



# **SIGLO Capital Advisors AG**

## SIGLO FX Audit©

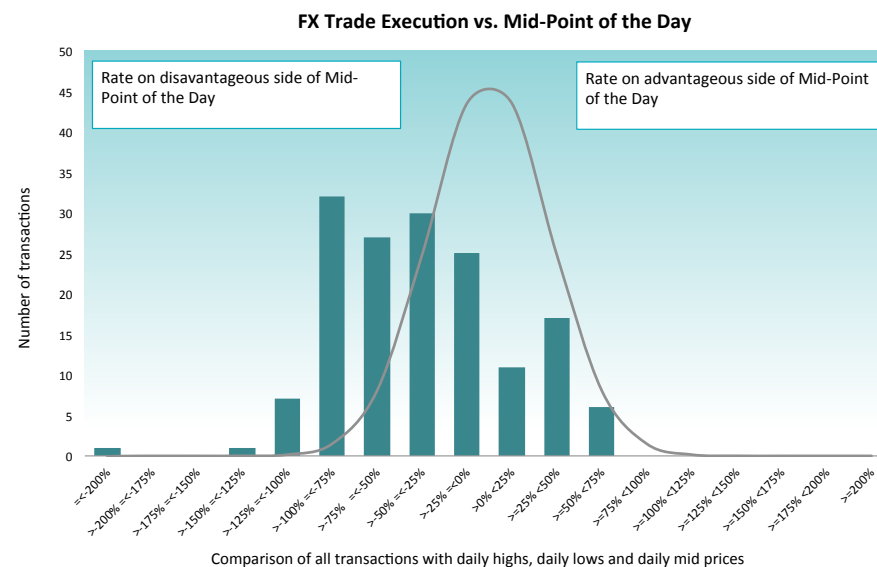
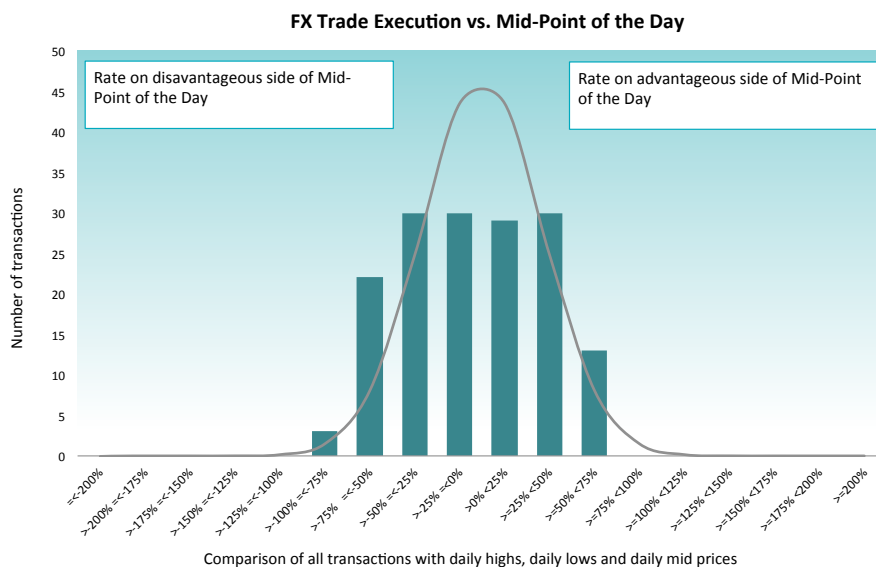
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CONFIDENTIAL

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The shape of the distribution of all FX transactions shows the execution quality at a glance



