

GAMA Funds – Short Dated Opportunities

A perfect vehicle to benefit from higher interest rates

2% Above
Cash Yield

Daily
Liquidity

Among BEST
funds

Hedged Yield

BBB

@ 6.43% in \$, 4.83%

in €, 2.31% in CHF

>150 issuers

Maximum

Worldwide

Fundamental
credit
selection

3-year maturity

3Y Track-record

>150mios EUR AUM

ESG - Article 8

Key Reasons To Invest



INVESTMENT CASE

- Steady Income:** The fund generates regular income through coupon payments from the underlying bonds
- Low-Interest Rate Risk:** The fund's short-duration strategy reduces the sensitivity to interest rate fluctuations
- Capital Preservation:** The fund's focus on preserving capital is central to the investment process
- Diversification Benefits:** Diversification in terms of geography and bond segments enhances overall stability and reduces credit risk
- Liquidity:** Daily liquidity and liquid underlying instruments, only liquid and tradable securities (i.e. no private loans)

GAMA Funds - Global Short-Dated Opportunities



INVESTMENT STRATEGY

Short-term bond fund for investors seeking a higher yield than that of money market funds over one year or more.

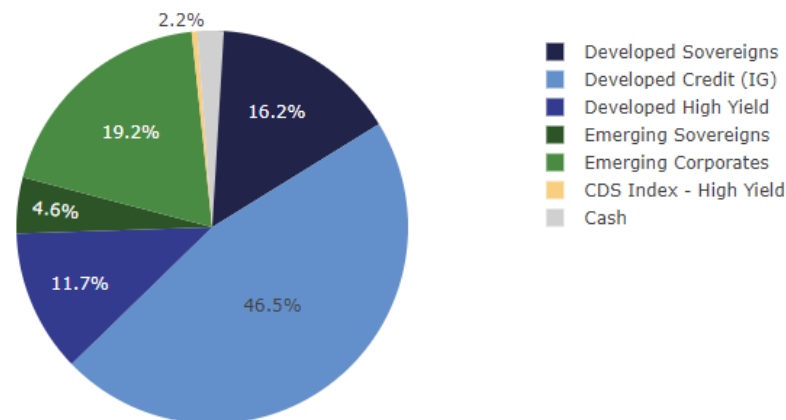
- Estimated forward-looking return: cash + 2%
- Capital preservation and income with short-dated bonds (max. 20% allowed in bonds >3y) and CDS indices (up to 5y)
- Credit selection broadly diversified across countries & sectors with currency exposures hedged into the base currency

Credit Exposure	↗↗	Medium
Interest Rate Exposure	↗	Low
Currency Exposure	-	Fully hedged

PORTFOLIO CHARACTERISTICS

Hedged Yield (USD/EUR/CHF)	6.43%/4.83%/2.31%
Average yield ex currency hedges	5.63
Average effective maturity (y)	2.16
Average interest-rate duration	1.69
Average spread duration	2.00
Average credit rating of bonds	BBB+
Average credit spread (bps)	136
Number of issuers	169

BREAKDOWN BY SEGMENT

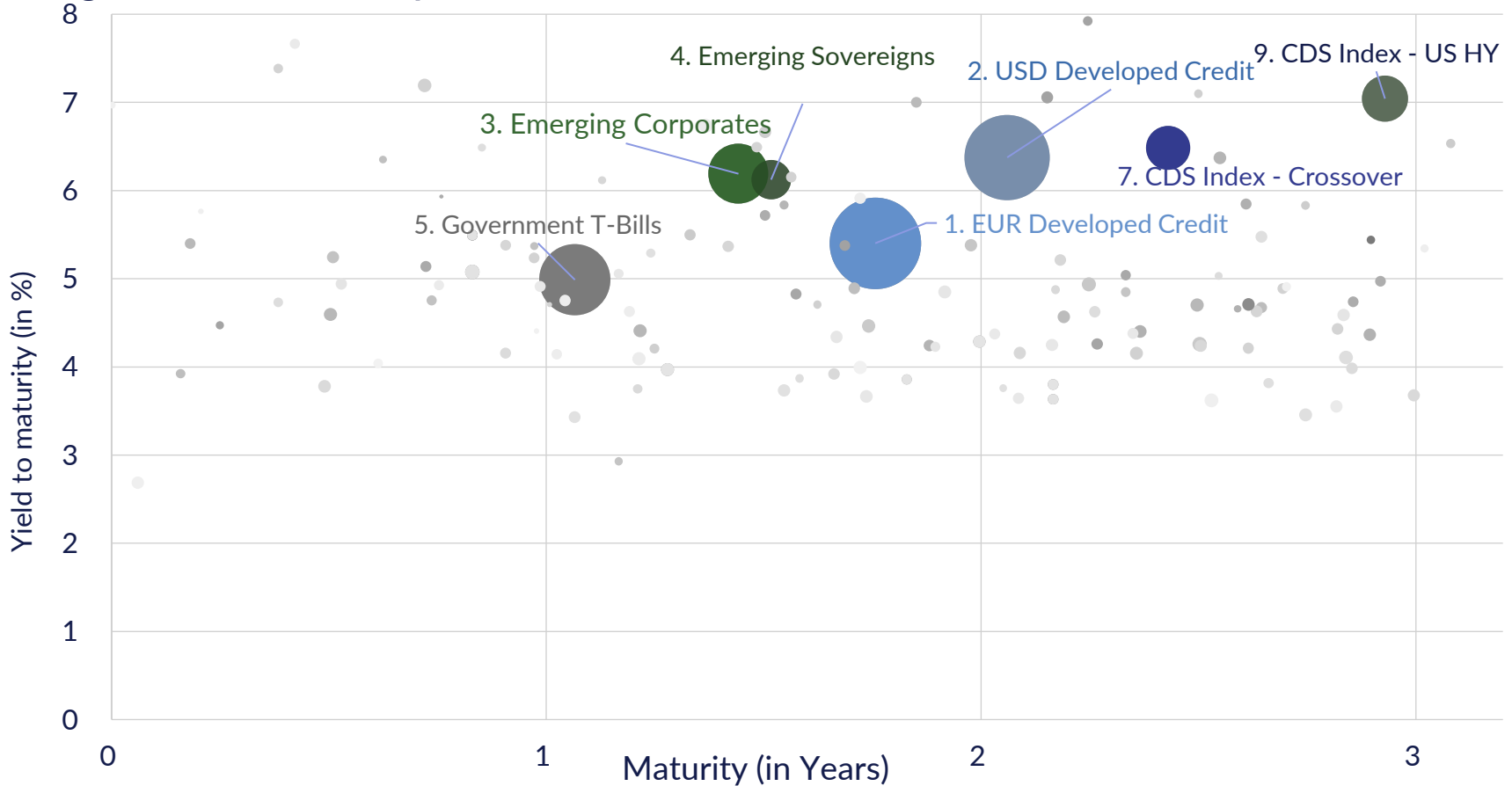


Portfolio characteristics may change at any time. Please refer to the fund prospectus for the investment guidelines.

GAMA Funds - Global Short-Dated Opportunities



Hedged Yield to maturity



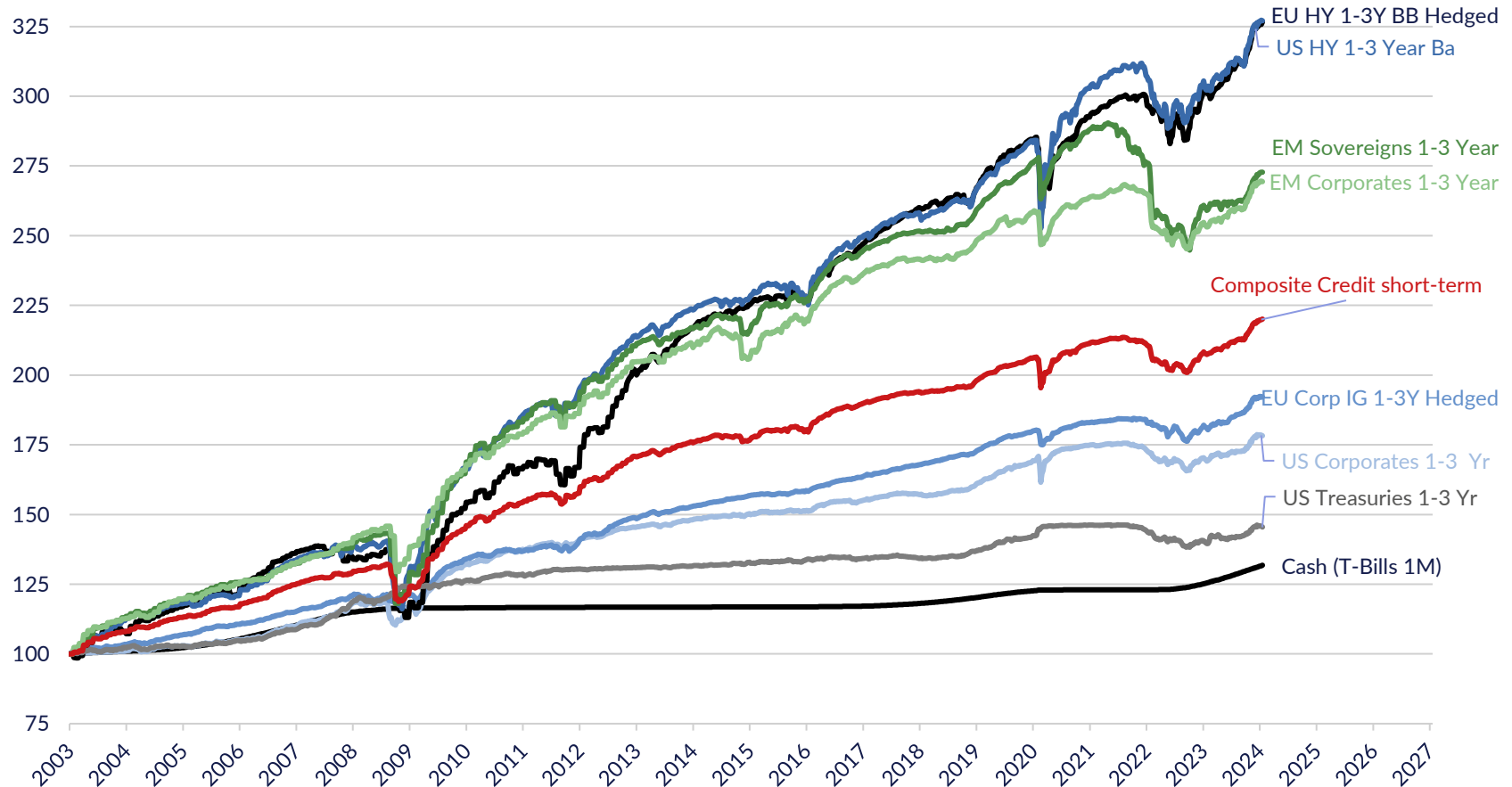
Each dot represents a specific bond and each circle represents the fixed income segment proportional to its weight.

