

**31 January 2020**

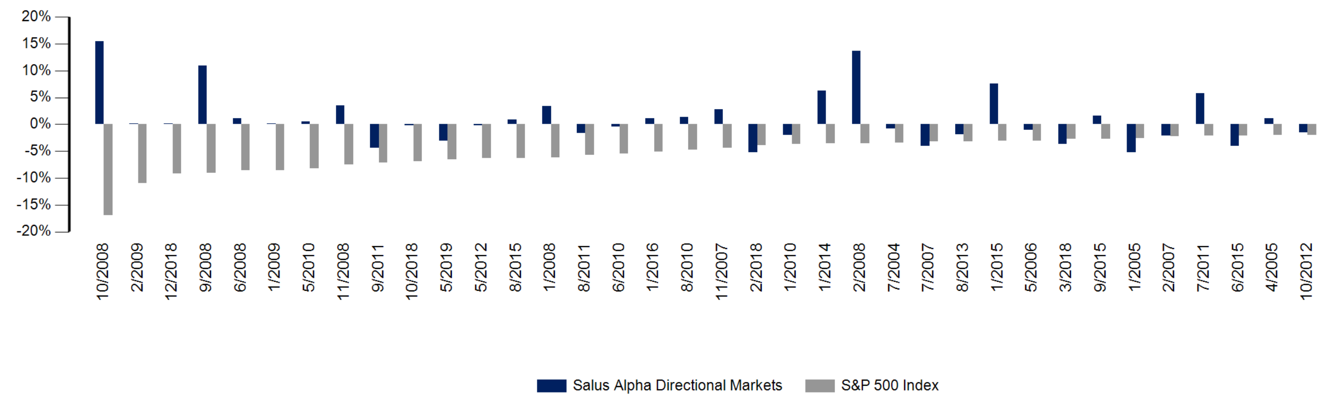
## Trading Strategy Description

The Directional Markets Strategy is fully systematic and invests in up to 100 global futures and forward markets. A statistical approach with a daily feedback system based on forecast quality is used to determine the signal (long or short) as well as position size. With 250 trading days a year and 100 markets, this produces 25 000 forecasts a year, which is statistically significant. No technical analysis is used. The better the forecast quality the more trust is put into the forecast, and the more aggressively the target weights per market are adjusted. Due to the mechanics of the daily forecasts, the system is adaptive to changing market environments and can switch between short to long term as well as trend following and contrarian. The strategy targest a return of 15-20% p.a. with a volatility of approximately 10% p.a. Analog execution technology delivers no market price impact and high strategy capacity. The model exhibits on the long run significant more upside with less downside than other CTA's / managed Futures programs.

## Trading Strategy Returns




**The Salus Alpha Directional Markets Strategy outperformed the S&P 500 Index in 74% of the negative months since March 2003.**




## Performance of The Salus Alpha Directional Markets Strategy

| | |
|---|---|
| Year To Date | 7.0% |
| Jan 2020 | 7.0% |
| Since Strategy Inception | 742.4% |

| Correlations Since 2003 | S&P 500 Index | DJ Stoxx 50 | DAX Index |
|---|---|---|---|
| **Salus Alpha Directional Markets Index** | -0.01 | 0.01 | 0.02 |
| S&P 500 Index | | 0.79 | 0.79 |
| DJ Stoxx 50 | | | 0.90 |