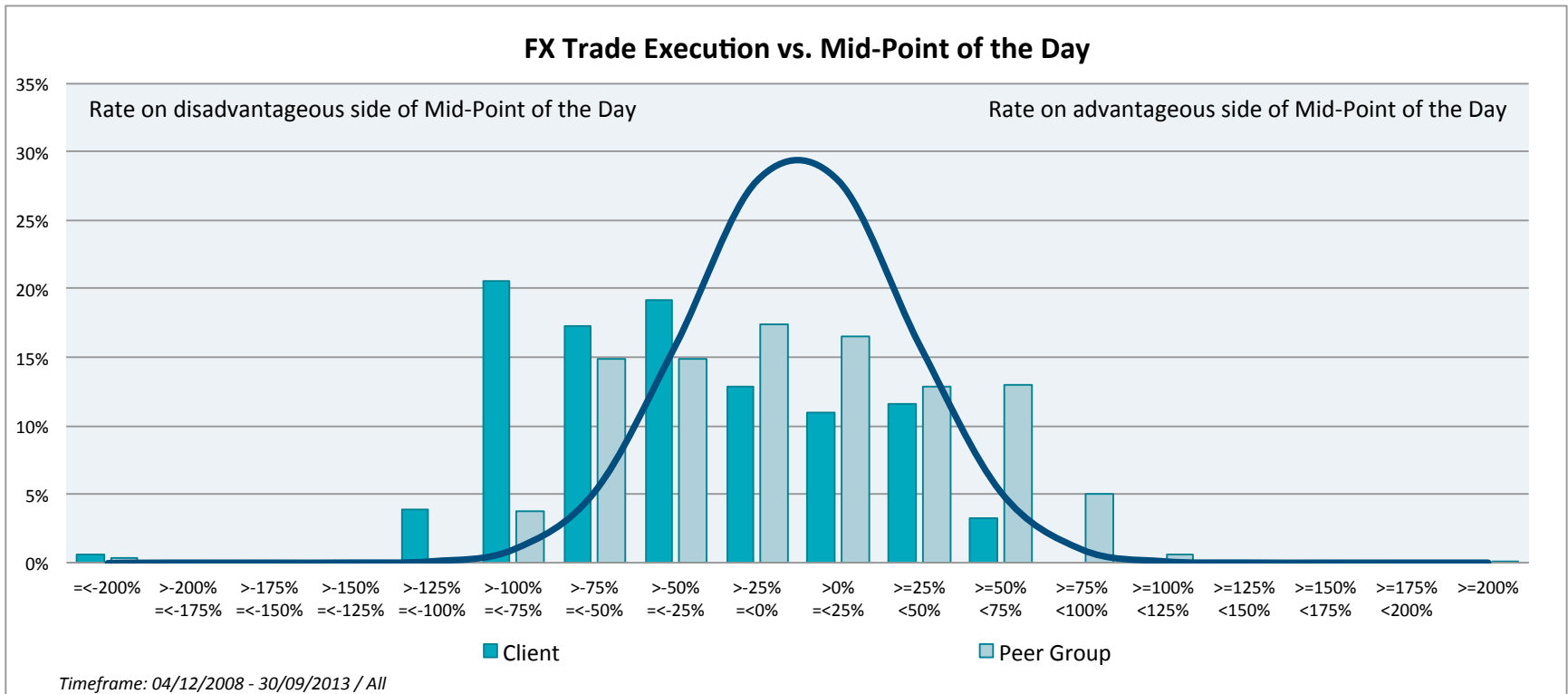
A symmetrical distribution of FX trades around daily mid points and within the daily range of highs and lows gives no indication of poor execution.

Repeated occurrences of trades on the left part of the distribution and appearance of outlier FX trades requires more attention.



