



**INVESTMENT REPORT**

XXX PTE LTD

As at 31 May 2017

*Prepared by Envy Asset Management Pte Ltd*

**COMMENTARY**

**Commodities**

April is a significantly shorter trading month as compared to months, coupled with the volatility in prices, less trades were made this month. The lower than expected performance stems from losses incurred from the long positions in Nickel entered into in March. The sharp fall in Nickel prices was primarily due to developments in the Philippines – namely parliament rejecting to confirm acting environmental minister Gina Lopez. In her 10-months as acting environment minister, Ms. Duterte suspended the licenses of many miners after inspections found that they were violating environmental regulations. In February, 23 mines were ordered closed, mainly nickel producers. The suspensions were estimated to remove about 50% of the country’s nickel output, which amounted to 10% of global supply. Nickel prices, which had already rallied on the possibility of the suspensions climbed to $10,500 after the announcement.

Generally, the correction in the base metals continues, copper prices have joined nickel in breaking below recent, important, support levels so the question is will the others follow? With oil, iron ore and steel prices, also falling heavily, the path of least resistance is to the downside for now. We are not overly bearish on the outlook for global growth; some metals’ fundamentals have potentially changed, i.e. in nickel with regards to supply from the Philippines, but we generally see this weakness as coming from stale long liquidation following the rally when prices ran ahead of the fundamentals during the Trump reflation trade. We are also pretty sure it will not be a straight-line fall in prices as such we have entered into long positions to capitalise on any short-term rebounds in prices.

**Securities**

After the worst start to a year ever, the stock market surged to new highs in 2016. All the major indexes rebounded to record levels and defied the doomsday forecasts that preceded events like Brexit and President-elect Donald Trump's election. The volatility looks set to conitnue into 2017. As such, our fund is adopting a wait-and-see approach before entering the market.

