



REZCO

Rezco Global Fund

Technology ingrained into the process

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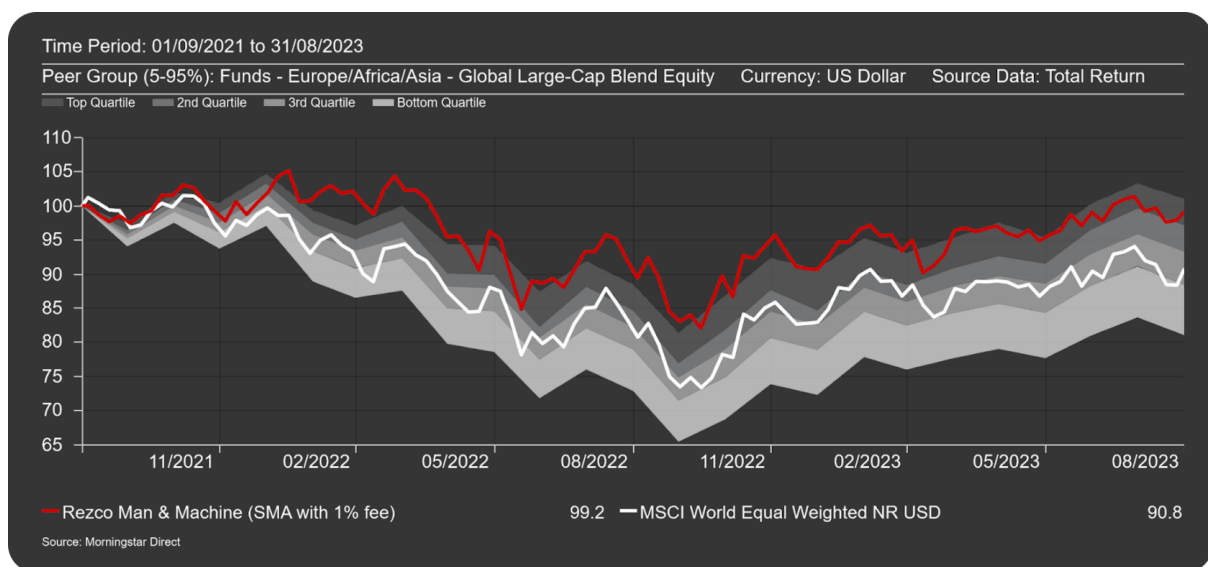
MAN & MACHINE WORKING TOGETHER

Finding Alpha in the Global Markets

At Rezco we have always seen the integration of technology as a key component to remain ahead of the shifting tides of the market.

We have a long history of embracing new technologies, from our early adoption to cloud, advanced data visualisations and big data. The integration of data-fueled insights has always been at the core of what we do. As technology has developed and continues to do so—it offers increasingly greater opportunities for us in the investment process. As a result, Rezco has been working closely with AlisAlpha™ during the past six years to develop cutting-edge Machine Learning tools to assist our Portfolio Managers in building and maintaining an edge against the competitive backdrop of investing in a global universe of stocks.

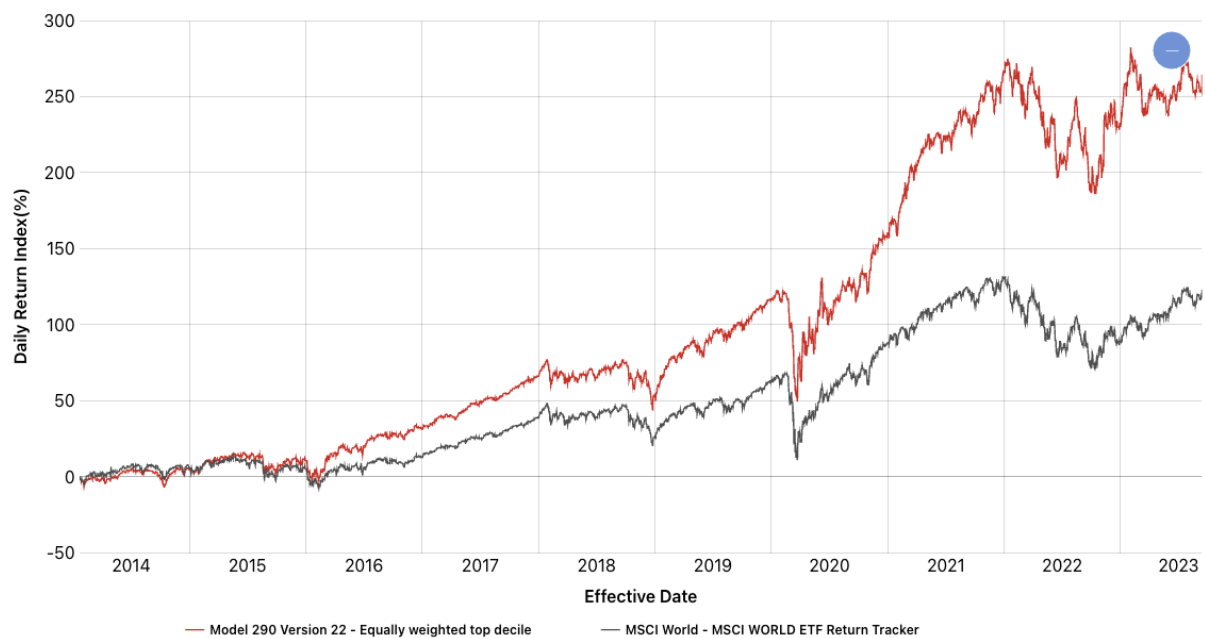
For over two years now, our man and machine process has been running live, and the results have been encouraging. The chart below shows the equity only carve out performance of the Rezco global equity strategy performing well in comparison to the peer quartile performance (illustrated by the shaded areas):



