SIERRA

SHARD FUND

A JOURNEY ACROSS FINANCIAL MARKETS

December 13th - December 19th, 2014 | Issue 38

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HIGHLIGHTS

USA

Oil continues to be the centre of attention in global markets. In this issue we look at how oil has helped to transform the US economy in ways that some people might not understand. Yet, as our research shows, the leveraged overinvestment in oil is very concentrated and might lead to serious downturns, given the flawed assumption that oil prices wouldn't go down.

EUROPE

In a deflationary environment the companies you would like to be exposed to would be companies with a very strong brand (name) and diversified revenue streams within sectors which rarely get hit by lower consumer spending. In other words, the so-called defensive stocks like Procter & Gamble. The European version of P&G would be a company like Unilever.

ASIA & OCEANIA

A bit of a hit for Japan since our last issue (2 weeks ago). The final GDP came out at -0.5% (QoQ) from the -0.1% forecasted. Last time there was such a big percentage mismatch between forecasted and actual data for final QoQ GDP was back in Q3 2009 (0.5% mismatch).

COMMODITIES

US oil drillers idled the most amount of rigs in almost two years this week, dropping by 39 to 1,536, due to the low oil price and increasing competition from suppliers abroad. Whilst 39 may not seem particularly significant, this is the steepest decline since December 2012.

Weekly Change

Indices	Weekly change	Current
Shanghai (China)	5.79%	3,109.69
FTSE 100 (UK)	3.88%	6,545.27
S&P 500 (USA)	3.41%	2,070.68
CAC (France)	3.23%	4,241.65
S&P/ASX (Australia)	2.28%	5,338.60
IBEX (Spain)	2.15%	10,363.60
FTSE MIB (Italy)	2.06%	18,983.83
DAX (Germany)	2.00%	9,786.96
Nikkei 225 (Japan)	1.44%	17,621.40
BSE (India)	0.08%	27,371.84
Hang Seng (Hong Kong)	-0.57%	23,116.63
Currencies	**Weekly change**	**Current**
USD/CHF	2.12%	0.9840
GBP/AUD	0.67%	1.9188
USD/JPY	0.57%	119.46
USD/CNY	0.53%	6.2199
USD/CAD	0.21%	1.1604
EUR/CHF	0.17%	1.2031
GBP/JPY	0.02%	186.7
NZD/USD	-0.46%	0.7744
GBP/USD	-0.56%	1.5629
EUR/AUD	-0.66%	1.5011
AUD/NZD	-0.77%	1.0518
AUD/USD	-1.21%	0.8146
EUR/JPY	-1.30%	146.07
EUR/GBP	-1.32%	0.7824
EUR/USD	-1.89%	1.2227
Commodities	**Weekly change**	**Current**
Brent Crude Oil	0.08%	62.20
WTI Crude Oil	-0.36%	57.87
Copper	-1.23%	2.893
Gold	-2.25%	1195.8
Silver	-5.66%	16.085
Rates	**Weekly change[1]**	**Current**
US 10Y	8 bps	2.160%
UK 10Y	5 bps	1.852%
France 10Y	-1 bps	0.890%
Germany 10Y	-3 bps	0.595%
Japan 10Y	-4 bps	0.352%
Italy 10Y	-10 bps	1.965%
Spain 10Y	-17 bps	1.708%

Source: Thomson Reuters Datastream — Note: [1] in basis points (bps)

CALENDAR

Day	Country	Indicator	Actual	Forecast	Previous
USA					
Past week (13-19 Dec. 2014)					
Tuesday	United States	Building Permits (Nov)	1.035M	1.060M	1.080M
Wednesday	United States	Core CPI (MoM)	0.1%	0.1%	0.2%
Thursday	United States	Services PMI	53.6	57.1	56.2
Thursday	United States	Philadelphia Fed Manufacturing Index	24.5	27.0	40.8
Next week (20-26 Dec. 2014)					
Monday	United States	Exisitng Home Sales (Nov)		5.19M	5.26M
Tuesday	United States	GDP (QoQ) (Q3)		4.3%	3.9%
Tuesday	United States	New Home Sales (Nov)		460K	458K
EU					
Past week (13-19 Dec. 2014)					
Tuesday	Germany	Manufacturing PMI (Dec) (Prelim.)	51.2	50.4	49.5
Tuesday	EU	Composite PMI (Dec) (Prelim.)	51.7	51.4	51.1
Tuesday	United Kingdom	CPI (YoY)	1.0%	1.2%	1.3%
Tuesday	Germany	ZEW Economic Sentiment	34.9	20.9	11.5
Wednesday	United Kingdom	Average Earnings Index + Bonus	1.4%	1.2%	1.0%
Wednesday	EU	CPI (YoY)	0.3%	0.3%	0.3%
Thursday	Germany	Ifo Business Climate Index	105.5	105.4	104.7
Next week (20-26 Dec. 2014)					
Tuesday	United Kingdom	GDP (YoY) (Q3)		3.0%	3.0%
Tuesday	United Kingdom	GDP (QoQ) (Q3)		0.7%	0.7%
Tuesday	France	GDP (QoQ) (Q3)		0.3%	0.3%
Asia and Oceania					
Past week (13-19 Dec. 2014)					
Sunday	Japan	Tankan Large Manufacturers Index	12.0	13.0	13.0
Sunday	Japan	Tankan Large Non-Manufacturers Index	16.0	12.0	13.0
Monday	China	HSBC Manufacturing PMI (Prelim.)	49.5	49.8	50.0
Tuesday	Japan	Exports (YoY) (Nov)	4.9%	6.3%	9.6%
Tuesday	Japan	Trade Balance (Nov)	-892B	-1,001B	-710B
Next week (20-26 Dec. 2014)					
Thursday	Japan	National Core CPI (YoY)		2.7%	2.9%
Thursday	Japan	Industrial Production (MoM)		1.0%	0.4%

