Liquid Alternatives Assessment:

Monarch

PU Prime Ltd

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About PU Prime

Established in 2015, PU Prime presents as a credible mid-sized global CFD and forex broker whose focus is on combining broad retail-market access with a regulated, multi-jurisdiction operating model. Their brokerage has since accumulated 500,000+ downloads, where users can trade live, demo, and copy other accounts across 25+ supported currencies.

PU Prime states that it operates through licensed entities in several jurisdictions, including Australia (ASIC AFSL 410681), Mauritius (FSC GB23202672), Seychelles (FSA SD050), South Africa (FSCA 52218), and the UAE Capital Market Authority for arrangement and advice activities. In addition, PU Prime became an approved member of the Financial Commission in July 2024, which gives clients access to an external dispute-resolution forum. The broker also advertises client-funds insurance up to US$1,000,000 per eligible client and Financial Commission compensation coverage of up to €20,000 per case, both of which strengthen its trust and risk-mitigation profile.

Key Metrics

450,000+
Active Clients

190+
Countries Serviced

1000+
Trading Products

Copy-Trading and PrimeSync®

Copy-Trading

Vision

PU Prime's official copy-trading feature that automatically **replicates** the trades of experienced traders or **algorithms** in real time through the PU Prime app. Statistics such as win rate, and past performance are displayed for the user's discretion before opting-in

By simply copying a provider, your account will mirror the trades that the user takes on their personal account, accustomed to their position and risk management principles but with your unique leverage and stop loss settings

Mission

To give newer, less active, and unaccredited traders access to experienced traders' strategies and liquid alternatives that other brokerages do not provide access to

PrimeSync®

Vision

PrimeSync is a streamlined trade-syncing product that lets users connect with signal providers and **mirror** their trades instantly. Once a trade is approved, it automatically sets targets to take profit and managed stops, but based on personal risk management preferences. Trade ideas are posted by a handful of PU Prime's top traders, which users can opt-in or out of on their own discretion

Users currently have to approve of an idea each time, catering to those interested in trading. Soon users will be able to copy provider trade ideas autonomously, and with their own risk settings

Mission

To make copying skilled traders easier, faster, and more risk managed towards personal risk tolerances through a customizable setting interface

Monarch (Syphon AI)

An Algorithm that Automates Your Capital Growth

With a **multi-year** live track record, institutional capital involvement, and a disciplined approach to risk, this system is built for **consistency**, **scalability**, and **capital protection.**

The strategy incorporates **strict risk parameters.** When operated with a defined stop-loss above 10%, the probability of total capital loss (risk of ruin) is effectively zero, barring a systemic or extreme market event.

Key Financial Highlights



1,178%
Cumulative 5 year return

4.8%
Average Monthly Return

11.4%
Maximum historical drawdown, with
0%
Risk at ruin with a 10% SL

Historic Required Rate of Return (RRR):

= [0.837 × (2230.13/3118.83)] + [(1 - 0.837) × -1]

= +0.436R Per Trade

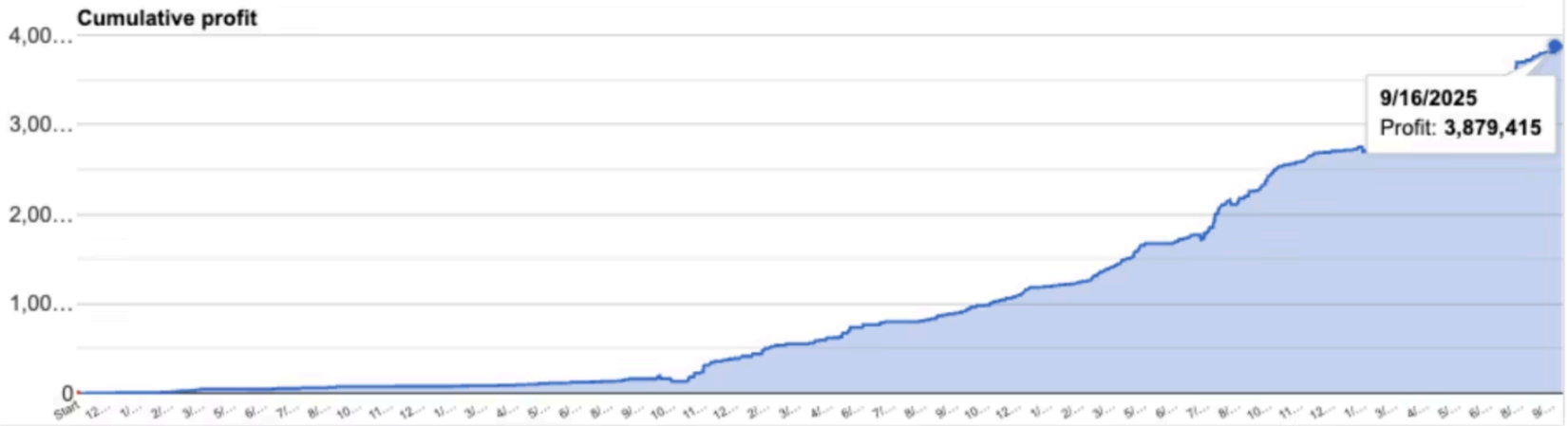
The strategy has an expectancy of +0.436R per trade, meaning it **earns 43.6% of the amount risked per trade on average.** If 1R is set at 1% of account equity, the strategy's expected return is approximately +0.436% per trade.

