

# Man AHL TargetRisk Moderate

## Monthly Report as of 31 January 2022

Inception Date : 19 October 2020 Total Fund AUM : (USD) 36,778,820 ISIN : IE00BNC0Y405

### Fund Risks

Prior to investing in the Fund investors should carefully consider the risks associated with investing, investors should consider the following risks and where appropriate seek professional advice before investing: Market Risk, Counterparty Risk, Investment Objective Risk, Currency Risk, Liquidity, Financial Derivatives, Leverage, Model and Data Risk, Commodity Risk and Emerging Markets Risk. More details can be found in the Risk Glossary. The Fund's exposure to different investments is determined in accordance with formulas used by its computer-based model using various techniques, including 'volatility scaling'. According to this technique, a particular market's volatility is measured; if the market is turbulent and returns are volatile, the Fund's exposure to that market will be reduced. Exposure will be increased where a market is calm.

### Monthly commentary

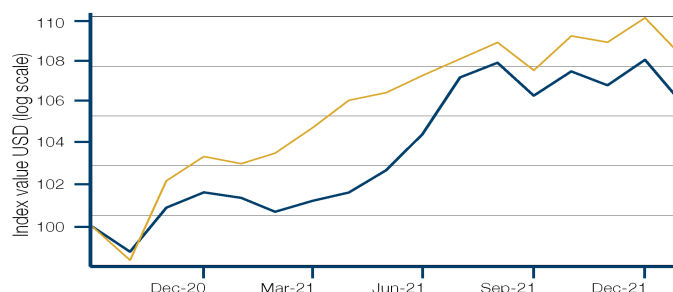
The US Federal Reserve ("Fed") turned markedly more hawkish in January, as it weighed up rising inflation and a milder-than-expected impact of the Omicron Covid-19 variant. The Fed announced cuts to its quantitative easing program and messaged rising rates that were both sooner and faster than markets were anticipating. This sent both bonds and stocks lower, with an accompanying rotation from growth into value. The S&P 500 index fell 5.3% in January, its

biggest monthly decline since the March 2020 COVID-19 induced selloff, and the weakest January since the depths of the global financial crisis in 2009. European markets fared marginally better than the US, slipping 3.8% in January. In contrast, energies rose, as Russia was reported to be amassing troops at the Ukrainian border. Against this backdrop, the Fund finished the month of January down, net of fees. Bonds, stocks, and credit detracted from performance, while inflation-sensitive assets realized a small gain. Bonds were hit hardest, with losses concentrated on the back end of the curve. Longer-dated German and US bonds detracted most, as investors were spooked by the hawkish tone of the Fed and the potential impact of a higher inflation rate lasting longer than anticipated. Shorter-dated bonds finished broadly flat. Stock positions struggled as well, with the S&P 500 index and the Nasdaq detracting most. Small gains were realized in the FTSE 100. In light of the increased volatility across major asset classes, the Fund exposure declined significantly mid-month. The momentum overlay activated across all asset classes, with the strongest de-gear signals in bonds. The volatility overlay also picked up an increase in volatility across asset classes and was most active in equities. However, the majority of the exposure reduction came on the back of the correlation overlay, which activated mid-month, picking up on concurrent weakness in bonds and equities.

### Net Performance and Risk\* 1

	Product	Benchmark
Last month	-2.02 %	-1.79 %
Last 3 months	-1.49 %	-0.96 %
Year to date	-2.02 %	-1.79 %
Last 12 months	4.45 %	5.07 %
Last calendar year	6.33 %	6.63 %
Total return	5.86 %	8.18 %
Annualised return	4.53 %	6.31 %
Annualised volatility	4.54 %	4.71 %
Sharpe ratio 2	0.96	1.30
Worst drawdown 3	-2.02 %	-1.79 %
Drawdown Length	1 month	1 month
No of Drawdowns	4	5

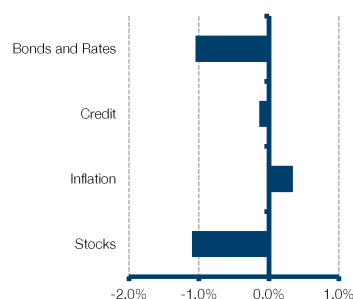
### Performance chart 19 October 2020 to 31 January 2022\*



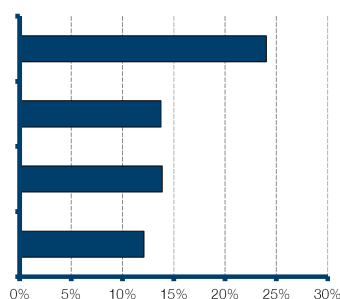
Man AHL TargetRisk Moderate I USD  
Benchmark

