

# **GAMA Funds – Short Dated Opportunities**

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**A perfect vehicle to benefit from high interest rates**

# GAMA Funds – Global Short-Dated Opportunities



## Short-Dated Bond Strategy

- € UCITS (Lux), AuM: EUR >200mn, Art.8 SFDR
- € Short-term Bond Strategy (< 3Y legal maturities), Average rating Investment Grade, highly diversified (~180 issuers) and very liquid (daily)
- € Active management with recurrent excess return over passive strategies (> 1.5% per year)
- € Share classes: EUR, USD, CHF accumulation or distribution, fully hedged (no FX risk)
- € Inception Date: 21.09.2020 (>4 years)

## Key Statistics

- € Hedged Yield To maturity: 5.40% in USD, 3.76% in EUR, 1.37% in CHF
- € Average Duration: 1.7 years
- € Average Rating: BBB+
- € MSCI ESG Rating: A
- € Volatility (Daily, 3Y): 1.25%
- € Bloomberg Peers Quintile\* (3Y): 92%

\*Peers: Short-term aggregate, OECD Countries

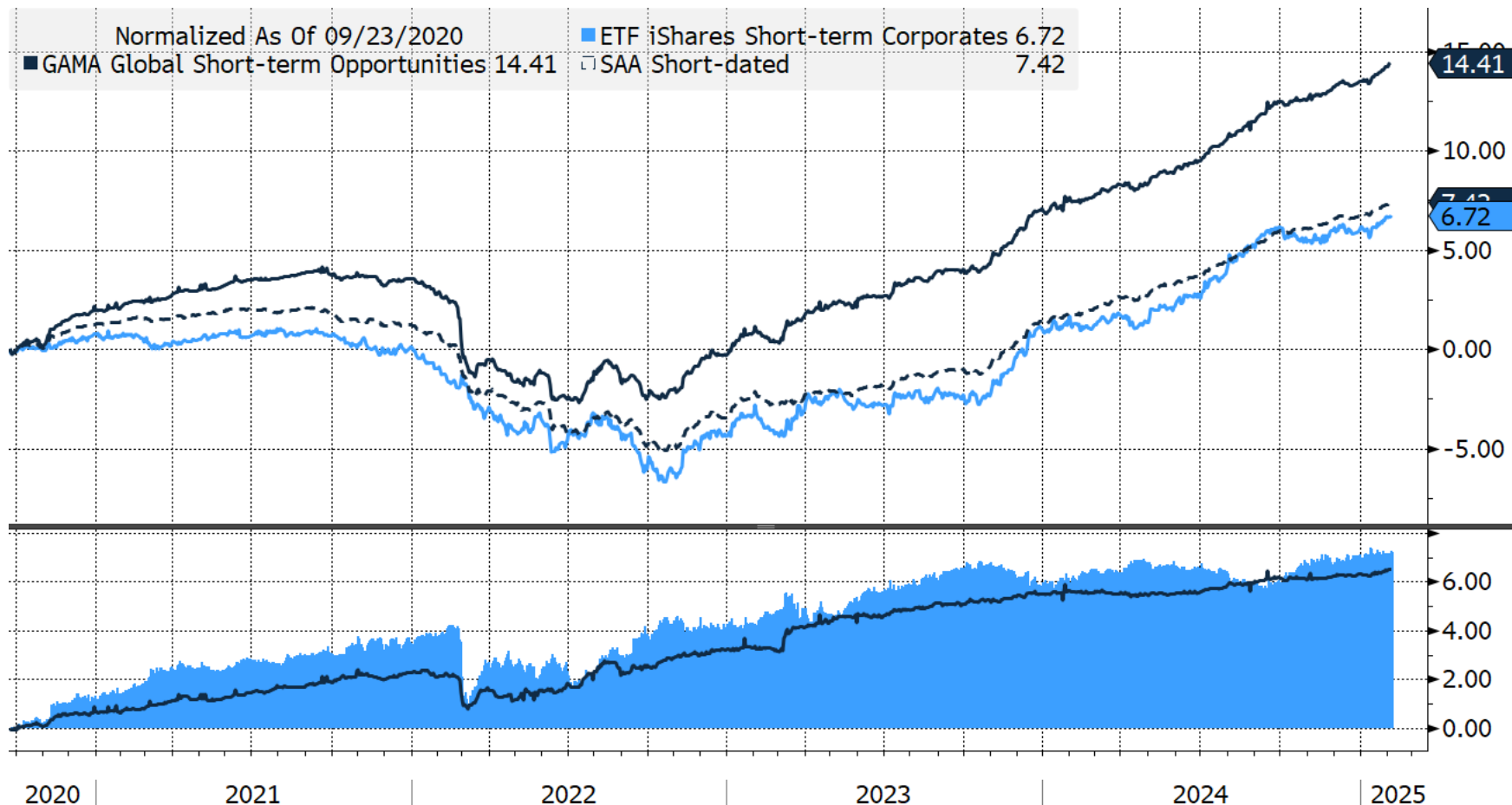
## Why This Fund ? Why Now?

- € Attractive excess yields over deposit rates with daily liquidity and large diversification
- € Defensive credit stance and low interest sensitivity to navigate through uncertain times
- € Solid fundamental credit selection with ESG-integration and quantitative filters
- € Stable team with solid track record over various time-horizons

## Key Fund Information

- € Factsheets [EUR](#) [USD](#) [CHF](#)
- € KIIDS [EUR](#) [USD](#) [CHF](#)
- € Prospectus [Click Here](#)
- € Why Invest ? 6 pagers [Click Here](#)
- € Full presentation with Process [Click Here](#)
- € Access to GAMA website [Click Here](#)

# GAMA Global Short-Dated Opportunities (USD)

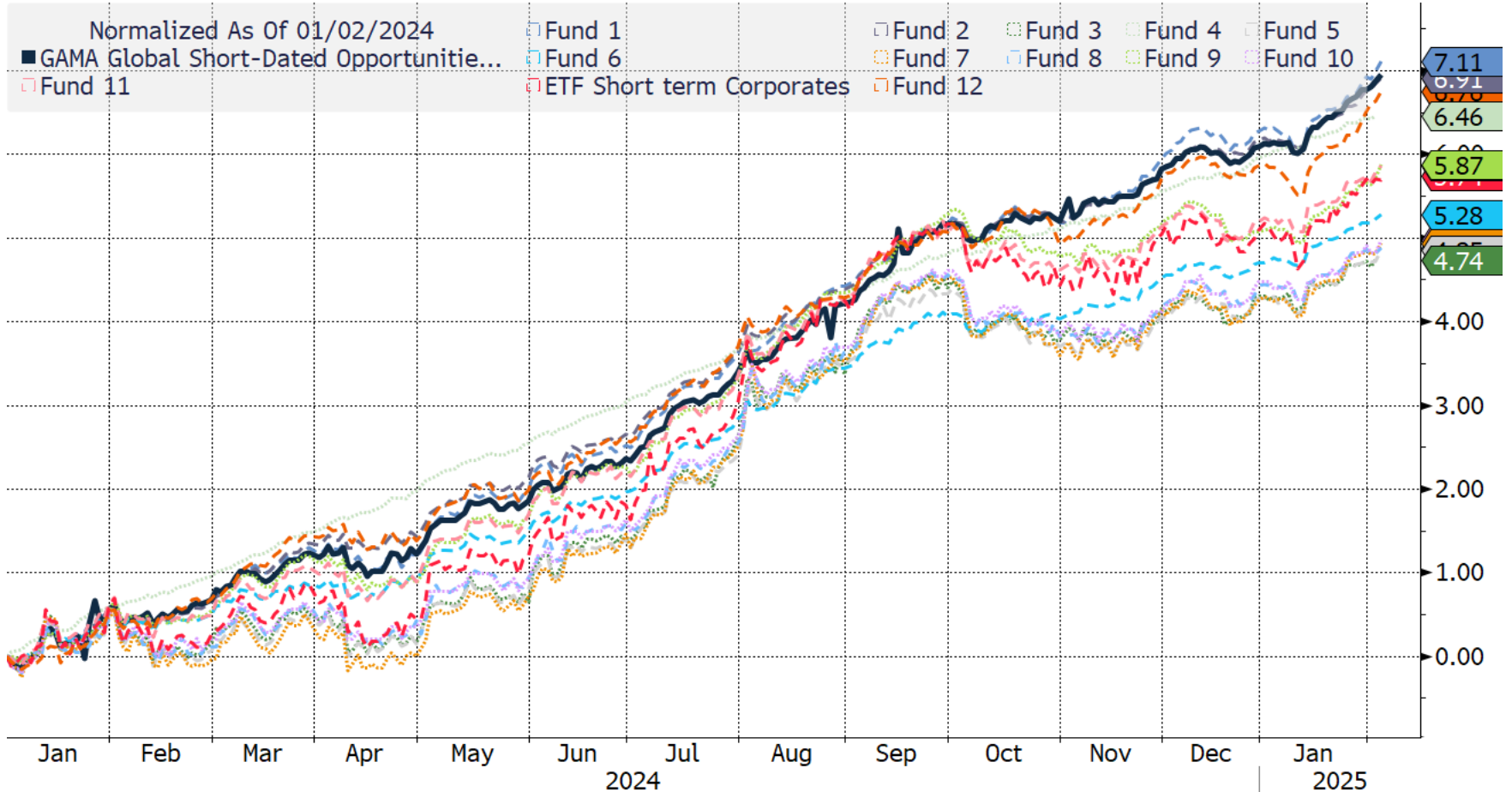


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Source: Bloomberg, GAMA calculations

# Global Short-Dated Opportunities - Peer Group (YTD)



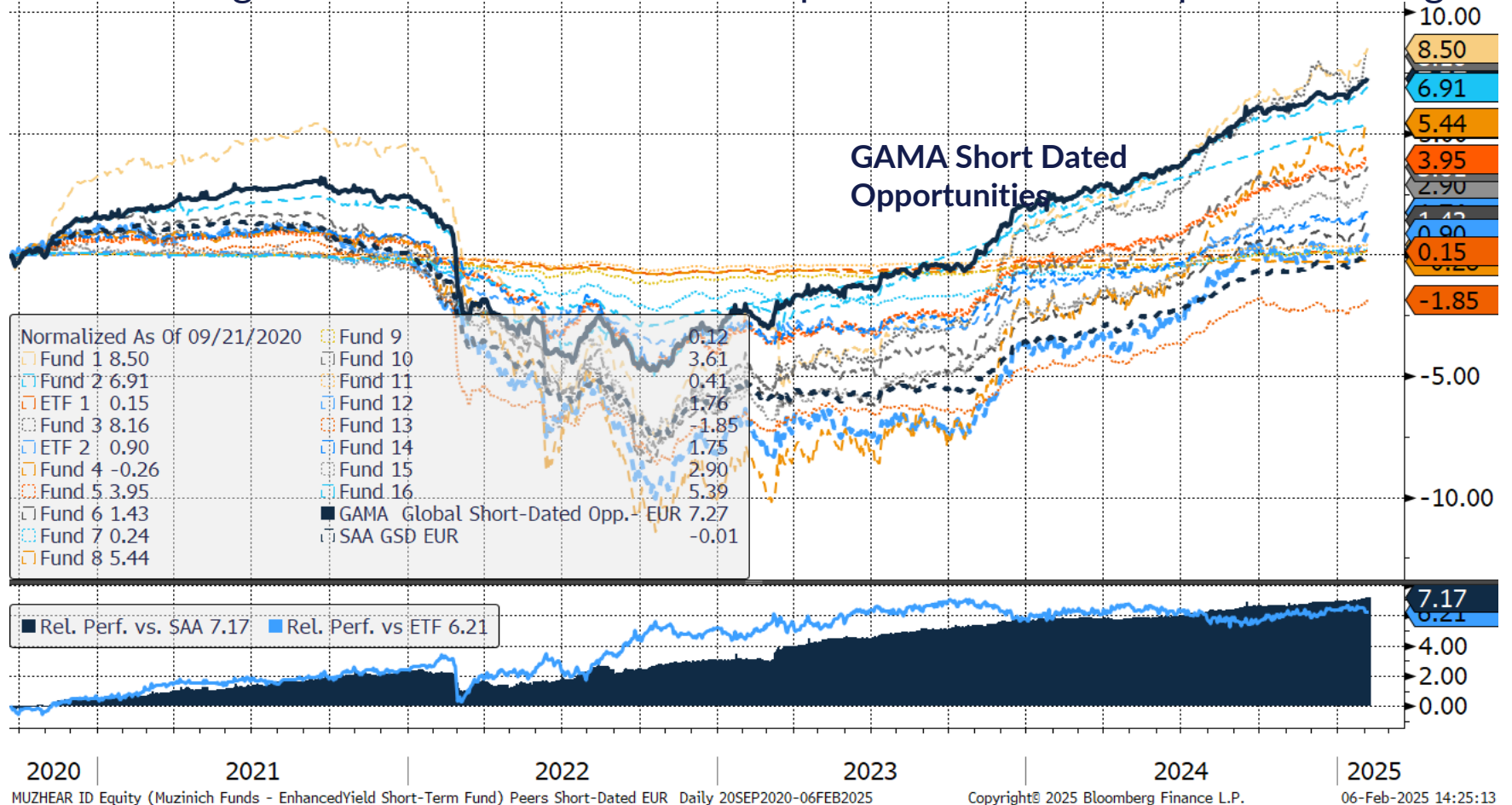
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Source: Bloomberg, GAMA

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# Global Short-Dated Opportunities - Peer Group (EUR)

Active management added more than 150 bps annualised versus passive strategies

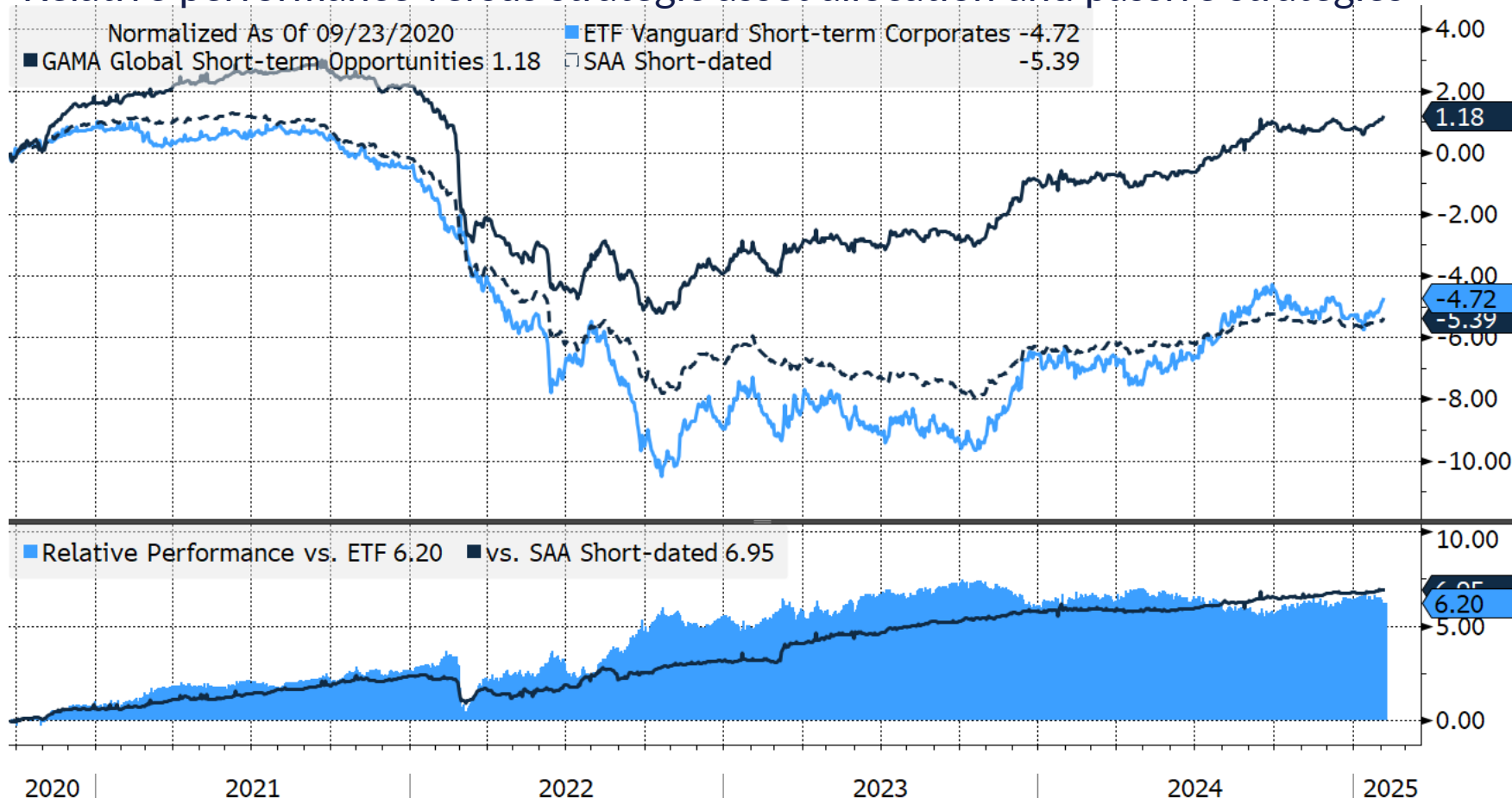


Source: Bloomberg, GAMA, Performance net of fees since inception date (21.09.2020) versus peers and passive strategies (ETF or SAA). 25/11/2024