Monarch (Syphon AI): Dashboard

Stats	
Total return:	+1,201.5%
Monthly return:	+4.7%
Weekly return:	+1.1%
Peak drawdown:	-11.4%
Trade win %:	83.7%
Profit factor:	3.67
Pips:	40,483.4
Trades per day:	1.6
History:	1797 days

Risk	
Risk/reward ratio:	3.42
Worst day:	-55490.55
Worst week:	-42103.19
Worst month:	-31921.76
Risk of ruin:	0.0%
Trade length:	3.6 days
Avg result:	+1,356.94
Avg win:	+2,230.13
Avg loss:	-3,118.83

Cumulative profit



Monthly return table

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020										1.8	16.0	7.4
2021	10.7	12.8	11.3	-0.1	-1.7	4.4	2.6	3.4	3.1	0.5	0.8	0
2022	1.2	1.8	1.7	3.8	5.7	3.0	2.8	5.6	0.8	-6.2	43.9	6.3
2023	11.1	6.2	1.9	5.3	9.6	4.9	0	4.5	3.9	4.3	5.1	5.8
2024	1.6	2.3	7.3	9.0	2.6	2.8	8.1	10.1	5.8	7.5	3.9	0.8
2025	0.1	3.5	2.6	6.2	3.6	5.0	2.3	3.4	1.4			

Copy-Trading: *Monarch (Syphon AI)*

Strategy Features

Monarch's Real Edge: Intraday Mean Reversion on High-Liquidity Forex Pairs

- Captures intraday bid-ask oscillation on liquid pairs, where price statistically **reverts** to short-term equilibrium within hours.
- Sub 8-hour trades on EURUSD, USDCAD, GBPUSD, AUDUSD, and NZDUSD generated 93% of all lot-weighted profit
  - Win rate is **90.1%**, above the 85.7% overall
- Tight pip distribution, exiting between +5 and +20, meaning the algorithm reads market condiitons to exit and **adapts** in real-time

The algorithm uses a layered Hybrid-Grid and Martingale strategy

Trade layering (grid component)

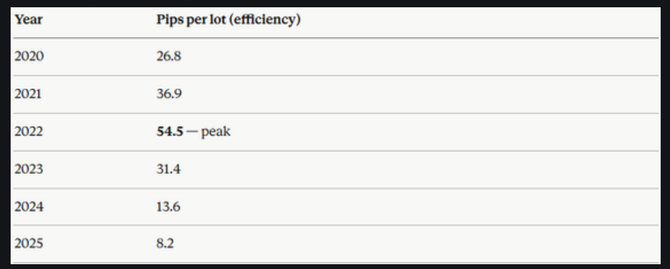
Monarch routinely opens 2 trades on the same symbol, a small lot and a double lot, within minutes of each other. These aren't independent signals, they are layered entries at the same directional bias, structured so the combined exit recovers costs cleanly.