Source: Bloomberg, GAMA

Short-Dated Fixed Income Segments



Long-term Total Returns Short-Dated segments (<3Y)

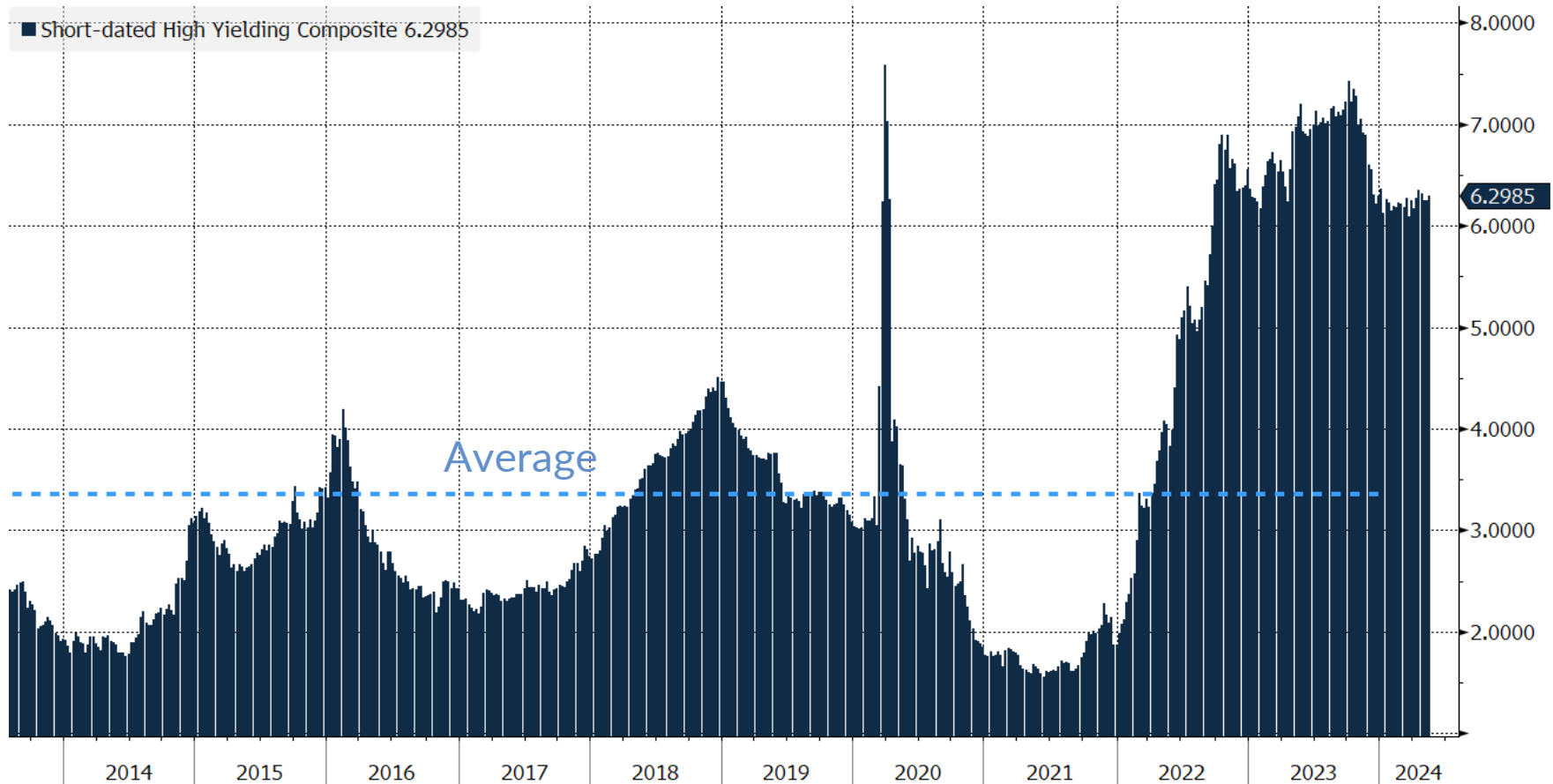


Sources: Bloomberg indices, GAMA Calculations, Composite Short-term (0-3Y maturities), composed of 1/3 of T-Bills, 1/3 of Credit >Ba EUR-hedged and USD, 1/6 of Emerging Sovereign and 1/6 of Emerging Corporates

Short-Dated Opportunities Offering Attractive Yield



Short-dated High Yielding composite is close to its decade's record



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Source: Bloomberg, GAMA calculations, Short-dated high yielding composite, with 1/3 Developed credit, 1/3 Emerging Credit and 1/3 T-Bills in USD.

