

# Rcube Asset Management

## Rcube Defensive Asset Allocation

### STRATEGY DESCRIPTION

The Rcube Defensive Asset Allocation Program ("RDAA") is a quantitative tactical asset allocation strategy. It trades the most liquid futures over four assets classes (equity indices and VIX futures, forex, commodities and bonds).

The Manager has developed a quantitative portfolio allocation process to dynamically allocates capital across two modified academic tactical asset allocation strategies:

The Permanent Portfolio inspired by Harry Browne permanent Portfolio; its premise is that the asset allocation fluctuates between four economic cycle conditions; Equities and Oil during periods of prosperity, short-term bonds during recession, gold during inflation and long-term bonds during deflation.

A dual momentum strategy inspired by Gary Antonacci Dual Momentum selecting assets that exhibits both absolute and relative momentum. We add a market breadth filter to determine how much we should allocate to the risky assets versus defensive assets.

To minimize drawdowns, we apply a long volatility overlay which seeks to monetize the mispricing of risk between implied volatility and realized volatility.

The investment objective is to achieve consistent positive absolute return with low correlation to Equities, with a 10% volatility cap and a sharpe ratio above 1.

Rcube Asset Management has integrated the Rcube Defensive Asset Allocation program to its investment capabilities since June 2020

### MONTHLY PERFORMANCE

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
<b>2021</b>	<b>-1.82</b>	<b>-3.24</b>	<b>-2.70</b>	5.60	0.79	1.95	0.99	<b>-1.24</b>	<b>-6.28</b>	<b>-3.32</b>	<b>-3.50</b>	<b>-1.24</b>	<b>-14.01</b>
<b>2020</b>	2.73 <sub>p</sub>	<b>-0.91<sub>p</sub></b>	3.05 <sub>p</sub>	1.94 <sub>p</sub>	<b>-0.39</b>	<b>-5.15</b>	3.37	<b>-0.08</b>	<b>-0.15</b>	0.35	0.98	1.36	<b>7.10</b>
<b>2019</b>	2.29 <sub>p</sub>	<b>-0.88<sub>p</sub></b>	1.66 <sub>p</sub>	1.80 <sub>p</sub>	4.69 <sub>p</sub>	5.66 <sub>p</sub>	<b>-0.48<sub>p</sub></b>	4.02 <sub>p</sub>	<b>-0.75<sub>p</sub></b>	0.61 <sub>p</sub>	0.31 <sub>p</sub>	0.51 <sub>p</sub>	<b>19.44</b>
<b>2018</b>											0.14	2.43 <sub>p</sub>	<b>2.57</b>

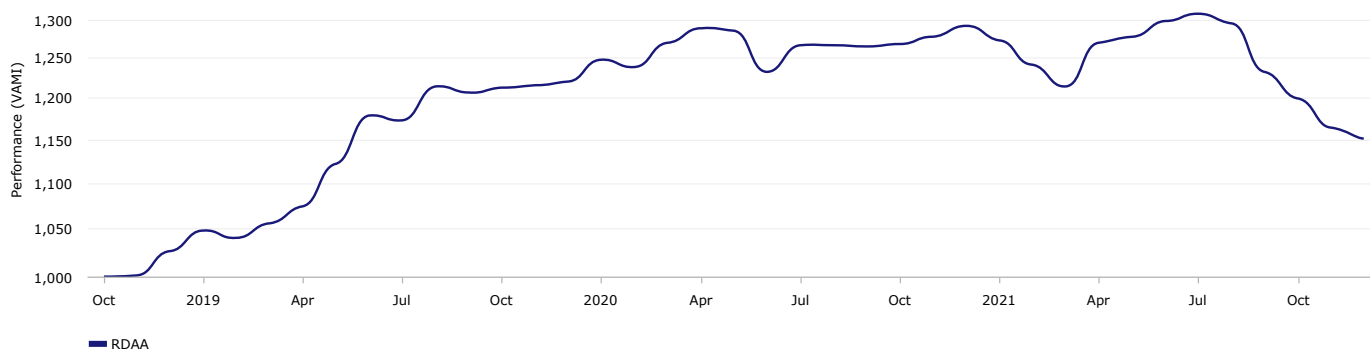
PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS. There is a substantial risk of loss in trading commodity futures and options.

From December 2018 through May 2020 the Performance Table reflects Proprietary performance and non customer account trading and the corresponding figures are marked with a "p".

From June 2020 through current, the Performance Table reflects actual Client performance using the Only Accounts Traded method and the corresponding figures are in bold.