Source: Thomson Reuters Datastream, ShardFund

USA

Why oil matters

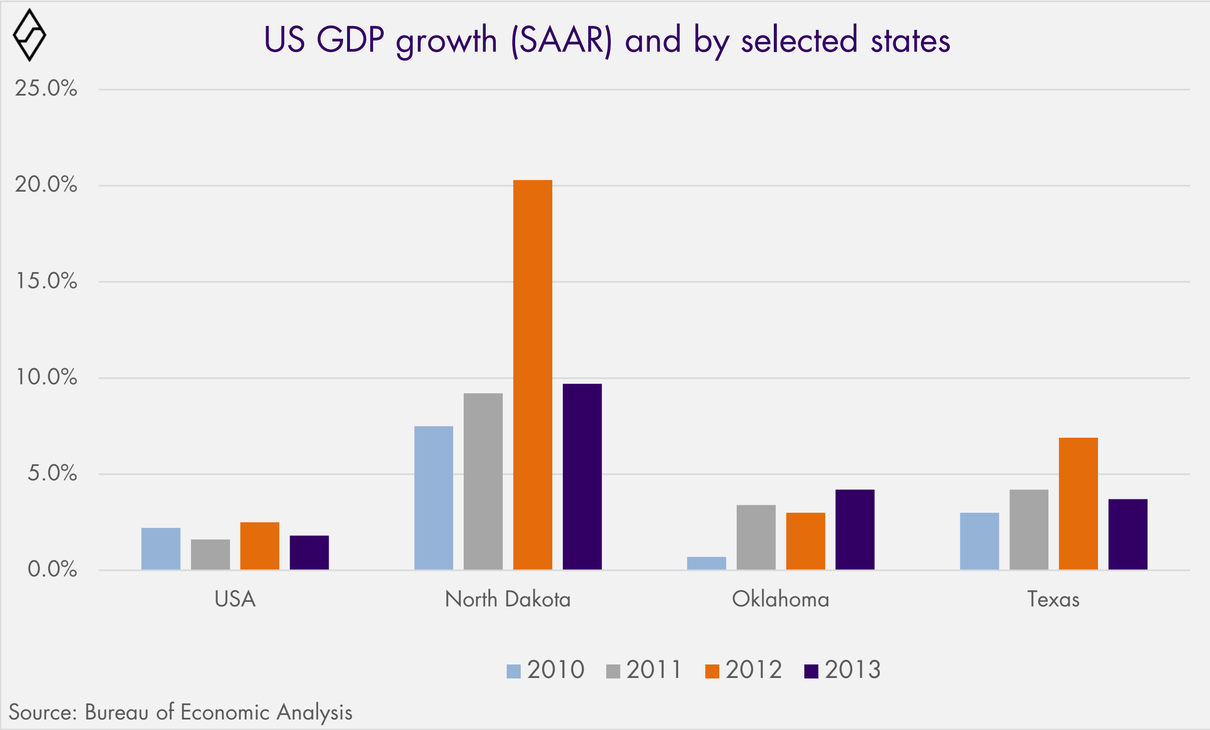
Sectors	5D	1M	3M	YTD
Healthcare	2.37%	3.10%	8.52%	27.00%
Utilities	2.07%	2.72%	10.16%	23.41%
Technology	2.35%	0.41%	3.05%	16.31%
Consumer Staples	1.48%	0.33%	7.02%	13.12%
Financials	2.24%	2.45%	4.36%	12.90%
Industrials	3.23%	0.19%	3.97%	8.29%
Consumer Discretionary	1.24%	1.80%	3.47%	6.05%
Materials	4.32%	-1.97%	-3.21%	5.63%
Energy	8.85%	-6.62%	-14.10%	-8.97%
Indices				
Nasdaq	2.39%	1.35%	4.05%	14.10%
S&P 500	3.41%	1.07%	3.00%	12.03%
Dow Jones Ind. Avg.	3.05%	0.98%	3.04%	7.41%
Russell 2000	3.79%	2.15%	4.27%	2.78%