Sources Of Alpha

Credit Selection

- Careful credit selection

Relative Value

- Switches
- Yield after currency hedges
- Primary

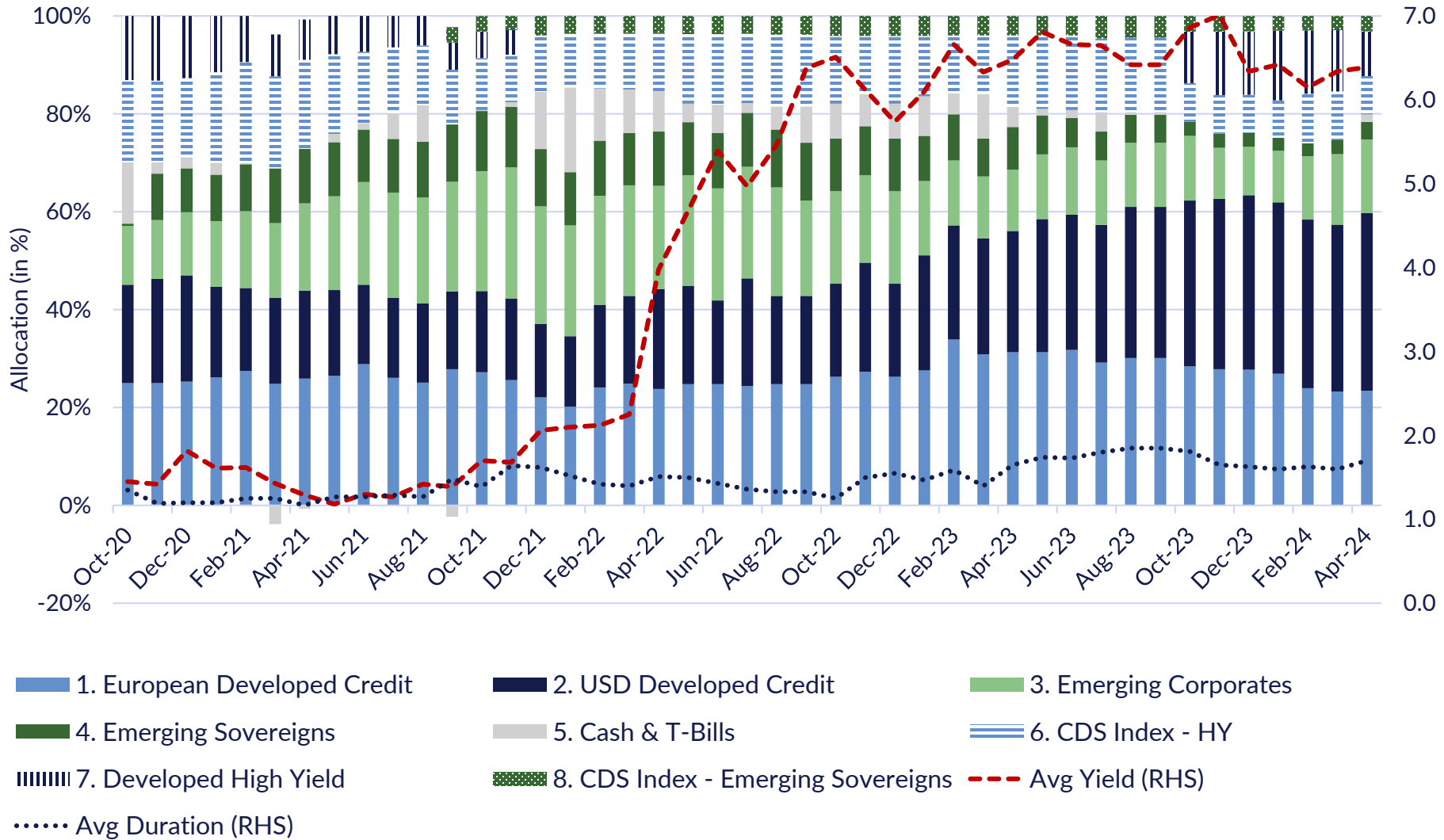
Maturity Extension

- Take advantage of steeper credit curves

Convexity

- Optionality of bonds trading to maturity with call feature
- Corporate actions

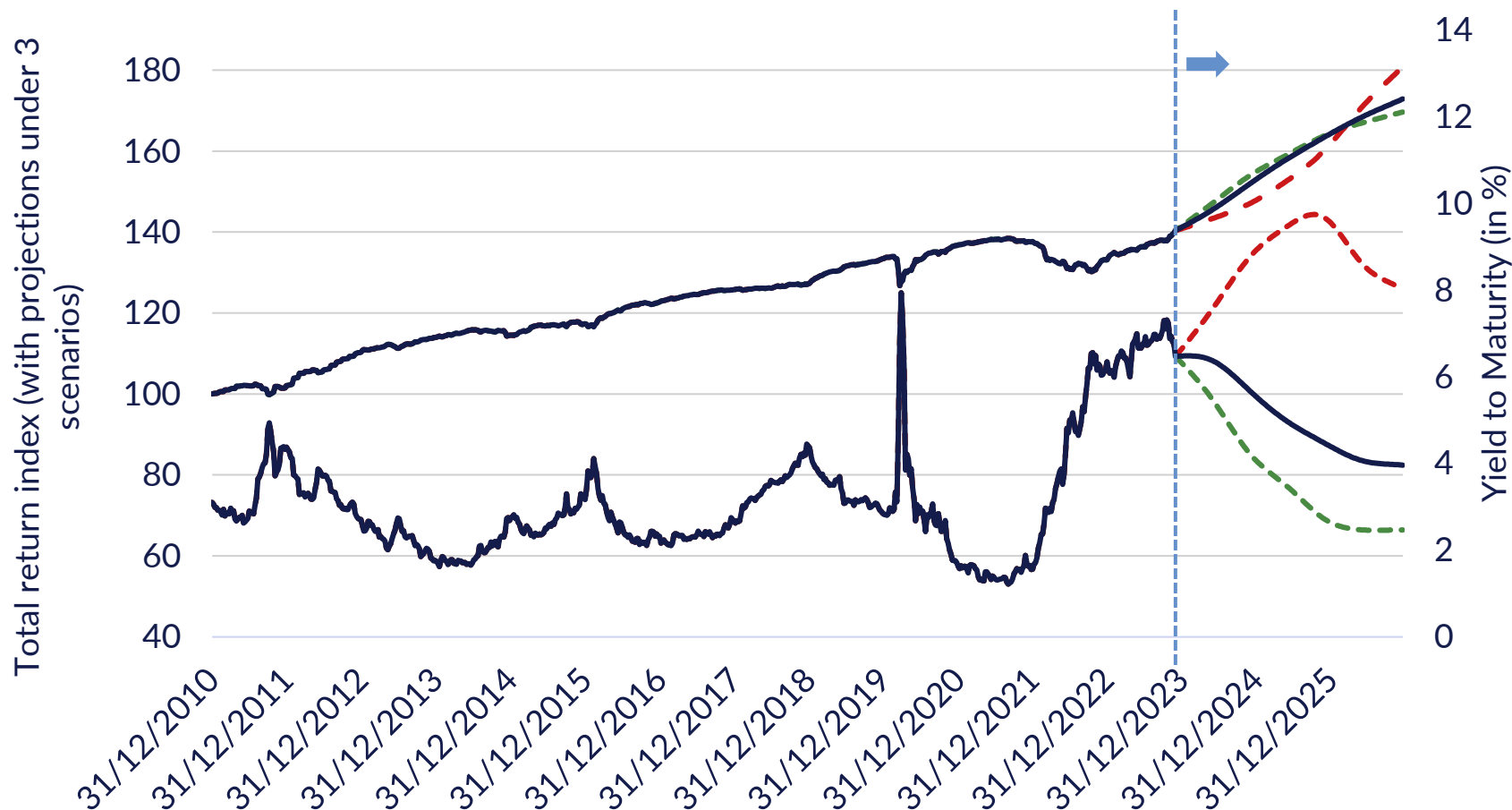
GAMA Funds - Global Short-Dated Opportunities



GAMA Short-Dated Strategy



Projected total returns under 3 yield scenarios over 3 years

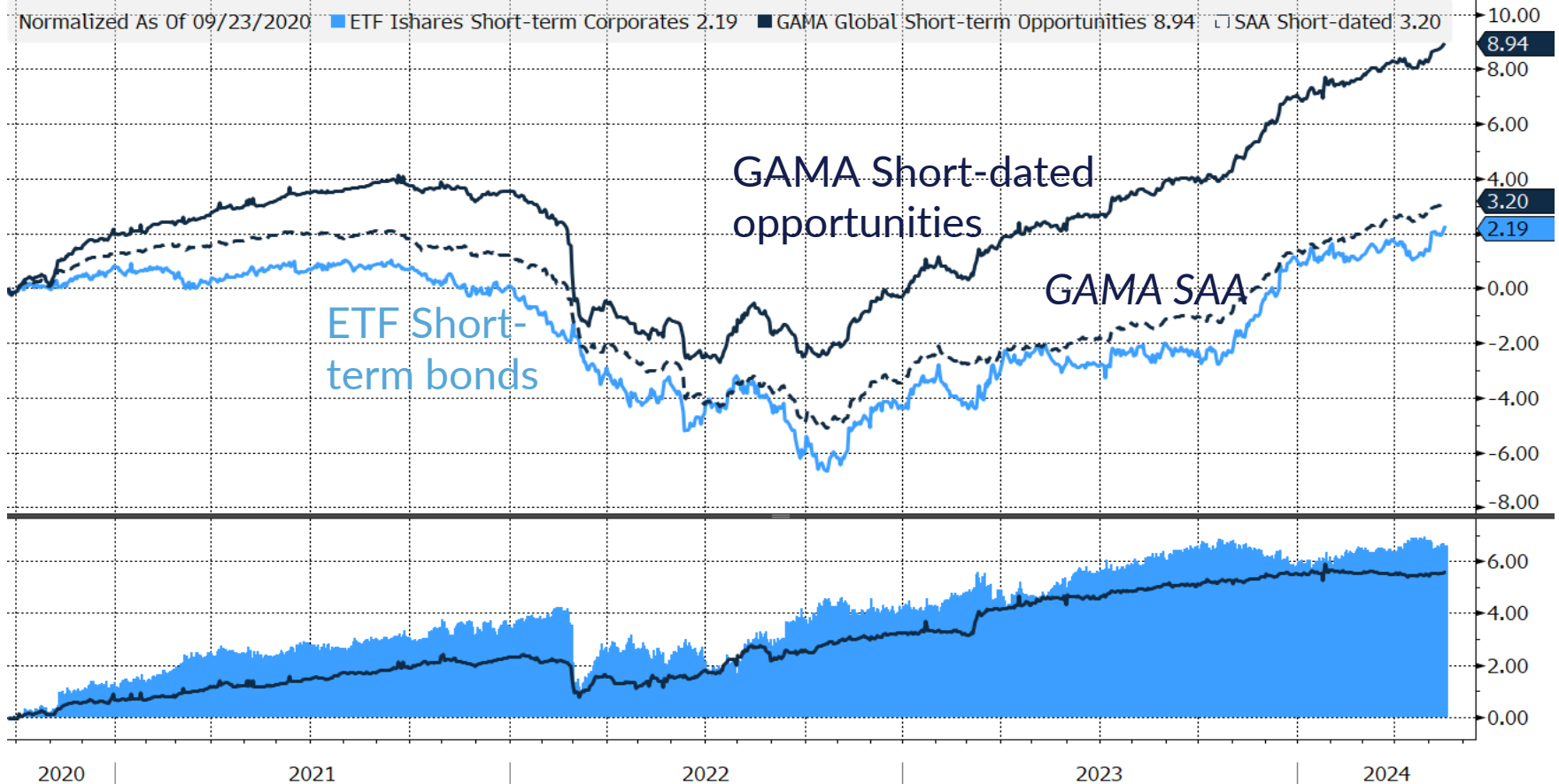


Sources: Bloomberg, GAMA calculations, *Derived from 5 global different fixed income segments