# Meaningful Results based on SIGLO Peergroup Comparisons

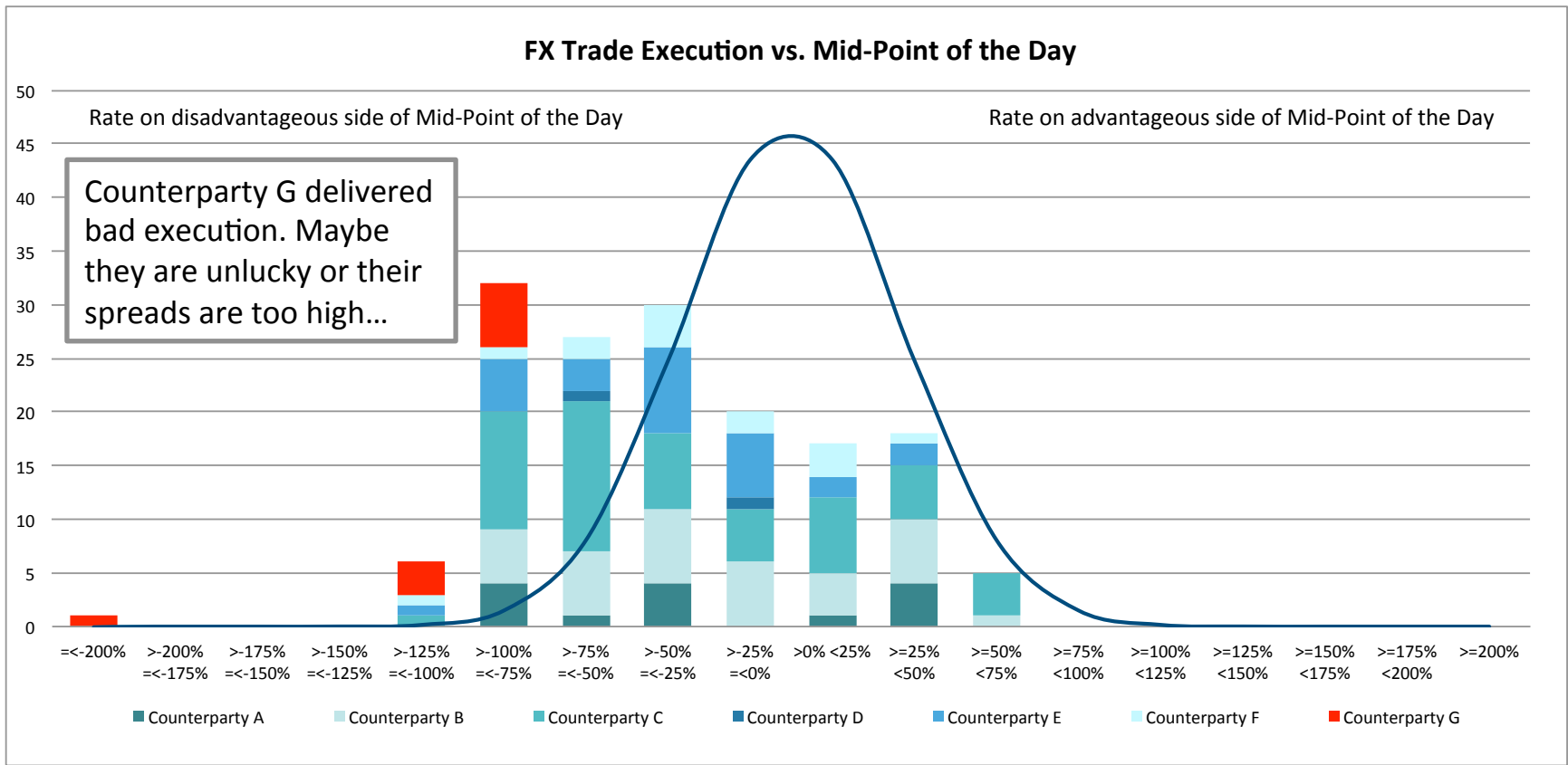
How do your transactions fare relative to other institutions' transactions?



available for both, Spot/Forward trades as well as Roll trades

# Did you overpay? If yes where and to whom? Detailed Analyses provide Transparency and Action Points

Execution Quality in detail. For example how did your counterparties deliver?



The frequency distribution chart depicts how the pricing of each trade deviates from the day's midpoint for the relevant exchange rate, on a relevant pricing date.

## Your FX Saving Potential at a Glance

The SIGLO FX Audit identifies expensive types of FX transactions immediately

	Counterparty A	Counterparty B	Counterparty C	Counterparty D	Counterparty E	Counterparty F	Counterparty G	Grand Total
AUDCHF	-0.17	-0.10	-0.32		-0.56		-0.75	<b>-0.33</b>
CADCHF	-0.75	0.04	-0.19	0.00	-0.25	0.25	-1.00	<b>-0.17</b>
CHFJPY	-0.75	0.08	-0.67	-0.50	-0.63	-0.17		<b>-0.37</b>
EURCHF	0.25	-0.39	-0.04		-0.04	-0.25	-1.38	<b>-0.19</b>
GBPCHF	-0.25	-0.17	-0.19		-0.25	-0.25	-1.00	<b>-0.22</b>
USDCHF	-0.25	0.00	-0.07		-0.13	-0.22	-0.81	<b>-0.20</b>
<b>Grand Total</b>	<b>-0.16</b>	<b>-0.11</b>	<b>-0.20</b>	<b>-0.25</b>	<b>-0.25</b>	<b>-0.18</b>	<b>-0.95</b>	<b>-0.23</b>

Cumulated dollar gain (cost) of spread relative to day's mid-point (CHF):	-624,392
Cumulated gain (cost) relative to total traded amount (basis points):	-7.9

- This **Investor lost** relative to an execution at daily mid prices more than **624'000 CHF!**
- This corresponds to an average **Spread** across all spot and forward transactions of almost **8 Bps!**

## Academic Research in the Pipeline

Different FX hedging approaches and execution processes lead to big return discrepancies

- Are you sure that your FX management and FX hedging approach is competitive?
- Do you pay attention to a fund's FX management approach? You probably should.
- Hedging approaches and processes vary in practice. Not all of them are equally smart.
- Hedged share classes are never perfectly hedged, because it is impossible to do it.
- Top quartile hedged fund share classes outperform bottom quartile classes by 1% p.a.

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