Source: Thomson Reuters Datastream

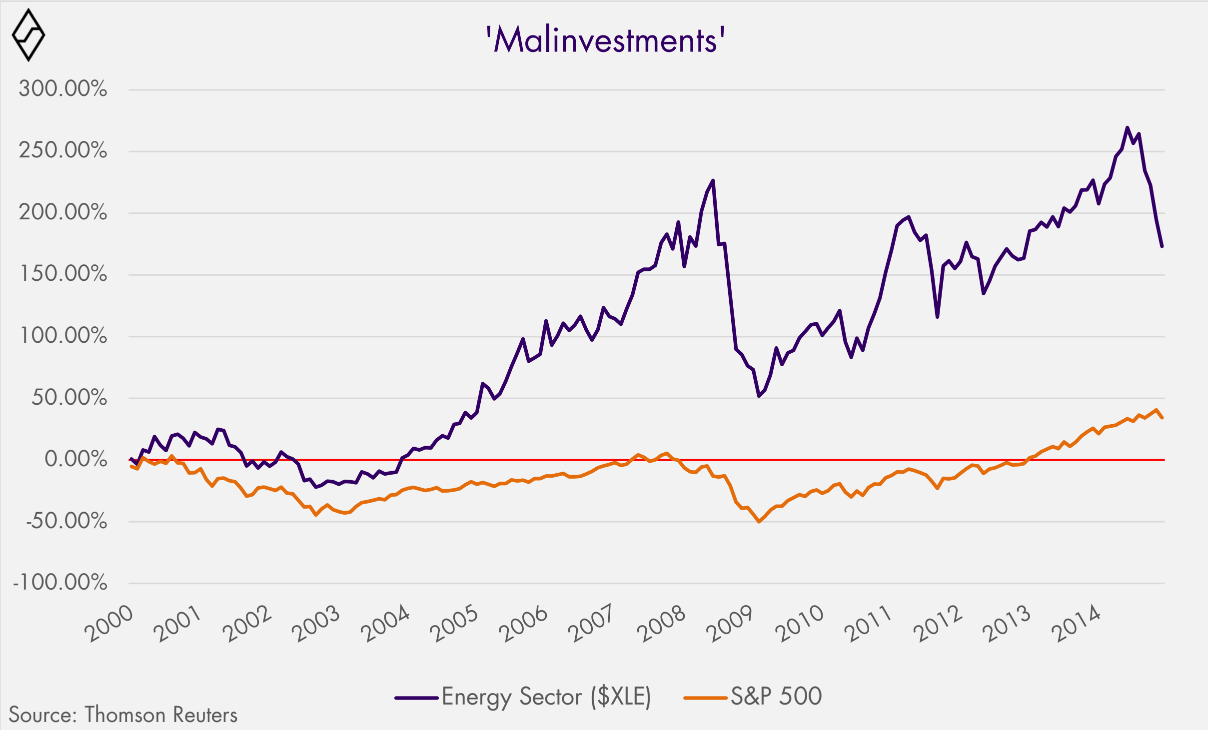
Ever since oil prices started to plunge significantly, we have read a lot of predictions claiming lower oil prices will boost spending. However, we have heard less about the flip side of the coin, (the risks), or at least very few analysts managed to do it in a neat way. After all, inflation/deflation is first and foremost the consequence of something and then it becomes the cause of something else. Technological improvements lead to lower prices (good deflation), which then could spur growth. Following the same logic, lack of demand combined with oversupply lead to crash in prices (bad deflation), which is something comepletely different and is typically the last stage of a bubble. So here it is, a brief analysis of why oil matters.

We receive feedback about our work on a weekly basis and recently we have had some criticism about covering Oil in all sections. While I find criticism very healthy and motivating, I will have to disagree this time. The problem is that people view the world in isolation, meaning that oil 'has to sit in the commodities section'. This reminds me of how people viewed housing in isolation and thought that there was 0 correlation between housing trends in different states. Different models for calculating risk in mortgage backed securities and other products actually used 0 as official correlation (confirmed to us by experienced people from the industry). If you haven't studied finance, correlation is essential in calculating risk metrics of a portfolio of securities. If it is 0 (perfectly uncorrelated), overall risk would be the squared root of the sum of the squared weight times the variance of every security (or mortgage) in your portfolio. As correlation increases, the risk of the portfolio becomes larger than before.

The situation around oil is similar. Since the recession, a great chunk of the US economy has leveraged up significantly to oil. Major beneficiaries have been the top oil producing states: Texas, North Dakota and Oklahoma, as well as several others. Starting from the top, those 3 states represent 10% of the real GDP of the USA and their growth rates have been above the average level since 2010. North Dakota is a spectacular example: the state has grown by roughly 12% (YoY) since 2010



and now has slightly less than the GDP of Bulgaria. If only my beloved country had the same growth rate in that time period. North Dakota is a small state so the magnitude is rather extreme but it clearly illustrates what high oil prices could do to an economy. Texas provides a much better illustration given that it is the second largest state by GDP (9%). The leader in that list is California (13%), which is also a top oil producer in the states.
Employment shows even better the reliance of those states (and the whole economy) on oil. All of the following data is taken out of the Bureau of Labour Statistics for free. From 2009 to 2013 the US economy has added around 3.4 million net payrolls of which 5.5% is directly attributable to the oil and gas industry (slightly less than 200,000). This might not seem a lot but when we start digging deeper it gets really interesting. So, as it turns out, 24% of the net jobs created in that period (the 3.4 million) come from Texas, the largest oil and gas producer in the US. Amazingly, looking solely at the oil and gas industry, 41% is both the share of job gains (2009-2013) attributable to Texas, as well as the share of total jobs in the industry created in in the state as of 2013. The thing about this fairy tale is that oil and gas jobs are only the tip of the iceberg. Surprisingly (given my bad memory) I remembered I had read an article about the US oil boom in the Economist back at the beginning of the year so I found it and this quote sums up perfectly the spillover effects of oil in the state and the country:
"Upscale furniture stores and luxury-car dealerships have sprung up in Midland (Texas) since the boom began. Mr Lithgow (executive for Pioneer Natural Resources) has truck drivers who earn $80,000 a year. Local oil-service firms have been known to hire fast-food workers on the spot. In all, the unconventional-energy boom will create up to 1.7m new jobs by 2020, predicts McKinsey, a consultancy."
Don't get me started on the financial services sector in Texas. From banks to insurance companies and trading companies, **Texas has added more financial services jobs than any other state in the past 10 years.** Just for reference, Oklahoma and North Dakota might have added only 120,000 jobs (in total) since 2009 but roughly 30% of those are directly attributable to the oil & gas industry. Total jobs growth in North Dakota (85,000) is 2 times more than that in Oklahoma and the growth rate of payrolls in the former state is around 23% (yes, from



a small base). Overall, average salary in the industry (nationwide) is $100,000, which is way above the average.
So this gives you some perspective about