GAMA Global Short-Dated Opportunities



Annualised excess return of more than 1.5% above passive ETFs since inception

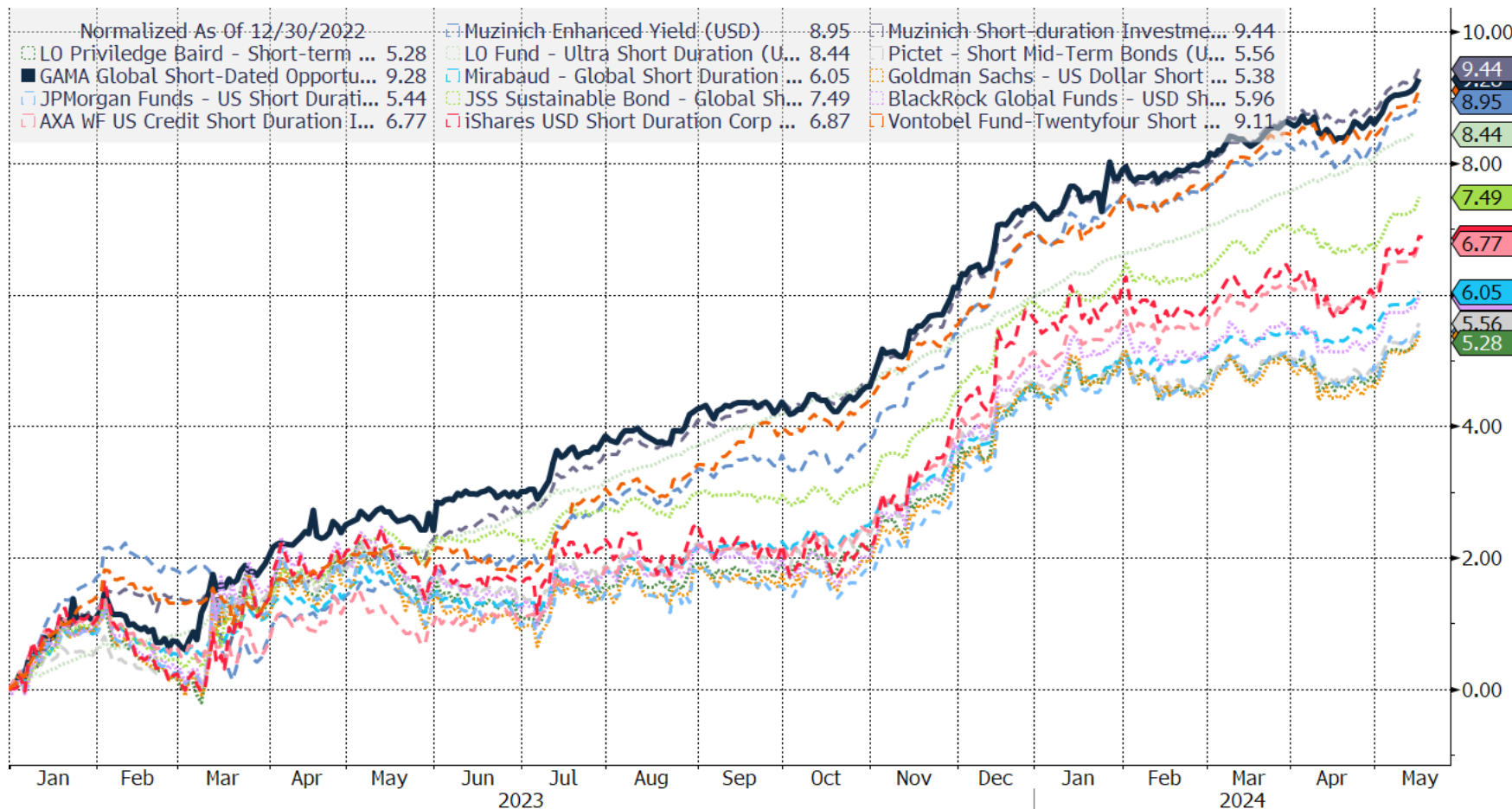


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Source: Bloomberg, GAMA calculations

Global Short-Dated Opportunities - Peer Group (ST)

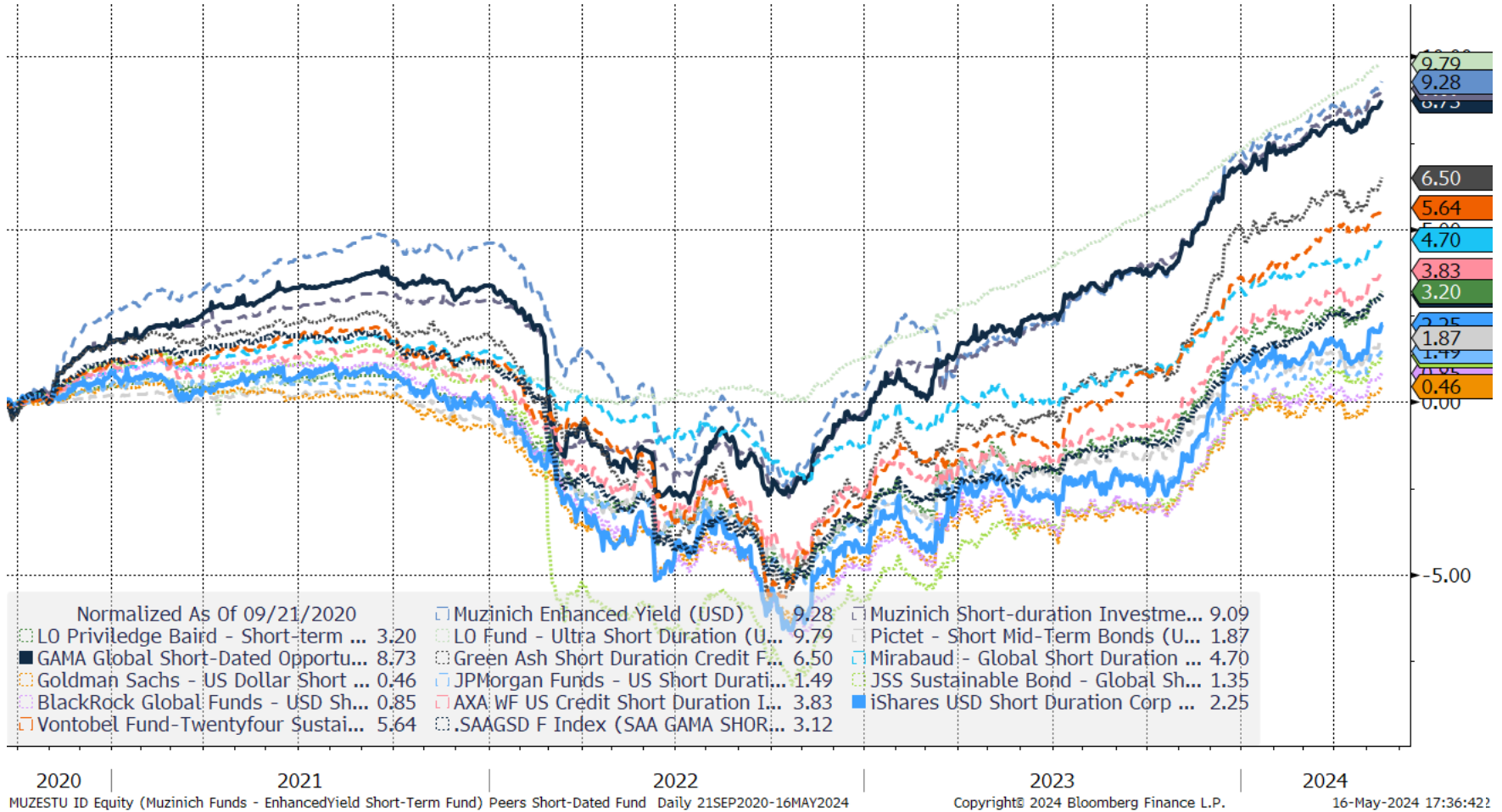


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Source: Bloomberg, GAMA

Global Short-Dated Opportunities - Peer Group (ITD)



Source: Bloomberg, GAMA, Performance net of fees since inception date (21.09.2020)

Monthly Performance



MONTHLY RETURNS (IN USD, NET OF FEES)						
	2019	2020	2021	2022	2023	2024
January	-	-	0.09%	-0.76%	1.10%	0.49%
February	-	-	0.27%	-2.20%	-0.38%	0.12%
March	-	-	0.40%	-1.04%	1.31%	0.55%
April	-	-	0.27%	-1.10%	0.45%	-0.02%
May	-	-	0.20%	0.46%	-0.08%	-
June	-	-	0.27%	-1.37%	0.58%	-
July	-	-	0.08%	0.96%	0.81%	-
August	-	-	0.28%	-0.04%	0.41%	-
September	-	-0.46%	-0.12%	-0.83%	0.09%	-
October	-	0.28%	0.12%	0.41%	0.24%	-
November	-	1.32%	-0.68%	1.30%	1.41%	-
December	-	0.46%	0.40%	0.44%	1.21%	-
Year	-	1.61%	1.59%	-3.75%	7.38%	1.14%

Source: GAMA Asset Management SA, Class USD F

Key Features Of GAMA Short-Dated Opportunities



RISK SCREENING

Duration Risk

Low: Median strategic duration 1.5 years (+/- 0.5)

Credit Risk

Medium: Average rating BBB, main focus Crossover BBB-BB, low concentration risk

Liquidity Risk

High liquidity: daily, no loans nor private debt

Liquidity Score:

3



Currency Risk

100% hedged

Others (e.g. Extension, conversion)

No extension risk
(focus on legal maturity < 3Y)

Global Funds – Global Short-Dated Opportunities



Share Class	Class R	Class P	Class N	Class F
Min. Investment	1'000	1 Mios	5 Mios	20 Mios
Management fees	0.60%	0.40%	0.30%	0.20%
EUR	ACC LU2092459143	ACC LU2092460075	ACC LU2092460828	ACC LU2092461800
	DIS LU2092458764	DIS LU2092459655	DIS LU2092460406	DIS LU2092461479
CHF	ACC LU2092459226	ACC LU2092460158	ACC LU2092461040	ACC LU2092461982
	DIS LU2092458848	DIS LU2092459739	DIS LU2092460588	DIS LU2092461552
USD	ACC LU2092459499	ACC LU2092460232	ACC LU2092461123	ACC LU2092462014
	DIS LU2092458921	DIS LU2092459812	DIS LU2092460661	DIS LU2092461636
GBP	ACC LU2092459572	ACC LU2092460315	ACC LU2092461396	ACC LU2092462105
	DIS LU2092459069	DIS LU2092459903	DIS LU2092460745	DIS LU2092461719

Minimum investment amount defined in the currency of each share class.

