



# RoboSig FX Alpha Gen Strategy

An ARB Asset Management Fund





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## BACKTESTED / HYPOTHETICAL PERFORMANCE RETURNS

The performance returns presented herein for the period 1/1/2010 through 7/31/2022 represent hypothetical returns meant to simulated how the Fund would have performed during this period had the strategy been implemented during that time. Back tested / simulated performance returns are hypothetical and do not reflect trading in actual accounts. Such returns are provided for informational purposes only to indicate historical performance had the strategy been implemented over the relevant time period. Back tested performance results have inherent limitations as to their relevance and use. One of the limitations of hypothetical performance results is that they are generally prepared with the benefit of hindsight. In addition, hypothetical trading does not involve financial risk, and no hypothetical trading record can completely account for the impact of financial risk in actual trading, such as the ability to withstand losses or to adhere to a particular trading program in spite of trading losses are material points which can also adversely affect actual trading results. There are numerous other factors related to the markets in general or to the implementation of any specific trading program which cannot be fully accounted for in the preparation of hypothetical performance results and all of which can adversely affect actual trading results. Any and all of these factors mean that no representation is being made that the Fund will achieve performance similar to that show in simulated results, and in any case, past performance is no guarantee of future performance.

HYPOTHETICAL PERFORMANCE RESULTS HAVE MANY INHERENT LIMITATIONS, SOME OF WHICH ARE DESCRIBED BELOW. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT WILL OR IS LIKELY TO ACHIEVE PROFITS OR LOSSES SIMILAR TO THOSE SHOWN. IN FACT, THERE ARE FREQUENTLY SHARP DIFFERENCES BETWEEN HYPOTHETICAL PERFORMANCE RESULTS AND THE ACTUAL RESULTS SUBSEQUENTLY ACHIEVED BY ANY PARTICULAR TRADING PROGRAM.

ONE OF THE LIMITATIONS OF HYPOTHETICAL PERFORMANCE RESULTS IS THAT THEY ARE GENERALLY PREPARED WITH THE BENEFIT OF HINDSIGHT. IN ADDITION, HYPOTHETICAL TRADING DOES NOT INVOLVE FINANCIAL RISK, AND NO HYPOTHETICAL TRADING RECORD CAN COMPLETELY ACCOUNT FOR THE IMPACT OF FINANCIAL RISK IN ACTUAL TRADING. FOR EXAMPLE, THE ABILITY TO WITHSTAND LOSSES OR TO ADHERE TO A PARTICULAR TRADING PROGRAM IN SPITE OF TRADING LOSSES ARE MATERIAL POINTS WHICH CAN ALSO ADVERSELY AFFECT ACTUAL TRADING RESULTS. THERE ARE NUMEROUS OTHER FACTORS RELATED TO THE MARKETS IN GENERAL OR TO THE IMPLEMENTATION OF ANY SPECIFIC TRADING PROGRAM WHICH CANNOT BE FULLY ACCOUNTED FOR IN THE PREPARATION OF HYPOTHETICAL PERFORMANCE RESULTS AND ALL OF WHICH CAN ADVERSELY AFFECT ACTUAL TRADING RESULTS.



# Fund Overview

Robosig's objective is to provide consistent absolute returns with low volatility via an autonomous systematic FX strategy.

Proprietary AI supported models and algorithms capture idiosyncratic opportunities in the currency markets of industrialized nations.



*Strategy Capacity:* We specialize in trading FX Futures and Spot FX in the highly liquid \$6 Trillion+ daily global FX market. Capacity of the strategy is \$1B+ across futures and spot markets.



The Robosig FX Strategy is designed to be market neutral with an average trade duration of just over one week, monetizing short term dislocations in target currency baskets.

# Who We Are



**ARB Asset Management** started in 2020 as a means to bring ARB Trading Group's scalable proprietary strategies to the hedge fund space. With ARB subsidiaries in broker/dealer services, trading execution and risk management software, hedge fund services, and proprietary trading ARB Asset Management is uniquely positioned to take successful prop strategies to the private capital market.



**RoboSig** started in 2016 as a software and trading strategy developer specializing in offering a systematic and market neutral FX trading solution coupled with automated risk management. We partnered with large multinational banks and institutional investors, climbing to over \$250M in assets utilizing the RoboSig FX Strategy. Through partnership with ARB Asset Management, the RoboSig FX Strategy can now be offered via private placement for qualified eligible persons.