> **"The most important price in all of capitalism is the price of money."**

the oil leverage that the US economy has, especially in Texas. Yet, things get even crazier when we look at the stock market. Since the start of the century, energy has crushed all the competition. For that time frame the energy sector ($XLE) has increased by the humble 273%, while the S&P 500 has had just a 34% gain. Last but not least, let's put the final touches on this colourful picture with some figures from Barclays. According to the bank, the share of energy companies in the high yield (junk) bond market in 2000 was 3.9%. Right now it is 16% and the average yield on an energy junk bond in July was 4.8%, whereas now it is around 9% (increase in the yield means that the price of the bond has fallen) (Thomson Reuters).
Honestly, this is just an overview of the whole story and the deeper you go, the crazier it gets. Don't get me wrong, having a strong sector is good. Many countries have expanded due to strong sectors. However, as usual the underlying assumption behind the growth is flawed. Last time it was housing prices, this time it is oil. The first time in recorded history was tulips. Next time it will be something else, but the premise is always the same: 'Prices cannot go down'. The Austrian school of economics, just like every other dogmatic economics movement, has many flawed ideas but the theory of '**malinvestments**' is not one of them. I am sure that this time, like every other time, the least important people would be blamed if something out of proportions happened. However, I might not know much (yet) but I do know something for a fact: "The most important price in all of capitalism is the price of money. That's the incentive that drives financial markets" (David Stockman).
Right now, and for the past 7 years, that price has been 0.

EUROPE

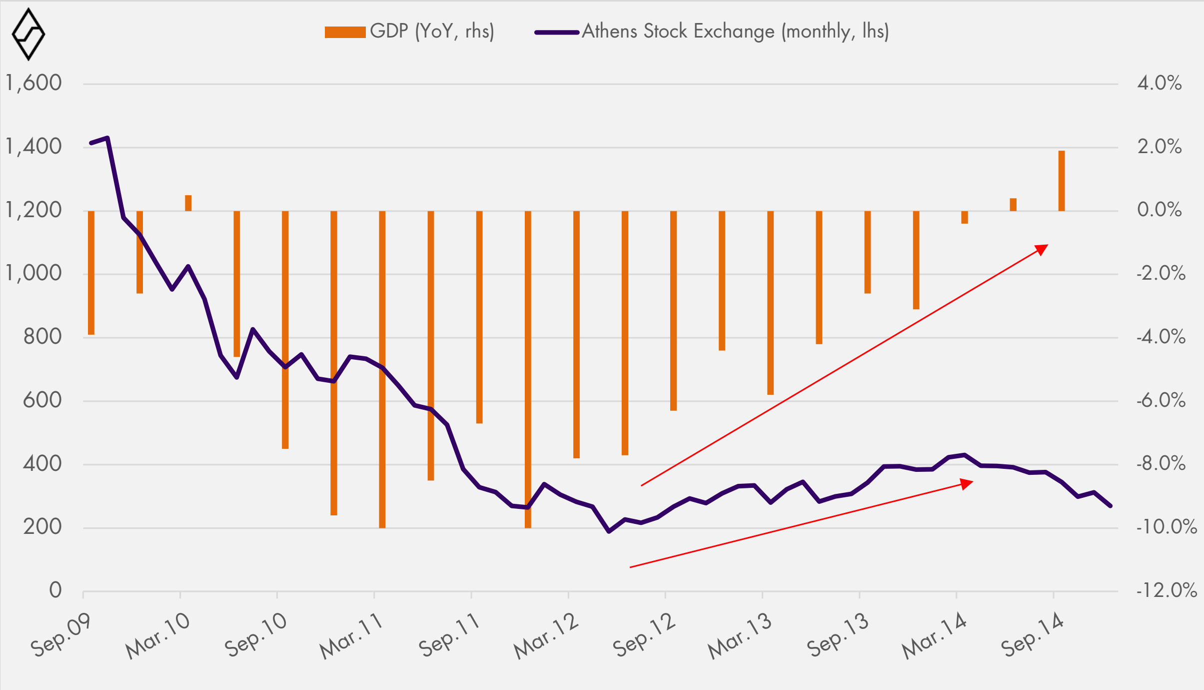
End of year resolution

Indices	5D	1M	3M	YTD
STOXX Europe 600 Real Estate Cap	4.83%	2.52%	4.51%	20.52%
STOXX Europe 600 Health Care	3.44%	-0.63%	-1.80%	18.29%
STOXX Europe 600 Travel & Leisure	4.97%	5.22%	8.63%	15.58%
STOXX Europe 600 Utilities	5.07%	0.02%	-2.91%	14.50%
STOXX Europe 600 Food & Beverage	4.36%	0.57%	1.50%	10.46%
STOXX Europe 600 Insurance	5.89%	2.61%	2.66%	9.62%
STOXX Europe 600 Financial Services	6.88%	4.58%	5.15%	9.17%
STOXX Europe 600 Personal & Household Goods	5.13%	1.26%	2.91%	8.06%
STOXX Europe 600 Telecommunications	4.06%	1.73%	5.93%	7.83%
STOXX Europe 600 Technology	6.11%	4.93%	1.73%	5.65%
STOXX Europe 600 Media	4.63%	3.40%	3.26%	5.28%
STOXX Europe 600 Automobiles & Parts	6.09%	6.88%	3.81%	3.78%
STOXX Europe 600 Index	5.26%	0.34%	-2.36%	3.67%
STOXX Europe 600 Construction & Materials	6.35%	2.28%	0.79%	3.46%
STOXX Europe 600 Chemicals	4.88%	1.18%	0.18%	3.16%
STOXX Europe 600 Industrial Goods & Services	5.33%	1.57%	-1.95%	-2.95%
STOXX Europe 600 Banks	3.82%	-1.15%	-8.10%	-3.37%
STOXX Europe 600 Retail	5.85%	1.29%	-1.15%	-6.59%
STOXX Europe 600 Basic Resources	9.21%	-4.09%	-12.46%	-8.16%
STOXX Europe 600 Oil & Gas	11.11%	-8.23%	-18.10%	-14.16%