Blue = active share classes, grey = available but inactive. To activate a new share class, please contact us.

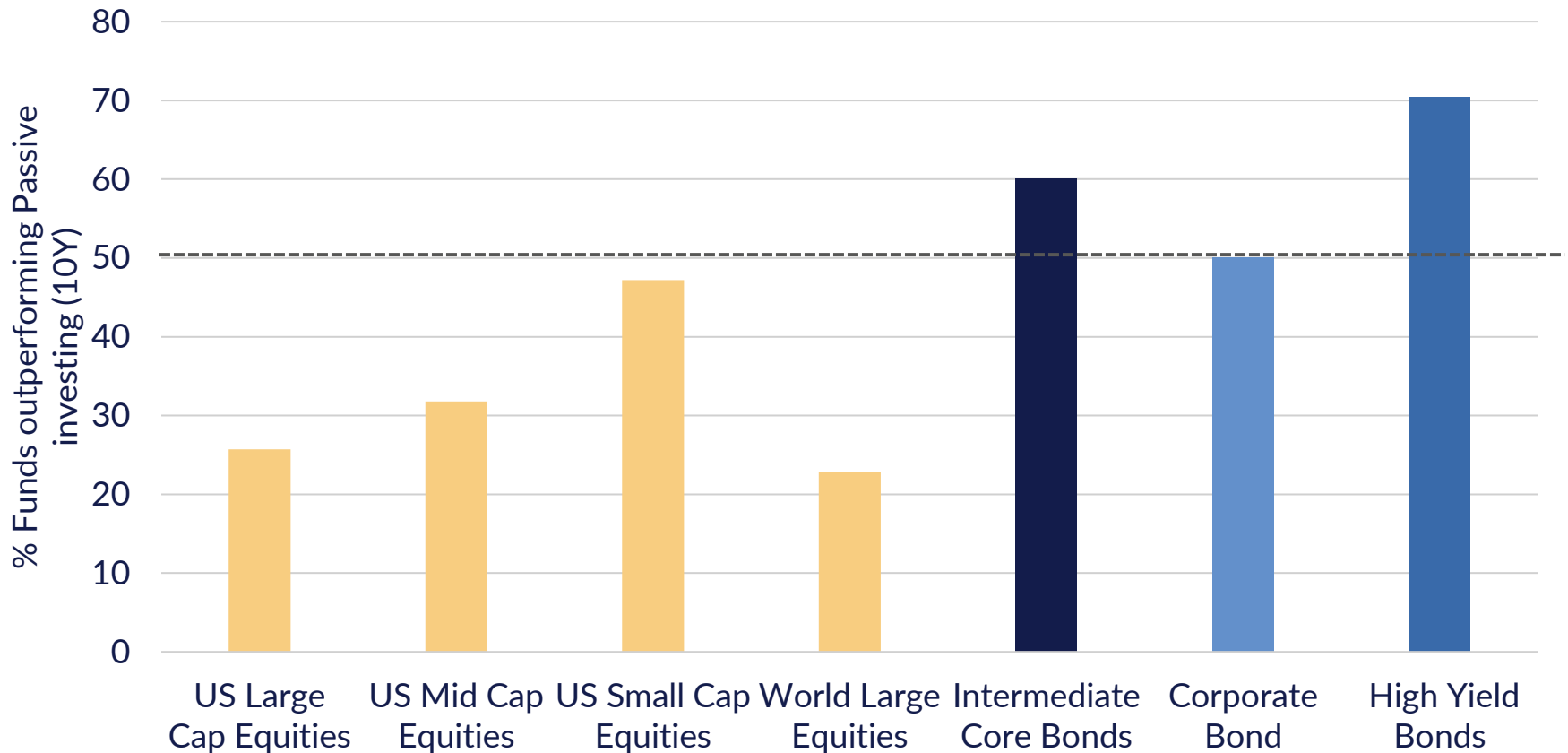


Appendix

The Case For Active Fixed Income Management



In contrast to equities, the majority of fixed income funds are beating passive investments over 10Y.



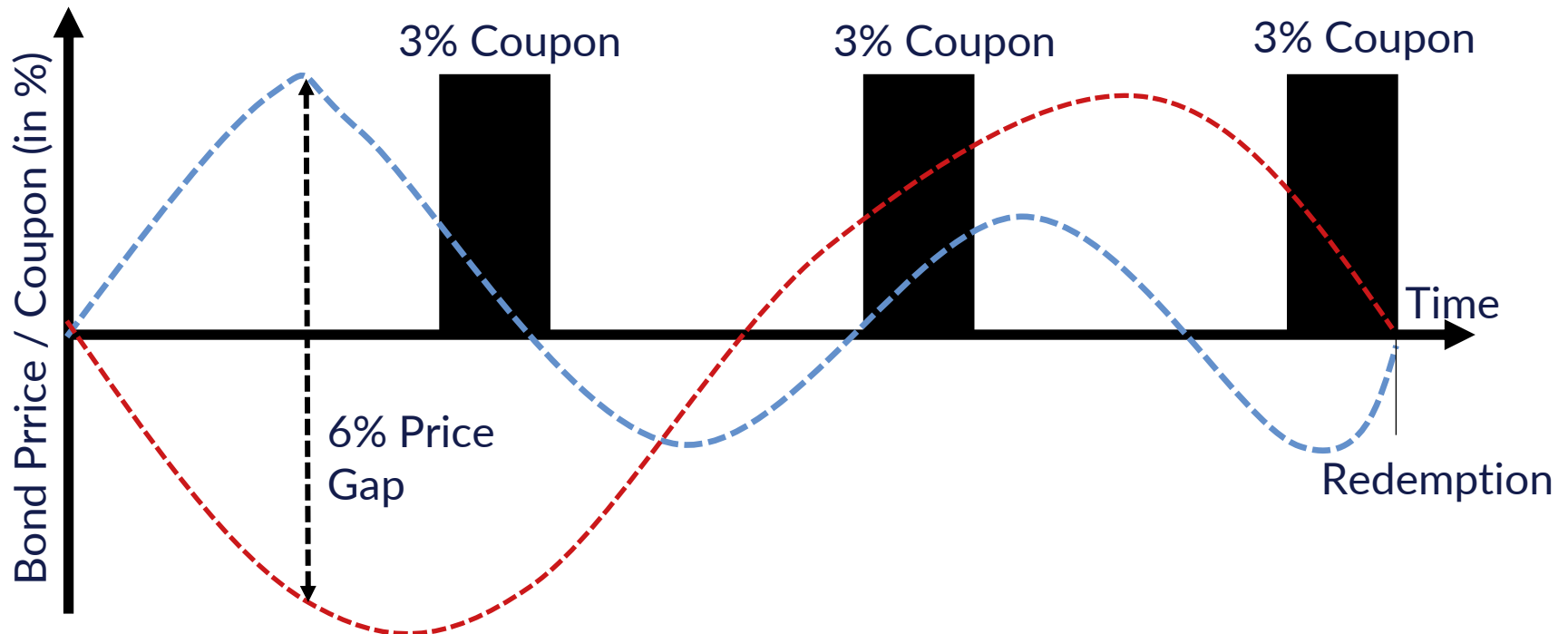
Source: Morningstar, Data and calculations as of 31.12.2022, focusing on funds in the low fee quintile that beat their benchmarks.

The Case For Active Fixed Income Management



Imagine a world with 2 different 3Y bonds (IG), with same yield and coupon (3%): **Corporate A** and **Corporate B**. After 6 months, we observe a 6% price gap differential...