# GAMA Global Short-Dated Opportunities (CHF)



## Relative performance versus strategic asset allocation and passive strategies



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06-Feb-2025 14:25:27

Source: Bloomberg, GAMA calculations

# 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.

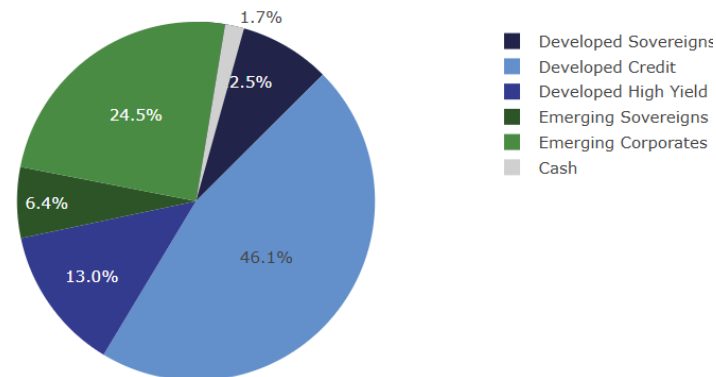
- Estimated forward-looking return: cash + 2%
- Capital preservation and income primarily with short-dated bonds with less than 3Y maturities.
- Credit selection broadly diversified across countries & sectors with currency exposures hedged into the base currency

<b>Credit Exposure</b>	↗↗	Medium
<b>Interest Rate Exposure</b>	↗	Low
<b>Currency Exposure</b>	-	Fully hedged

## BREAKDOWN BY MATURITY

Average yield (EUR)	3.76%
Average yield (USD)	5.40%
Average yield (CHF)	1.37%
Average yield (GBP)	5.65%
Average interest-rate duration	1.69
Average spread duration	138.79
Average credit rating of bonds	BBB
Number of issuers	136

## BREAKDOWN BY SEGMENT

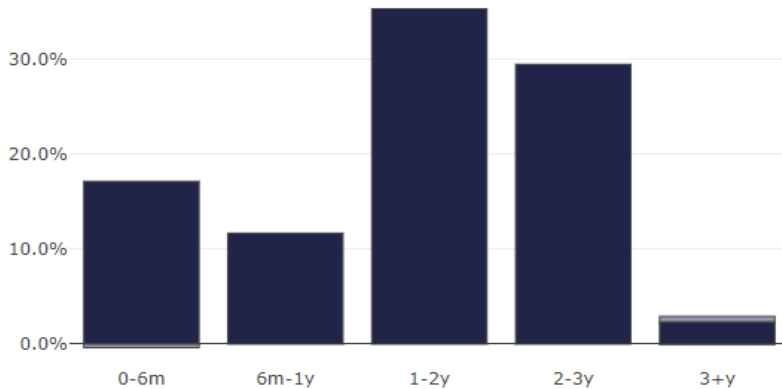


Portfolio characteristics may change at any time. Please refer to the fund prospectus for the investment guidelines.

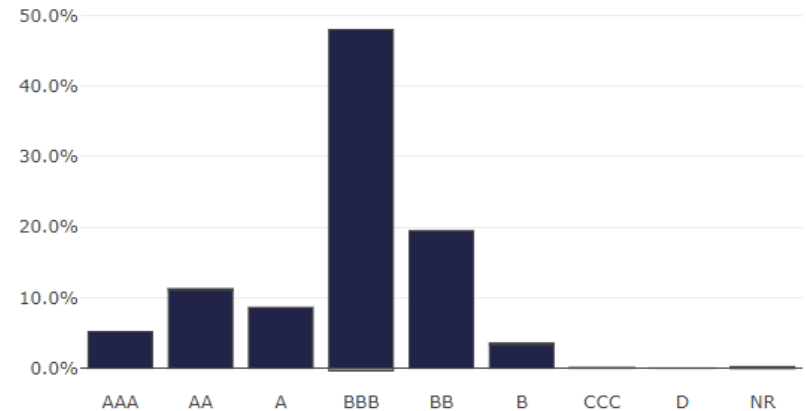
# GAMA Funds - Global Short Dated Opportunities



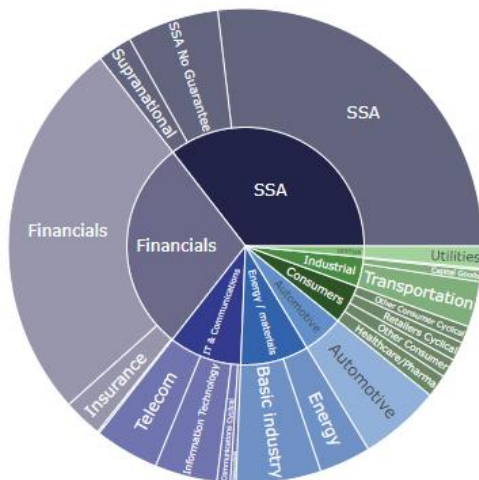
## BREAKDOWN BY MATURITY



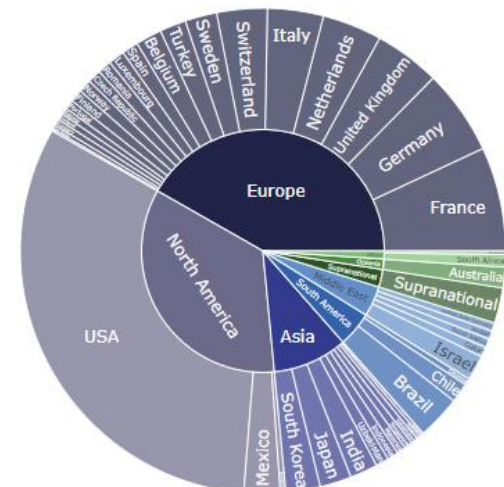
## BREAKDOWN BY RATING



## BREAKDOWN BY SECTOR



## BREAKDOWN BY COUNTRY



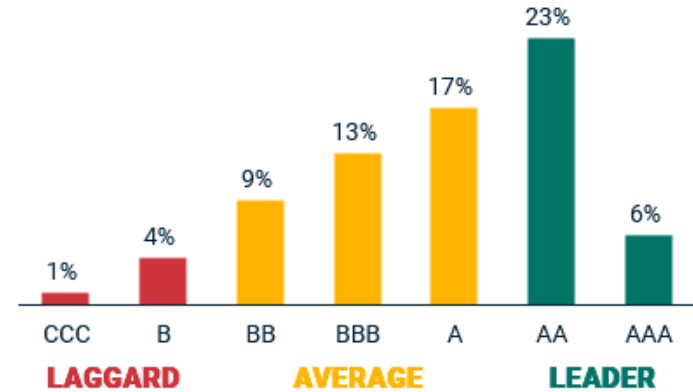


## ESG Rating (MSCI)

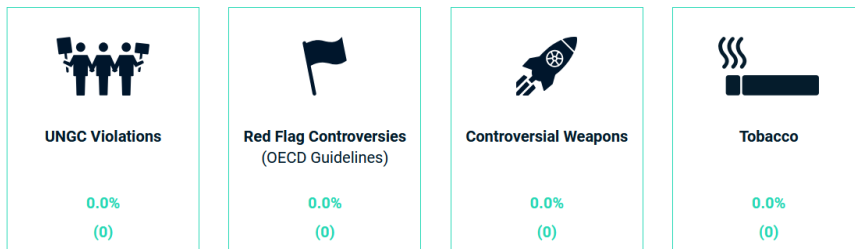
**MSCI**  
ESG RATINGS



## BREAKDOWN BY ESG RATING (MSCI)



## EXPOSURE TO CONTROVERSY SECTORS



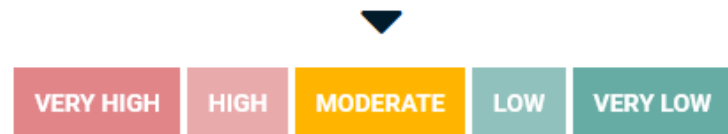
## CARBON INTENSITY

### Weighted average carbon intensity

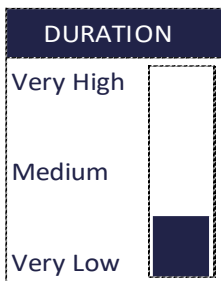
(tCO<sub>2</sub>e / \$m sales)

The fund's holdings have moderate carbon intensity, based on the weighted average carbon emissions per USD million sales.

204.7 tons



## DURATION



- Duration: 1.75 (stable)

## CURRENCY ALLOCATION

100% Hedged Into Currency

## KEY BOND PURCHASES

- Bought
  - New Issue Rci Banque (BBB) 2028 EUR, Z+141
  - Leviathan (BB-) 2027 USD, G+295 (switch)
  - Turkcell (BB-) 2028 USD, G+261 (switch)
  - Nest (A-) 2028 EUR, Z+106
  - ContourGlobal (BB) 2028 EUR, Z+223
  - Barry (BBB-) 2028 CHF, Z+158
  - Sagax (BBB-) 2028 EUR, Z+118 (switch)

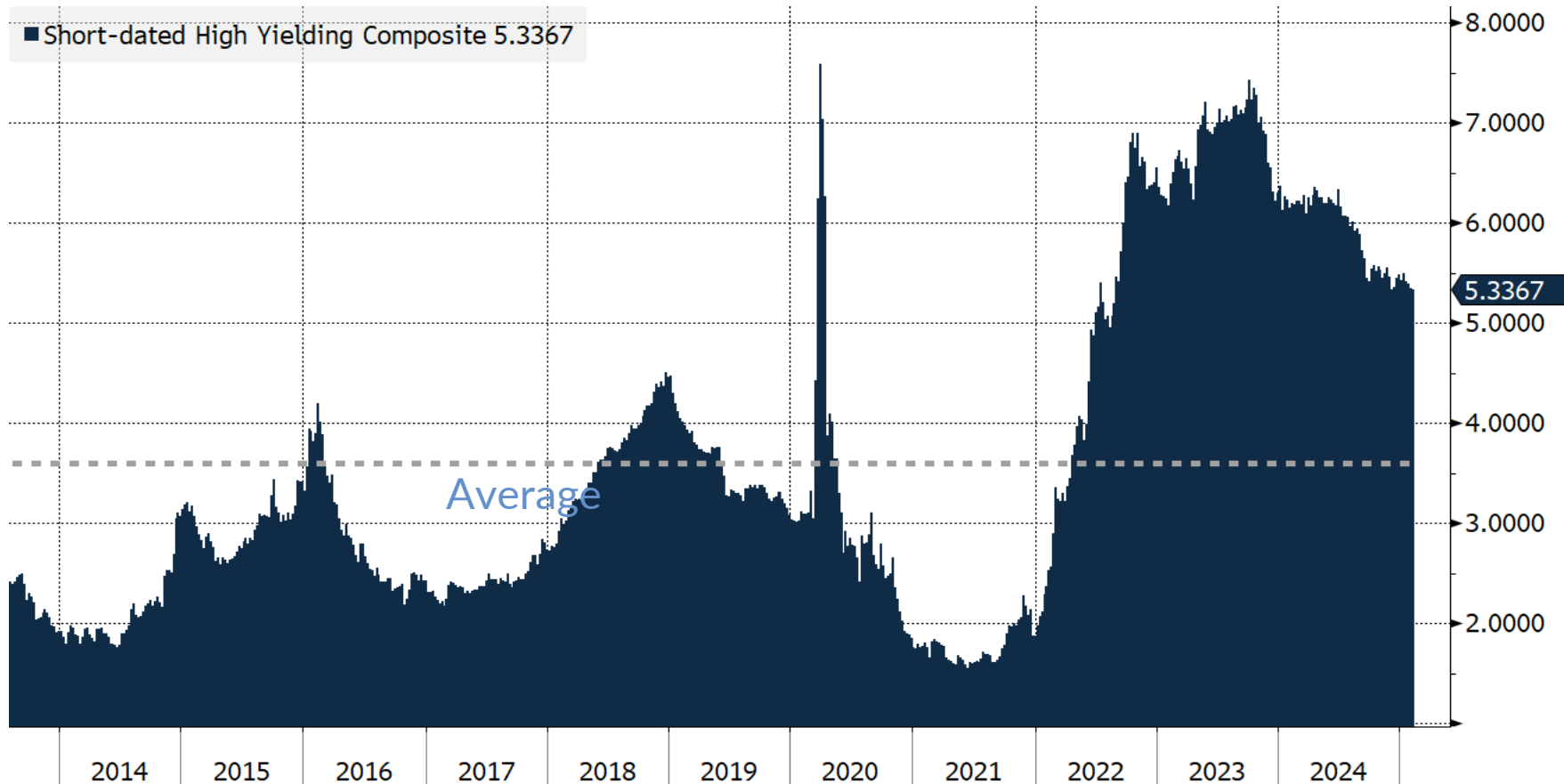
## KEY BONDS SALES

- Sold
  - Rabobank (BBB +) 2025 USD, G+84
  - American Express (A) 2026 USD, G+62
  - Intesa (BBB) 2025 USD, G+71
  - InPost (BB) 2027 EUR, Z+123
  - Turkcell (BB-) 2025 USD, G+136 (switch)
  - Leviathan (BB-) USD 2025, G+227 (switch)
  - Steel Dynamics (BBB) USD 2026, G+28
  - Sagax (BBB-) EUR 2026, Z+86 (switch)
- Matured/Tendered/Called: 1.8% of NAV
  - BTG (BB) USD matured
  - PT Tower Bersama (BBB-) USD matured
  - Matterhorn (BB) 2027 EUR called
  - Merlin (B) 2026 USD called
  - Cosan (BB) 2027 USD called

# Short-Dated Opportunities Offering Attractive Yield



## Short-dated High Yielding composite at its decade's record



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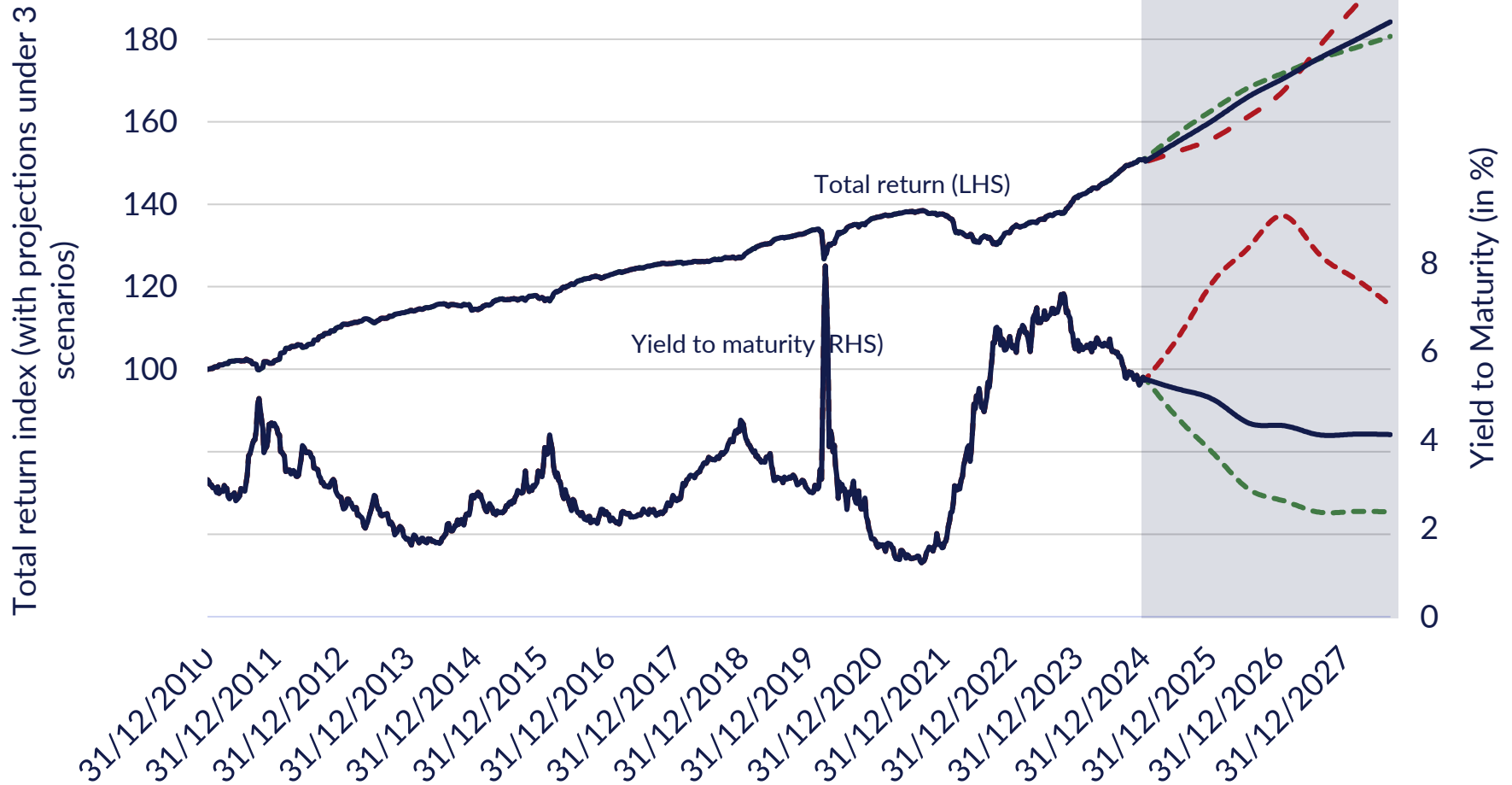
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Source: Bloomberg, GAMA calculations, Short-dated high yielding composite, with 1/3 Developed credit, 1/3 Emerging Credit and 1/3 T-Bills in USD.