VaR (99%)	0.32 %
Expected Shortfall (99%) 4	0.36 %
Leverage 5	0.64

### Gross Performance Contribution 6



### Sector Exposure 7



### Exposure and VaR (99%) 7

	Net	VaR
Bonds and Rates	24.03	0.15
Credit	13.77	0.02
Inflation	13.88	0.17
Stocks	12.08	0.19

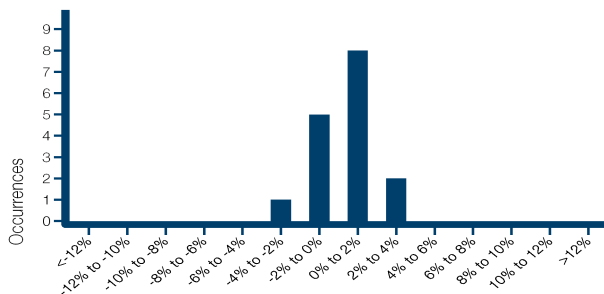
This is a marketing communication

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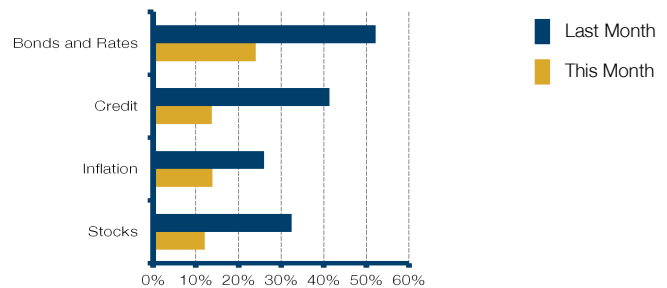
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## Distribution of Monthly Returns 19 October 2020 to 31 January 2022



## Net Exposure Monthly Comparison



### Top 5 Markets<sup>8</sup>

MTD

BBG Commodity ex-Agriculturals Index	0.64 %
FTSE 100	0.04 %
Hang Seng	0.02 %
H-Shares-Index	0.01 %
South African All Share Index	0.00 %

### Bottom 5 Markets<sup>8</sup>

MTD

US Treasuries - 10yr	-0.25 %
S+P 500 Index	-0.24 %
NASDAQ 100 Index	-0.23 %
US Treasuries - Ultra Bond	-0.21 %
US Treasuries - Inflation Linked	-0.20 %

### Sovereign Bond Net Exposure

G10	31.20 %
Non G10	2.13 %

### Sector

CS01<sup>9</sup>

DV01<sup>10</sup>

Bonds and Rates	0.00 %	-0.02 %
Credit	-0.01 %	0.00 %
Inflation	0.00 %	-0.01 %

### Historical performance\*

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD <sup>11</sup>
2022	-2.02 %												-2.02 %
2021	-0.26 %	-0.64 %	0.51 %	0.39 %	1.04 %	1.69 %	2.65 %	0.68 %	-1.51 %	1.13 %	-0.64 %	1.19 %	6.33 %
2020										-1.15 %	2.06 %	0.71 %	1.61 %

### NAV Table<sup>12</sup>

Class	NAV	ISIN	Bloomberg	Institutional or Distribution	Last Month Return	2019 Return	2020 Return	2021 Return
I USD	105.86	IE00BNC0Y405	N/A	I	-2.02 %	N/A	N/A	6.33 %
D H CHF	97.81	IE00BN4NVX54	N/A	D	-2.18 %	N/A	N/A	N/A
D H EUR	103.64	IE00BNC0Y173	N/A	D	-2.15 %	N/A	N/A	4.61 %
D USD	103.20	IE00BN4NVY61	N/A	D	-2.07 %	N/A	N/A	N/A
I H CHF	103.61	IE00BN4NVZ78	N/A	I	-2.13 %	N/A	N/A	N/A
I H EUR	104.64	IE00BNC0Y280	N/A	I	-2.09 %	N/A	N/A	5.39 %

### Key Facts

Investment manager	AHL Partners LLP	Fund domicile	Ireland
Management fee	Up to 1.65% per annum		