- Passive strategy* or bad luck / bad skills active strategy** = 3% annual
- Active strategy with luck / good skills*** = >5% annual

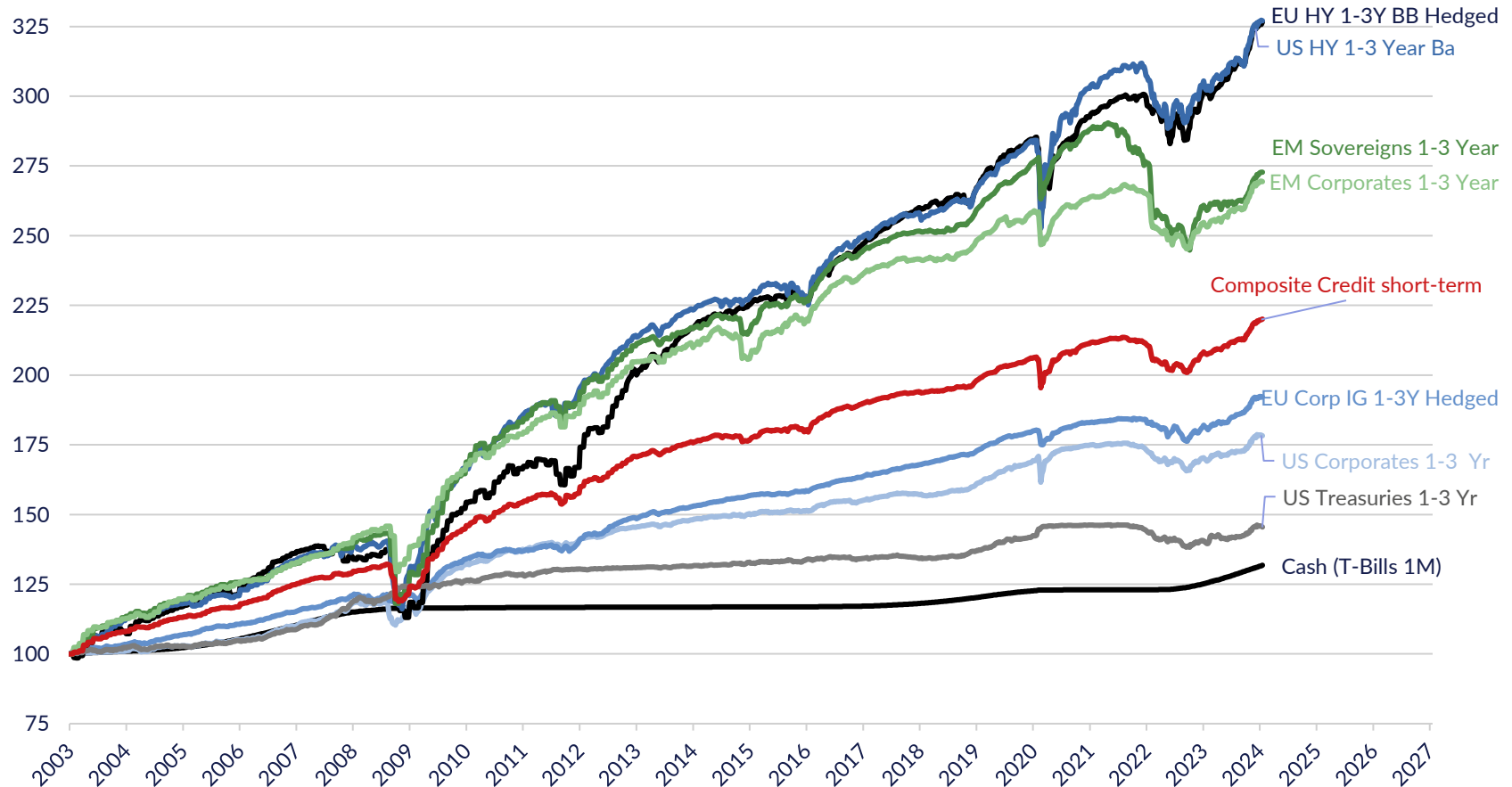


Source: *Passive strategy would invest 50% in each bonds assuming the same weight in the index, **bad luck or bad skills strategy would invest 100% in the Corporate B; ***good luck or skills strategy would invest 100% in Corporate A and switch into company B to capture a capital gain and beat passive investing

Short-Dated Fixed Income Segments



Long-term Total Returns Short-Dated segments (<3Y)

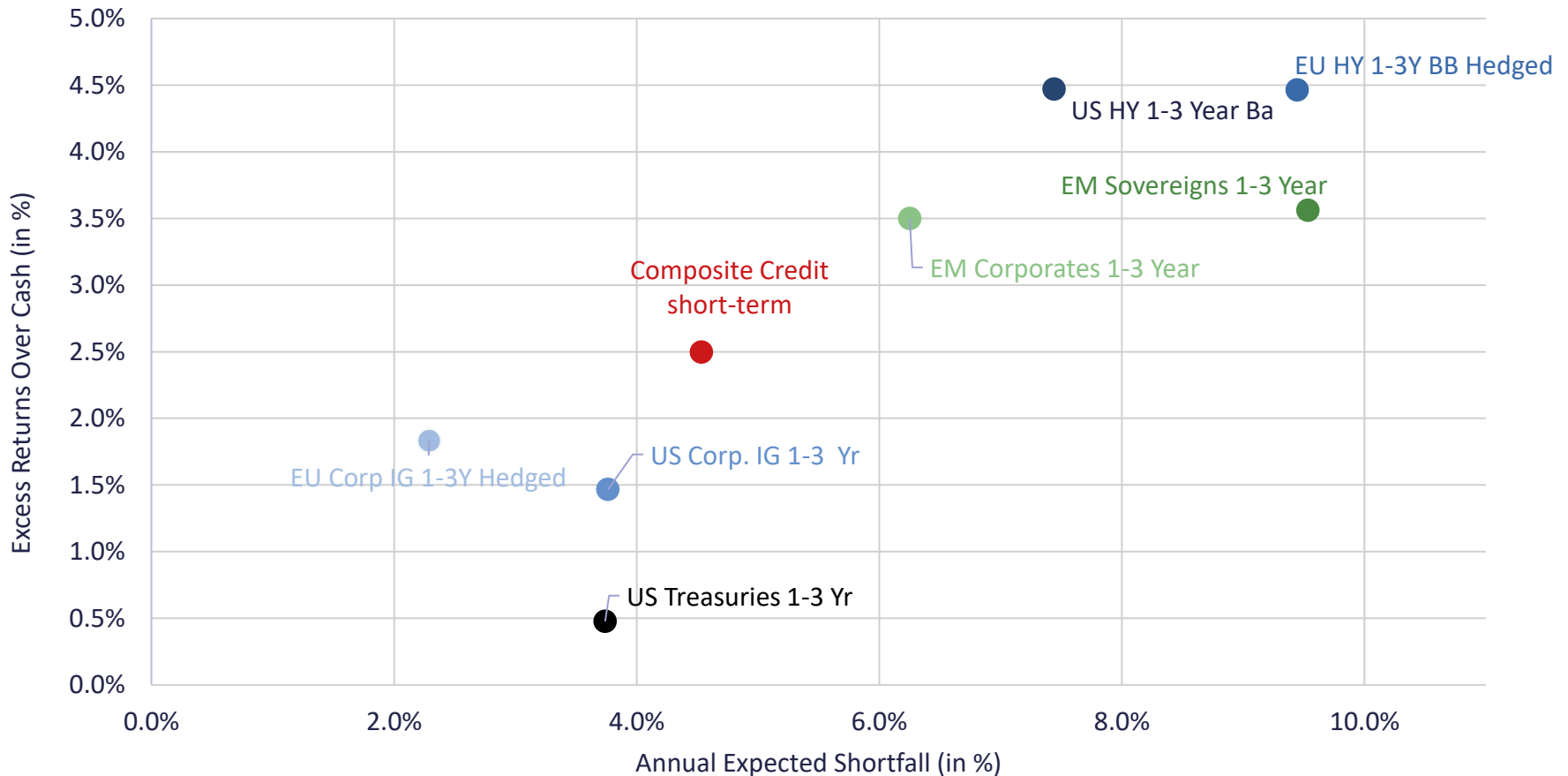


Sources: Bloomberg indices, GAMA Calculations, Composite Short-term (0-3Y maturities), composed of 1/3 of T-Bills, 1/3 of Credit >Ba EUR-hedged and USD, 1/6 of Emerging Sovereign and 1/6 of Emerging Corporates

Annual Returns Versus Risk



Annualised Total returns per unit of Annual Expected ShortFall



Sources: Bloomberg, GAMA Calculations, Annualised total returns; Shortfall calculated as the average 5% of the worst rolling 1Y total returns since 2003

GAMA Short Dated Main Rules



3-years max.
legal
maturity

- No perpetuals with call date below 3 years
- No amortizing bond with 3 year avg. maturity
- Max 10% in above 3 years: currently 3.5% in bonds below 3.25-years maturity

No loans, no
private debt

- Avoid liquidity issues
- Avoid valuation issues
- Increase transparency

Investment
Grade

- Targets average rating in the Investment Grade category

Credit Risk

- Risk of loss due to a borrower defaulting on a bond

Interest Rate Risk

- Risk of reduction in portfolio value if interest rate increase

Reinvestment Risk

- Risk of reduction in returns on reinvested cash flows if interest rate decrease

Inflation Risk

- Risk of reduction of real returns if inflation is higher than expected

FX Risk

- Risk of depreciation of FX rate of bonds held in a different currency

ESG Exclusions

- Nonconventional weapons, cluster bombs, anti-personnel mines
- Entities that derive more than 5% of their revenues from:
 - Tobacco
 - Nonconventional fossil fuel
 - Adult entertainment
 - Gambling

Top-Down Input

- Liquidity conditions
- Risk appetite
- Sector preferences
- Regional preferences
- Cyclical views

Credit Analysis

- Industry and Business Analysis
- Non-Financial Analysis (ESG)
- Financial Analysis
- Management/Ownership Analysis
- Capital Structure
- Covenants

Security Analysis

- Liquidity
- Valuation
- Technical
- Upside/Downside Assessment

Portfolio Considerations

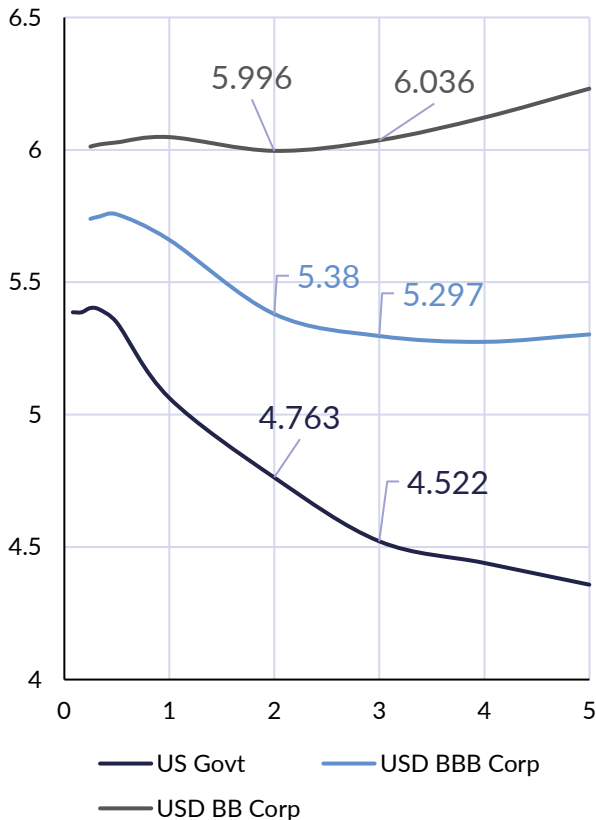
- Currency
- Maturity
- Rank and types (senior, hybrid, subordination...)