**INVESTMENT OVERVIEW**

**Balance Brought Forward From 30 April 2017**

**S$3,605,025.50**

**Net Profit In May 2017:**

**S$279,486.67**

**Account Movement In May 2017:**

**S$279,491.38**

*Debits:* S$ 1,375,475.56

*Credits:* S$ 1,654,966.94

**Total Investment Value as at 31 May 2017**

**S$3,684,409.08**

**8.93%**

**% Realised Gain**

**Appendix I – Breakdown**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  |  | **SGD** |  |
| **Date** | **Beginning Balance as at 1 May 2017** |  | **3,405,025.50** | 100% |
|  |  |  |  |  |
|  | **Futures Metal Trading** |  | **73,057.50** | 2% |
|  |  |  |  |  |
|  | **Securities** |  |  | 0% |
|  |  |  |  |  |
|  | **Physical Metal Trading** |  | **3,331,968.00** | 98% |
|  | Feb 2017 Nickel contract |  | 1,050,000.00 | 31% |
|  | Mar 2017 Nickel contract |  | 938,340.00 | 28% |
|  | Apr 2017 Nickel contract |  | 1,343,628.00 | 39% |
|  |  |  |  |  |
|  |  | **SGD** | **SGD** |  |
|  | **Transactions during the month** | **Debit** | **Credit** |  |
|  |  |  |  |  |
|  | **Futures Metal Trading** | **(290.56)** | **3,631.94** |  |
| 31/5/17 | Realised profits from Futures Metal Trading |  | 3,631.94 |  |
| 31/5/17 | Commission charged for realised profits from Futures Metal Trading | (290.56) |  |  |
|  |  |  |  |  |
|  | **Physical Metal Trading** | **(1,375,185.00)** | **1,651,335.00** |  |
| 21/5/17 | Realised Profits from Feb 2017 nickel deal |  | 325,185.00 |  |
| 26/4/17 | Commission charged for realised profits from Feb 2017 nickel deal | (49,035.00) |  |  |
| 26/4/17 | Reinvestment from Feb 2017 nickel deal | (1,326,150.00) |  |  |
| 26/4/17 | Reinvestment to May 2017 nickel deal |  | 1,326,150.00 |  |
|  |  |  |  |  |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  |  | **SGD** |  |
| **Date** | **Ending Balance as at 31 May 2017** |  | **3,684,516.88** |  |
|  |  |  |  |  |
|  | **Futures Metal Trading** |  | **76,398.88** | 2% |
|  |  |  |  |  |
|  | **Securities** |  | **-** | 0% |
|  |  |  |  |  |
|  | **Physical Metal Trading** (Refer to 'Nickel deals' tab for more details) |  | **3,608,118.00** | 98% |
|  | Mar 2017 Nickel contract |  | 600,000.00 | 16% |
|  | April 2017 Nickel contract |  | 250,000.00 | 7% |
|  | May 2017 Nickel contract |  | 1,326,150.00 | 36% |
|  |  |  |  |  |
|  |  |  |  |  |
|  | **Description of Contract entered** | **SGD** | **Maturity of Lock-In Capital** |  |
|  | Investment Portfolio | 50,000.00 | 30 May 2016 – 30 Nov 2016 |  |
|  | Jan 2017 Nickel contract | 1,080,000.00 | 27 Jan 2017 – 26 Apr 2017 |  |
|  | Feb 2017 Nickel contract | 1,250,000.00 | 22 Feb 2017 – 21 May 2017 |  |
|  | Mar 2017 Nickel contract | 938,340.00 | 22 Mar 2017 – 21 Jun 2017 |  |
|  | Apr 2017 Nickel contract | 1,343,628.00 | 28 Apr 2017 – 27 Jul 2017 |  |
|  | May 2017 Nickel contract | 1,326,150.00 | 22 May 2017 – 21 Aug 2017 |  |
|  |  |  |  |  |

