



# AMC AdaptiveAI 60/40 US

As of 31 January 2025

## 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)<br>+ 10% Performance fees (VAT excluded) based on high watermark over an initial hurdle of 107% |
| Liquidity             | ➤ Daily   |
| Pricing Publication   | ➤ Telekurs, Bloomberg   |
| NAV                   | ➤ <b>USD 1067.60</b> (as of January 31 <sup>st</sup> , 2025)  |

## Manager's Comment

In January, the strategy was up **3.3%** (net of fees and taxes), outperforming its benchmark by 0.9% and the S&P 500 by 1.4%.

### Performance Drivers:

During January, all sectors were in positive territory except for Information Technology.

The top-performing sectors were Communication Services (+9.1%, META +18%), Healthcare (+6.8%), Financials (+6.6%), and Materials (+5.6%). Information Technology declined by -2.9%, driven down by semiconductors (-6.1%) following the unexpected emergence of the open-source AI product DeepSeek, which is less reliant on GPUs, challenging NVIDIA's dominance (-10.6%).

Technology Hardware & Equipment (-3.9%) also contributed to the sector's negative performance with Apple down -5.8%.

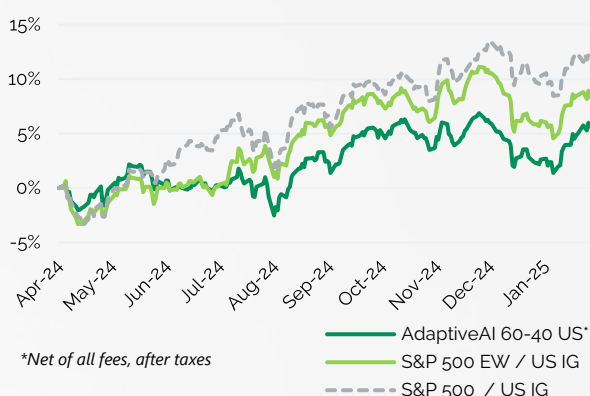
On the commodities side, copper (+5.1%) also contributed to the strategy's outperformance.

### Current Allocation:

Healthcare, Communication Services, Consumer Discretionary, Real Estate, Materials, US IG, Treasuries 7-10ys, Treasuries +20y and Copper..

## HISTORICAL PERFORMANCE

### Cumulative Performance (basis USD)



### Performance snapshot of the share class: 05.04.2024 - 31.01.2025

|                 | AdaptiveAI 60-40 US*             | S&P 500 EW / US IG | S&P 500 / US IG |       |
|-----------------|----------------------------------|--------------------|-----------------|-------|
| Performance (%) | <b>1 Month</b>                   | 3.27               | 2.34            | 1.88  |
|                 | <b>3 Months</b>                  | 1.50               | 1.91            | 3.49  |
|                 | <b>YTD</b>                       | 3.27               | 2.34            | 1.88  |
|                 | <b>Since Inception</b>           | 5.62               | 8.33            | 11.77 |
| Risk (ex-post)  | <b>Annualized Volatility (%)</b> | 7.99               | 8.30            | 8.84  |
|                 | <b>Correlation w.</b>            |                    | 0.90            | 0.84  |
|                 | <b>Tracking Error w. (%)</b>     |                    | 3.69            | 4.86  |
|                 | <b>Beta w.</b>                   |                    | 0.87            | 0.76  |
| Risk/Return     | <b>Sharpe Ratio</b>              | 0.86               | 1.22            | 1.61  |
|                 | <b>Information Ratio w.</b>      |                    | -               | -     |



BNP PARIBAS

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Performance vs S&P 500 / US IG

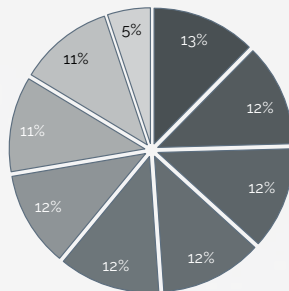
MTD Allocation Attribution

| Components             | MTD    |
|------------------------|--------|
| Information Technology | 1.14%  |
| Communications         | 0.38%  |
| Materials              | 0.30%  |
| Healthcare             | 0.24%  |
| Utilities              | 0.10%  |
| Consumer Discretionary | 0.08%  |
| Consumer Staples       | 0.03%  |
| Energy                 | 0.02%  |
| Real Estate            | -0.11% |
| Industrials            | -0.11% |
| Financials             | -0.31% |
| Copper                 | 0.22%  |
| US High Yield          | 0.07%  |
| Cash                   | 0.00%  |
| US Investment Grade    | 0.00%  |
| US Treasury 7-10 Years | -0.01% |
| US Treasury 20+ Years  | -0.01% |
| Base Metals            | -0.07% |

YTD Allocation Attribution

| Components             | YTD    |
|------------------------|--------|
| Information Technology | 1.14%  |
| Communications         | 0.38%  |
| Materials              | 0.30%  |
| Healthcare             | 0.24%  |
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Current Allocation



- Healthcare
- Materials
- Communications
- Consumer Discretionary
- Real Estate
- US Investment Grade
- US Treasury 7-10 Years
- US Treasury 20+ Years
- Copper

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