# Global Short-Dated Composite\*

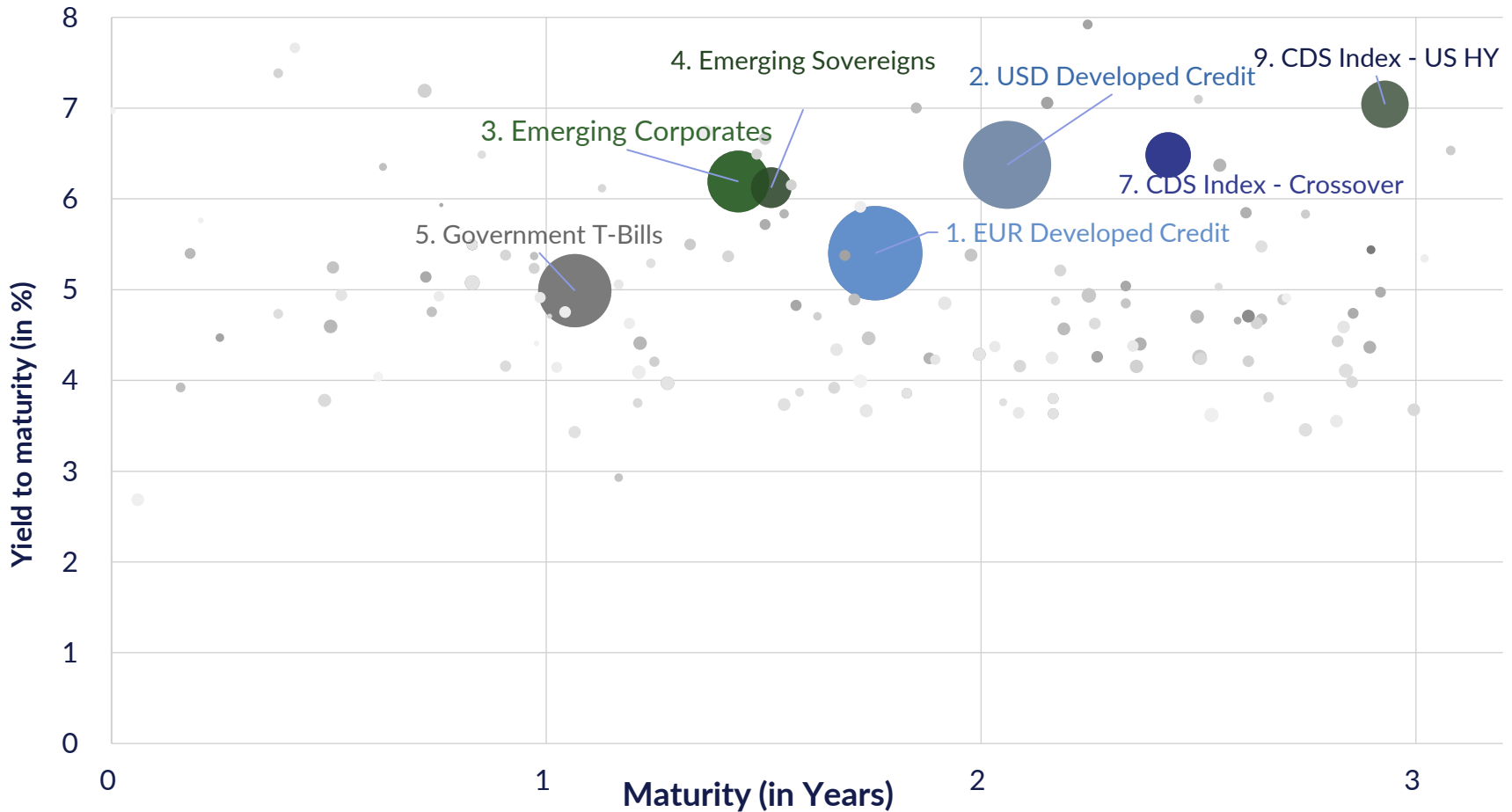


## Projected total returns under 3 yield scenarios over 3 years



Sources: Bloomberg, GAMA calculations, \*Derived from global different short-dated fixed income segments hedged in USD

# GAMA Funds - Global Short-Dated Opportunities



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

Source: Bloomberg, GAMA

# Monthly Performance



<b>MONTHLY RETURNS (IN USD, NET OF FEES)</b>						
	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
January	-	0.09%	-0.76%	1.10%	0.49%	0.65%
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%	0.64%	-
June	-	0.27%	-1.37%	0.58%	0.49%	-
July	-	0.08%	0.96%	0.81%	1.01%	-
August	-	0.28%	-0.04%	0.41%	0.80%	-
September	-0.46%	-0.12%	-0.83%	0.09%	0.91%	-
October	0.28%	0.12%	0.41%	0.24%	0.04%	-
November	1.32%	-0.68%	1.30%	1.41%	0.59%	-
December	0.46%	0.40%	0.44%	1.21%	0.26%	-
<b>Year</b>	<b>1.61%</b>	<b>1.59%</b>	<b>-3.75%</b>	<b>7.38%</b>	<b>6.02%</b>	<b>-</b>

Source: GAMA Asset Management SA, Class USD F

# 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



# Addendum – Key Contents

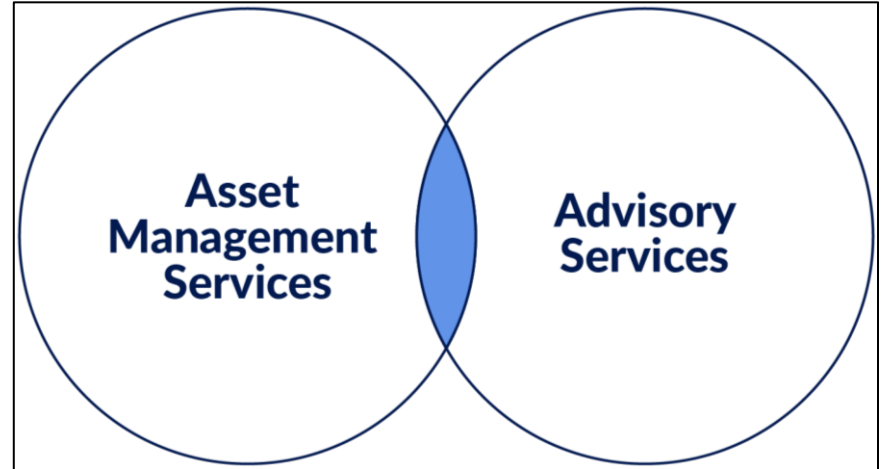
1. GAMA Asset Management
2. Governance and team
3. Short-Dated Universe and Drivers
4. Investment Process and ESG
5. Risk management
6. Case For Active Management
7. Examples of Trades

# GAMA – Key Highlights



## GAMA Asset Management SA

- ☞ GAMA is an independent fixed-income and macro boutique founded and majority-owned by seasoned investment professionals.
- ☞ GAMA provides global active global solutions through funds or dedicated mandates and tailor-made investment services.
- ☞ Our clients are exclusively professional and institutional investors willing to strengthen their fixed income, macro or asset allocation capabilities.
- ☞ GAMA is regulated by the FINMA as a manager of collective assets (art. 24 FinIA) and authorized by the CSSF (Luxembourg)



## Facts And Figures

- ☞ Company Founded in Geneva in **2019**
- ☞ Investment Team of **6** specialists
- ☞ **2** Luxembourg UCITS funds (GAMA Funds)
- ☞ Assets under management **CHF 450 mm**
- ☞ **3** independent board members and **1** ESG advisory Board

# Our Corporate Values



Our business model and our activities are guided by strong values that we live out daily.



## **We are independent**

GAMA is a pure asset manager majority-owned by its investment team. Independence ensures that our interests are perfectly aligned with those of our clients.



## **We care about sustainable performance**

Our job is all about performance. Long-term performance is our principal objective. For that, we look at both financial and non-financial criteria. We continuously adapt to seize investment opportunities.



## **We are a close and reliable partner**

We put our experience and creativity at work for our clients. Being close to them allows us to design unique solutions that add value to their offering.



## **We work responsibly and ethically**

Each of us acts responsibly, with integrity, transparency and according to the highest ethical standards. We avoid or disclose conflicts of interest and always behave loyally towards our clients.

## The GAMA Investment Team



**Manuel Streiff, CFA, FRM**

Founding Partner,  
Senior Portfolio Manager

25 years of experience  
TAA, IG credit, Rates, currencies



**Rajeev De Mello**

Global Macro Portfolio Manager

36 years of experience

Macro, SAA, TAA, EM



**Jérôme Strecker, CFA, FRM**

Senior Credit Analyst

19 years of experience  
Credit analysis, Developed HY & IG



**Christophe Forest**

Senior Credit Analyst and Portfolio Manager

18 years of experience  
Credit analysis, Emerging Debt



**Alexis Baeriswyl**

Portfolio Manager

10 years of experience  
Portfolio construction, FX



**Akimou Ossé, PhD, MBF**

Independent Risk Management Consultant

23 years of experience



## Board Members



**Céline Richa**

Chairman (independant)  
Richa Partners



**Manuel Streiff**

Vice-Chairman  
GAMA Founding Partner



**Christina Riva**

Board member (independant)  
Adresse Unique Sarl



**Professor René Sieber**

Board member (independant)  
University of Geneva  
Founding Partner of Dynagest SA



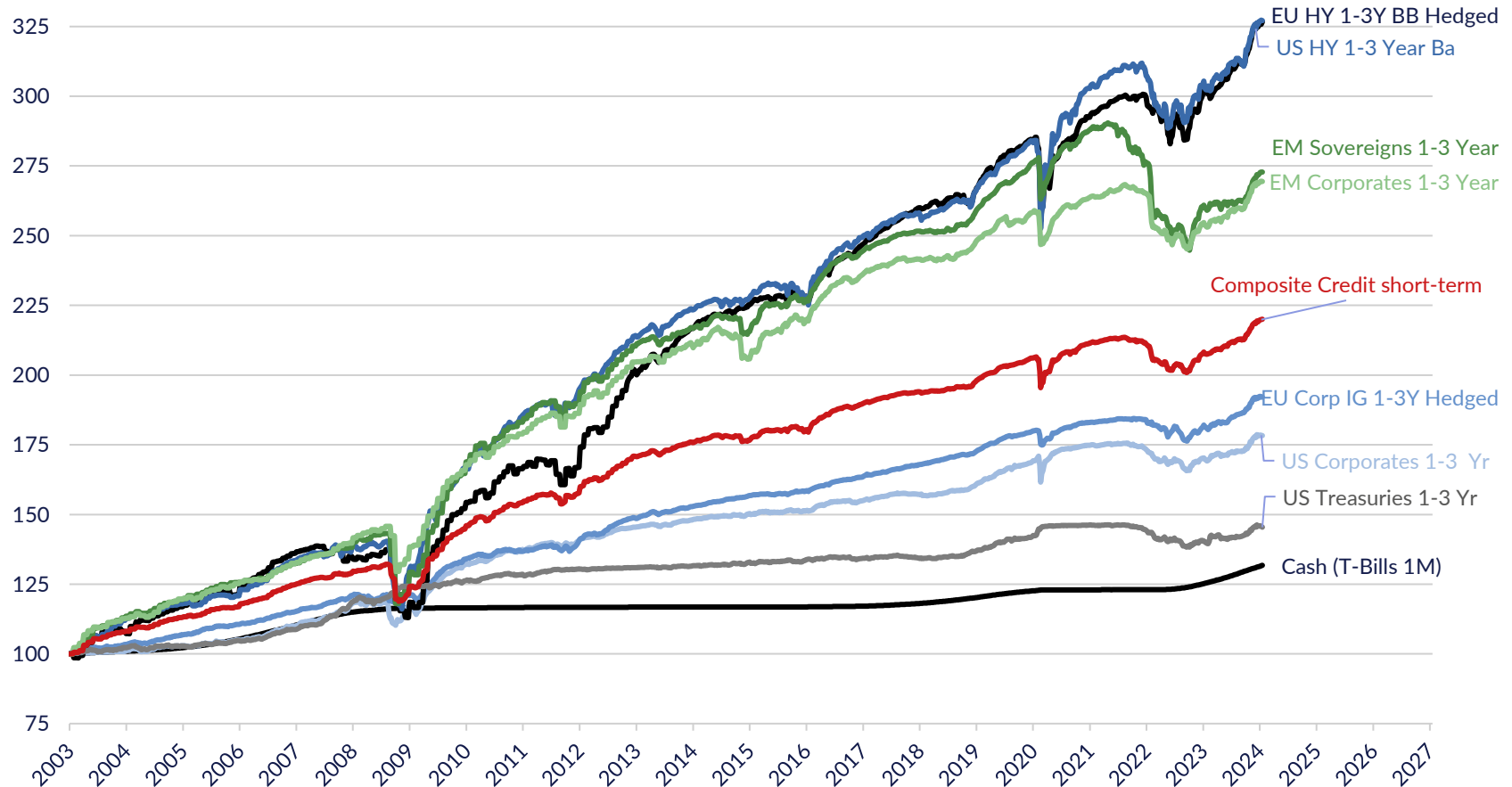
**Paul Lombard**

COO, Board Secretary  
GAMA

# Short-Dated Fixed Income Segments



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

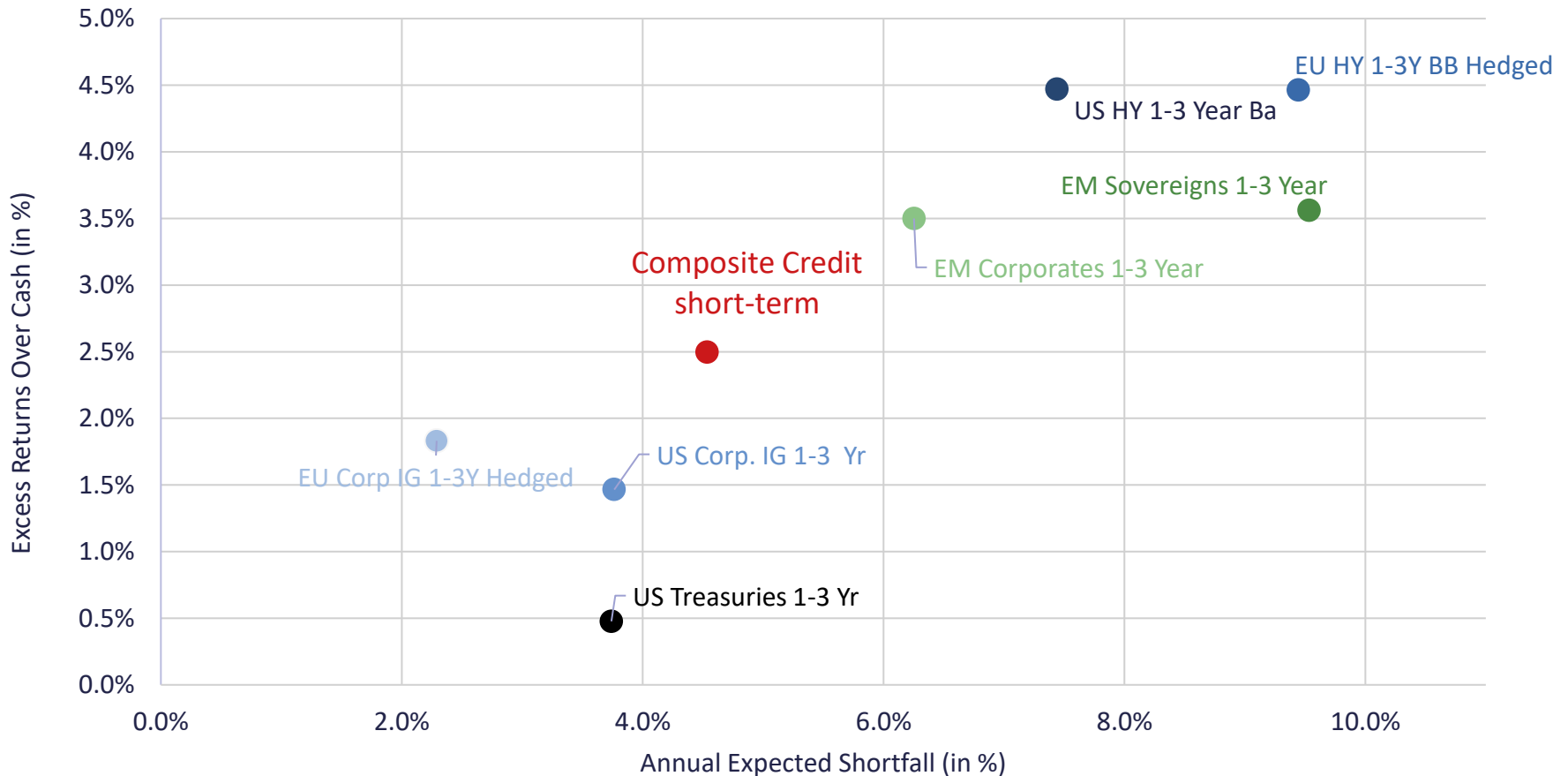


Sources: Bloomberg indices, GAMA Calculations, Composite Short-term (0-3Y maturities), composed of 1/3 of T-Bills, 1/3 of Credit >Ba EUR-hedged and USD, 1/6 of Emerging Sovereign and 1/6 of Emerging Corporates