This process combines the best of our fundamental stock picking skill set, and our macro-insight along with the computational power of deep learning neural networks - 31.3 billion operations and 1 petabyte of data for each AlisAlpha™ ML Model - a task that would take a single Macbook Pro nearly three years to run.

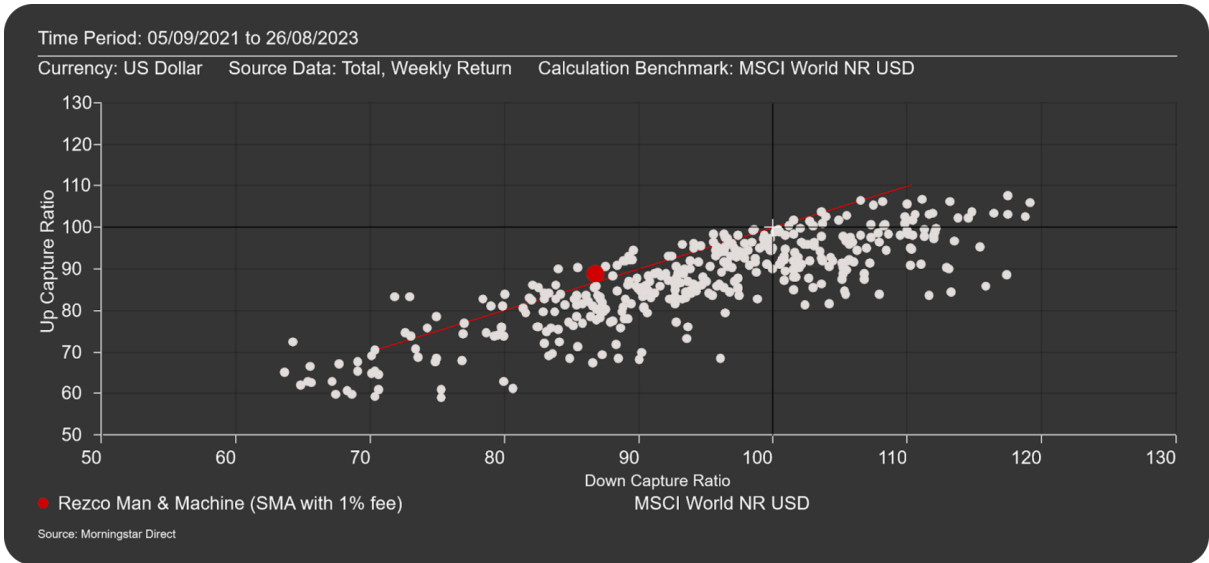
The insights from these models are a seamless component of our investment process. By using AlisAlpha™ developed interfaces, we are able to balance traditional approaches with the new. Being able to rank thousands of shares daily, allows the PM team to focus in on those most likely to perform, and gain additional insights that allow us to better assess the ideal times to buy and sell.

Our robust backtest of this ranking methodology has shown that over the last 9 years a simple portfolio of the top 10% of AlisAlpha™ ML Model's ranked ideas would generate approximately 5% annualised alpha vs the MSCI World index:



At Rezco, our core belief is that through the combination of man and machine, PM's and AI, we can craft a portfolio that elevates the best of both. We can build on the alpha generated by the Model, and apply risk overlays that meet our clients needs. There is no certainty in investing, and core to building a globally diversified equity portfolio is skewing the probabilities in our favour, this is the edge our tech gives us.

So far, we have shown that this can be done. We are seeing our characteristic Rezco style of good risk-adjusted returns generated through insights on fundamentals, market-savvy thinking and superior stock picking, being translated into the context of 1500 global stocks.



This remains a constant process of ensuring we remain at the cutting-edge of the best models and systems available, as we have demonstrated over the past decade. As technologies undoubtedly continue to develop, we remain committed to integrating those which add value, as we deepen our understanding and incorporation of these tools into our process.

Our results so far, and our close relationship with AlisAlpha™ in developing the next gen products for our PM team, leave us confident that we can continue to add value to our clients in providing risk-adjusted returns in the global markets.



Brendan Raymond

Portfolio Manager: Global Equities
 Rezco Asset Management

Disclaimer:

All data, models and tests are sourced from Rezco Asset Management unless otherwise stated thereon. While information obtained is from sources, we believe to be reliable, Rezco Asset Management does not guarantee the accuracy or completeness thereof. Same as may be provided under law, Rezco Asset Management does not accept any liability for inaccurate or incomplete information contained, or for the correctness of any opinions expressed. Opinions expressed are current opinions as of the date of this article. Past performance is not necessarily indicative as to future performance.

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