



For Swiss qualified investors only

## UBAM (CH) - GOLD +

### Actively-managed gold exposure with daily liquidity

UBAM (CH) - Gold + is an actively-managed gold fund that seeks to outperform gold, as measured by the London Gold Fixing PM (GoldInpm Index) with risk that is similar to or lower than that of the benchmark. The fund seeks to participate in the upside potential of gold while minimising volatility and downside risk.

#### Key points

- ◆ *Gold has a very important role to play in investment portfolios, both as a diversifier and as ultimate protection in times of major crisis*
- ◆ *Future price action is likely to be volatile, increasing the need for active management*
- ◆ *The fund offers daily liquidity and is benchmarked against the London Gold Fixing PM benchmark*
- ◆ *Investment constraints limit the risk exposure to individual strategies as well as the portfolio's overall risk relative to gold*

#### Investment case

Gold has a major role to play in investment portfolios. It is not only a good way of diversifying portfolio risk, but it also remains the ultimate store of value. Gold is a multi-faceted underlying, and its price can be influenced by different drivers. On the fundamental side, macroeconomics, geopolitics, physical supply and demand are important factors to monitor but it is also worth considering the investment flows trend, the technical side and derivatives features as they can significantly impact the yellow metal's price. Those factors are likely to make gold prices volatile and active management contributes to controlling volatility and provides access to well diversified performance drivers.

#### Fund concept

Traditional methods of investing in gold have disadvantages. There are costs associated with storing physical gold, passive funds do not generate additional returns and gold mining equities react to external factors unrelated to the price of gold itself. UBAM (CH) - Gold + combines the security of physical gold with the return potential of alpha strategies. These strategies include directional, carry and volatility trades.

#### Gold price, past 10 years (USD/oz.)



Sources: Datastream, Bloomberg as at 28.02.2019  
Past performance is not indicative of future results



## Investment process

- ◆ Benchmark replication – maintain 100% gold exposure of which a minimum of 85% held in physical gold
- ◆ Dynamic strategies – directional (dynamic exposure to gold) and non-directional (carry, volatility and currency diversification) through highly liquid instruments
- ◆ Strict risk control performed by the portfolio management team and by UBP's independent risk-management team

## Investment guidelines

- ◆ Physical gold securely vaulted in Switzerland
- ◆ Independent risk budget per strategy designed to cap relative underperformance at 200 bps monthly
- ◆ Gold exposure between 70% and 130% of assets under management

## Investment team

- ◆ Highly experienced investment professionals
- ◆ Complementary skills in quantitative and qualitative analysis

## Dynamic strategies

### Benchmark replication

- 100% gold exposure established as
- ▶ 85% physical gold (minimum)
  - ▶ 15% gold futures
  - ▶ No other precious metal

Physical gold stored in Switzerland

- ▶ Safe jurisdiction

### Directional, Carry and Volatility strategies

- Thematic play
- ▶ On gold exposure
  - ▶ On currency diversification
  - ▶ On implied volatility
- Long/Short exposure
- ▶ Max limit  $\pm$  30%

- Option strategies
- ▶ Outright call or put
  - ▶ Calendar spread
  - ▶ Term structure arbitrage

- Technical analysis
- ▶ Proprietary quantitative decision tools

### Risk management

- An independent risk budget per strategy
- Risk budgets designed to cap underperformance versus benchmark at
- ▶ 200 bps monthly
  - ▶ 600 bps over a rolling 12-month period
- Risk limits and budget monitoring
- ▶ By team, via proprietary system "VolArt"
  - ▶ By UBP Risk Management

## Main risks

With lower risk, With higher risk,  
potentially lower rewards potentially higher rewards

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SRRI relates to the ID USD share class CH0117983624 as of 31.01.2019. This indicator represents the annual historical volatility of the fund.

Risk category reflects level of risk and return profile: 1 lowest; 2 low; 3 limited; 4 average/moderate; 5 high; 6 very high; 7 highest risk.

Historical data such as that used to calculate the synthetic indicator cannot be considered as a reliable indication of the fund's future risk profile. The risk category associated with the fund is not guaranteed and may change over time.

## General information

Fund name	UBAM (CH)
Sub-fund name	UBAM (CH) - Gold +
Legal form of the fund	Swiss contractual fund
Category	Other fund for traditional investments
Launch date	22 October 2010
Bid/offer price	NAV
Minimum Investment	1 share
Currency	USD (EUR/CHF/SGD)
Subscription/redemption	Daily
Management fee	A: 1.5%; I: 1.0%

Performance fee	20% above benchmark, paid quarterly
Benchmark	London Gold Fixing PM (GoldInpm Index)
Management company	Gérifonds SA, Lausanne
Investment manager	Union Bancaire Privée, UBP SA, Geneva
Custodian	Banque Cantonale Vaudoise, Lausanne
Auditor	PricewaterhouseCoopers (SA), Pully
Distributor	Union Bancaire Privée, UBP SA, Geneva
Country where distribution is authorised	CH, SG
ISIN	AD USD: CH0117983558; ID USD: CH0117983624

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