Source: Stoxx; quoted in EUR

Fears of deflation in Europe still haunt the minds of every mainstream economist, financial media anchor and central banker around the globe. Now, here we try not to speculate or be alarmists, although on several occasions we might have seemed like such after a series of negative comments but, truth is, there really was not much positivism to be reflected upon in the markets (especially during late September and early October). Trying to be realists and looking at both sides of the coin, we have to think about what would be profitable in case the ECB did not step up with a Fed-like QE, in order to give a push to the economy (and deflation actually occurs). We also have to think about what might happen (although it seems to be highly unlikely) in the case where banks actually start lending the money they have been receiving from the TLTRO programs. Quoting Mr. Mark Mobius' interesting commentary from last week: "...banks that receive this money from central banks haven't been lending it. If there's a rapid reversal of that, you could see inflation move up very quickly, and the reaction of central banks could be intense, and excessive, in withdrawing liquidity from the markets". So far banks have not taken everything that the program has been giving them, which does prove again that something has gone wrong.

Therefore, in a deflationary environment you would like to be exposed to companies with a very strong brand (name) and diversified revenue streams within sectors which rarely get hit by lower consumer spending (not a recommendation). In other words, the so-called defensive stocks like Procter & Gamble. The European version of P&G would be a company like Unilever. Alternatively, as we have pointed out before, a broad sector tracking index fund, like the STOXX 600 ones (especially Utilities and Healthcare, which we have covered previously), provide good opportunities. Year-to-date performance of both supersectors is still top of the charts and



Source: Thomson Reuters

we think it is going to remain high for the next few months.

Besides this, the geopolitical situation is about to get more tense as Greece's elections are coming and the radical left (Syriza) are still leading in the pre-election polls. Last week, a first-round presidential vote was held in Greece and it was a clear example of a typical South-Eastern election: bribery scandals and faulty allegations. The current government's presidential candidate, Dimas, did gain 155 votes (out of 180 necessary), which, however, are not enough. There are two more election rounds left. It might get ugly if Syriza wins and demands full cancellation of Greece's debt or leaving the euro. It might mark the beginning of a very bad tendency for radical parties in Europe. However, if the current PM's (Samaras) party wins, it might get the political uncertainty out of the way. His austerity policies reduced the minimum wage by more than 20%. Both retiree and private pensions were cut between 30% and 50%. The unemployment rate is going down and expectations are for a positive real GDP growth in 2015 of around 3 to 3.5%. In one of his recent investor presentations (20 Oct), David Einhorn spoke about the positives of these policies, the results they have delivered so far, and the opportunities that they will bring to investors. You can find the presentation **here.**

...things go down to a certain point and then the new business cycle starts and it is time for investing...

Having said that, we are still far (faaaar) away from investing in Greece. The broad stock market index was down 13% last week and overall both fundamentals and technical are horrible. However, things go down to a certain point and then the new business cycle starts and it is time for investing in cheap opportunities. When that time comes, we will be ready.

ASIA & OCEANIA

Up and down and round and round

Indices	5D	1M	3M	YTD
STOXX Asia/Pacific 600 Chemicals	2.21%	5.56%	8.99%	20.61%
STOXX Asia/Pacific 600 Technology	1.23%	3.34%	0.60%	16.84%
STOXX Asia/Pacific 600 Food & Beverage	1.41%	1.09%	6.02%	15.32%
STOXX Asia/Pacific 600 Health Care	1.68%	1.40%	1.99%	13.98%
STOXX Asia/Pacific 600 Insurance	2.65%	0.80%	2.88%	8.92%
STOXX Asia/Pacific 600 Industrial Goods & Services	2.89%	0.80%	-0.45%	8.42%
STOXX Asia/Pacific 600 Travel & Leisure	1.79%	-0.58%	4.35%	7.47%
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STOXX Asia/Pacific 600 Automobile & Parts	3.76%	5.51%	5.31%	6.51%
STOXX Asia/Pacific 600 Real Estate	1.88%	-1.12%	1.52%	5.30%
STOXX Asia/Pacific 600 Utilities	2.31%	-2.11%	1.23%	5.18%
STOXX Asia/Pacific 600 Index	2.54%	0.12%	-0.05%	3.96%
STOXX Asia/Pacific 600 Media	4.27%	3.78%	3.20%	3.47%
STOXX Asia/Pacific 600 Telecommunications	1.87%	-1.84%	-5.19%	0.61%
STOXX Asia/Pacific 600 Banks	2.78%	-0.80%	-1.29%	-1.42%
STOXX Asia/Pacific 600 Financial Services	2.39%	-1.58%	-2.15%	-4.03%
STOXX Asia/Pacific 600 Retail	3.03%	-2.29%	-0.60%	-4.36%
STOXX Asia/Pacific 600 Oil & Gas	6.24%	-6.62%	-18.45%	-12.20%
STOXX Asia/Pacific 600 Basic Resources	4.02%	-5.18%	-12.36%	-16.19%