# Annual Returns Versus Risk



## Annualised total returns per unit of annual expected shortfall

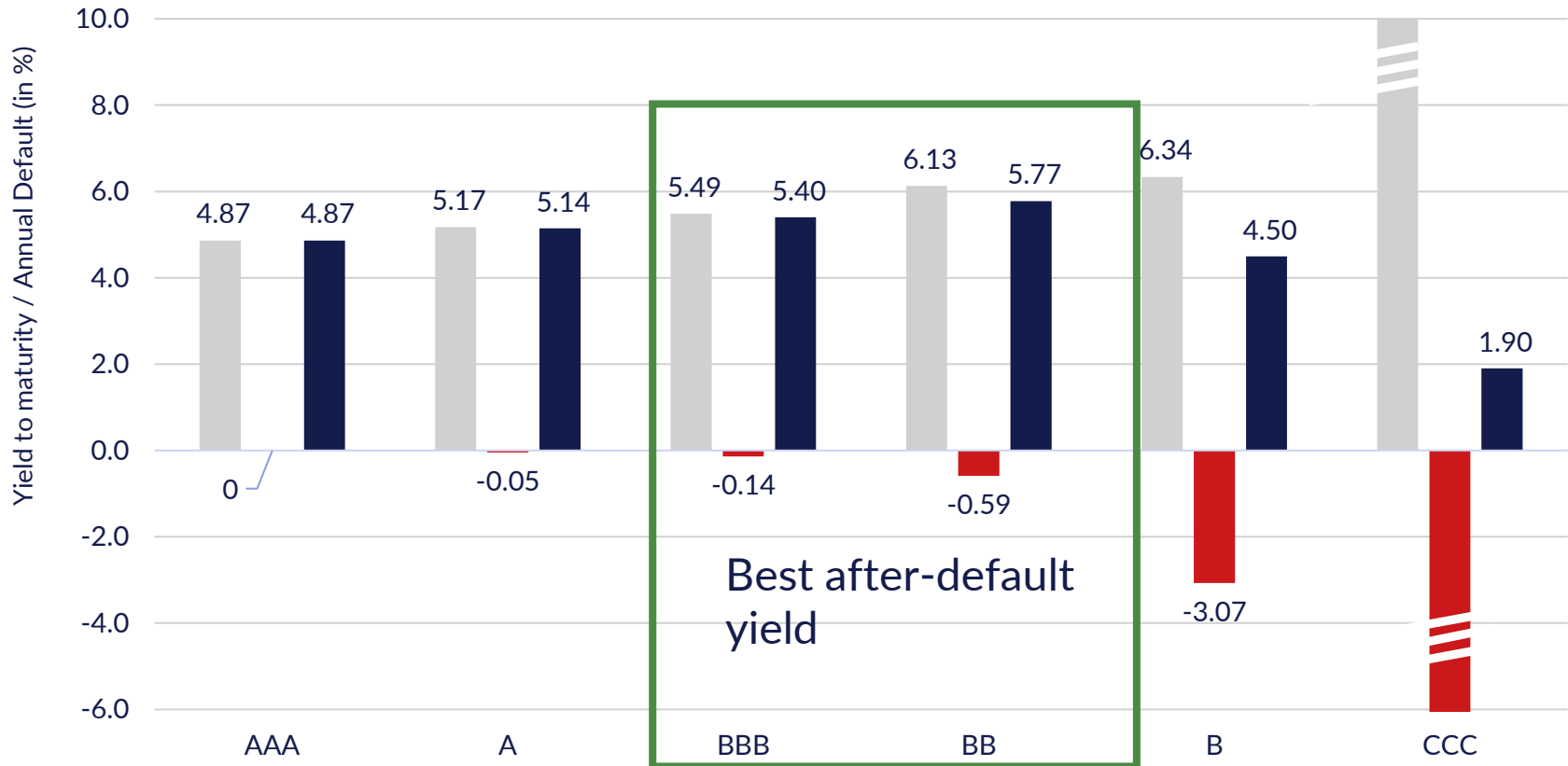


Sources: Bloomberg, GAMA Calculations, Shortfall calculated as the average 5% of the worst rolling 1Y total returns since 2003

# Credit - Default-Adjusted Yield



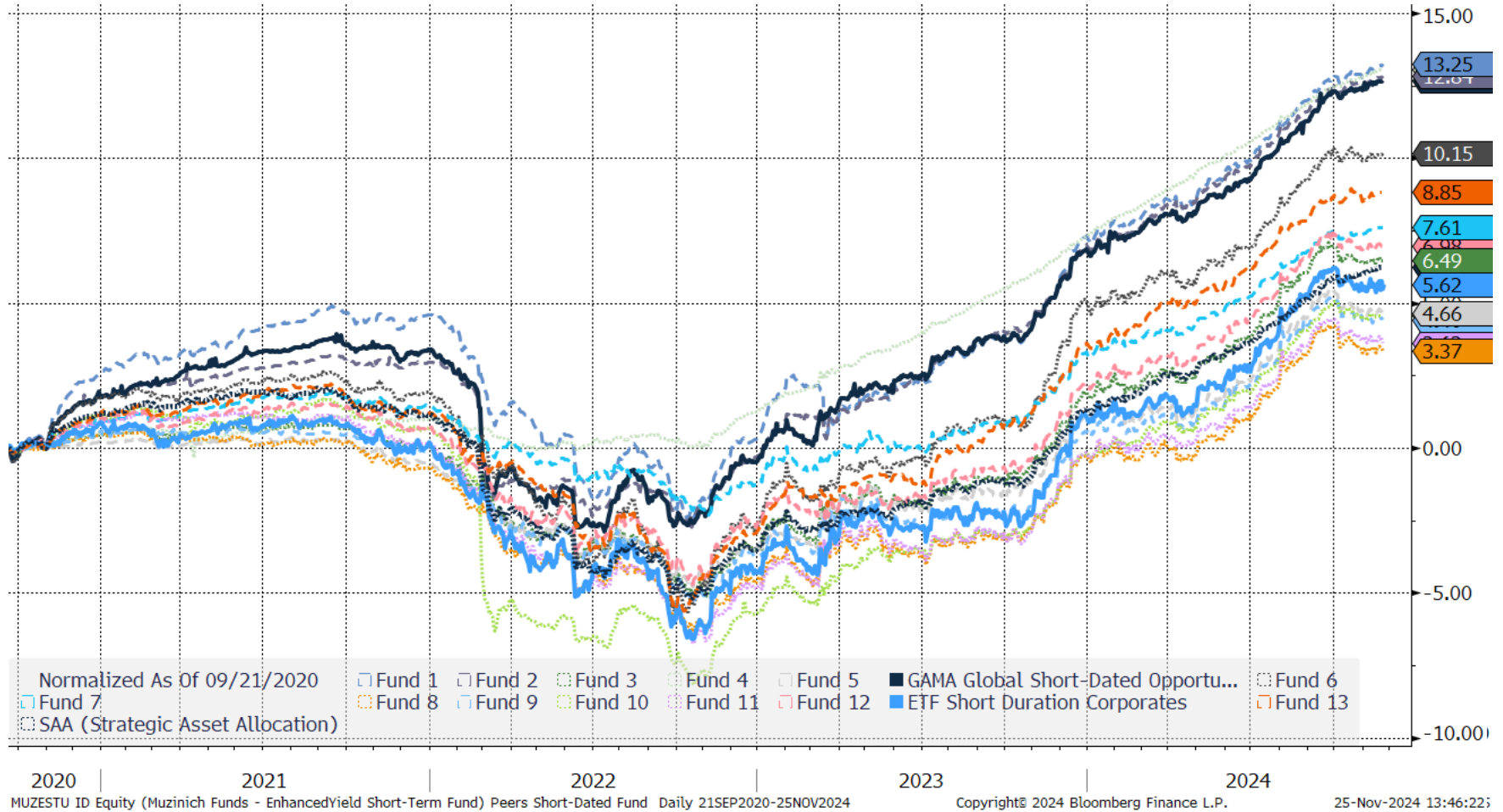
The sweet spot for after-default 2Y yields (using average historical default) is BBB-BB, worsening below BB- and lower



Sources: Bloomberg, GAMA calculations using S&P average historical default Rates and 40% recovery assumptions; Note that CCC/CC default rate equals 25%.



# Global Short-Dated Opportunities - Peer Group (USD)



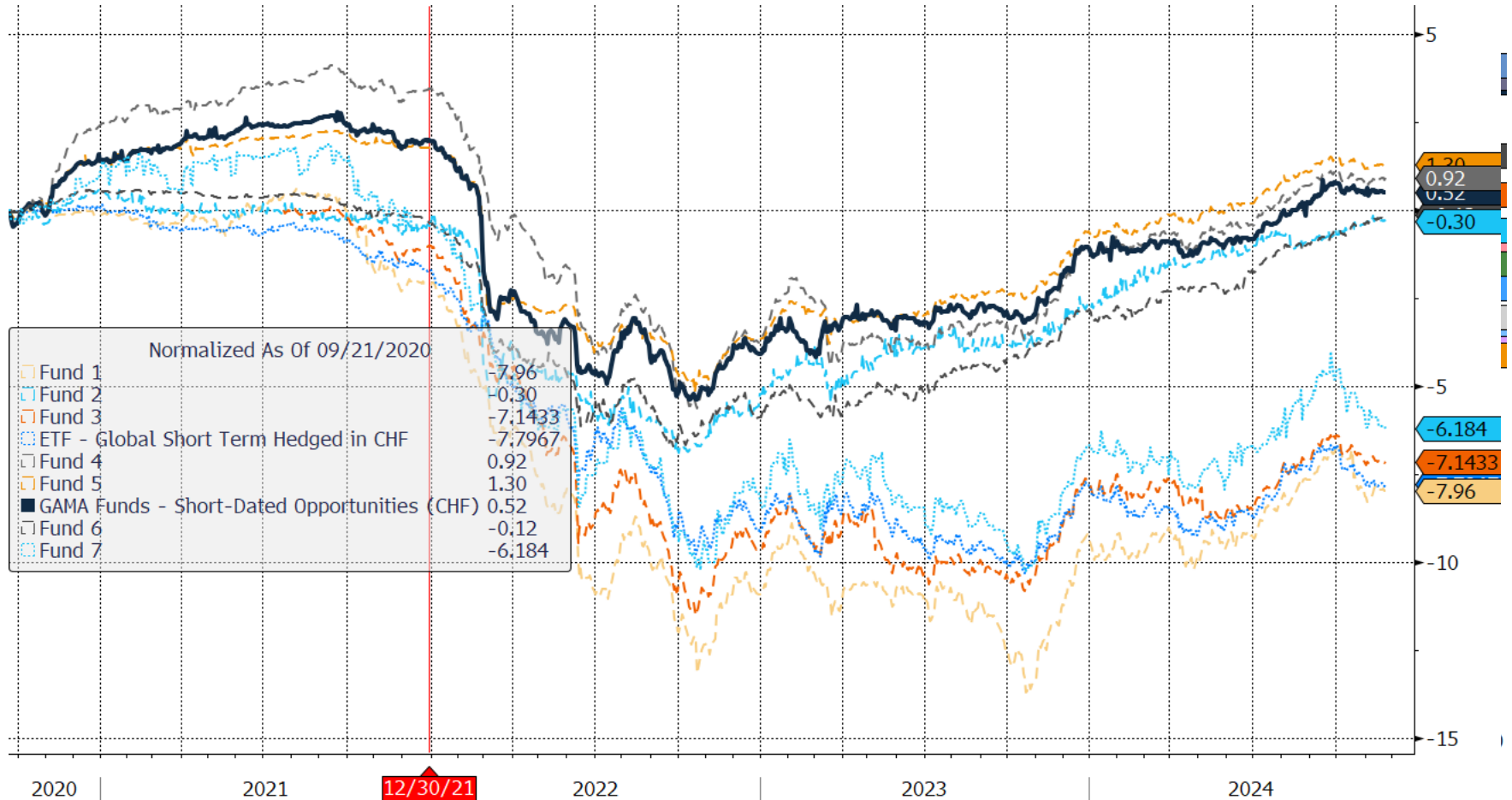
MUZESTU ID Equity (Muzinich Funds - EnhancedYield Short-Term Fund) Peers Short-Dated Fund Daily 21SEP2020-25NOV2024

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25-Nov-2024 13:46:225

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

# Global Short-Dated Opportunities - Peer Group (CHF)

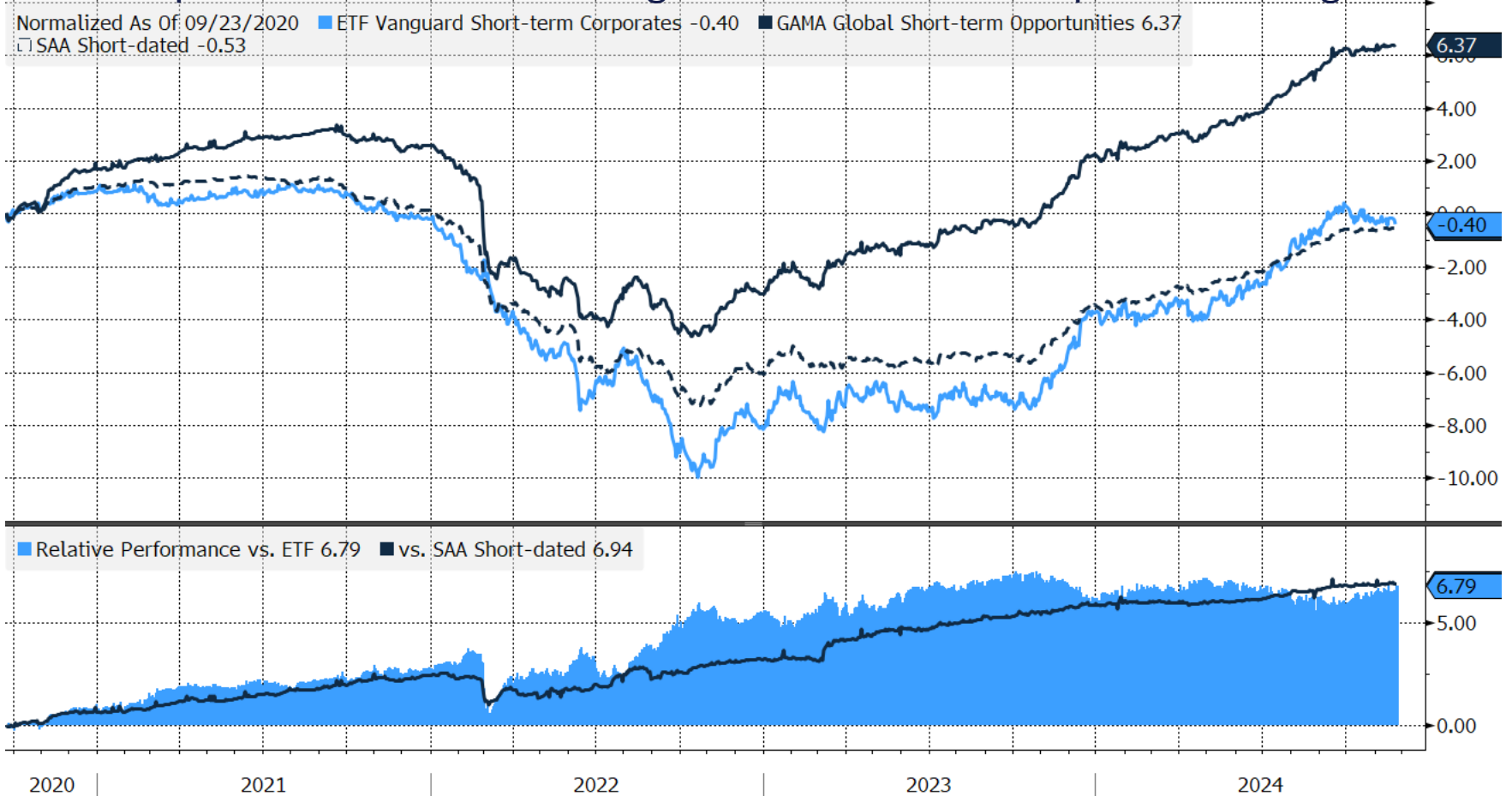


Source: Bloomberg, GAMA, Performance net of fees since inception date (21.09.2020)