Government Curves Are Challenging



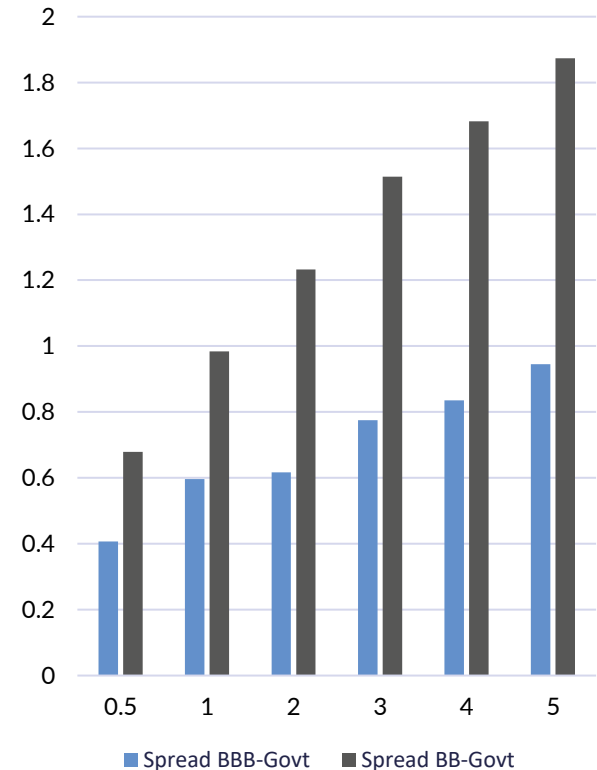
But credit curves offer some steepness

USD Curves



**USD Carry-Roll
Down on a 3-year
bond:**

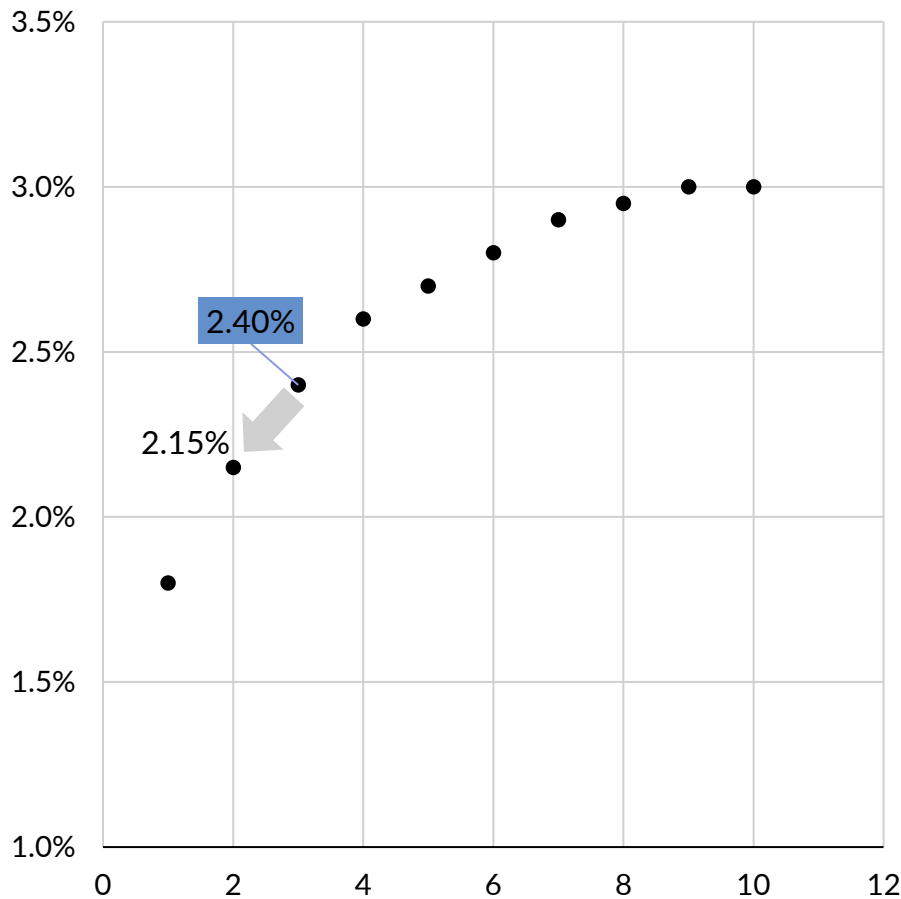
- Govt: 3.92% (3.92%*)
- BBB: 5.09% (4.80%*)
- BB: 6.14% (4.95%*)



*Yield after default with default assumption based on long term average multiplied by 2 for IG and 3 for HY. Historical default rates: US & EU govt 0%, US BBB- 0.24%, US BB 0.66%, EU BBB- 0.18%, EU BB 0.28% and 40% recovery rate

Maturity Extension: Performance From Carry And Roll Down

Positively sloping curves generate performance



Purchase a 3-year bond
with a duration of 2.5
(Assumption curve does not move):

Carry of the bond over 1 year:
2.4%

+

Roll-down:
 $\Delta \text{yield} \times \text{duration} (*)$
 $\approx (2.4\% - 2.15\%) \times 2.5$
 $\approx 0.625\%$

=

Total return approximation
over 1 year (*):
 $\approx 2.4\% + 0.625\%$
 $\approx 3.025\%$

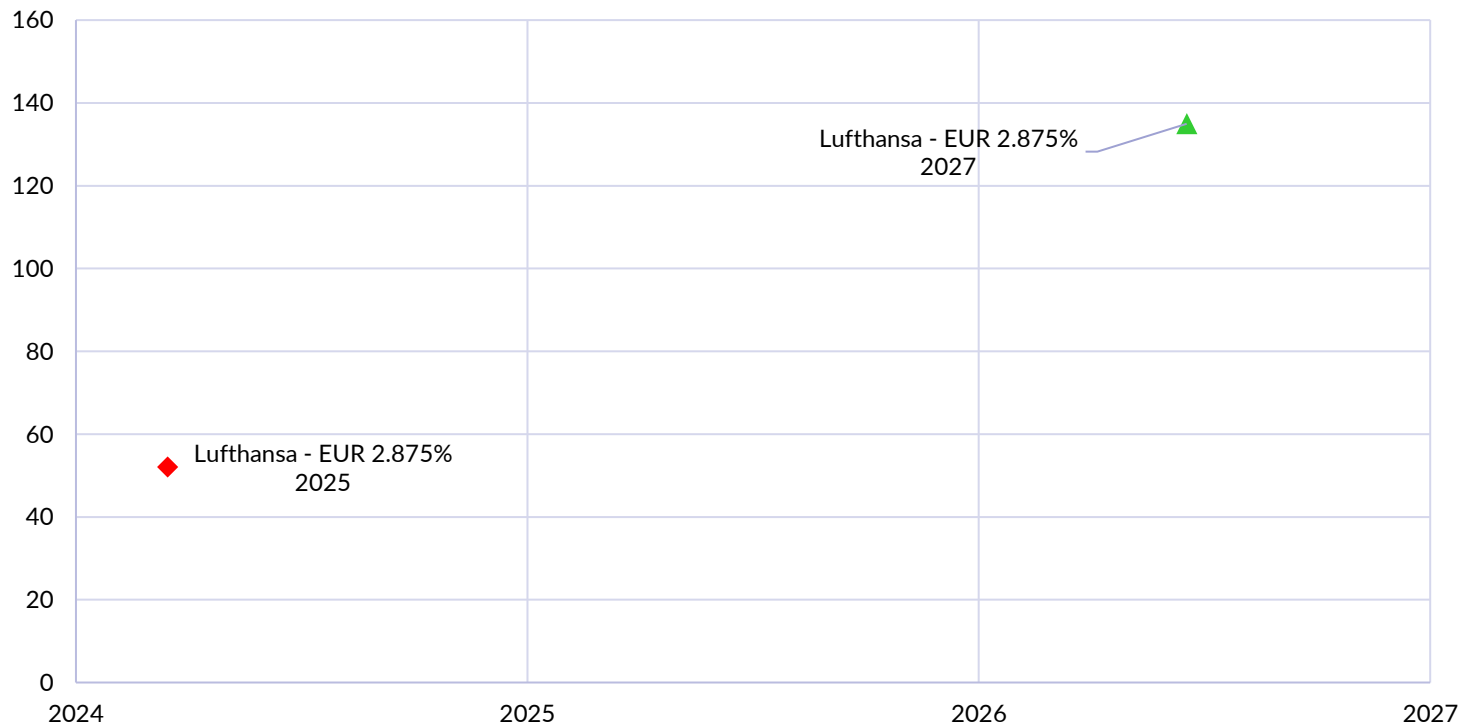
*Simplified model grounded in specific assumptions. For illustrative purposes, it may not fully capture all real-world intricacies

