

## AMC ON A DIVERSIFIED HEDGE FUND PORTFOLIO USD

PRODUCT REPORT - 31 MARCH 2025

### TERMS

Advisor	JB Investment Management (Zurich)
Issuer	BJB Guernsey
Calculation Agent	Julius Baer Zurich
Valor/ISIN	115064730/CH1150647308
Issue Date	02.03.2022
Maturity Date	open-end
Administration Fee	0.60%
Advisory Fee	0.70%
Performance Fee	n/a
FX Hedging	n/a

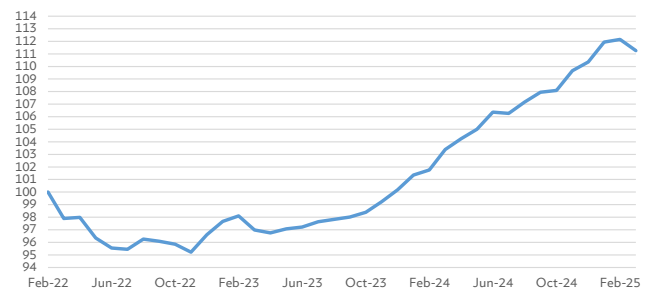
### KEY FACTS & FIGURES

Currency	USD
Denomination	100'000
NAV (31.03.2025)	111'250
Outstanding Units	177
Net Asset Value	19'691'335
Components	12

### PERFORMANCE FIGURES

Since launch	11.25%
Year to date	0.81%
1 month	-0.80%
3 months	0.81%
1 year	7.61%
12 month high	112'151.48
12 month low	104'251.55
All-time high	112'151
All-time low	95'219
Max draw-down	-4.78%

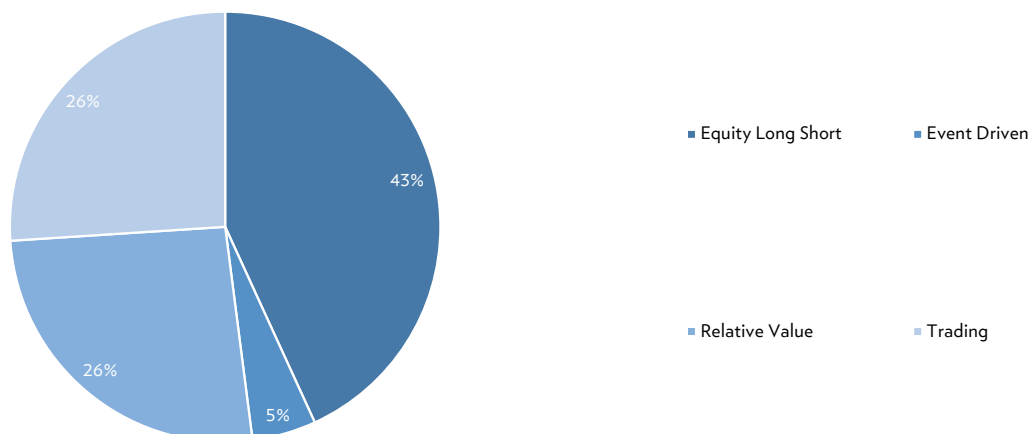
### PERFORMANCE CHART



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
<b>2025</b>	1.4%	0.2%	-0.8%										<b>0.8%</b>
<b>2024</b>	1.2%	0.4%	1.6%	0.7%	0.8%	1.3%	-0.1%	0.9%	0.7%	0.1%	1.5%	0.6%	<b>10.2%</b>
<b>2023</b>	1.1%	0.5%	-1.2%	-0.3%	0.3%	0.2%	0.4%	0.2%	0.2%	0.4%	0.9%	1.0%	<b>3.7%</b>
<b>2022</b>			-2.1%	0.1%	-1.7%	-0.8%	-0.1%	0.9%	-0.2%	-0.2%	-0.7%	1.5%	<b>-3.4%</b>

Source: Respective managers, Julius Baer, Bloomberg Finance L.P.

### STRATEGIC ALLOCATION



## MANAGER COMMENTARY

## Summary:

- The AMC **posted a net loss of -0.8% in March**, still offering good downside protection from the equity market sell-off (the MSCI World equity index fell 4.5%) and outperforming the industry reference index (HFRI Fund Weighted, -1.2%). The AMC is **up +0.8% net year to date**.
- Diversification paid off** as the portfolio's components exhibited a wide **dispersion of returns** throughout the month, with losses led by equity long/short strategies that were impacted by severe factor rotations out of higher beta, higher growth and higher momentum stocks.
- There were no changes to the portfolio in March. The asset allocation maintains its **bias towards trading and relative value strategies** to capitalise on the expected volatility, dispersion, and trading opportunities in the current geopolitical environment.

## Key developments last month:

**Tariffs continued to be at the forefront of investors' minds in March**, with US President Trump's announcements negatively impacting sentiment. **The S&P 500 fell 5.8%**, while the Nasdaq Composite dropped more than 8%. **European markets outperformed the US** again, although ultimately ended the month in the red. In Asia, Chinese equities were broadly flat and Japanese stocks fell, while Hong Kong's Hang Seng Index ended slightly in the green. **The European Central Bank and the Swiss National Bank both cut interest rates by a further 25 basis points, while the other major central banks, including the Fed, left rates on hold.** The 10-year US Treasury yield spiked to 4.4%, before retreating and ending the month at 4.2%. With the noise from the White House showing no signs of calming, gold climbed throughout the month to a new all-time high, as investors sought safety and central bank purchases remained strong. Despite the broadening risk-off environment, the US dollar index lost over 3% in March.