# GAMA Global Short-Dated Opportunities (EUR)



## Relative performance versus strategic asset allocation and passive strategies



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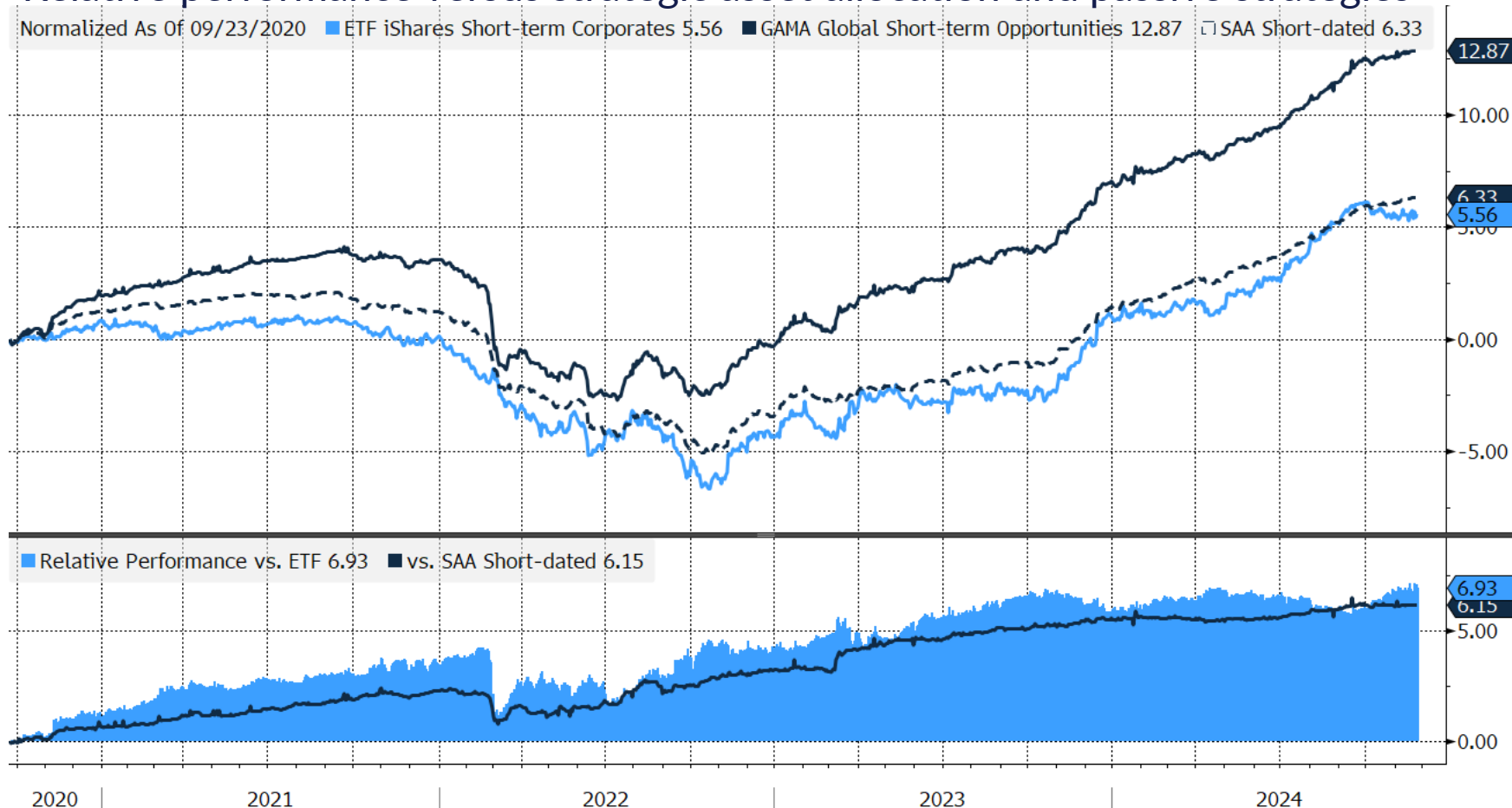
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Source: Bloomberg, GAMA calculations

# GAMA Global Short-Dated Opportunities (USD)



## Relative performance versus strategic asset allocation and passive strategies



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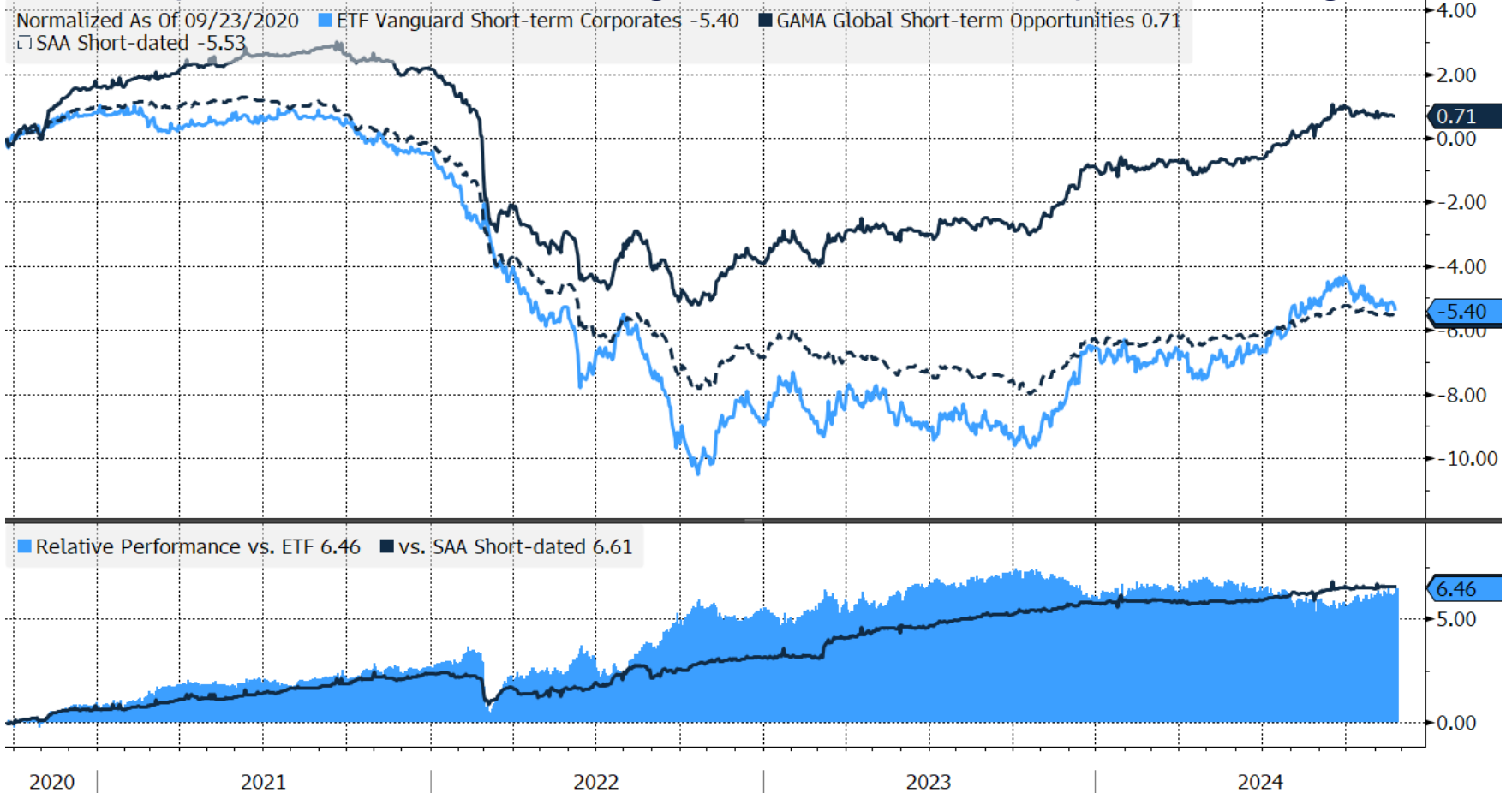
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Source: Bloomberg, GAMA calculations

