

Priomha Capital CLONEY Multi-sport Investment Fund

Monthly Investment Report - January 2017

The month in review

For the month of January 2017 we generated a gross return of **-0.67%**. The bright side for us is that this was our first losing month since March 2016.

The ASX200 generated a return of **-0.82%** and the HFRX global hedge fund index returned **+0.50%**. Global financial markets produced mixed returns for January owing in part to Donald Trump becoming US President.

For the month of January we traded only **78 events**, well below our long term average. The trades were split between football, cricket & horse racing. Turnover was much lower than historical averages owing to reasons outlined below in "From The Traders Desk". The low turnover is the major reason we produced a poor return for the month.

Results

	Month	FY17 [#]	12 months	Since Inception
CLONEY Fund	-0.67%	4.30%	8.09%	223.86%
ASX200	-0.82%	7.37%	12.25%	14.57%
HFRX	0.50%	3.87%	5.95%	4.52%

#FY – Financial Year; July 1st through to June 30th

From the Trading Desk

The month of January 2017 was a poor month for the Fund. Opportunities were also scarce with fewer events traded than normal.

- Football:** football was a losing part of our portfolio for the month. That said it was our lightest trading month for football for the month of January on record with only 12 events traded. This was simply a function of many one-sided fixtures resulting in fewer games providing a positive expected value. Normalcy is expected to return for February & March. Strong trading results in the Spurs vs WBA & Swansea vs Arsenal matches in the Premier League were countered by losses in the Stoke vs Wolves FA Cup fixture & West Brom vs Hull in the Premier League.

From the Trading Desk (continued)

- Cricket:** As per Football, cricket was lightly traded for the month. BBL & international ODIs & T20 fixtures dominated the trading. Despite the low turnover cricket was still marginally profitable for the month.
- Australian Horse Racing:** Australian horse racing provided a solid base for the Fund. We were very active, with a multitude of small plays. Turnover was back to the long term average after peaking during the Melbourne Spring Carnival.

February Outlook

February 2016 will see the trading focussed on two of our core assets, namely; football & cricket. In addition, we will start to trade the PGA Tour in the lead up to the opening major of the season, the US Masters to be held in the first week of April.

- Football:** the European Leagues will be in full swing. Additionally World Cup qualifiers, FA Cup, Champions League & Europa League matches will continue.
- Cricket:** the southern hemisphere summer continues to be in full swing. Australia vs NZ & Sri Lanka & India & the NZ vs South Africa series will be the focus.

Beyond February & Futures Markets

- Football:** with the European seasons finishing in April/May most of our trading will be completed by March. "Dead" rubbers, waning motivation etc play a part in the end of season fixtures. Subsequently we will be much more circumspect with our trading.
- Cricket:** the summer of cricket continues well into March/April with a number of international series. In June 2017, the ICC Champions Trophy Tournament will be played in England. Over the course of the next few months we will be optimising our ODI algorithm to take advantage of the expected \$200M turnover per game.
- Golf:** the PGA & European Tours will commence in earnest in late January. We will be trading these tournaments, starting with the Genesis Open with a view to also taking some early positions in the US Masters in April.

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