Source: Stoxx; quoted in EUR

CHINA

I would say market participants today are generally short sighted, but I think over the past two months, investors and traders have been the most complacent I have seen. However, fear seemed to be getting stronger than greed, last week, after oil continued to plunge. The oil saga was complemented by the PBOC surprising the market, (me included), with the tightening of monetary conditions. Volatility around the globe had already started picking up earlier in the week. I remember at the time of writing last week's issue, China had one of the best days/ weeks in a very long time. Last week the stock exchange had its worst day in 5 years. Now that's volatility! The PBOC announced significant cuts in monetary conditions, by fixing the Yuan significantly higher and imposing stricter control on short term debt, reducing overall market liquidity. Chinese officials are obviously aware of the problems associated with overextending credit and are confident in the strength of their economy, which can handle such restrictions.

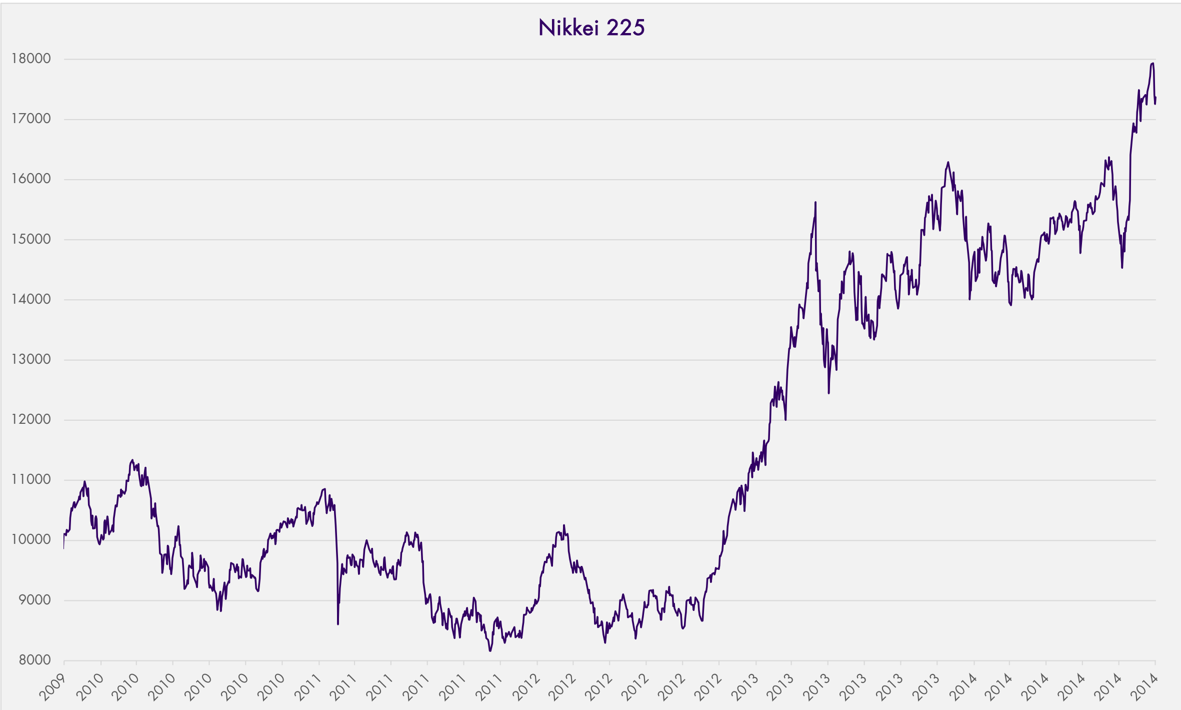
In that line of thought, this week we went up, up and away. With oil stabilizing and Yellen just being plainly dovish, there were no drags to China and the Shanghai Composite finished the week at new multi-year highs.

And another proof, that China is actually serious and capable of structural reform, unlike many others, is that it is deepening its financial reforms by approving the operations of 5 private banks to start operating in the country. Up to now there was only one private bank, which opened 1996.

Stay tuned for the year edition of Sierra, where we will be discussing how we will be positioning ourselves for the year ahead and what were the main developments in China in 2014.

JAPAN

A bit of a hit for Japan since our last issue (2 weeks ago). The final GDP came out at -0.5% (QoQ) from the -0.1% forecasted. Last time there was such a big percentage mismatch between forecasted and actual data for final QoQ GDP was back in Q3 2009 (0.5% mismatch). The reason behind the drop was business spending, which slipped by twice as much as initially estimated (ouch!). This made another solid contribution to the narrative against Abenomics, however, the nation re-elected Mr. Abe on December 14 and allowed him to continue the 'great' experiment. Last week, the bad news for the QE cult poured again as the trade balance improved for all the wrong reasons — lower than expected exports (4.9% YoY, 6.3% expected) and crashing imports (-1.7% YoY, +1.1% expected). The government still has nothing to show for, given that JPY has been depreciating so heavily. Speaking of which, the USD/JPY was actually down in the past 2 weeks (stronger JPY), reaching a low of 115.56 during the Russian meltdown on that historical Tuesday, 16 December (write down this date). It was a day of heavy sell-offs and yet the Yen was rallying and had been rallying since the beginning of the month. The reason (among other) is quite simple although not so obvious. During painful sell-offs people sell not what they want but what they can. Hedge funds that have to meet their margin calls in the energy space, for instance, do so by covering some of the huge net short position in JPY they have. They don't want to do it, but they have to do it. The Yen also appreciated in the beginning of October during the sudden spike of volatility in the US stock market, when investors incurred serious drawdowns.
The weakening of the JPY, however, has been very expensive, if judging by the Q3 GDP hit, so whether that's a sign of improvement or a sign of a worsening economy is becoming less of a debate. Many turned bearish on Japan since its GDP was hit so hardly when the government tried to raise taxes (the primary way that Japan will cover its bulging debt). If this fails in the long run, people see a default on the horizon...The frequency of debt defaults/debt restructurings can be viewed **here**. By the way, Japan has the highest S&P rating out of the first 10 countries with the highest debt as percentage of GDP, yet it has the highest debt (by far) as a percentage of GDP. Although I am no expert, it intuitively seems somewhat strange.