# GAMA Global Short-Dated Opportunities (CHF)



## Relative performance versus strategic asset allocation and passive strategies

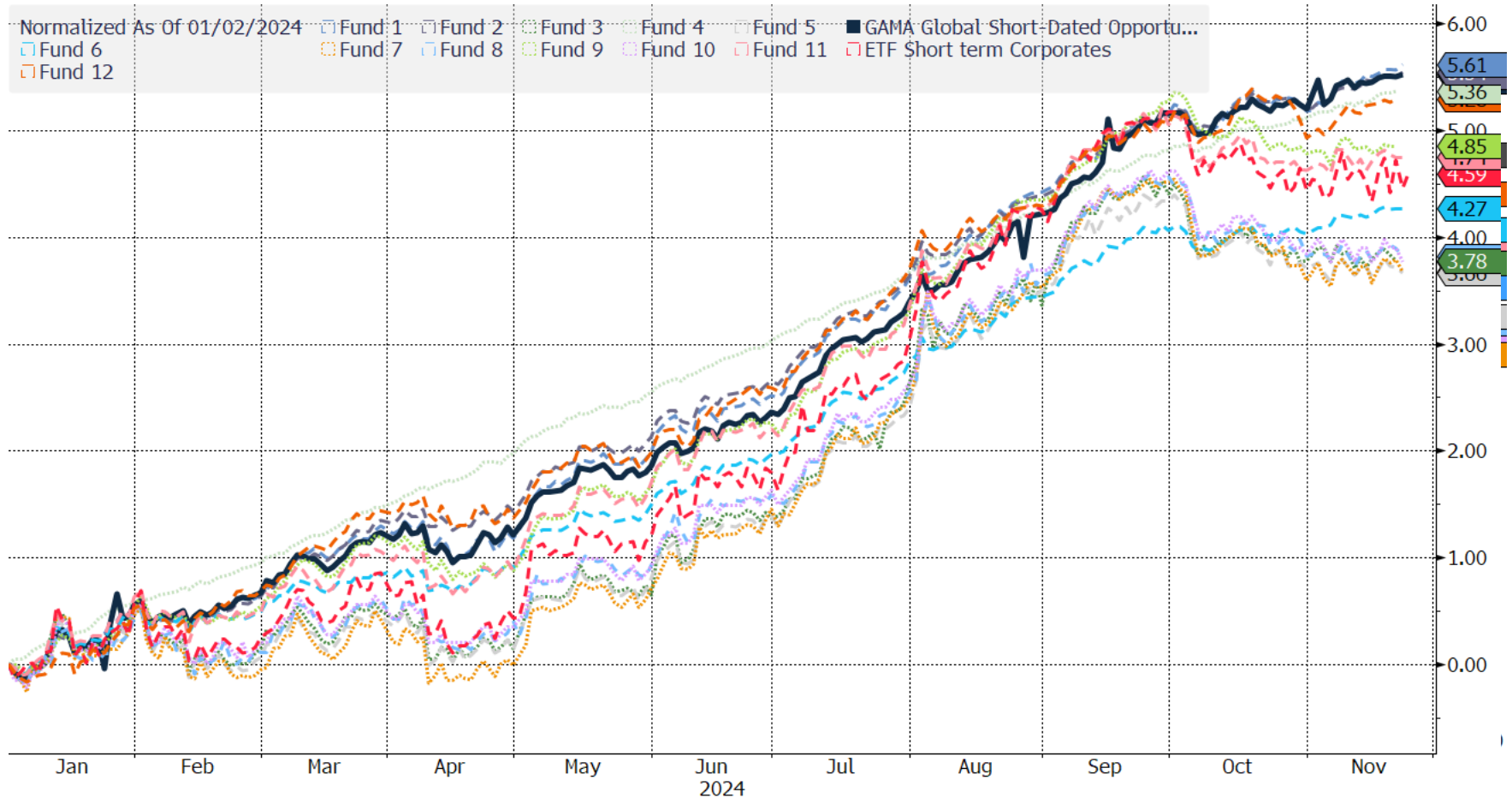


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25-Nov-2024 13:46:47

Source: Bloomberg, GAMA calculations

# Global Short-Dated Opportunities - Peer Group (ST)

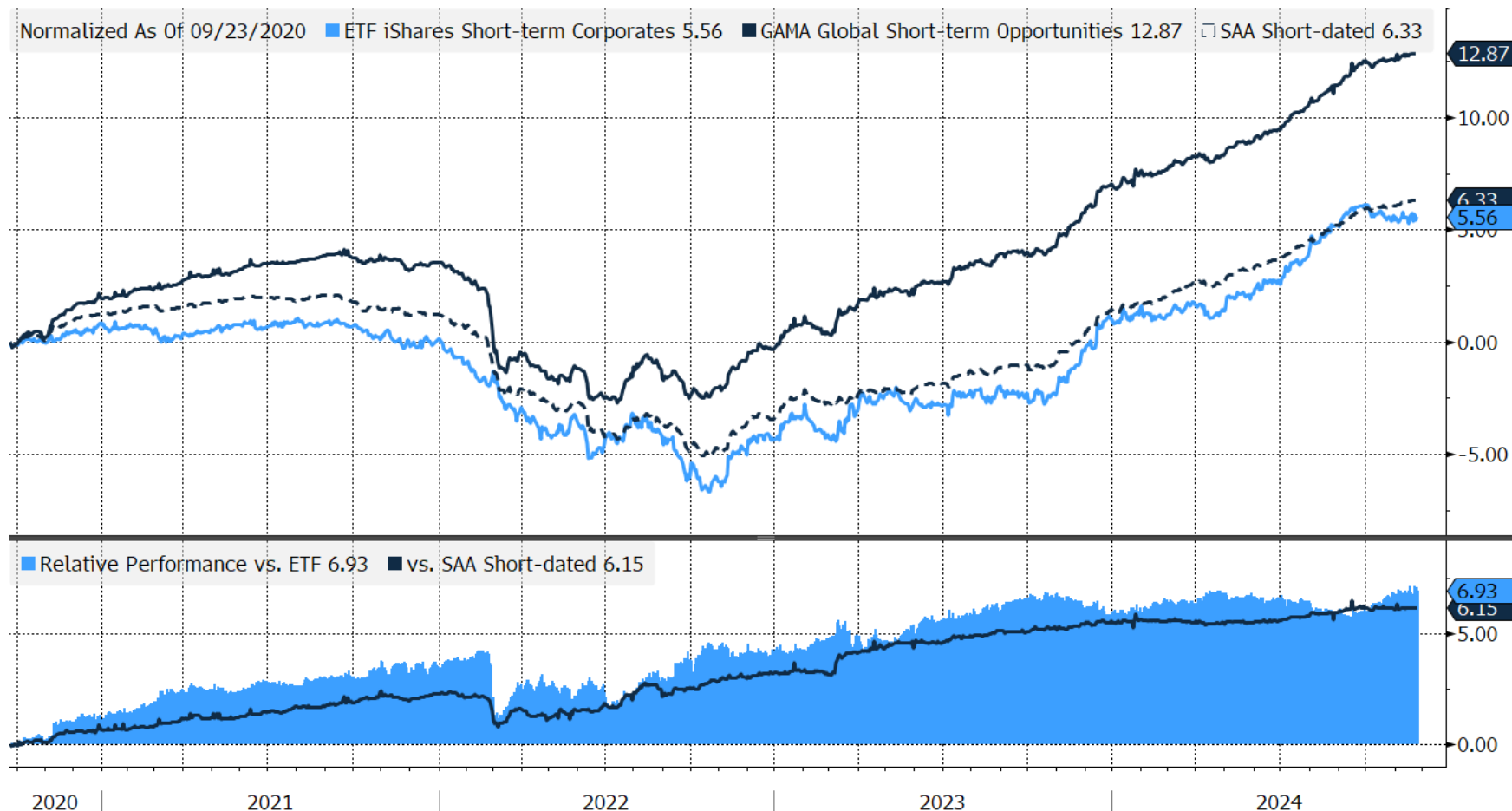


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Source: Bloomberg, GAMA

# GAMA Global Short-Dated Opportunities



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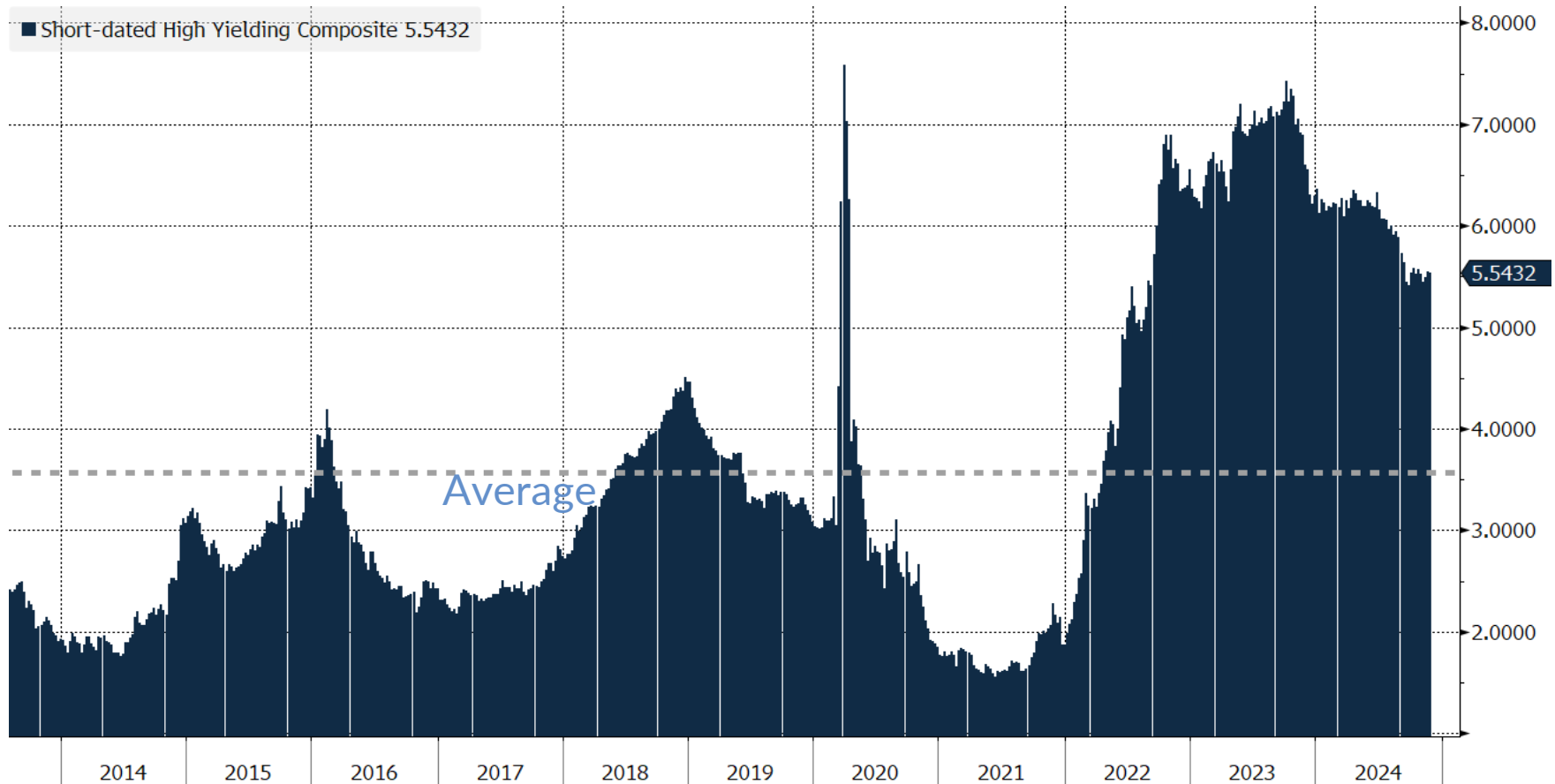
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Source: Bloomberg, GAMA calculations

# Short-Dated Opportunities Offering Attractive Yield



## Short-dated High Yielding composite at its decade's record



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.



# Investment Process



I. Strategy Generation



II. Portfolio Construction



III. Risk Management

# I. Strategy Generation

Fundamental decision-making process enhanced by quantitative models.

Focus on convexity and downside management.

## Fundamental analysis

### Macro

- Growth & inflation expectations
  - Monetary and fiscal policy
- 

### Micro

- Business model
- Financial analysis
- Governance
- Covenants
- Sustainability
- Liquidity



## Quantitative models

### Quantitative signals

- Valuation
- Momentum
- Carry
- Positioning

## II. Portfolio Construction – Four Steps



- ↓ Client's needs

Client's base currency and risk tolerance
- ① Strategic asset allocation

Weighting of a diversified mix of asset classes to meet the client's long-run objectives (annual review)
- ② Tactical asset allocation

Tactical change of strategic weights according to our investment strategy
- ③ Security selection

Selection of the security according to the issuer, structure, currency, maturity, liquidity, etc.
- ④ Dynamic management of portfolio exposures

Adjusting portfolio exposures through derivatives to limit downside risk and exploit short-term opportunities

# 1. Strategic Asset Allocation (SAA)

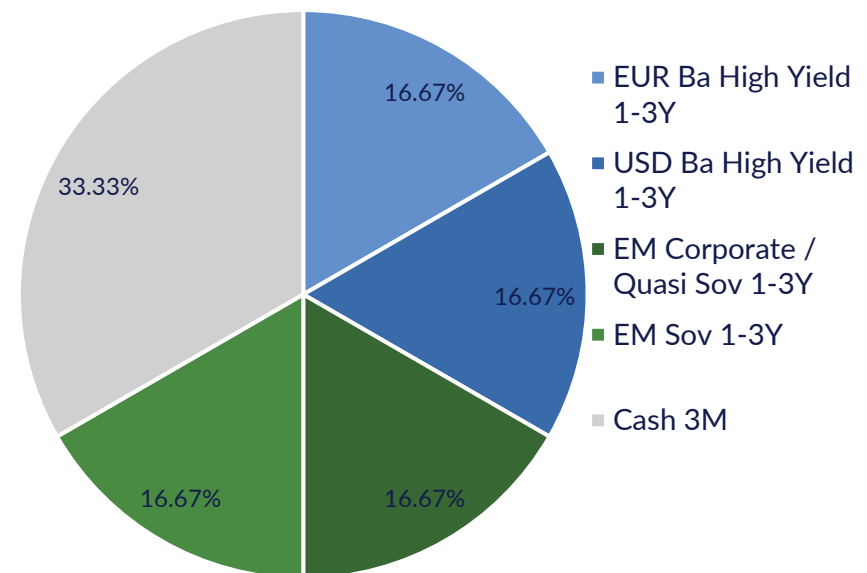


- ✓ The SAA is reviewed once a year except in exceptional circumstances.
- ✓ We use proprietary 10-year forward-looking expected returns for each asset class based on a deep analysis of risk premia
- ✓ We formulate a median case but also analyze alternative scenarios
- ✓ We shock asset class volatility and correlations
- ✓ We compare our capital market assumptions with those of major investors.



Mean-variance optimization using  
3 different scenarios

Illustration: Current SAA  
(Global Short-Dated)\*

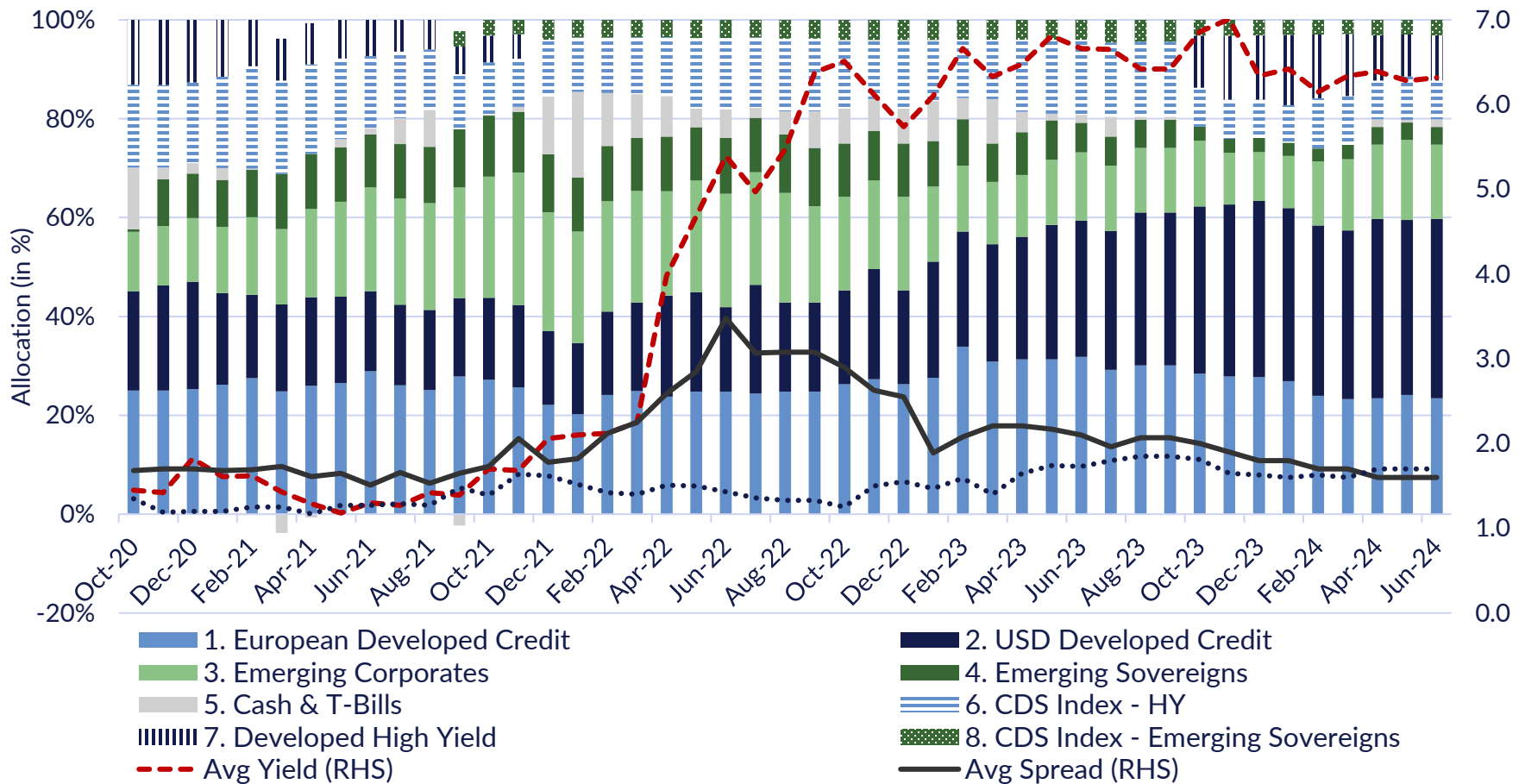


\* Sources: Bloomberg indices, the overall allocation is 2/3 developed credit and 1/3 emerging, on average IG (BBB+ rated) and an average duration of circa 1.5 years.

# 2. Tactical Asset Allocation (TAA)



The allocation is adjusted, based on valuations, fundamental view and top-down scenarios



# 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

## 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...)



## THREE PILLARS OF ESG POLICY AND EXTERNAL CHALLENGE

- ❑ **Exclusion:** restrict the investment in issuers that do not meet minimum fundamental responsibilities or are active in controversial activities.
  - ❑ **Integration:** favor issuers that best address the sustainability risks they face and adapt their business models and strategies to these new challenges.
  - ❑ **Engagement:** encourage the promotion of good corporate behaviors through constructive and open dialogue with the issuers.
- **ESG Board:** We benefit from the support of an independent ESG Board to support us in terms of sustainable finance and ESG positioning.

### Principles for Responsible Investment (PRI)



GAMA is signatory to the Principles for Responsible Investment (PRI\*) since February 2021.



GAMA is member of the Institutional Investor Group on Climate Change since April 2023



GAMA has taken various initiatives as an employer, including the encouragement of eco-mobility, to minimize carbon footprint and transparency



# Exclusion



## Exclusion

Securities issued by corporate entities that are directly or indirectly involved in the production or distribution of biological and chemical weapons, cluster bombs as well as depleted uranium munitions and in companies that violate, in a very severe way, one or more of the ten principles of the Global Compact.

## Exclusion Based On Revenue

### Nuclear Weapons

- Maximum 2% of revenue

### Tobacco

- Maximum 5% of revenue

### Unconventional fossil fuels including shale gas and tar sand

- Maximum 5% of revenue

### Adult entertainment

- Maximum 5% of revenue

### Gambling activities

- Maximum 5% of revenue

## Integration

Based on a bottom-up issuer analysis process which systematically integrates material ESG issues and opportunities.

## Examples of element used for assessment

### Corporates

#### **Environment**

- Water consumption
- Carbon Gas Emission and Footprint
- Toxic Waste
- Exposure to Coal

#### **Social**

- Health and Safety:
- Human Capital Development
- Human Right Compliance

#### **Governance**

- Corporate Governance Practice
- Governance Exposure

### Sovereigns

#### **Environment**

- Natural Resources Risks
- Sovereign Warming Potential
- Energy Security Risk
- Energy Productivity

#### **Social**

- Human Capital Performance
- Income Inequality

#### **Governance**

- Political Stability
- Institutional Strength
- Level Of Corruption

# Engagement



## GAMA's level

Engagement with, mainly, local companies, not covered by ESG rating agencies to discuss ESG issues and promote the improvement of their environmental and social characteristics, especially when a specific issue has been detected. Encourage appropriate disclosure of material information in public reports.

## Collaboration

Given its size and in order to have more influence on the targeted companies, GAMA engages in coordination with other investors. GAMA is member of the Institutional Investor Group on Climate Change since April 2023 and member of the UN PRI since February 2021.

# Monthly ESG Report



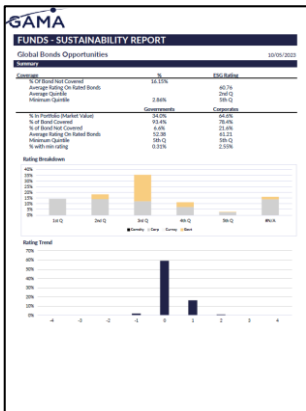
## 15-pages Report

### ESG Grades

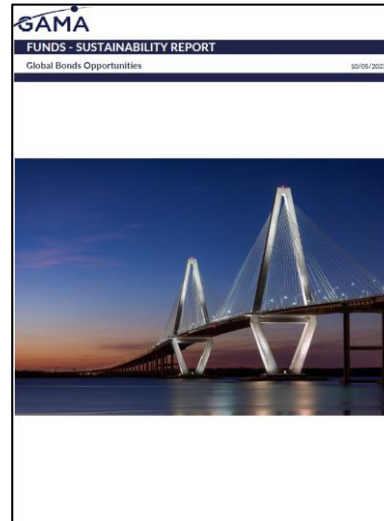
ESG Rating - Best in Class Top 20 Portfolios

Fund	ESG Rating
Global Development Bank	1.196
FXE Ltd	0.876
INCEP Private EC	0.876
Russian Foreign Bond - Eurobond	0.876
Russian Federal Bond - OZ	0.869

### Coverage



### Carbon Intensity



### Business Involvement

ESG Rating - Best in Class Top 20 Portfolios

Company	% of universe	% of portfolio
Aluminum Co of America	0.06	0.03
Aluminum Company of China	0.06	0.03
Aluminum Corp of China	0.06	0.03

### Controversies



### Sustainable Bonds

Top 5 Green Bonds

Green Bond	%
Green Bond	0.05%
Sustainable Bond	0.05%
ESG Bond	0.05%
Other Sustainable Bonds	0.05%
Other	0.05%

# Credit Analysis



## 4-pages Reports with 1 page focusing on Sustainability

**Credit Tear-Sheet**

**STENA AB**

**Credit Risk**

Highly Speculative | Speculative | **Overweight** | High | Medium | Low

**ESG Rating**

LAGGARD | **OVERWEIGHT** | LEADER

5 | 4 | 3 | **2** | 1

**Description**

Stena AB (publ) engages in the ferry operations in Scandinavia, the rest of Europe, and internationally, through Ferry Operations, Offshore Drilling, Shipping, Property, and New Businesses segments. The Ferry engages in the provision of freight services, including freight and truck traffic services; sale of tickets for private cars, package/charter trips, and hotel accommodation; and onboard sales from shops, restaurant. Offshore Drilling segment develops, constructs, and operates drilling rigs and drill ships. Its fleet consists and one fifth-generation drilling rigs, and four sixth-generation drill ships for ultra-deepwater operation vessel. The Shipping segment is involved in the provision of RoRo and Bulk services to RoRo, RoPax, and natural gas (LNG) markets under the Stena RoRo and Stena Bulk names; and management and manning approximately 80 tankers. The Property segment owns and rents residential and commercial properties management services. Its property portfolio consists of approximately 29,700 residential units and commercial. The New Businesses segment offers kitchens, bathroom, and storage products; range of indoor and outdoor chain; automated waste collection systems for households and municipalities; and payment solutions at the company has provided 18 Ferry services; and operated 39 vessels and 5 ports. Stena AB (publ) is headquartered in Gothenburg, Sweden.