# RoboSig Team



**Dieter Marlovics,**  
CEO

- As Partner and CIO at Gelber Group LLC, led the firm to become a highly profitable global algorithmic trading firm with over \$100M in capital.
- Founder of ReallyColor LLC, which built a patented technology allowing users to turn their photos into coloring books. ReallyColor was acquired in 2024.
- Holds B.S. in Electrical Engineering from Northwestern University and an MBA from Northwestern's Kellogg School of Management



**Yixin Xie,**  
Quantitative Engineering and Analysis

- Oversees the quantitative engineering and analysis effort at RoboSig.
- Prior to joining RoboSig, was a quantitative trader developing algorithmic trading systems in commodities at League Trading.
- Holds B.S. in Mathematics and Accounting from the University of Tulsa and a Masters in Mathematical Finance from the Illinois Institute of Technology and is a CFA charter holder.



**Richard Preschern,**  
CIO and Portfolio Manager

- As Co-Founder of RoboSig, led strategy development and implementation of RoboSig FX Alpha Gen
- 20+ years experience trading FX spot, futures, and options across all major currency pairs
- Holds B.S. in Economics from Northwestern University and an MBA from Quantic



**Chun "James" Kan,**  
Systems Operations Manager

- Manages all operational trading systems at RoboSig
- Prior to RoboSig was a member of a market making group at Lerner Trading since 2005
- Conducted Theoretical and Applied Mechanics research at the University of Illinois - Urbana Champaign



# ARB Asset Management Team

## R.J. Thompson, Chief Compliance Officer

- 20 years of investment industry experience while working in Chicago, London, Dubai, and Singapore.
- Prior to ARB was the Regional Head of Private Bank Sales & Trading (FICC) and Head of Trading and Structuring (SCSI) at Standard Chartered Bank Plc
- Was the Global head of Alternative Investments at ABN AMRO Bank N.V.

## Vasile Ceban, Chief Financial Officer

- One of the earliest ARB employees, and instrumental to the firm's growth, he has a deep experience in financial analysis, trading, and accounting / back office operations
- Prior to joining ARB, Vasile worked as an accountant for KPMG and in the commercial bank industry
- Holds a degree in finance and is a C.F.A. charter holder

## Mark Downing, Chief Operating Officer

- Responsible for overseeing the launch of ARB AM funds
- Prior to joining ARB, served as COO of a Chicago based hedge fund with \$150m in AUM
- Previously traded interest rate options as a market maker for both his own proprietary firm as well as for a leading institutional market maker starting in 2006.
- Holds a B.S. in Finance and Computer Information Systems from Indiana University Kelley School of Business

## Advisory Board

### Adam Passaglia, Managing Partner

- As co-founder of ARB Trading Group, has overseen ARB's business beyond proprietary trading to create a vertically integrated financial services company.
- Led ARB's expansion into broker/dealer services, IB services, trading execution and risk management software, alternative asset management, and hedge fund services.
- Started his trading career in 2000 at a proprietary firm in Frankfurt, Germany and was soon hailed by Futures Magazine as one of the most consistent disciplined traders in Europe.
- Holds a B.A. in Finance from the University of Illinois

### Amnon Baazov, Managing Partner

- As a founding partner at ARB Trading Group, has led the firm's automated algorithmic trading division since 2009.
- Has overseen the creation and implementation of numerous automated trading strategies, covering multiple asset classes and statistical approaches.
- Started his trading career in 1996 focusing on interest rate differential.
- Holds a B.A. in International Finance from HEC Montreal



# Robosig FX Alpha Gen Strategy Details



## FX Trade Flows

Dislocations, or anomalies, in FX flows happen for a multitude of reasons – but can generally be classified into anomalies in 2 types of flows: natural flows and trending flows.

- Natural flows might happen when currencies within the G7 are relatively stable to one another. These consist of the natural flows of currencies for balance of trade, corporate currency movements, investment, etc.
- Trending flows might happen due to things such as Central Bank Monetary Policy, Exchange Regime setting, and in rare-instances currency intervention.



## FX Mean Reversion

Irrespective of whether an anomaly happens during a period of normal flow or trending flow between a given currency pair, FX pairs tend to exhibit a pattern of short-term mean reversion from these anomalies. It is this short-term mean reversion that the RoboSig FX Alpha Gen strategy seeks to monetize.

**RoboSig's thesis is that the global monetary system acts as a giant 'rubber band ball.' When pieces are stretched, they are always, at least partially, pulled back. RoboSig seeks to mine this global monetary stability that allows the world economic engine to function.**





# Robosig FX Alpha Gen Portfolio Construction

## RoboSig attempts to decrease portfolio volatility while maintaining alpha by abiding by the following portfolio criteria:

- ✓ Restrict trades to highly liquid, stable, industrialized nation currencies (colloquially "G7 currencies")
- ✓ Initiate many small trades in various currency baskets within that G7 universe
- ✓ Constantly monitor each trade's PnL:
  - If profit target is achieved, exit trade.
  - If trade moves against AND further anomaly signal is present, increase trade
  - If trade-stop loss is hit, exit trade.
- ✓ Limit the correlation of any traded basket to 0.50 or less with all other baskets in the portfolio
- ✓ Maximum of 20 initiated baskets each day
- ✓ Maximum of 120 open trade baskets
- ✓ Per currency portfolio concentration limits (based on overall currency liquidity)
- ✓ Per basket maximum concentration (based on basket currency liquidity)