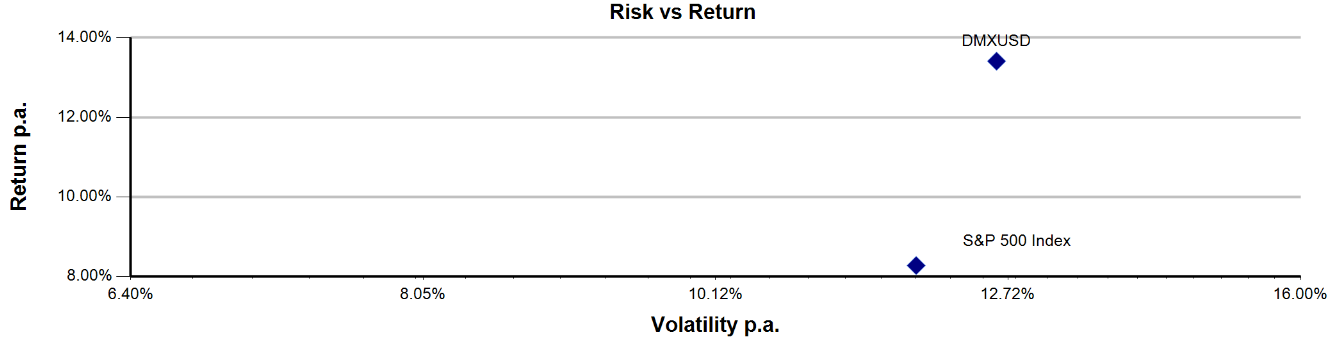
# Salus Alpha DMX

**31 January 2020**

## Trading Strategy Monthly Performance

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | YTD |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2003 | | | 11.52% | 6.20% | 2.98% | 5.21% | -6.58% | -6.00% | 0.91% | -0.53% | -1.70% | 6.43% | **31.8%** |
| 2004 | 5.16% | 7.07% | 5.80% | -1.72% | -1.99% | 3.09% | -0.81% | 1.08% | 0.46% | 0.71% | 8.43% | 5.39% | **37.1%** |
| 2005 | -5.18% | 1.29% | 2.25% | 1.17% | 2.73% | 3.29% | 2.60% | -2.32% | 4.49% | 1.63% | 4.15% | 1.92% | **19.1%** |
| 2006 | 1.56% | -0.16% | 3.85% | 4.66% | -1.00% | 0.28% | -0.75% | 0.89% | 0.99% | 0.40% | 3.15% | 3.48% | **18.6%** |
| 2007 | 2.87% | -2.15% | 0.53% | 4.15% | 5.30% | 3.43% | -3.96% | -4.90% | 4.72% | 18.68% | 2.83% | 1.16% | **35.5%** |
| 2008 | 3.42% | 13.67% | 3.41% | -2.86% | -0.55% | 1.08% | 1.52% | 1.19% | 10.99% | 15.54% | 3.57% | 0.40% | **62.6%** |
| 2009 | 0.08% | 0.17% | 0.25% | -0.03% | 1.24% | 0.07% | 0.34% | 1.35% | 2.49% | -1.64% | -1.02% | -0.09% | **3.2%** |
| 2010 | -1.96% | 0.97% | 2.39% | 2.31% | 0.53% | -0.47% | -0.88% | 1.41% | 3.43% | 2.17% | -0.67% | 0.66% | **10.2%** |
| 2011 | 0.04% | 1.31% | -0.63% | 2.58% | -3.91% | -3.75% | 5.78% | -1.66% | -4.40% | -1.30% | -1.32% | -3.53% | **-10.7%** |
| 2012 | 1.36% | 2.83% | -3.44% | 1.45% | -0.24% | -7.40% | 4.00% | -0.06% | -3.94% | -1.54% | 0.27% | 0.62% | **-6.5%** |
| 2013 | 3.95% | -1.30% | 0.83% | 3.38% | -1.31% | -4.01% | 7.06% | -1.91% | -1.96% | -0.13% | 2.80% | -1.20% | **5.8%** |
| 2014 | 6.30% | -2.02% | 3.86% | 5.26% | 2.53% | -4.62% | -5.84% | 6.22% | 3.24% | 2.66% | 3.40% | -2.13% | **19.5%** |
| 2015 | 7.55% | -1.07% | 1.73% | -4.87% | -0.55% | -4.04% | 5.98% | 0.84% | 1.61% | -4.29% | 1.71% | -1.62% | **2.2%** |
| 2016 | 1.15% | -0.29% | -6.61% | -1.58% | -0.93% | 4.96% | 4.84% | -4.09% | 3.26% | -2.95% | -1.02% | 5.72% | **1.7%** |
| 2017 | 1.96% | 3.34% | -2.03% | -0.36% | -1.06% | -2.22% | 5.84% | 4.04% | -5.16% | 5.10% | -0.68% | 3.34% | **12.1%** |
| 2018 | 1.42% | -5.17% | -3.65% | -1.19% | 6.12% | -1.80% | -0.35% | -0.59% | -0.34% | -0.13% | -0.55% | 0.01% | **-6.4%** |
| 2019 | 9.97% | 1.56% | -0.97% | 3.42% | -3.07% | 8.43% | 2.24% | 4.73% | -4.41% | 0.38% | -1.47% | -2.12% | **19.1%** |
| 2020 | 7.02% | | | | | | | | | | | | **7.0%** |

**Risk vs Return**




## Statistical Analysis

| **Returns** | | **Risk** | |
|---|---|---|---|
| Compounded Annual Return | 13.41% | Annualised Volatility 5 years | 12.61% |
| Cumulative Return Since Inception | 742.40% | Annualised Volatility trailing 12 months | 13.93% |
| Cumulative Return Trailing 12 months | 15.91% | Sharpe Ratio rolling 12 month | 1.14 |
| Cumulative Return Trailing 3 years | 31.15% | Sortino Ratio Since Inception | 2.11 |
| Largest Monthly Gain | 18.68% | Max Drawdown Trailing 12 months | 7.47% |
| Largest Monthly Loss | -7.40% | Return / Max Drawdown Trailing 12 Months | 2.13 |
| % Positive Months | 59.11% | Skewness Since Inception | 0.93 |
| % Negative Months | 40.89% | Kurtosis Since Inception | 2.60 |

## Managed Investment Platform

| | | | |
|---|---|---|---|
| Trading Advisor: | Salus Alpha Capital Ltd | Trading Strategy Inception: | 1 March 2003 |
| Program Name: | Salus Alpha Directional Markets Strategy (DMXUSD) | | |
| Portfolio Manager(s): | Oliver Prock, CIO + Quant Team | Investment Strategy: | Macro |
| Primary Location: | Liechtenstein | Manager Trading Style: | Adaptive:Short- to Long-term Systematic |
| Website: | sac.salusalpha.com | | |
| Marketing Contact: | Günther Schneider | UCITS Eligible: | - |
| | invest@salusalpha.com | Reporting Date: | 31 January 2020 |
| | +423 399 0329 | Current Availability: | Available |