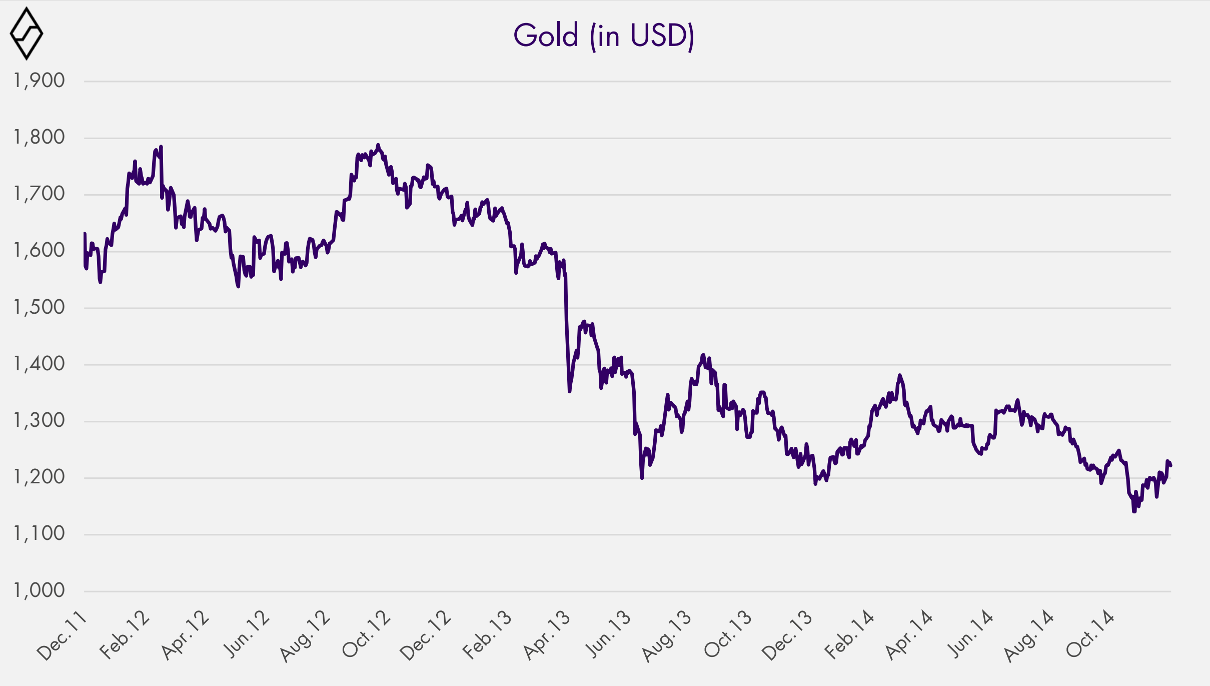


COMMODITIES

Mayday, Mayday 29 rigs down!