The goal of the listed criteria is to create a portfolio where the strategy is ideally taking small profits on multiple trades each day. This is reflected in both the consistency of daily profits in both the RoboSig FX Alpha Gen backtest as well as the live trading in an ARB Trading Group proprietary account, both using FX Futures . Additionally, the same strategy has been employed in FX spot markets utilizing a lower leverage profile since 2016, with SMA live trading results viewable on the associated tear sheet.





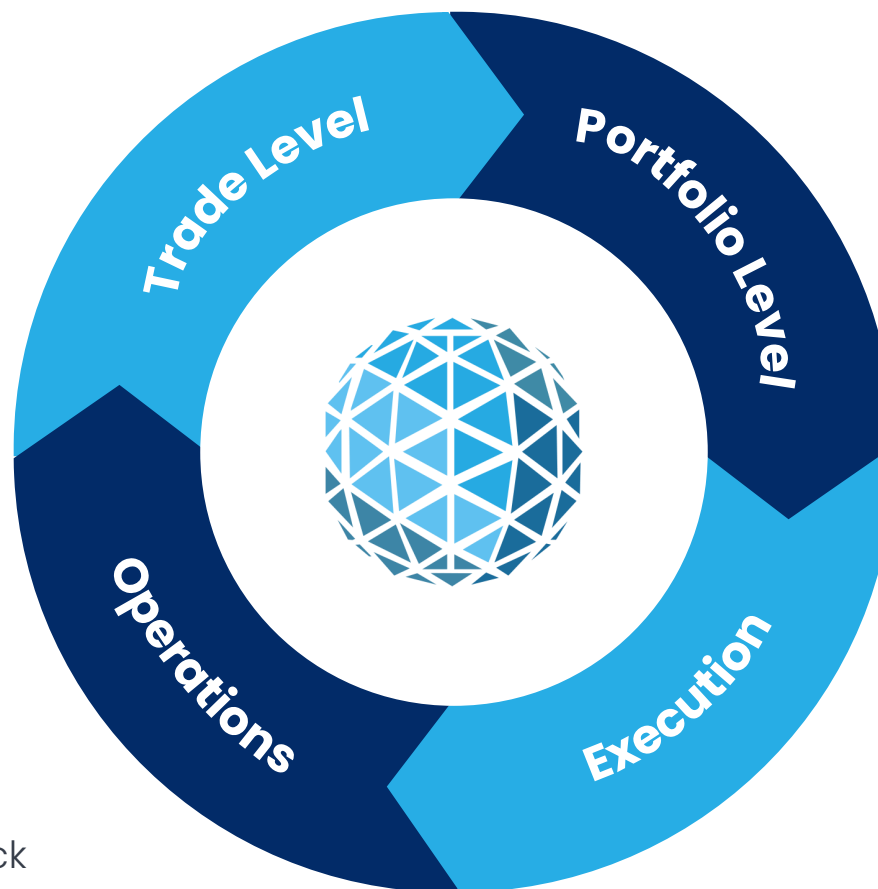
# Risk Management



- Each trade has a max size
- Trades have predefined stop-loss levels



- Regular review of internal risk limits and processes
- Live PnL and risk monitoring
- Fully automated middle and back office trade processing



- Total exposure limit (leverage) as a fixed multiple of capital
- Per Currency concentration limits
- Basket correlation limits



- Limits on total and per currency volume and open orders
- All orders pass through risk checks
- 24/5 live monitoring



# Investment Summary

## Terms and Service Providers

<b>Minimum Investment</b>	\$100,000 for seed investors
<b>Management Fee</b>	1% for seed investors
<b>Incentive Split</b>	10% for seed investors
<b>Platform Fee</b>	0.25%
<b>Seed Investor Criteria</b>	< \$15,000,000
<b>Lockup</b>	None
<b>Subscriptions/Redemptions</b>	Monthly with 10 business days notice
<b>Custodian</b>	BMO
<b>Legal</b>	Riveles Wahab LLP
<b>Clearing Broker</b>	Wedbush
<b>Auditor</b>	Richey May
<b>Administrator</b>	Formidium
<b>Fund Structures</b>	Onshore Only



# Contact Us

- 🌐 [www.arb-tg.com/arb-asset-management](http://www.arb-tg.com/arb-asset-management)
- 📍 401 W Superior St, Suite 100  
Chicago, IL 60654
- ✉️ [mdowning@arb-tg.com](mailto:mdowning@arb-tg.com)