Maturity Extension



Example with Luftansa done yesterday

Trade	Name	CCY	Cpn	Maturity	Rank	Rating	Trade Price	Yield	G-Spread	Spread vs Swap
Sell	Lufthansa	EUR	2.875	11/02/2025	Sr Unsecured	BBB-	98.88	4.10	59	52
Buy	Lufthansa	EUR	2.875	16/05/2027	Sr Unsecured	BBB-	96.289	4.13	153	135



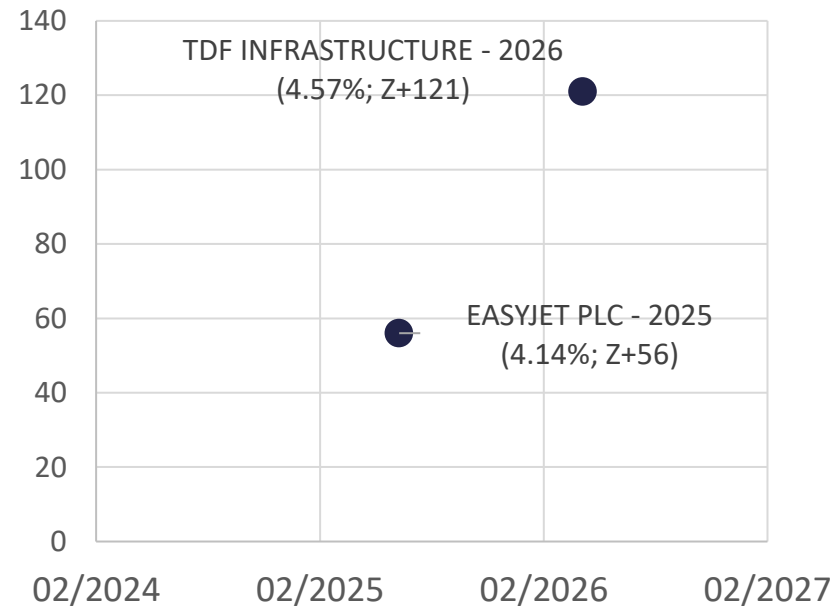
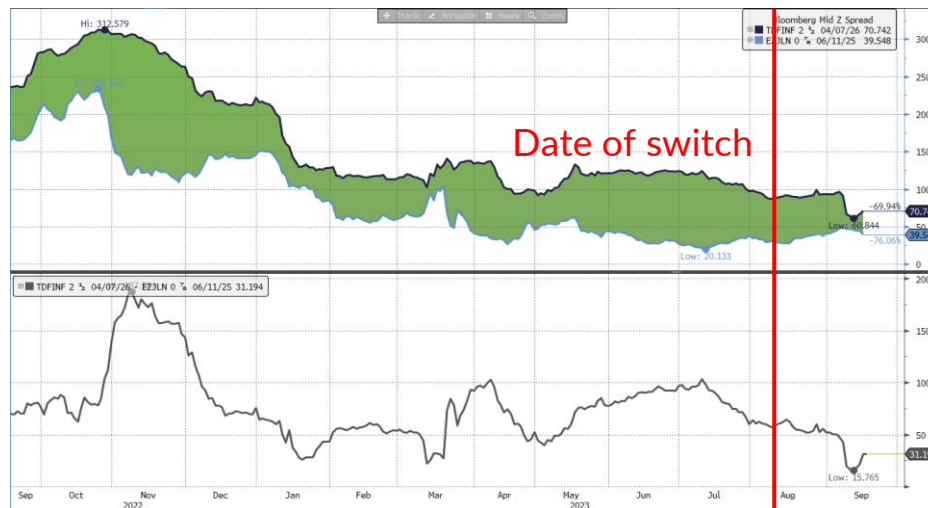
Relative Value



As a rule of thumb, aim at BBB papers above Z+100-120. For HY buy above Z+200.

- Switch out of paper that have tightened and invest in higher spreads

Trade	Issuer	Cpn	Maturity	Rank	Rating	CCY	Trade price	YTW	G-Spread	Z-Spread
Sell	EASYJET PLC	0.875	11/06/2025	Sr Unsecured	BBB-	EUR	94.229	4.14%	95	56
Buy	TDF INFRASTRUCTURE	2.5	07/04/2026	Sr Unsecured	BBB-	EUR	94.85	4.57%	167	121



Relative Value - FX Hedge Cost



Name	CCY	Cpn	Maturity	Rank	Ask Price	Yield	Hedged yield in EUR	G-Spread	Spread vs Swap
Softbank	USD	6	30/07/2025	Sr Unsecured	99.684	6.34	4.84	147	157
Softbank	EUR	4.75	30/07/2025	Sr Unsecured	101.6	3.91	3.91	52	34
Ineos	USD	7.5	15/04/2029	Secured	100.13	7.60	6.10	331	362
Ineos	EUR	6.375	15/04/2029	Secured	100.85	6.29	6.29	378	341

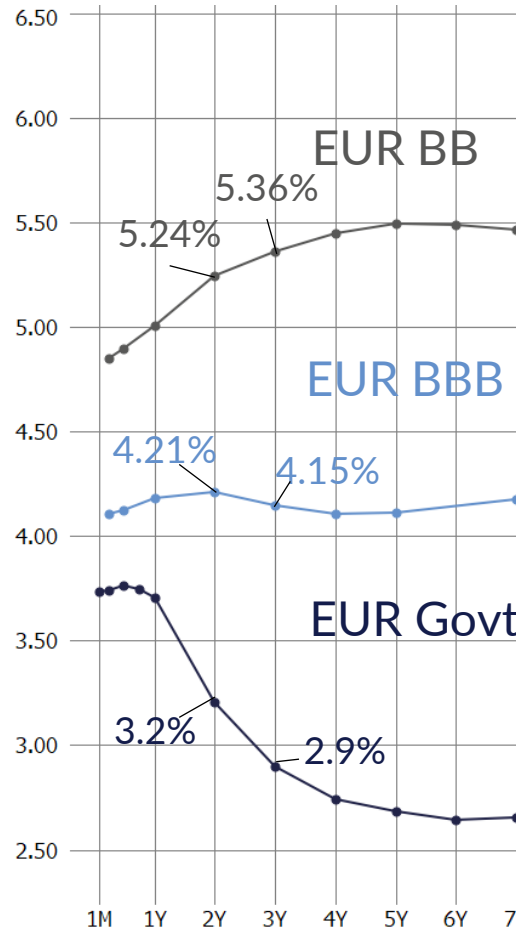
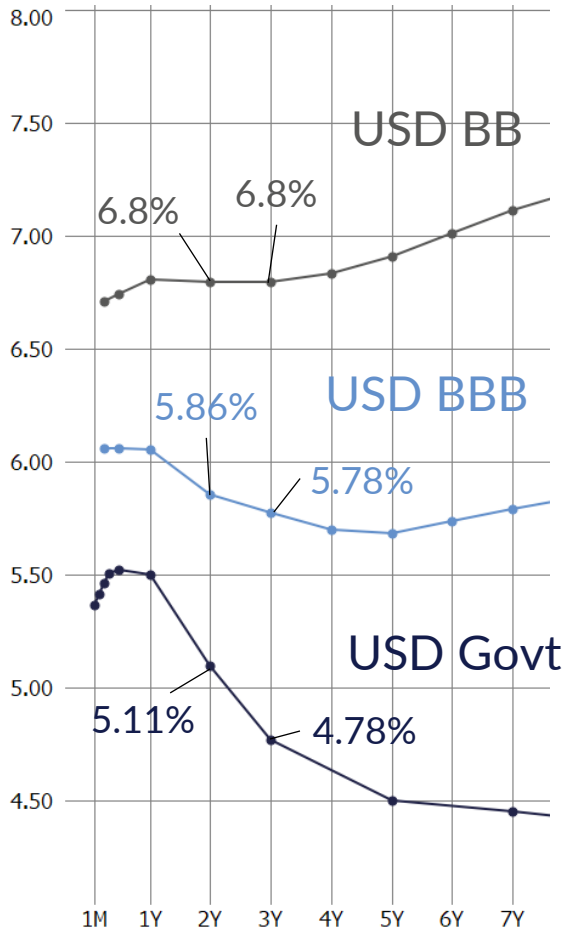


Sources: Bloomberg, GAMA Calculations

Government Curves Are Challenging



But credit curves offer some steepness



USD Carry-Roll Down on a 3-year bond:

- Govt: 3.96% (3.96%*)
- BBB: 5.58% (5.29%*)
- BB: 6.8% (5.61%*)

EUR Carry-Roll Down on a 3-year bond:

- Govt: 2.15% (2.15%*)
- BBB: 4% (3.78%*)
- BB: 5.66% (5.16%*)

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*Yield after default with default assumption based on long term average multiplied by 2 for IG and 3 for HY.
Historical default rates: US & EU govt 0%, US BBB- 0.24%, US BB 0.66%, EU BBB- 0.18%, EU BB 0.28%

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