Martingale loss scaling

- Uses a 1.19x base unit multiplier when scaling losses
  - This exists to recover spread and swap costs when the initial entry is slightly mistimed.
  - The fresh entry win rate is 83-85%, and continuation/add-on win rate is **87-90%**
- The martingale is exploiting the same mean reversion edge at a **better price**, rather than blindly doubling.
  - When the strategy adds, price has moved further into the reversion zone, making the second entry **cheaper** and **higher probability.**
- Losses are rare because the strategy holds losing trades and adds to them until the market reverses. The average loss duration is 408 hours compared to only 61 hours for wins

Copy-Trading: *Monarch (Syphon AI)*

Key Risks, Interpretations, and Mitigations

Risk	Interpretation	Mitigation
Length and Size of Drawdown	• The -11.4% peak drawdown on the dashboard is the historical best case, not a structural ceiling. • A trending market that does not reverse can cascade the lot scaling to account-threatening size before hitting the margin limit.	• **Stop-losses** are available on the algorithm customizable to personal preferences and can be changes at any time • Set a maximum drawdown you are most comfortable with, and re-evaluate if it is triggered
Price reaching large standard deviations away from the mean	• The 5-year track record is clean partly because 2020-2024 forex was unusually range-bound, meaning there were no extreme outliers • The 100-lot trades appearing in 2024 suggest that too large of a position size coupled with an extreme deviation could be account-ending.	• Do not over-leverage the strategy as it relies on deviations. Large deviations on leverage cause **volatility drag** (harder to make losses back) • *Optimal allocation found on slide 10 →*
Statistically, the edge is narrowing	• As volatility normalised in 2023-2025, the per-lot efficiency halved then halved again. • The algorithm's response has been to increase lot sizes to maintain dollar profit, which is why average lots went from 0.28 in 2020 to 33.6 in 2026. 	• Reduce size as the algorithm is using more size now then earlier years • Place a **pip efficiency floor** - I.e. a minimum 12 pip/lot rolling 90-day efficiency threshold to act as a circuit breaker ◦ If the strategy falls below this for 30 consecutive days, lot scaling is frozen and position sizing reverts to the prior tier until efficiency recovers. • Use volatility adjusted position sizing, where lot sizes are linked to a 20-day ATR measure per pair. In low-volatility regimes (where mean reversion is weakest), reduce leverage • Win rate has improved to **93%** in 2025-2026, offsetting the efficiency loss
Alpha Decay	• With more capital added, the strategy will lose its edge and the market will correct these inefficienies	• The strategy's edge operates within a **specific liquidity band.** • Capital intake is capped at $5M total AUM to ensure lot sizes remain below execution-impact thresholds on all traded pairs. • New investor capital above this triggers a waitlist, not forced deployment.

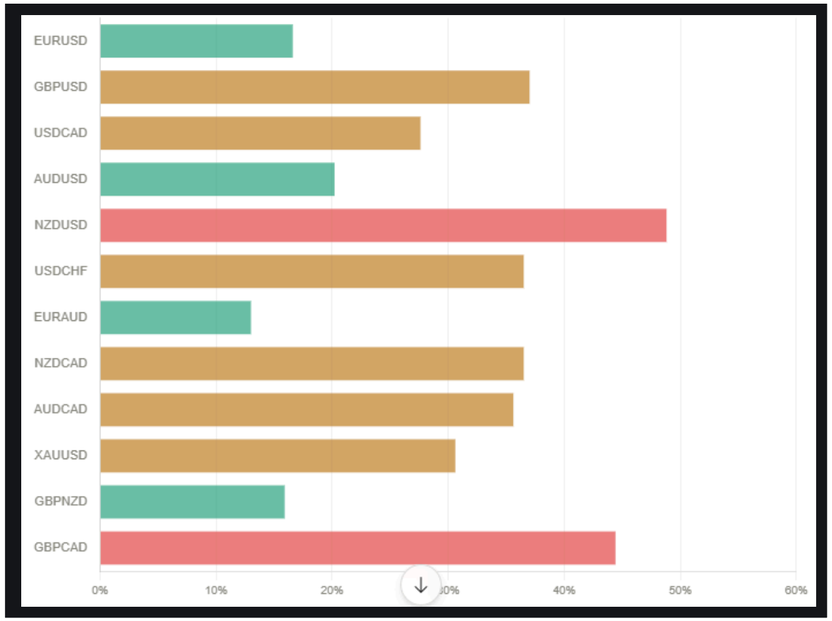
Year	Pips per lot (efficiency)
2020	26.8
2021	36.9
2022	**54.5** — peak
2023	31.4
2024	13.6
2025	8.2