**Appendix II – Metals**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Commodity** | **Position** | **Entry Date** | **Entry Price** | **Entry Value** | | **Exit Date** | **Exit Price** | | **Exit Value** | **Realised Gain/(Loss)** | | | **Profit/Loss after transaction fees** | | |
|  |  | USD | USD | USD | | USD | USD | | USD | USD | | % | USD | | SGD |
| Aluminium (previously unrealised) | Long | 13/4/2017 | 1,903.00 | 285,450.00 | | 22/5/2017 | 1,940.00 | | 291,000.00 | 5,550.00 | | 1.94% | 4,108.88 | | 5,697.12 |
| Aluminium (previously unrealised) | Long | 13/4/2017 | 1,904.00 | 285,600.00 | | 22/5/2017 | 1,941.00 | | 291,150.00 | 5,550.00 | | 1.94% | 4,108.13 | | 5,696.08 |
| Aluminium (previously unrealised) | Long | 19/4/2017 | 1,898.00 | 284,700.00 | | 22/5/2017 | 1,938.00 | | 290,700.00 | 6,000.00 | | 2.11% | 4,561.50 | | 6,324.70 |
| Aluminium (previously unrealised) | Long | 19/4/2017 | 1,900.00 | 285,000.00 | | 22/5/2017 | 1,944.00 | | 291,600.00 | 6,600.00 | | 2.32% | 5,158.50 | | 7,152.47 |
| Aluminium (unrealised) | Short | 13/4/2017 | 1,903.00 | 285,450.00 | | 28/4/2017 | 1,930.00 | | 289,500.00 | -4,050.00 | | -1.42% | -5,774.85 | | -7,991.53 |
| Aluminium (unrealised) | Short | 13/4/2017 | 1,904.00 | 285,600.00 | | 28/4/2017 | 1,930.00 | | 289,500.00 | -3,900.00 | | -1.37% | -5,625.30 | | -7,784.57 |
| Nickel (previously unrealised) | Short | 20/2/2017 | 11,051.00 | 276,275.00 | | 18/5/2017 | 9,003.00 | | 225,075.00 | 51,200.00 | | 18.53% | 49,695.95 | | 69,154.90 |
| Nickel (previously unrealised) | Long | 26/4/2017 | 9,250.00 | 231,250.00 | | 11/5/2017 | 9,300.00 | | 232,500.00 | 1,250.00 | | 0.54% | 90.63 | | 127.72 |
| Nickel (previously unrealised) | Long | 26/4/2017 | 9,255.00 | 231,375.00 | | 11/5/2017 | 9,302.00 | | 232,550.00 | 1,175.00 | | 0.51% | 15.19 | | 21.40 |
| Nickel | Short | 12/5/2017 | 9,325.00 | 233,125.00 | | 31/5/2017 | 8,855.00 | | 221,375.00 | 11,750.00 | | 5.04% | 10,386.50 | | 14,373.36 |
| Nickel (unrealised) | Long | 31/5/2017 | 8,860.00 | 221,500.00 | | 31/5/2017 | 8,810.00 | | 220,250.00 | -1,250.00 | | -0.56% | -2,354.38 | | -3,258.10 |
| Nickel (unrealised) | Long | 31/5/2017 | 8,815.00 | 220,375.00 | | 31/5/2017 | 8,810.00 | | 220,250.00 | -125.00 | | -0.06% | -1,226.56 | | -1,697.38 |
| Copper (previously unrealised) | Short | 29/12/2016 | 5,500.00 | 275,000.00 | | 8/5/2017 | 5,480.00 | | 274,000.00 | 1,000.00 | | 0.36% | -647.00 | | -908.77 |
| Copper (previously unrealised) | Short | 5/4/2017 | 5,800.00 | 290,000.00 | | 8/5/2017 | 5,488.00 | | 274,400.00 | 15,600.00 | | 5.38% | 13,906.80 | | 19,533.35 |
| Gold (unrealised) | Long | 2/10/2015 | 1,110.00 | 333,000.00 | | 31/5/2017 | 1,263.80 | | 379,140.00 | 46,140.00 | | 13.86% | 44,359.65 | | 61,387.10 |
| WTI Crude | Long | 4/5/2017 | 45.80 | 687,000.00 | | 23/5/2017 | 50.10 | | 751,500.00 | 64,500.00 | | 9.39% | 61,191.45 | | 84,913.54 |
|  |  |  |  |  | |  |  | |  |  | |  |  | |  |
| **OVERALL RESULTS** |  |  |  |  | |  |  | |  | **170,175.00** | |  | **152,576.51** | | **212,085.87** |
|  |  |  |  |  | |  |  | |  |  | |  |  | |  |
| Initial Capital @ 1/5/2017 | | | | | **3,054,331.00** | | | **USD** | | | **4,266,167.37** | | | **SGD** | |
| Margin Trading | | | | | **15,271,655.00** | | | **USD** | | |  | | |  | |
|  | | | | |  | | |  | | |  | | |  | |
| Realised gain/(loss) | | | | | **152,576.51** | | | **USD** | | | **212,085.87** | | | **SGD** | |
|  | | | | |  | | |  | | | 4.97% | | |  | |
|  | | | | |  | | |  | | |  | | |  | |
| Unrealised gain/(loss) | | | | | **42,638.36** | | | **USD** | | | **59,280.11** | | | **SGD** | |
|  | | | | |  | | |  | | | 1.39% | | |  | |