**Summary**

Reporting Currency: SEK  
Credit Rating: BB (st)  
ESG quintile: 2/5  
Sector: Diversified  
Group: Holding Companies-Owners  
Sub-Group: Diversified Operations

**Strengths**

- Good liquidity supported by 58 term investments and marketable SEK11.2 billion in availability until September 2022.
- Diversification of businesses.
- Negative Free Cash Flow before SEK 14.2 bn over the last five years.

**Weaknesses**

- Elevated leverage, but has been cyclical businesses.
- Bonds are secured only by part revenue, 60% of EBITDA, 53%.

**Key Ratios**

	FY 2020	FY 2021	FY 2022
Total Leverage	10.7x	7.2x	5.3x
Net Leverage	9.5x	6.5x	4.7x
Interest Coverage Ratio	<1x	1.0x	1.8x

**Key Figures (FY 2022)**

Market Capitalization (SEK BLN)	-
Revenue (SEK BLN)	52.0
EBITDA (SEK BLN)	14.0
Net Leverage (x)	4.7

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**CREDIT SUMMARY - STENA AB** | **SUSTAINABILITY** | 13 October 2023

**Key Scores**

Industry-Adjusted Score	69/100
Weighted Average Score	63
Environmental Score	71
Social Score	78
Governance Score	45

**Controversies**

Worst score (10 is best)

Environment	10.0
Social	6.0
Governance	10.0

Human rights controversies: **10.0**

United Nations Principles

Human Rights Compliance: **Pass**

Global Compact Compliance: **Pass**

**Sustainability Metrics (10 no exposure - 0 most vulnerable)**

E - Water Stress Exposure	7.8
E - Carbon Exposure Score	3.5
E - Product Carbon Footprint	7.4
E - Toxic Emissions & Waste	4.9
S - Health and Safety	7.8
S - Human Capital Development	-
S - Supply Chain Labor Standards	-
G - Corporate Governance score	4.0
G - Governance Exposure	4.5
G - Ethics	8.0

**Sustainability Comment**

Due to its involvement in property management and finance, which accounts for 41% of its assets in FY 2021, Stena has a lower level of exposure to risks associated with potential workplace injuries, as well as the release of toxic gases and waste, compared to industry competitors primarily engaged in marine transport. Stena's efforts to reduce the risk of workplace injuries are in line with those of its peers, and notably include the establishment of specific targets to reduce lost work time across its operations. Nonetheless, in FY 2021, Stena reported a fatality rate of 17.5 per 100,000 employees.

As Stena operates tankers, ferries, and drilling rigs, it faces risks related to toxic emissions and the discharge of harmful substances into water bodies. Its strategies to mitigate these risks are on par with those of its industry peers. By December 2022, approximately 4% of its vessels were powered by methanol, known for its low sulfur oxide (SOx) and nitrogen oxide (NOx) emissions. Furthermore, Stena has initiated efforts to prevent oil spills. The company's actions to address the challenges posed by greenhouse gas (GHG) emission regulations within the shipping industry are in line with its competitors. In addition to methanol-powered vessels, Stena has electrified several of its ships, and it has made design improvements, such as optimizing hulls and propellers, to enhance energy efficiency. Additionally, Stena has established measurable GHG emission reduction targets for its real estate and drilling divisions.

On the corporate governance front, Stena continues to lag behind most global peers. It remains under the complete ownership of the Olsson-Eriksson family, with whom the company engages in recurring related-party transactions. Notably, Stena lacks an audit committee responsible for overseeing these transactions.

**Sector Involvement (% Of Revenue)**

check	% of rev.	check	% of rev.
Adult Entertainment	✓ -	Defense/Weapons	✓ -
Alcohol	✓ -	Gambling	✓ -
Coal	✓ -	Genetic Engineering	✓ -
Civilian Firearms	✓ -	Nuclear Power	✓ -
Contractual Weapon	✓ -	Tobacco	✓ -

**CO2 Emissions Intensity**

**Water Consumption Intensity**

**ESG Rating Evolution**

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**FINANCIALS** | 13 October 2023

	FY 2020	FY 2021	FY 2022	2022 Q2	2023 Q2
32.5	36.7	52.0	13.3	14.0	
-8%	13%	42%	5%	5%	
5.70	9.23	14.01	3.59	3.69	
1.0%	2.5%	2.7%	2.7%	2.0%	
-4.84	0.07	1.84	0.56	0.38	
5.04	5.51	7.40	2.92	4.71	
-5.84	-4.65	-10.31	-3.74	-2.70	
-0.60	-0.33	2.52	1.55	-1.12	
-1.03	-1.40	-1.19	-0.32	2.05	
-	-	-0.04	-0.04	-0.25	
61.2	66.4	74.7	73.6	73.9	
6.9	8.5	8.6	9.1	9.9	
54.2	57.9	66.1	64.5	64.0	
10.7x	7.2x	5.3x	8.5x	4.9x	
9.5x	6.3x	4.7x	7.5x	4.3x	
-0.1x	1.0x	1.8x	0.5x	1.0x	

**Debt Distribution**

Breakdown by region: Scandinavia, Shipping, Reallocation.

**Cashflow**

Operating CF, Financing CF, Investing CF, Coverage Ratio (x).

**SECURITIES** | 13 October 2023

Next Call date	ISIN	Offer price	YTW	Z spread	Rating	Out. amount	Min Price / Sec. 90	Mod. Dur.
31/12/2023	XB211078855	99.79	2.95	56	BB	315MM	100% 1	1.1
31/03/2023	US1407384872	99.00	6.84	148	BB	350MM	100% 1	1.2
31/03/2023	XS201001836	103.25	6.24	291	BB	315MM	100% 1	1.8

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**STENA INTERNATIONAL SA EUR 7.25 2028**

**STENA INTERNATIONAL SA EUR 3.75 2025**

**STENA INTERNATIONAL SA EUR 7.25 2028**

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# Sustainability At GAMA Level



## Training

- We embed ESG into our corporate policies and reporting documents to maintain high standards of transparency, accountability, and governance more broadly.
- We seek to create a work environment where people are judged on their skills. We condemn all forms of discrimination and stereotyping, positive and negative.
- We encourage our employees' commitment to volunteer work and participation in educational programs.
- We strive to minimise the carbon footprint of our activities and to provide good stewardship of the environment
- 100% of investment staff to have an ESG certification

## SFDR Article 8

- All funds are currently under article 8 (Q4 2023)
- External reviewing of our funds



GAMA has taken various initiatives as an employer, including the encouragement of eco-mobility, to minimize carbon footprint and transparency

# ESG Advisory Board



GAMA benefits from the support of an independent ESG Board to support us in terms of sustainable finance and ESG positioning.

The firm can count on the expertise, experience and relevance of 3 members, whose skills in the ESG field are recognized.



**RENÉ SIEBER**  
INDEPENDANT BOARD MEMBER FOR  
GAMA



**DOMINIQUE HABEGGER**  
CHIEF SUSTAINABILITY OFFICER FOR  
DE PURY PICET TURRETTINI



**JEAN LAVILLE**  
PARTNER AT CONSER INVEST



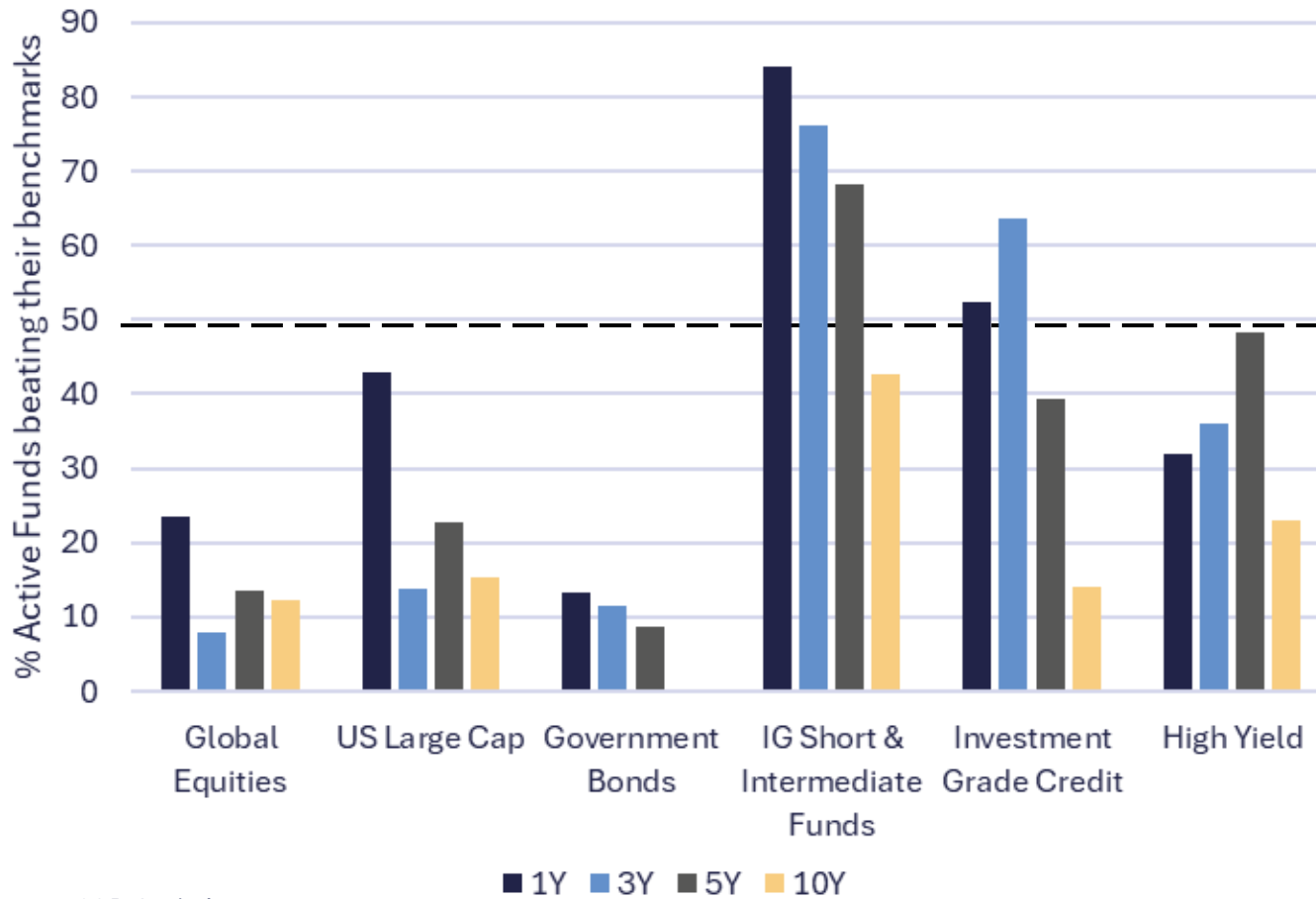
## RISK – 4 PILLARS IN OUR RISK MANAGEMENT

- **Several layers of risk management:** Three different and independent levels of risk monitoring, starting 1) at the portfolio management level, 2) with an independent consultant firm working with 3) our chief risk officer, and monitoring risk through different lenses.
- **Investment constraints:** We limit our risk at the portfolio level (e.g., maximum 1-year expected shortfall of 5%, average rating minimum BBB-), at the country levels and issuer levels (max 1% of fund for a BBB issuer).
- **Fundamental diversification:** we look beyond statistical measures of risk and diversification to fundamental diversification by analyzing sensitivity to various macro factors (e.g. USD, oil, interest rates, geopolitical risk).
- **Multi-scenarios and stress tests:** We calculate expected return under three different scenarios and stress test the portfolio under various assumptions.