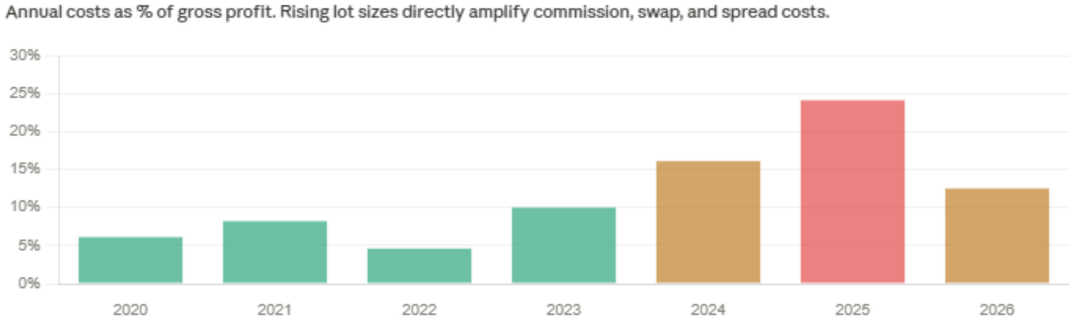
Copy-Trading: *Monarch (Syphon AI)*

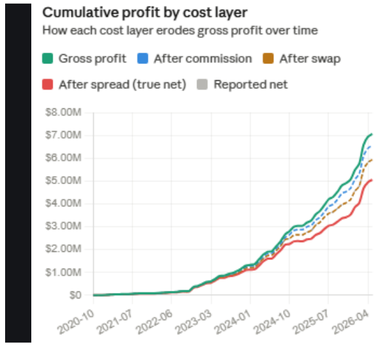
Explicit and Implicit Costs

Cost Item	Type	% of Gross	Notes
Commission	Explicit	7.2%	~$8/lot, round-trip. Charged on open.
Swap / rollover	Explicit	*8.8%*	Accrues daily on open positions. Growing with lot sizes.
Bid/ask spread	Implicit	12.4%	Estimated from pair spreads × lots × 2 (round trip). Largest single cost.
Opportunity cost	Implicit	0.2%	RFR on margin tied in losing trades avg 47 days. Conservative estimate.
Total Explicit		16.0%	Commission + swap
Total all-in		28.4%	Including estimated spread + opportunity cost
True net profit		71.6% retained	Gross minus all explicit + implicit costs