**Appendix III – Stocks**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Company** | **-** |  |  |  |
| **Ticker** | - |  |  |  |
| **Exchange** | - |  |  |  |
| **Currency** | - |  |  |  |
|  |  |  |  |  |
| **Unit Price @ 30/4/2017** | - |  |  |  |
| **Units** | - |  |  |  |
| **Initial Existing Shareholdings** | - |  |  |  |
| **Purchase Date** | - |  |  |  |
| **Unit Purchase Price** | - |  |  |  |
| **Units** | - |  |  |  |
| **Total Purchase Price** | - |  |  |  |
|  |  |  |  |  |
| **Sale Date** | - |  |  |  |
| **Unit Price on Date of Sale** | - |  |  |  |
| **Units sold** | - |  |  |  |
| **Shareholdings Sold** | - |  |  |  |
|  |  |  |  |  |
| **Unit Price @ 31/5/17** | - |  |  |  |
| **Units** | - |  |  |  |
| **Current Existing Shareholdings** | - |  |  |  |
|  |  |  |  |  |
| **Unrealised Gain/Loss** | - |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
| **Realised Gain/Loss** | - |  |  |  |
|  |  |  |  |  |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Overall Results:** |  |  | |  | |  | |
|  |  | |  | |  | |  |
| **Net Unrealised Gain/Loss** | **SGD -** | |  | | 0% | | *SGX Stocks* |
| *In Foreign Currency and SGD* | **HKD -** | | **SGD -** | | 0% | | *HKEX Stocks* |
|  | **USD -** | | **SGD -** | | 0% | | *NYSE Stocks* |
|  |  | |  | |  | |  |
| **Net Unrealised Gain/Loss** | **SGD -** | |  | | 0% | | *SGX Stocks* |
| *In Foreign Currency and SGD* | **HKD -** | | **SGD -** | | 0% | | *HKEX Stocks* |
|  | **USD -** | | **SGD -** | | 0% | | *NYSE Stocks* |

**Appendix V – Commission Metals Future**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Month** | **Monthly Returns** | **Cumulative Returns %** | **Cumulative Returns** | **Balance (Net of comms) At End of Month** | **Cumulative Commission Charged** | **Commission for The Month** | **Commission Tranche** |
| Jan-17 | - | - | - | - | - | - | - |
| Feb-17 | - | - | - | - | - | - | - |
| Mar-17 | - | - | - | - | - | - | - |
| Apr-17 | - | - | - | - | - | - | - |
| May-17 | - | - | - | - | - | - | - |
| Jun-17 |  |  |  |  |  |  |  |
| Jul-17 |  |  |  |  |  |  |  |
| Aug-17 |  |  |  |  |  |  |  |
| Sep-17 |  |  |  |  |  |  |  |

**Appendix V – Daily Metal Prices (US$/Metric Ton)**

**Aluminum**

|  |  |  |  |
| --- | --- | --- | --- |
| **Date** | **LME Aluminium Cash-Settlement** | **LME Aluminium 3-month** | **LME Aluminium stock** |
| **31 May 2017** | 1.919,50 | 1.919,00 | 1.473.925 |
| **30 May 2017** | 1.943,50 | 1.943,50 | 1.487.700 |
| **26 May 2017** | 1.950,00 | 1.953,50 | 1.496.450 |
| **24 May 2017** | 1.944,00 | 1.944,00 | 1.480.025 |
| **23 May 2017** | 1.926,00 | 1.930,00 | 1.489.325 |
| **22 May 2017** | 1.943,00 | 1.941,50 | 1.495.350 |
| **19 May 2017** | 1.938,00 | 1.938,00 | 1.506.700 |
| **18 May 2017** | 1.905,00 | 1.906,00 | 1.515.400 |
| **17 May 2017** | 1.928,00 | 1.926,00 | 1.526.800 |
| **16 May 2017** | 1.915,00 | 1.912,50 | 1.536.275 |
| **15 May 2017** | 1.899,50 | 1.905,00 | 1.545.025 |
| **12 May 2017** | 1.880,00 | 1.884,00 | 1.556.150 |
| **11 May 2017** | 1.887,00 | 1.890,00 | 1.564.800 |
| **10 May 2017** | 1.870,00 | 1.875,00 | 1.570.575 |
| **9 May 2017** | 1.874,00 | 1.880,00 | 1.577.800 |
| **8 May 2017** | 1.879,00 | 1.884,00 | 1.592.300 |
| **5 May 2017** | 1.907,00 | 1.914,00 | 1.599.725 |
| **4 May 2017** | 1.909,50 | 1.916,50 | 1.609.925 |
| **3 May 2017** | 1.916,00 | 1.922,50 | 1.617.100 |
| **2 May 2017** | 1.909,00 | 1.917,50 | 1.633.325 |

