

# Priomha Capital CLONEY Multi-sport Investment Fund

Monthly Investment Report - October 2017

## The month in review

Trading for the month of October 2017 produced a return of +0.80%. The reported return for the month however is **-1.70%** owing to losses on long term trades (see below).

The ASX200 performed well generating a return of **+4.00%** snapping a losing run of 5x consecutive months. The FTSE100 returned **+1.63%** whilst the HFRX global hedge fund index continued its strong run, returning **+0.69%**.

For the month of September we traded **99 events**, which is in line with our long term average.

## Results

	Month	FY18 <sup>#</sup>	Three Years	Five Years	Since Inception
CLONEY Fund	<b>-1.70%</b>	<b>-2.48%</b>	20.62%	40.03%	<b>215.50%</b>
FTSE100	1.63%	2.46%	14.33%	29.47%	<b>38.34%</b>
ASX200	4.00%	3.26%	6.84%	31.03%	<b>20.42%</b>
HFRX	0.69%	2.53%	3.42%	11.68%	<b>9.34%</b>

#FY – Financial Year; July 1<sup>st</sup> through to June 30<sup>th</sup>

## From the Trading Desk

The month of October 2017 was a busy one for the Fund with Football, Cricket, Golf & Horse Racing all featuring. Additionally we had to focus on managing our long term positions.

- Football:** it was a poor month for football. Chelsea's loss to Palace was a low point for the Fund. Not only did we lose on the match but it meant our Futures Trade on Chelsea in the Premier League Winner's market was a loser. After a loss to Man City to start the month Chelsea was \$11 to win the League. We backed them again at this point with a view to them winning against Palace, Watford & Bournemouth in October...such a run would have seen them trading around \$8. The loss to Palace meant that at month end they were trading at \$25 vs our BACK price of \$4.50. With Man City dominating, Chelsea cannot win the League. We closed our futures trade at \$25 locking in a loss of 2.80%. On a brighter note, Manchester United finished the month trading at \$19 vs our LAY price of \$5.50. We will keep this trade open as they will struggle to peg back their neighbours at the top of the table. Our futures trades on the Premier League will result in a net loss of 2.10% for the Winner's Market.

## From the Trading Desk (continued)

- Cricket:** Whilst we only traded cricket lightly we managed to secure a 100% strike rate on profitable trades. Cricket will become an increasingly important part of our portfolio over the coming months.
- Australian Horse Racing:** Our activity on the horse racing increased through October. Unfortunately a number of biased tracks meant that for all of our activity we managed to just about break even for the month.
- Golf:** the golf portion of our portfolio was solid, albeit with small volume & turnover.

## November Outlook

Australian horse racing, cricket & European Football will be the focus in September.

The Melbourne Cup Carnival is the focus for the month of November. Following the hectic first week there will still be sizeable meetings at Sandown & regional Victoria, all of which we will look to trade.

The Ashes commences at the end of November. That will start 4x solid months of cricket activity.

We will continue to ramp up the trading of the European Football Leagues.

## Beyond November & Futures Markets

- Cricket:** Whilst the Ashes Series is scheduled to finish in the first week of January with the 5<sup>th</sup> Test in Sydney, it will be over well before then. Australia will dominate the opening Tests. The Big Bash League commences in December – a tournament that will see upwards of A\$50M traded per match. Sri Lanka tours India & the West Indies tour New Zealand. The home sides will be winning these series.
- Football:** The World Cup Draw will be held in early December. This will help shape the Winner's market. As a reminder we already have open LAY positions against Brazil, Spain & Belgium. We will also be entering the knock out stages of the UEFA Champions League where we already have LAY positions against Liverpool, Barcelona, PSG & Juventus.

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