Costs by Pair



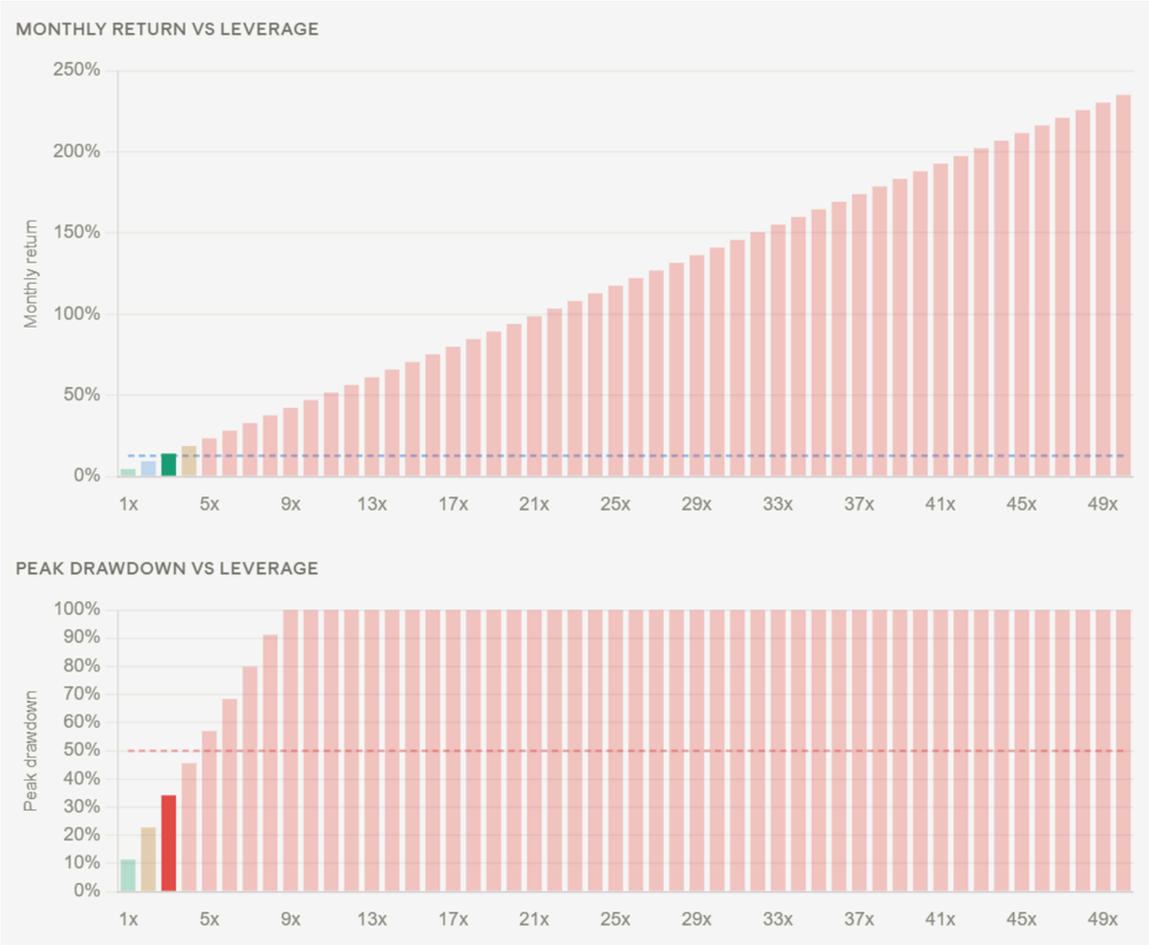




- Bid-ask spread is the largest, yet most ignored cost. This cost is the gap between where you enter and the market price/fair value.
- For a strategy capturing 8-22 pip average wins, paying 0.5-3.0 pips per round trip on every trade is material. NZDUSD is the most expensive, with 48.8% of gross profit consumed by all-in costs because it generates thin average pip wins (7.2 pips) but pays a relatively wide spread and accumulates heavy swap.

Monarch (Syphon AI)

Optimal Allocation



Full Kelly Leverage

5.3x

Theoretical Maximum EV

Half Kelly (recommended)

2.7x

Optimal risk-adjusted

Quarter Kelly (conservative)

1.3x

Minimal ruin risk

Danger zone starts at:

5x

Drawndown exceeds 50%

Theoretical Maximum Expected Value

Kelly Criterion = Pw - [Pl / (Avg win $ - Avg loss $)]
Kelly Criterion = 0.837 - [(1-0.837) / (2,230.13 / 3,118.83)]
Kelly Criterion = **60.9%** → use 60.9% size per trade to maximize EV

Leverage Conversion

Kelly leverage = Kelly fraction / (base risk per trade)
Kelly leverage = 60.9% / 11.4% *max historical drawdown
Kelly leverage = 5.3x

Limitations

As historical risk to reward is negative, the algorithm relies heavily on win rate. If this win rate drops, the Kelly Criterion becomes meaningfully lower, with the breakeven win rate at 70%

Half Kelly (≈2.6x) is an appreciable operating point. It gives ~75% of the maximum geometric growth rate while cutting variance roughly in half, and keeps you well away from the win-rate cliff.

Disclaimer

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Furthermore, the algorithm and its outputs are subject to significant statistical and technical risks, including overfitting, where a model is tuned too closely to historical noise, and data integrity issues such as look-ahead bias or corrupted historical sets. The author assumes no responsibility for statistical errors, parameter sensitivity, or model decay resulting from changing market regimes. By viewing this presentation, you acknowledge that you are solely responsible for your own financial decisions and that the author shall not be held liable for any loss, damage, or expense, including loss of principal or lost profits arising from the reliance upon these models. All data is provided "as is" without warranty of any kind regarding accuracy or completeness, and trading remains a high-risk activity that is not suitable for all investors.

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