**Copper**

|  |  |  |  |
| --- | --- | --- | --- |
| **Date** | **LME Copper Cash-Settlement** | **LME Copper 3-month** | **LME Copper stock** |
| **31 May 2017** | 5.615,50 | 5.640,00 | 311.15 |
| **30 May 2017** | 5.608,00 | 5.630,00 | 315.2 |
| **26 May 2017** | 5.671,00 | 5.689,00 | 318.65 |
| **24 May 2017** | 5.662,50 | 5.680,00 | 325.675 |
| **23 May 2017** | 5.660,50 | 5.684,00 | 329.875 |
| **22 May 2017** | 5.677,00 | 5.695,50 | 332.3 |
| **19 May 2017** | 5.596,00 | 5.617,50 | 336.65 |
| **18 May 2017** | 5.490,00 | 5.508,00 | 340.35 |
| **17 May 2017** | 5.575,00 | 5.597,00 | 339.6 |
| **16 May 2017** | 5.584,00 | 5.594,00 | 322.5 |
| **15 May 2017** | 5.586,00 | 5.612,00 | 325.15 |
| **12 May 2017** | 5.520,00 | 5.541,00 | 329.375 |
| **11 May 2017** | 5.580,50 | 5.603,00 | 336.725 |
| **10 May 2017** | 5.512,00 | 5.537,50 | 339.2 |
| **9 May 2017** | 5.496,00 | 5.520,00 | 342.825 |

**Copper**

|  |  |  |  |
| --- | --- | --- | --- |
| **Date** | **LME Copper Cash-Settlement** | **LME Copper 3-month** | **LME Copper stock** |
| **8 May 2017** | 5.466,00 | 5.491,00 | 351.55 |
| **5 May 2017** | 5.530,50 | 5.560,00 | 354.65 |
| **4 May 2017** | 5.543,00 | 5.570,00 | 317.85 |
| **3 May 2017** | 5.636,50 | 5.665,00 | 284.925 |
| **2 May 2017** | 5.746,50 | 5.780,00 | 253.675 |

**Gold**

|  |  |
| --- | --- |
| **Date** | **Gold London Fixing** |
| **31 May 2017** | 1.263,80 |
| **30 May 2017** | 1.262,80 |
| **26 May 2017** | 1.265,00 |
| **24 May 2017** | 1.251,35 |
| **23 May 2017** | 1.259,90 |
| **22 May 2017** | 1.255,25 |
| **19 May 2017** | 1.251,85 |
| **18 May 2017** | 1.261,35 |
| **17 May 2017** | 1.244,60 |
| **16 May 2017** | 1.234,05 |
| **15 May 2017** | 1.231,50 |
| **12 May 2017** | 1.227,90 |
| **11 May 2017** | 1.221,00 |
| **10 May 2017** | 1.222,95 |
| **9 May 2017** | 1.225,15 |
| **8 May 2017** | 1.229,70 |
| **5 May 2017** | 1.239,40 |
| **4 May 2017** | 1.235,85 |
| **3 May 2017** | 1.253,95 |
| **2 May 2017** | 1.255,80 |

**Nickel**

|  |  |  |  |
| --- | --- | --- | --- |
| **Date** | **LME Nickel Cash-Settlement** | **LME Nickel 3-month** | **LME Nickel stock** |
| **31 May 2017** | 8.810,00 | 8.860,00 | 378.984 |
| **30 May 2017** | 9.025,00 | 9.070,00 | 380.292 |
| **26 May 2017** | 9.005,00 | 9.045,00 | 382.104 |
| **24 May 2017** | 9.130,00 | 9.160,00 | 384.798 |
| **23 May 2017** | 9.290,00 | 9.340,00 | 378.414 |