# Active Fund Outperformance: Equities and Bonds

## % Outperformance of Funds In Equities and Bonds (1Y, 3Y, 5Y, 10Y)

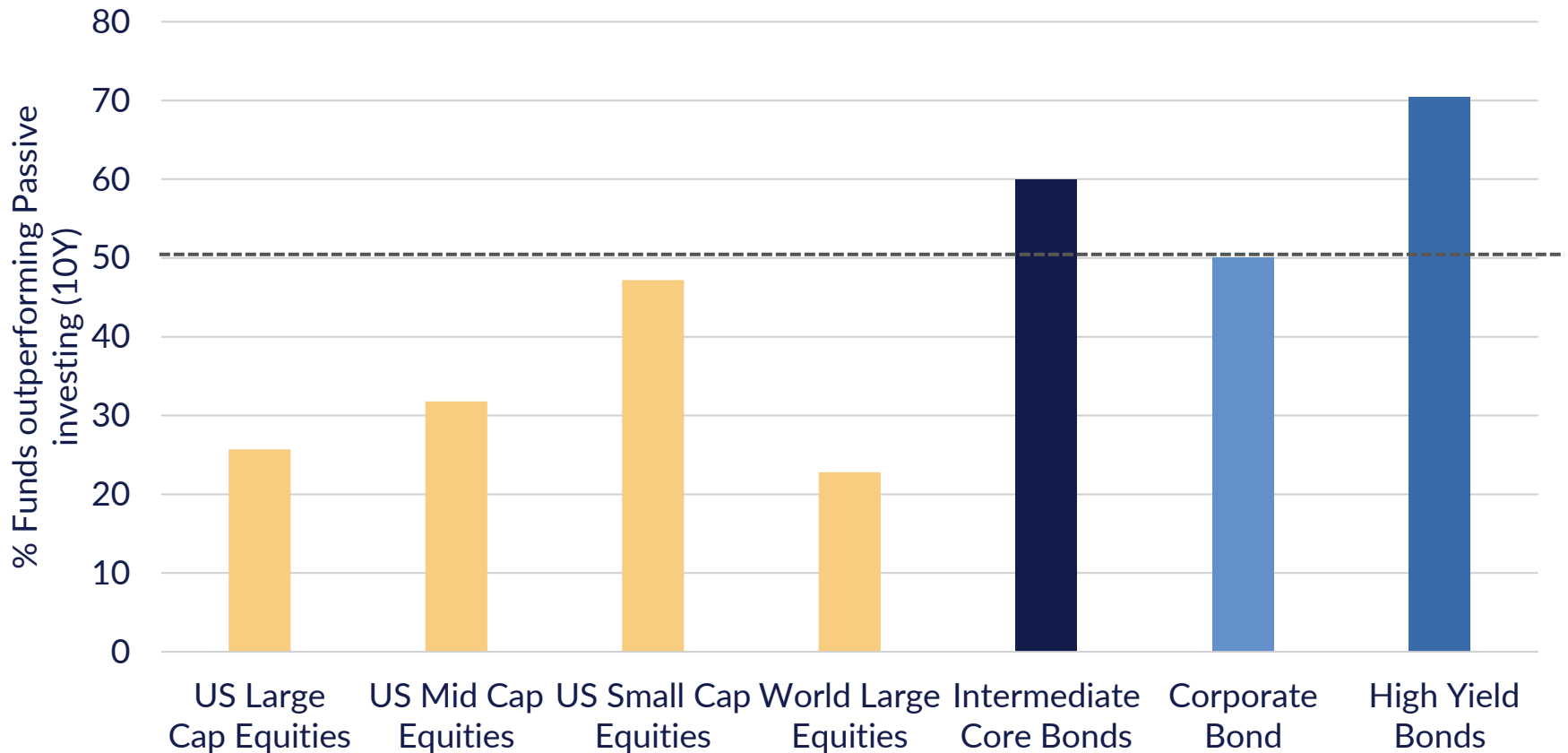


Sources: S&P Capital

# The Case For Active Fixed Income Management



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



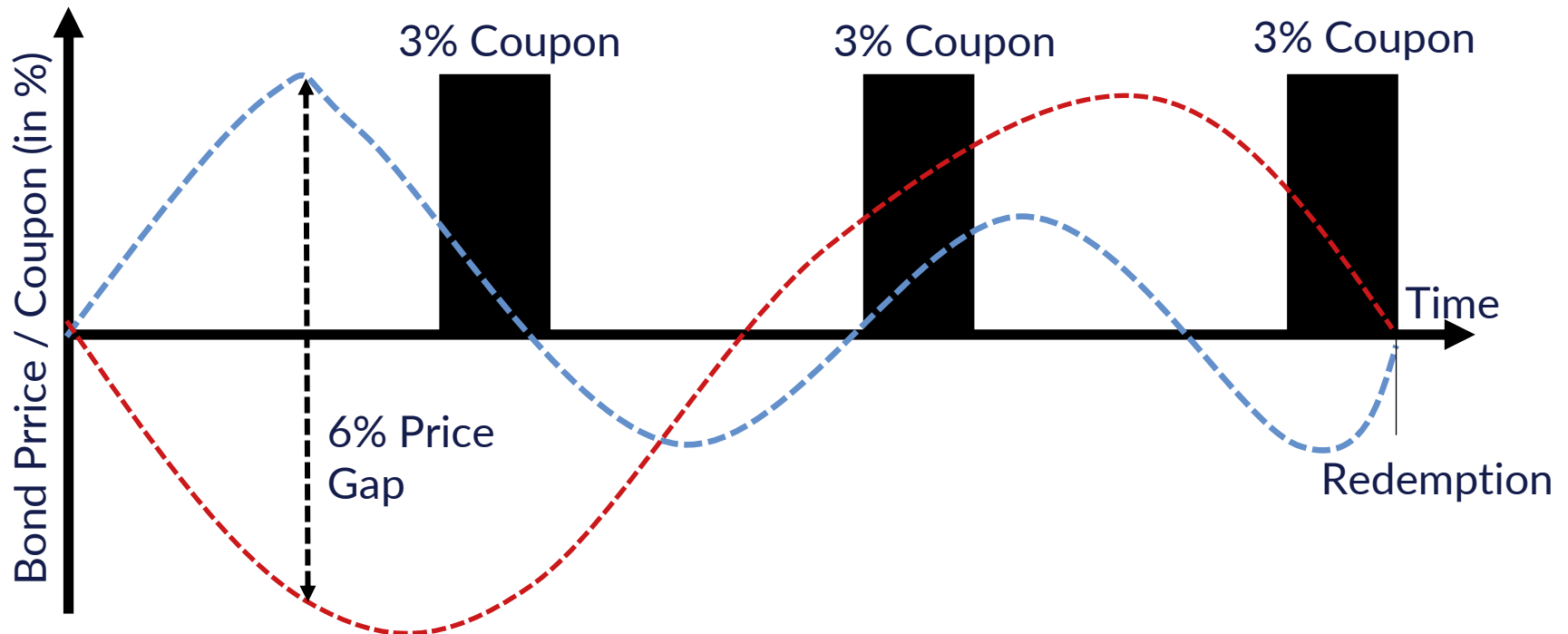
Source: Morningstar, Data and calculations as of 31.12.2022, focusing on funds in the low fee quintile that beat their benchmarks.

# 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



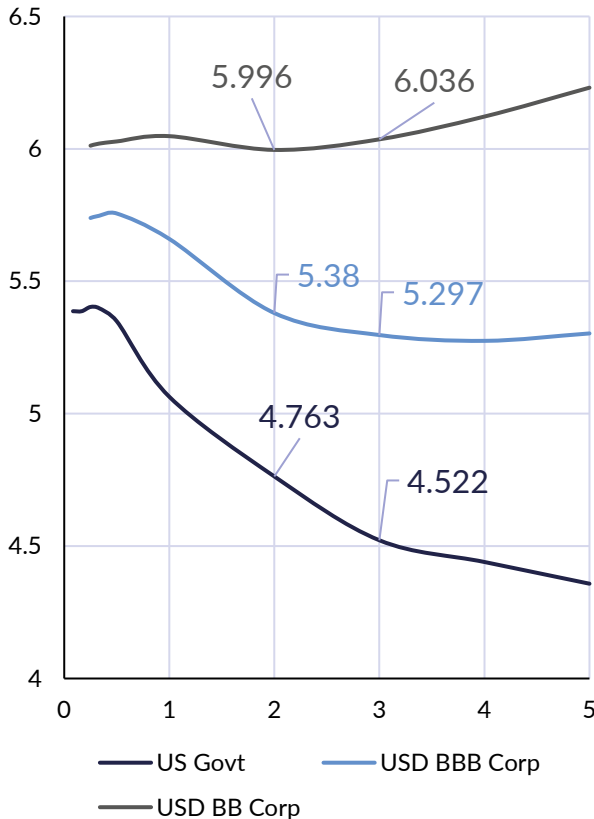
Source: \*Passive strategy would invest 50% in each bonds assuming the same weight in the index, \*\*bad luck or bad skills strategy would invest 100% in the Corporate B; \*\*\*good luck or skills strategy would invest 100% in Corporate A and switch into company B to capture a capital gain and beat passive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

# Government Curves Are Challenging



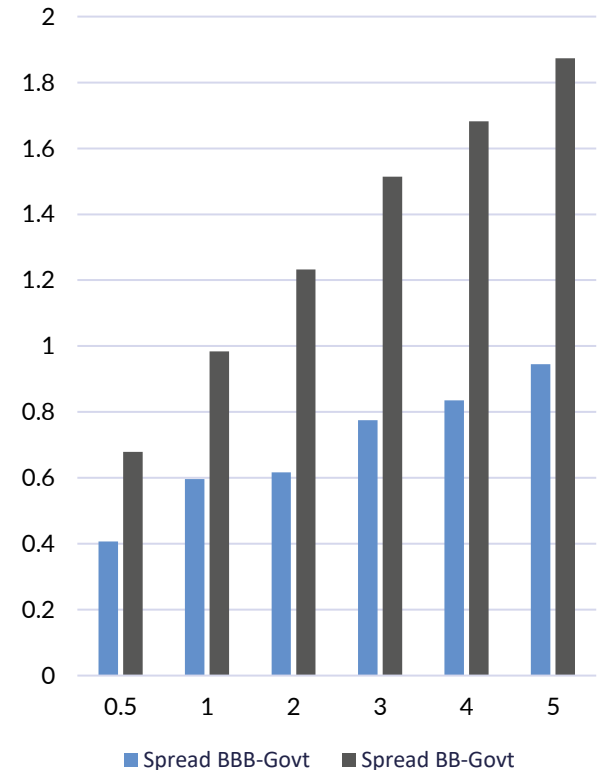
But credit curves offer some steepness

USD Curves



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

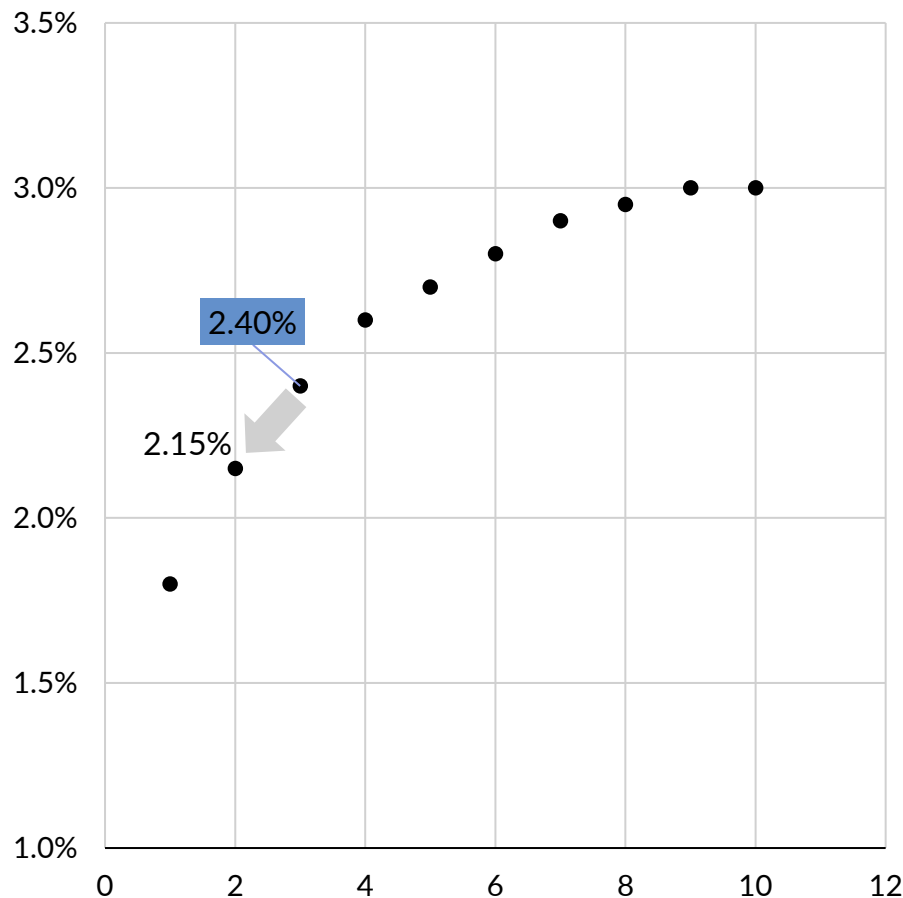
- Govt: 3.92% (3.92%\*)
- BBB: 5.09% (4.80%\*)
- BB: 6.14% (4.95%\*)



\*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

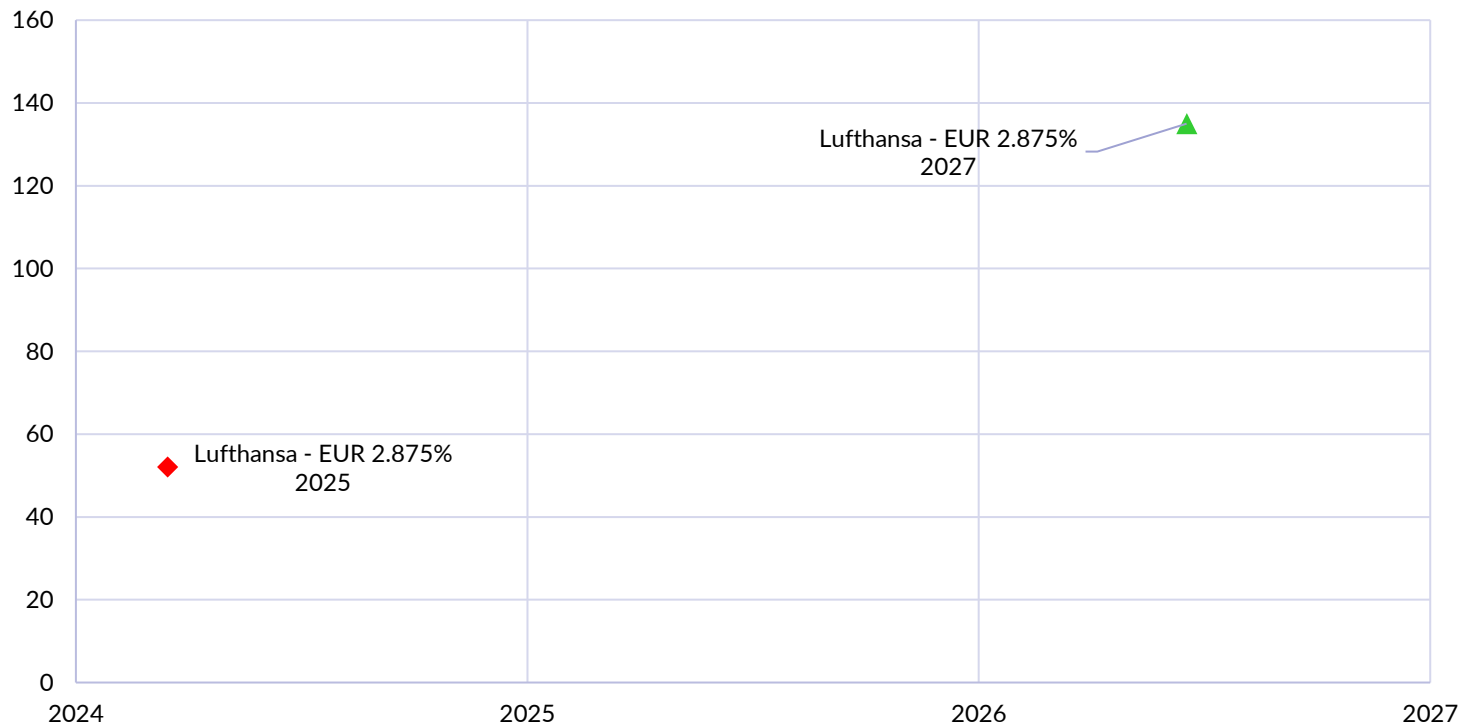
# Maturity Extension



## Example with Lufthansa done this past year

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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



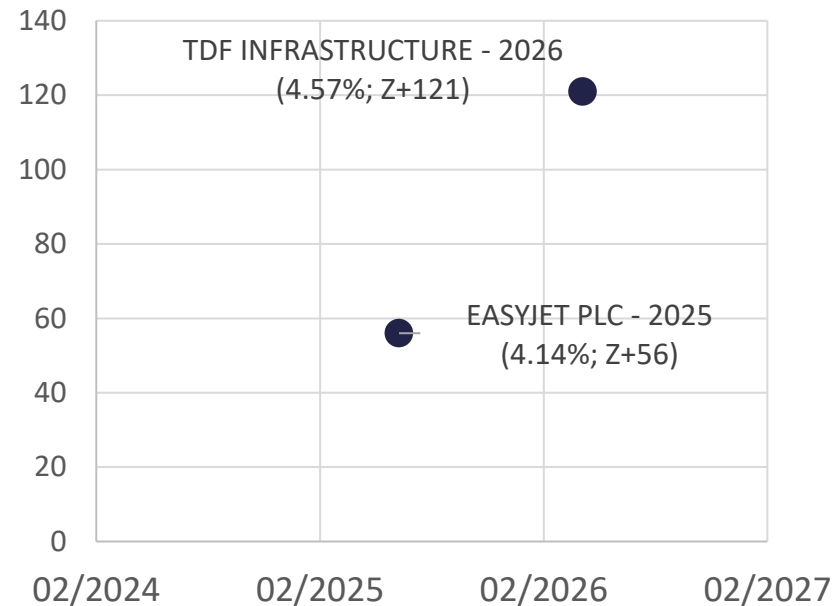
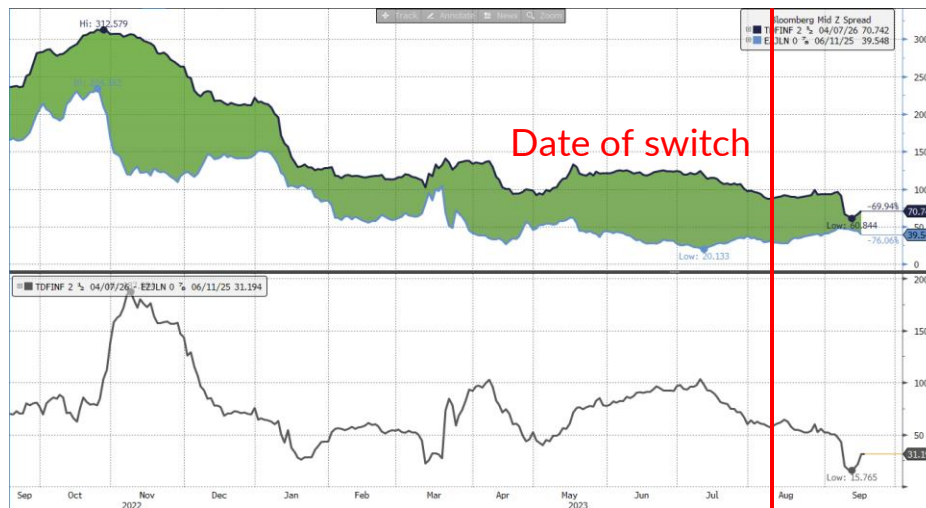
# Relative Value



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



# What Makes GAMA Funds Different



## GAMA Asset Management:

- ✓ Independent investment firm focused on unconstrained global strategies
- ✓ Highly experienced and successful investment managers
- ✓ Rigorous investment process combining fundamental analysis with robust quantitative signals

## The GAMA Funds and dedicated mandates:

- 🌀 Global unconstrained active strategies with a proven track record
- 🌀 Better risk/return profile than corresponding market indices

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