METALS

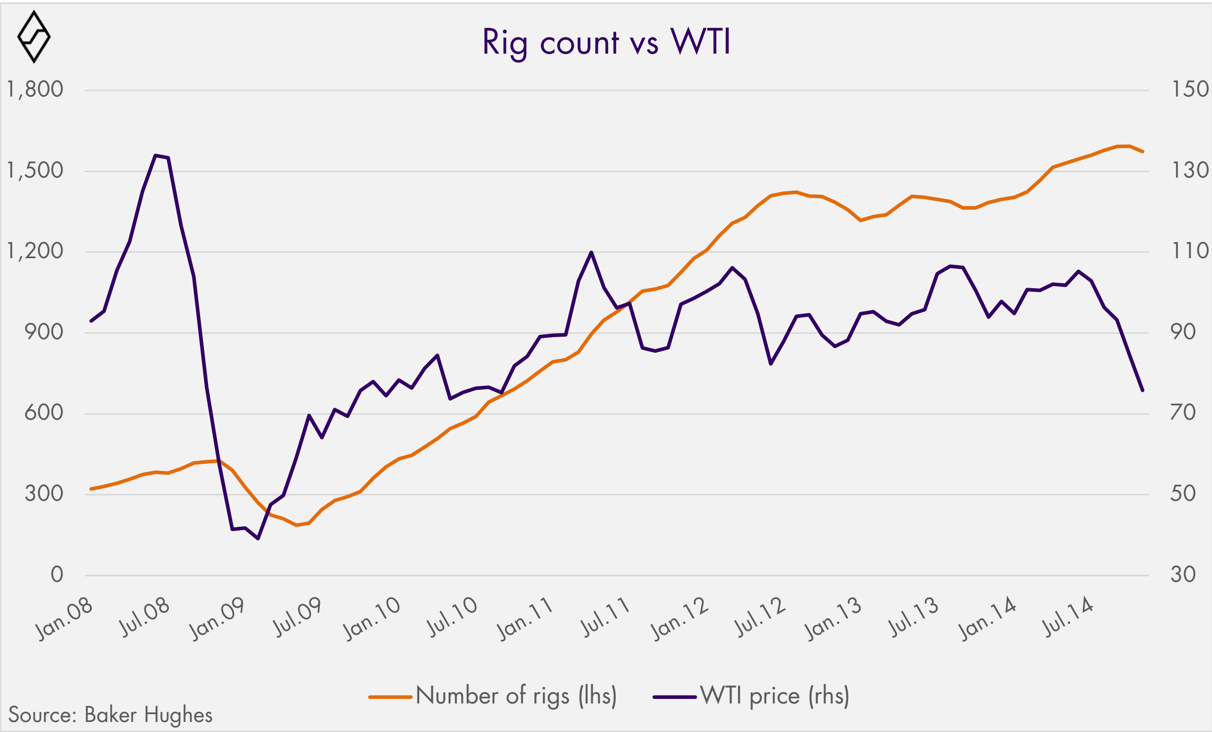
The gold price may be at $1222 per ounce but the three year downtrend looks to be far from over. Sure it looks attractive when oil prices are low and a strong dollar is destabilising emerging economies and global stock markets. However, gold is unlikely to survive the shifts that are likely to occur. Currently the uptrend is modest, up only 4% from the lows of November. Speculating can partially explain the rise, according to the Commodity Futures Trading Commission the net long position in gold has risen to the highest since August. This speculation is more than likely in part due to the easing policies around the world and the possibility of QE by the ECB. This might be good for gold, but bad for the euro. But then again, low euro means high dollar, which is bad for commodities prices in dollars. One final factor to consider is central bank purchases, particularly from Russia. So far, approximately 150 tonnes have been purchased (Thomson Reuters), almost double the 2013 total. However, given the rouble and foreign exchange reserves falling, this effect is likely to die out.



Source: Thomson Reuters

ENERGY

In the US section we talked about the fundamentals of the US oil and gas industry and the risks it poses. Evidence is now starting to emerge in support of our thesis. US oil drillers idled the most amount of rigs in almost two years this week, dropping by 39 to 1,536, due to the low oil price and increasing competition from suppliers abroad. Despite this, it's important to note that historically the rig count lags prices, and thus this decline could be signalling the bottom of prices (a similar situation happened in 2008).
Whilst 39 rigs may not seem particularly significant, this is the steepest decline since December 2012. In addition this slide could threaten to slow the shale-drilling boom eventually… even as producers such as ConocoPhillips are cutting spending in key shale regions; e.g. Permian Basin Texas (20 of the lost rigs were in this region), domestic production in Eagle Ford and Bakken are still surging. Given WTI for Jan delivery is now trading below $60/bbl this adds further weight to the shift in the market from OPEC to Shale and US production.



AGRICULTURE

Turkey is following in the footsteps of China, rejecting 3 shipments of US DDGs (distiller dried grains), a food ingredient, as it's stepping up enforcement of rules on importing genetically modified corn. Prices for DDGs in the last month have jumped sharply, in part due to hopes of China returning to the market, the US export trade group has been working for months with China in an attempt to resolve issues.

PORTFOLIO

CORTEZ

				Price		Performance	
Security	Ticker	Entry date	Long/Short	Entry	Current	Weekly	Inception
Legg Mason Inc	LM	21.Jul.14	Long	50.4	52.9	-0.5%	-1.5%
T.Rowe Price Group	TROW	21.Jul.14	Short	81.4	86.4		
iPath S&P 500 VIX ST Futures ETN	VXX	22.Aug.14	Long	27.8	29.9	-11.8%	7.5%
iShares Russell 2000 ETF	IWM	25.Nov.14	Short	118.3	118.9	-3.7%	-0.5%

Source: Thomson Reuters as of 28.Nov.14 close prices

FOREX

Pair	Open	Close	Weekly %	Trend w/w	Monthly %	YTD
USD/JPY	118.78	119.46	0.57%	1	8.94%	13.45%
USD/CHF	0.9636	0.9840	2.12%	2	3.02%	10.22%
EUR/JPY	147.9900	146.0700	-1.30%	2	5.45%	9.30%
USD/CAD	1.1580	1.1604	0.21%	3	3.62%	9.27%
GBP/JPY	186.67	186.70	0.02%	1	5.01%	7.15%
GBP/AUD	1.9060	1.9188	0.67%	2	3.59%	3.70%
USD/CNY	6.1869	6.2199	0.53%	2	1.33%	2.75%
EUR/CHF	1.2011	1.2031	0.17%	1	-0.30%	-2.28%
EUR/AUD	1.5111	1.5011	-0.66%	1	3.90%	-3.04%
AUD/NZD	1.0600	1.0518	-0.77%	2	-6.10%	-3.10%
GBP/USD	1.5717	1.5629	-0.56%	1	-3.61%	-5.60%
NZD/USD	0.7780	0.7744	-0.46%	1	-0.82%	-5.63%
EUR/GBP	0.79	0.78	-1.32%	1	0.42%	-5.69%
AUD/USD	0.8246	0.8146	-1.21%	2	-6.86%	-8.61%
EUR/USD	1.2462	1.2227	-1.89%	1	-3.21%	-11.04%

Source: Thomson Reuters Datastream

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