**Nickel**

|  |  |  |  |
| --- | --- | --- | --- |
| **Date** | **LME Nickel Cash-Settlement** | **LME Nickel 3-month** | **LME Nickel stock** |
| **22 May 2017** | 9.370,00 | 9.450,00 | 378.858 |
| **19 May 2017** | 9.180,00 | 9.205,00 | 378.894 |
| **18 May 2017** | 9.005,00 | 9.040,00 | 379.824 |
| **17 May 2017** | 9.165,00 | 9.200,00 | 380.34 |
| **16 May 2017** | 9.015,00 | 9.090,00 | 380.25 |
| **15 May 2017** | 9.310,00 | 9.345,00 | 379.638 |
| **12 May 2017** | 9.325,00 | 9.365,00 | 380.61 |
| **11 May 2017** | 9.370,00 | 9.375,00 | 381.834 |
| **10 May 2017** | 9.195,00 | 9.245,00 | 381.378 |
| **9 May 2017** | 9.190,00 | 9.230,00 | 380.718 |
| **8 May 2017** | 9.070,00 | 9.085,00 | 380.712 |
| **5 May 2017** | 8.935,00 | 8.980,00 | 380.712 |
| **4 May 2017** | 9.010,00 | 9.060,00 | 380.502 |
| **3 May 2017** | 9.280,00 | 9.325,00 | 380.472 |
| **2 May 2017** | 9.485,00 | 9.505,00 | 379.182 |

**WTI Crude Oil**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Date** | **Price** | **Open** | **High** | **Low** | **Vol.** | **Change %** |
| **31 May 2017** | 48.32 | 49.65 | 49.71 | 47.73 | 779.14K | -0.027 |
| **30 May 2017** | 49.66 | 49.93 | 50.28 | 49.03 | 663.49K | -0.0062 |
| **26 May 2017** | 49.97 | 49.95 | 50.29 | 49.52 | - | 0.0006 |
| **24 May 2017** | 49.94 | 49.93 | 50.04 | 49.85 | - | 0.0028 |
| **23 May 2017** | 49.8 | 48.75 | 49.94 | 48.18 | 763.92K | 0.0184 |
| **22 May 2017** | 48.9 | 51.25 | 52 | 48.45 | 1.15M | -0.0479 |
| **19 May 2017** | 51.36 | 51.44 | 51.88 | 51.03 | 736.34K | -0.0021 |
| **18 May 2017** | 51.47 | 51.04 | 51.79 | 50.57 | 584.14K | 0.0146 |
| **17 May 2017** | 50.73 | 50.6 | 51.06 | 50.44 | 30.01K | 0.0079 |
| **16 May 2017** | 50.33 | 49.28 | 50.53 | 49.28 | 146.45K | 0.0199 |
| **15 May 2017** | 49.35 | 48.93 | 49.6 | 48.05 | 242.75K | 0.0057 |
| **12 May 2017** | 49.07 | 48.23 | 49.5 | 48.03 | 650.11K | 0.0084 |
| **11 May 2017** | 48.66 | 48.82 | 49.38 | 48.17 | 589.21K | -0.0039 |
| **10 May 2017** | 48.85 | 47.85 | 49.66 | 47.75 | 687.15K | 0.0211 |
| **9 May 2017** | 47.84 | 47.81 | 48.07 | 47.35 | 537.49K | 0.0002 |
| **8 May 2017** | 47.83 | 47.39 | 48.22 | 47.34 | 661.78K | 0.0106 |
| **5 May 2017** | 47.33 | 46.18 | 47.78 | 46.01 | 819.80K | 0.0316 |
| **4 May 2017** | 45.88 | 46.49 | 46.78 | 45.53 | 701.94K | -0.0118 |
| **3 May 2017** | 46.43 | 46.35 | 46.98 | 45.73 | 785.06K | 0.0045 |
| **2 May 2017** | 46.22 | 45.51 | 46.68 | 43.76 | 1.02M | 0.0154 |