Performance is net of fees. Performance Table is valued in USD. Year to date (YTD) & inception to date (ITD) performance is non compounded. Monthly Management (1.5%) & Quarterly Incentive Fees (15%) are Proforma from inception (December 2018 through current). Fees exclude an additional 20% VAT that applies to European Union corporate accounts and any individual accounts notwithstanding their place of residence or citizenship. Trading Level is fixed. Net Performance is added or withdrawn to maintain the fixed Trading Level. Account LCF is adjusted for nominal changes.

### PERFORMANCE (VAMI)



There is a substantial risk of loss in trading commodity futures, options and off-exchange foreign currency products. Past performance is not indicative of future results.

Rcube Asset Management | 9 avenue Franklin Roosevelt, Paris 75008 | Phone: +33142219455 | Email: cyril.castelli@rcube.com

## GENERAL INFORMATION

Minimum Investment	500,000 USD
Management Fee	1.50%
Performance Fee	15.00%
Highwater Mark	Yes
Margin to Equity	20.00%
Legal Structure	Managed Account
Investment Restriction	Only for Qualified Eligible Persons

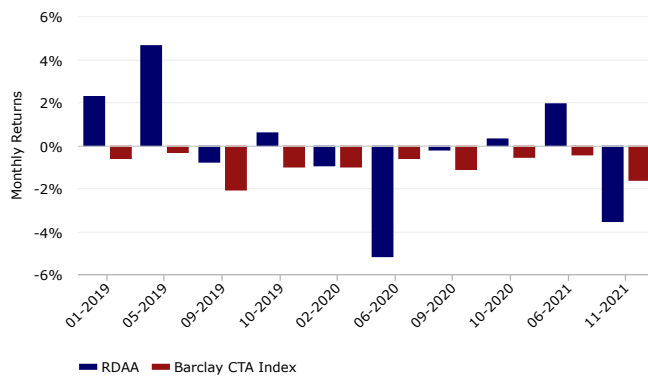
## RISK STATISTICS

	Portfolio	Barclay CTA Index
Total Return Annualized	4.77%	4.92%
Standard Deviation Annualized	9.23%	3.78%
12 Months ROR	-14.01%	4.97%
Sharpe Ratio	0.52	1.30
Calmar Ratio	0.26	1.76
Sortino Ratio	0.72	2.64
Max Drawdown (Monthly)	-15.58%	-2.98%
Correlation vs. Barclay CTA Index	0.36	-
Correlation vs Benchmark 2 vs Barclay CTA Index	-	-
Winning Months (%)	57.89%	65.79%

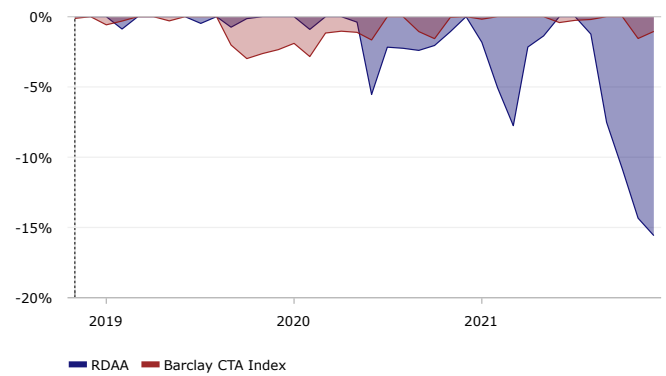
## CORRELATIONS

Correlation vs S&P 500	0.03
Correlation vs DJ/CS MF Index	0.19
Correlation vs SG CTA Index	0.26
Correlation vs DJ/CS HF Index	0.04
Correlation vs Vanguard Total Bond Index	0.60
Correlation TRJ/CRB Index	0.00
Correlation Vs MSCIWorld	0.02
corr_XJO	-