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<sup>1</sup> The Fund is actively managed. The Fund does not intend to track the 50%/30%/20% Composite Index (50% ICE BofAML US 3 Month Treasury Bill Index, 30% MSCI World Net Total Return Hedged, 20% Barclays Capital Global Aggregate Bond Index Hedged) and is not constrained by it, it is included here for performance comparison purposes only. The Fund may not hold all or any of the benchmark components. <sup>2</sup> Sharpe ratio is calculated using a risk-free rate in the appropriate currency over the period analysed. Where an investment has underperformed the risk-free rate, the Sharpe ratio will be negative. Because the Sharpe ratio is an absolute measure of risk-adjusted return, negative Sharpe ratios are not shown as they can be misleading. <sup>3</sup> The drawdown is the percentage drop in the price of an investment from its last peak price. The worst drawdown represents the greatest peak to trough decline over the life of an investment. <sup>4</sup> Expected Shortfall is defined as the average of all losses which are greater than or equal to VaR. <sup>5</sup> Leverage displayed here is calculated using the sum of gross exposure from each sector traded by the AHL Programme and therefore does not include leverage from FX hedging or cash management and in no way reflects regulatory leverage calculations. Exposure calculations used are the same as detailed in the exposure reference note with exposures netted at the underlying security level. <sup>6</sup> The figures are estimated and generated on a fund level and do not take into account the fees/interest/commission charges on any particular account. Differences may also occur due to slippage variation, portfolio changes, FX movements and post execution adjustments. Therefore the sum total of these sector indications will not necessarily equate to the reported performance for the month in question. <sup>7</sup> Exposure values represent the delta notional value of positions expressed as a percentage of fund capital. Where applicable, fixed income exposures are adjusted to a 10 year bond equivalent. Currency exposure within this table only reflects that of the Currency sector traded by Man AHL and does not include FX hedging or cash management. For credit default swaps, a short position represents buying protection and a long position represents selling protection. <sup>8</sup> The organisations and/or financial instruments mentioned are for reference purposes only. The content of this material should not be construed as a recommendation for their purchase or sale. <sup>9</sup> CS01 is the impact on the fund in response to a one basis point increase in credit spreads. <sup>10</sup> DV01 is the impact on the fund in response to a one basis point increase in interest rates. <sup>11</sup> When 12 months of performance data is unavailable for a calendar year, partial year to date is shown. <sup>12</sup> The performance data is based on the reporting share class of the Fund (shown in blue in the NAV table).

## Risk Glossary

**Market Risk:** The Fund is subject to normal market fluctuations and the risks associated with investing in international securities markets and therefore the value of your investment and the income from it may rise as well as fall and you may not get back the amount originally invested.

**Liquidity Risk:** The Fund may make investments or hold trading positions in markets that are volatile and which may become illiquid. Timely and cost efficient sale of trading positions can be impaired by decreased trading volume and/or increased price volatility.

**Currency Risk:** The value of investments designated in another currency may rise and fall due to exchange rate fluctuations. Adverse movements in currency exchange rates may result in a decrease in return and a loss of capital. It may not be possible or practicable to successfully hedge against the currency risk exposure in all circumstances.

**Counterparty Risk:** The Fund will be exposed to credit risk on counterparties with which it trades in relation to on-exchange traded instruments such as futures and options and where applicable, 'over-the-counter' ("OTC", "non-exchange") transactions. OTC instruments may also be less liquid and are not afforded the same protections that may apply to participants trading instruments on an organised exchange.

**Financial Derivatives:** The Fund will invest in financial derivative instruments ("FDI") (instruments whose prices are dependent on one or more underlying asset) to achieve its investment objective. The use of FDI involves additional risks such as high sensitivity to price movements of the asset on which it is based. The extensive use of FDI may significantly multiply the gains or losses.

**Leverage Risk:** The Fund's use of FDI may result in increased leverage which may lead to significant losses.

**Emerging Markets:** The Fund may invest a significant proportion of its assets in securities with exposure to emerging markets which involve additional risks relating to matters such as the illiquidity of securities and the potentially volatile nature of markets not typically associated with investing in other more established economies or markets.

**Commodity Risk:** The Fund may have exposure to commodities, the value of which can be volatile and may carry additional risk. Commodity prices can also be influenced by the prevailing political climate and government stability in commodity producing nations.

**Model and Data Risk:** The Fund's Investment Manager relies on quantitative trading models and data supplied by third parties. If models or data prove to be incorrect or incomplete, the Fund may be exposed to potential losses. Models can be affected by unforeseen market disruptions and/or government or regulatory intervention, leading to potential losses.

**Investment Objective Risk:** There is no guarantee that the fund will achieve its investment objective.

**A complete description of risks is set out in the Fund's prospectus.**

## Important Information

The Fund is a sub-fund of Man Funds VI plc, domiciled in Ireland and registered with the Central Bank of Ireland. Full details of the Fund's objectives, investment policy and risks are located in the Prospectus which with the Key Investor Information Document (KIID), and the Report and Accounts of the UCITS, are accessible free of charge from the local information/paying agent, from authorised distributors and from [www.man.com/documents](http://www.man.com/documents). The KIID is available in English and in an official language of the jurisdictions in which the Fund is registered for public sale. The Prospectus and the Reports and Accounts of the UCITS can be obtained in English. In Switzerland, the Prospectus is also available in German.

In order to fulfil the fund's objectives the Prospectus allows the manager the ability to invest principally in units of other collective investment schemes, bank deposits, derivatives contracts designed with the aim of gaining short term exposure to an underlying stock or index at a lower cost than owning the asset, or assets aiming to replicate a stock or debt securities index.

The value of an investment and any income derived from it can go down as well as up and investors may not get back their original amount invested. Alternative investments can involve significant additional risks.

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