

The portfolios' are managed by Alan Amler and his team of Fundamental Consultants.

Alan has years of experience in technical and systematic trading while his Fundamental Consultants have decades of experience in fundamental analysis with a special focus on special situation investing. The different approaches complement each other well, covering a broad spectrum of trading techniques. Risk management is a key focus in order to mitigate drawdowns.

Trades are taken on only when opportunity presents itself, for example:

1. Special Opportunity (Really Interesting Corporate Holdings) – Deep Value (small to mid-caps) plays with frequent management visits, Upside Earnings results and trading updates on value stocks etc.
2. Technical (Cyclical Stocks) – chart patterns, breakouts, reversals etc.

As trading is long only, bearish markets are likely to provide periods where no trading is conducted and the monies will earn interest at the prevailing money market rates.

Trading Methodology on Fundamental Trading Opportunities (max 66.66% of the Portfolio in total)

A strict bottom up approach is adopted where management visits and management meetings are predominant. Key questions are asked and we stay very close to management throughout the holding of these particular equities

Money Management

The stop loss on the trade is always identified first and we do try and give a trade the benefit of the doubt when implementing. That is we position our stop loss in such a way that if we are stopped out then we are happy to acknowledge that the trade did not work out as expected.

Our Trading Plan is that when a fundamental trade presents itself and is backed up by the technical indicators then the full position is bought. Up to 15% of the portfolio size.

If the fundamental trade is not backed up by the technical indicators then we would implement 5% of the trade immediately and only accumulate when either it is later backed up by the technical indicators or new evidence is sourced to back up the trade.

The Stop loss would always be the exit strategy override.

Trading Methodology on Technical Trading Opportunities – Cyclical Stocks only (max 33.33% of the Portfolio in total)

We have a strict filtering system, which means that the trades that are put on are only high conviction trades. These are not merely trades that are showing a good buy, but trades that have a very good risk: reward ratio as well. We therefore would reject trades that might have a good buy set up however their risk: reward is not good enough.

For each trade we begin by looking at the medium to long-term picture where we use our diversified indicators to identify a good trading opportunity.

We then drill down to the short term daily indicators to actually time the entry for the trade.

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The next issue is we look at two (2) profit-taking areas for the trade. That is two points where we are satisfied that there could well be resistance for the trade to go higher.

The normal time frame for the winning trades will be anything from a week to 3 months and the losing trades anything from a day to a week.

Our Trading Plan for each trade consists of the following criteria : a) Position sizing - minimum of 5% , maximum of 15% portfolio size per each individual trade b) Risk of about 10% * and c) Profit potential of around 20 %* of each trade.

**these are approximate percentages based on our track record and years of tracking share performance. Volatility of each individual share also plays a part.*

An example of this would be say a portfolio size of R1 000 000, a trade would typically be exposure of R 100 000 (10%), risk of R 10 000(1%) and profit potential of R20 000(2%).

Investment Details

Minimum amount: R 250 000

Segregated account opened with either:

1. Consilium Securities (JSE Member) or
2. Sanlam Private Wealth (JSE Member) on the Glacier Platform.

Discretionary mandate with Signal Asset Management

Fees

Negotiated low brokerage fees

Nil Management Fee

20% Performance fee on the ** High Watermark concept , crystallized on realized profits quarterly, namely 31st March, 30th June, 30th September and 31st December.

Performance

Since Signal does not charge any management fees and only earns fees on client performance, we are fully aligned with the clients' objectives. The Share Trading Portfolios' are a new offering from Signal, and consequently our track record is short.

***High Watermark - includes interest and dividends on the client account, as a decision to move into cash is part of the trading decision.*

Withdrawals

24hrs notice however, this is subject to exiting the positions.

Reporting

As it is a segregated account, you will have full on line access to the account and will receive daily statements.

Alan Amler Trading Background in more Detail

2010 to current - Developed with System Developer, ran firstly a Discretionary and Systematic Medium term in 2011, and then in 2012 a Systematic Short Term Trend following strategy for ISAM in a managed account for their Fusion Fund. In both strategies had outperformed the peers over the periods traded. During 2015 began trading Segregated Client Share accounts through Consilium Stockbrokers utilizing all the technical trading tools developed over the 30-year trading period. Results thus far have been excellent.

2008 to 2010 – Sold Signal Futures and joined as a partner in ISAM. Developed a Discretionary Proprietary Medium Term Trend-Following methodology with Roy Sher (ISAM Partner) and traded as Co- Portfolio Manager for ISAM Trend. Within this Global Macro fund, we successfully traded global equities applying our methodology.

Also traded ISAM Gold Fund both long and short, successfully over the period with AUM of over \$ 120m - returns in excess of 15% pa

2004 to 2008 – In conjunction with System Developers developed 4 short/medium term Systematic Systems on the ALSI TOP 40 futures and traded in managed accounts for Signal Futures successfully for a 5 year period with annualized returns in excess of 20% and held a regular “Top 3”spot in the trading section of both the Nedcor Hedge Fund Review and Symmetry Hedge Fund review over that period. Was featured in “Meet the Manager “in May 2006 edition of the Nedcor Hedge Fund Review.

1996 to 2004 - In conjunction with System Developer developed one of the first Systematic Trading System on the INDI 25 futures trading managed accounts and traded successfully for 7 years on that market .Gravitated in 2004 to the ALSI TOP 40 when the liquidity dried up in the INDI 25.

1987 to 1996 – Traded own account on the JSE (Johannesburg Stock Exchange) while working for various Stock Broking Firms and over this period followed the AHL Systematic Trend Following Model, which led to getting involved in the development of systematic trading utilizing the South African Futures Market Instruments.