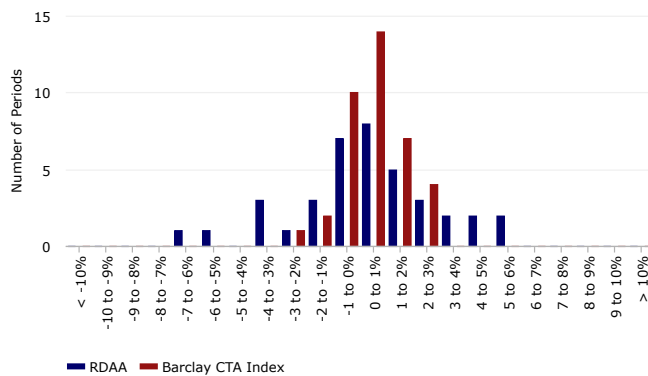
## DOWN CAPTURE VS. BARCLAY CTA INDEX



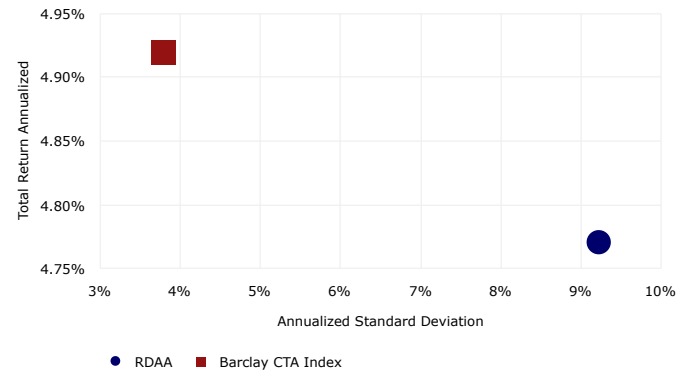
## DRAWDOWN



## DISTRIBUTION OF MONTHLY RETURNS



## RISK/RETURN COMPARISON



## RETURN REPORT

Period	Best	Worst	Average	Median	Last	Winning %
1 Month	5.66%	-6.28%	0.40%	0.43%	-1.24%	57.89%
3 Months	12.15%	-13.10%	1.35%	2.64%	-8.06%	72.22%
6 Months	17.35%	-14.59%	3.56%	2.74%	-14.59%	72.73%
1 Year	21.38%	-14.01%	6.59%	5.58%	-14.01%	74.07%
2 Years	27.61%	-6.91%	13.12%	15.61%	-6.91%	80.00%
3 Years	19.84%	12.53%	16.19%	16.20%	12.53%	100.00%
5 Years	-	-	-	-	-	-

## TEAM BIO

Cedric Pancrazi is a Portfolio Manager and Trading Principal of Rcube in charge of the RDAA Trading Program. He became a principal on May 1st, 2019. Cedric holds a degree in Finance at Institut Supérieur de Gestion. He has over 22 years' experience in trading, portfolio management and distribution of alternative investments.

Prior to joining Rcube in 2017, Cedric was head of marketing and product specialist with Pharo Management, a leading USD 10 Bio EM Macro hedge Fund. Previously he worked as a Portfolio Manager with Brevan Howard where he managed the hedging program of their USD 2.5 Bio EM Fund. Prior to this he was a Portfolio Manager with Louis Bacon at Moore Europe specializing in G10 and EM FX.

## DISCLAIMER

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS. There is a substantial risk of loss in trading commodity futures and options.

The indices selected to generate the above comparison are not available as a directly investible product. Generally, no individual can purchase an actual index as an investment holding for his or her portfolio. Please consider that any index performance is for the constituents of that index only and does not represent the entire universe of possible investments within that asset class. Limitations and biases to indices include survivorship, self reporting, instant history, etc.

The [Barclay CTA Index](#) is a leading industry benchmark of representative performance of commodity trading advisors. There are currently 416 programs included in the calculation of the Barclay CTA Index for 2021. The Index is equally weighted and rebalanced at the beginning of each year. Source: Bloomberg BARCCTA Index

The [Bloomberg Barclays US Aggregate Bond Index](#) is a broad-based flagship benchmark that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, MBS (agency fixed-rate pass-throughs), ABS and CMBS (agency and non-agency). Investors frequently use the index as a stand-in for measuring the performance of the US bond market. Source: Bloomberg Bloomberg LBSTRUU Index.

Access to information about Rcube Defensive Allocation (RDAA) investment strategy may be subject to restrictions with regard to certain persons or certain countries. No products and/or services may be offered by Rcube asset management to an individual if the law in his country of origin or any other country concerning the person, product or service prohibits it. You should carefully consider whether such trading is suitable for you in light of your financial condition. The high degree of leverage that is often obtainable in commodity interest trading can work against you as well for you. The use of different strategies utilized in commodity interest trading and significant considerations should be given to which strategy is appropriate for your particular financial situation. All investments in the commodity interest market should be made with risk capital only.

The views, comments, prices, data and other information and opinions that Rcube Asset Management is likely to express on the markets and/or financial instruments in particular are not warranted as to completeness or accuracy and cannot engage its responsibility. This document has been produced for information purposes only and does not constitute an offer or a solicitation for the purpose of investing in this Program. The investor is the sole judge of the appropriateness of the transactions that he may have to conclude.

Data from various internal and external sources are communicated for information purposes only and subject to errors or omissions.

RDAA Program is only open to Professional Investors under EU regulation or Accredited Investors under equivalent regulations as well as Qualified Eligible Persons under US regulation. This document neither constitutes an offer of products or services, a proposal or invitation to invest in securities, an invitation to buy or sell securities or any other financial product or investment, a recommendation, a contract.