



# AMC AdaptiveAI 60/40 US

As of 31 December 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 1033.81</b> (as of December 31 <sup>st</sup> , 2024)

## Manager's Comment

In December, the strategy declined by -4.3% (net of fees), outperforming its benchmark, which fell -4.8%.

### Performance Drivers:

The US market was heavily influenced by the Federal Open Market Committee (FOMC) meeting on December 17-18. The Fed adopted a more hawkish stance than expected, driving the US 10-year Treasury yield above 4.6%. This led to market adjustments, with no rate cuts anticipated before June 2025. All sectors experienced declines, with market breadth remaining exceptionally narrow.

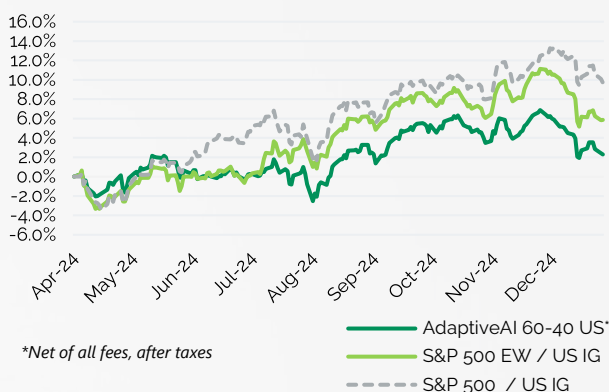
In this challenging, risk-averse environment, the strategy outperformed its benchmark, supported by an overweight position in Alphabet (+12% gain) and a lower-duration exposure in fixed-income assets, including leveraged loans, high-yield bonds, and cash.

### Current Allocation:

Information Technology, Communication Services, Utilities, Real Estate, Materials, US High Yield, US IG, Treasuries +20y and Industrial metals..

## HISTORICAL PERFORMANCE

### Cumulative Performance (basis USD)



### Performance snapshot of the share class: 05.04.2024 -31.12.2024

	AdaptiveAI 60-40 US*	S&P 500 EW / US IG	S&P 500 / US IG	
<b>Performance (%)</b>	<b>1 Month</b>	-4.30	-4.75	-2.47
	<b>3 Months</b>	-3.09	-2.57	-0.20
	<b>YTD</b>	2.28	5.85	9.71
	<b>Since Inception</b>	2.28	5.85	9.71
<b>Risk (ex-post)</b>	<b>Annualized Volatility (%)</b>	7.98	8.35	8.84
	<b>Correlation w.</b>		0.89	0.86
	<b>Tracking Error w. (%)</b>		3.79	4.57
	<b>Beta w.</b>		0.85	0.77
<b>Risk/Return</b>	<b>Sharpe Ratio</b>	0.41	0.96	1.50
	<b>Information Ratio w.</b>		-	-



BNP PARIBAS

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Performance

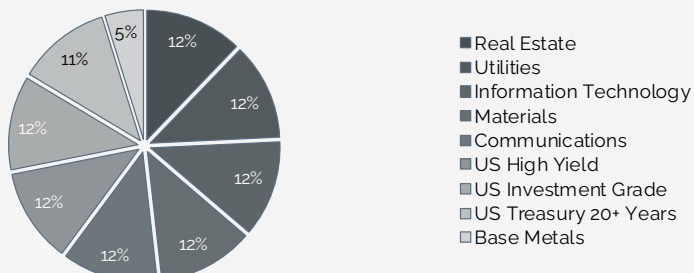
MTD Allocation Attribution

Components	MTD
Real Estate	0.18%
Communications	0.17%
Materials	0.11%
Energy	0.08%
Industrials	0.03%
Healthcare	0.00%
Financials	-0.06%
Consumer Staples	-0.07%
Utilities	-0.09%
Consumer Discretionary	-0.18%
Information Technology	-0.38%
Leveraged Loan	0.29%
US High Yield	0.21%
Cash	0.11%
US Investment Grade	0.01%
Base Metals	0.01%
US Treasury 20+ Years	-0.11%

YTD Allocation Attribution

Components	YTD
Communications	0.55%
Information Technology	0.38%
Industrials	0.28%
Real Estate	0.12%
Healthcare	0.11%
Financials	-0.04%
Energy	-0.21%
Consumer Staples	-0.24%
Materials	-0.28%
Consumer Discretionary	-0.34%
Utilities	-1.14%
US High Yield	0.43%
Leveraged Loan	0.20%
Cash	0.16%
Base Metals	0.13%
US Treasury 20+ Years	0.10%
Copper	0.02%
US Treasury 1-3 Years	-0.01%
US Investment Grade	-0.02%
Gold	-0.04%
TIPS	-0.12%
Oil	-0.18%

Current Allocation



For more Information :

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