



# AMC AdaptiveAI 60/40 US

As of 28 June 2024

## OBJECTIVE

To enhance a diversified portfolio's performance by adapting to changing market environments, providing a systematic approach to navigate diverse economic conditions in the context of a fixed risk profile.

## INVESTMENT STRATEGY & PROCESS

The portfolio is constructed using Broadgate's Quantitative Macro model, which leverages machine learning techniques to enable dynamic portfolio allocation. This strategy integrates a macro regime indicator to identify prevailing market conditions and utilizes data to guide allocation decisions. Exchange Traded Funds (ETFs) are carefully selected based on the strategy's machine learning-driven forecasts: Five equally weighted US equity sectors comprise 60% of the portfolio, three ETFs focusing on bond strategies represent 35%, and the remaining 5% is allocated to either a commodity ETF or cash. Rebalancing of the portfolio occurs weekly, and the methodology undergoes periodic reviews by Broadgate's quantitative research team.

## PRODUCT CHARACTERISTICS

Product	➤ <b>AMC Broadgate AdaptiveAI Allocator 60-40 US</b>
ISIN	➤ XS2695107065
Issuer/ Guarantor	➤ BNP PARIBAS ISSUANCE B.V / BNP Paribas Moody's: Aa3; S&P: A+; Fitch AA-
Underlying	➤ <b>Broadgate AdaptiveAI Allocator 60-40 US TR Index</b>
Actively Managed	➤ Yes, by Broadgate Advisers
Maturity	➤ Open-End
Denomination	➤ 1'000 USD
Currency	➤ USD
Total Management Fees	➤ 1.25% p.a. (i.e 0.25% to BNP Paribas and 1.00% to Broadgate Advisers) + 10% Performance fees (VAT excluded) based on high watermark over an initial hurdle of 107%
Liquidity	➤ Daily
Pricing Publication	➤ Telekurs, Bloomberg
NAV	➤ <b>USD 1011.07</b> (as of June 28 <sup>th</sup> , 2024)

## Manager's Comment

In June, the strategy was down by **-0.6%** (net of fees) versus 0% for the S&P Equally Weighted / IBOXX IG and 2.4% for the S&P 500 / IBOXX IG.

**Attribution:** Last month, only tech exposed sectors were in positive territory. *Information Technology* was up 9.3%, *Consumer Discretionary* up 4.9%, *Communication Services* up 4.8%. The bottom sectors were *Utilities* down -5.5%, *Material* down -3% and *Energy* down -1.3%. The market has shown poor breadth (only 25% of the S&P 500 companies outperformed the index) and high concentration (10 companies explain 90% of the S&P 500 performance).

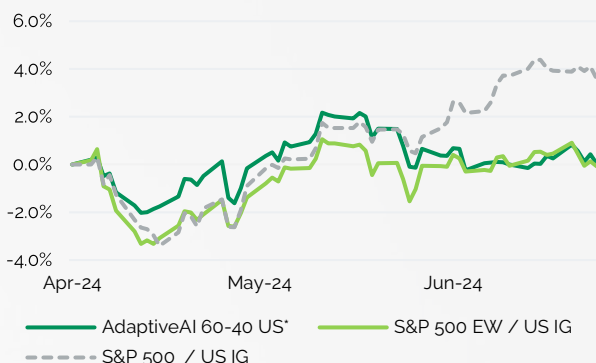
On the fixed income side, yields generally declined, with the 10-year losing 10bps.

The strategy underperformed the *S&P EW / IBOXX IG* by 60bps due to its underweight in *Information Technology* and overweight in *Utilities* and *Materials*. This was partially offset by an overweight in *Real Estate* and a long duration exposure.

**Current Allocation:** *Information Technology, Health Care, Energy, Industrials, Materials, US High Yield, Leveraged Loans, TIPS and Oil.*

## HISTORICAL PERFORMANCE

### Cumulative Performance (basis USD)



\*Net of fees.

### Performance snapshot of the share class: 05.04.2024 -28.06.2024

	AdaptiveAI 60-40 US*	S&P 500 EW / US IG	S&P 500 / US IG	
<b>Performance (%)</b>	<b>1 Month</b>	-0.62	-0.02	2.39
	<b>3 Months</b>	0.03	-0.08	3.57
	<b>YTD</b>	0.03	-0.08	3.57
	<b>Since Inception</b>	0.03	-0.08	3.57
<b>Risk (ex-post)</b>	<b>Annualized Volatility (%)</b>	7.57	8.08	7.91
	<b>Correlation w.</b>		0.89	0.82
	<b>Tracking Error w. (%)</b>		3.63	4.67
	<b>Beta w.</b>		0.84	0.78
<b>Risk/Return</b>	<b>Sharpe Ratio</b>	0.05	-	2.04
	<b>Information Ratio w.</b>		0.12	-



BNP PARIBAS

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## Portfolio Performance

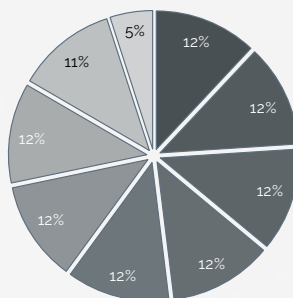
## MTD Allocation Attribution

Components	MTD
Real Estate	0.27%
Consumer Staples	0.11%
Industrials	0.09%
Communications	0.02%
Financials	0.02%
Healthcare	0.01%
Consumer Discretionary	-0.01%
Energy	-0.03%
Materials	-0.34%
Utilities	-0.34%
Information Technology	-0.43%
US Treasury 20+ Years	0.14%
US High Yield	-0.02%
Gold	-0.04%
Leveraged Loan	-0.04%

## YTD Allocation Attribution

Components	YTD
Real Estate	0.34%
Financials	0.22%
Consumer Staples	0.08%
Industrials	0.05%
Healthcare	0.04%
Information Technology	0.04%
Communications	-0.03%
Consumer Discretionary	-0.24%
Materials	-0.41%
Energy	-0.41%
Utilities	-0.70%
Base Metals	0.42%
US Treasury 1-3 Years	0.16%
US Treasury 20+ Years	0.15%
Leveraged Loan	0.13%
US High Yield	0.04%
Copper	0.02%
US Investment Grade	-0.01%
Gold	-0.04%
TIPS	-0.05%
Oil	-0.22%

## Portfolio Current Allocation



- Information Technology
- Healthcare
- Energy
- Industrials
- Materials
- Leveraged Loan
- US High Yield
- TIPS
- Oil

## For more Information :

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