March was another volatile month which hedge funds ended generally in negative territory with **the HFRI Fund Weighted index declining by approximately 1.2%**, and discretionary macro trading being the only strategy to close the month with a mildly positive return. In the first two weeks of March, equity markets continued to experience the factor rotations that started around mid-February, resulting in a sell-off of higher beta, higher growth and higher momentum stocks. These rotations had a significant impact, mostly on fundamental equity long/short strategies, especially with exposure biased to the above-mentioned factors.

Against this backdrop, **the AMC posted a net loss of -0.8%**, still offering good downside protection from the equity market sell-off (the MSCI World equity index fell 4.5%), outperforming the industry reference index (HFRI Fund Weighted, -1.2%) and resulting in **year-to-date performance of +0.8% net**. Diversification paid off as the portfolio's components exhibited a wide dispersion of returns throughout the month. Equity long/short strategies led losses, followed by trading strategies. These downward moves were partially offset by the gains generated by relative value and, to a lesser extent, event driven components of the portfolio.

**Equity long/short strategies were the main detractor, accounting for a -81bps loss for the AMC.** Three out of five managers were impacted by the above-mentioned market movements. North Rock (-2.8% net), despite its market neutral stance and embedded sector diversification, was mostly affected by its exposure to the US, particularly in technology and healthcare. It was a similar scenario for Schroder GAIA Contour (-3.6% net), TMT specialist, with gains from the short book only partially offsetting the significant impact of the sell-off on long positions. Eleva (-3.4% net), which is focused on European markets, entered the month with a net market exposure of 28%, and suffered in March from momentum weakness in consumer cyclicals, healthcare and industrials on the long side, that was exacerbated by a lack of direct pure play defence exposure. FengHe Asia and Covalis remained in positive territory as their markets, Asia and utilities/infrastructure respectively, were less impacted by the sell-off of specific factors.

**Trading strategies also contributed negatively, detracting 12bps from the AMC's return.** Iguazu (-1.3% net) was impacted by declines in the local markets, while within the Stenham basket (-0.5% net), losses came mostly from long USD positions in Pharo Gaia and Brevan Howard Master.

**Relative value strategies were the main positive contributor in March, generating 23bps gross performance for the AMC**, with all three managers making gains. The biggest contributor for the month was Two Sigma (+1.1% net), as its quantitative market neutral strategies benefitted from the market situation, being more immune to factor rotations than fundamental equity long/short approaches. Lazard Rathmore Alternative (+0.9% net), a convertible bond arbitrage specialist, gained mostly from its convertible positions in Dynavax and GameStop, which added to the contribution from the portfolio-level credit hedge as credit spreads widened across the board. Obsidian (+0.5% net), a fixed income relative value specialist, was able to continue to capitalise on relative value opportunities in mortgage-backed securities, especially in mortgage basis trading.

**Event-driven was slightly positive** as Tiedemann made money on several transactions in its merger arbitrage book.

## What actions did we take?

There were no changes to the portfolio in March.

## How are we positioned for the future?

Given the current market conditions and geopolitical uncertainty, the AMC is **tactically positioned to navigate the far-reaching implications of rapidly changing policies**. While we anticipate a surge in M&A activity in the mid to long term, and more favourable business policies under the new US administration, we also anticipate prolonged economic stagnation in the coming months and continued inflationary pressure as a result of sharply higher tariffs. We therefore maintain a preference for equity strategies with low net market exposure, combined with relative value (including opportunistic merger arbitrage) and trading/macro approaches across asset classes.

The AMC's allocation was stable at the end of March, with 42% in equity long/short, 26% in trading, 26% in relative value and 5% in event driven strategies. The **two largest positions** remain Stenham Macro Focus Alpha (15.5%) and North Rock (12.6%), two multi-manager products in their respective fields of global macro and equity long/short (with low net market exposure).

## PORTFOLIO COMPOSITION

NAME	STRATEGY	CURRENCY	1M PERF.	1M ATTR.	VALUE USD	WEIGHT
North Rock	Equity Long Short	USD	-2.87%	-0.36%	2'434'959	12.4%
Eleva UCITS Fund - Eleva Absolute Return Europe	Equity Long Short	USD	-3.36%	-0.22%	1'251'474	6.4%
Schroder GAIA Contour Tech Equity	Equity Long Short	USD	-3.62%	-0.29%	1'539'951	7.8%
FengHe Asia Fund	Equity Long Short	USD	0.59%	0.05%	1'552'655	7.9%
Covalis Capital Enhanced	Equity Long Short	USD	0.11%	0.01%	1'480'937	7.5%
Amundi Tiedemann Arbitrage	Event Driven	USD	0.49%	0.02%	937'244	4.8%
Lazard Rathmore Alternative	Relative Value	USD	0.86%	0.04%	975'794	5.0%
Two Sigma Absolute Return Enhanced	Relative Value	USD	1.02%	0.11%	2'144'162	10.9%
Obsidian Relative Value Strategy	Relative Value	USD	0.64%	0.06%	2'003'155	10.2%
Stenham Investment Funds - Macro Focus Alpha	Trading	USD	-0.45%	-0.07%	3'066'728	15.6%
Iguazu Investors	Trading	USD	-1.27%	-0.06%	938'645	4.8%
Wellington Macro Strategies Fund	Trading	USD	0.30%	0.02%	1'032'502	5.2%
<b>COMPONENTS</b>		<b>USD</b>		<b>-0.69%</b>	<b>19'358'206</b>	<b>98.3%</b>
<b>CASH (incl. Accrued Fees and Transaction Cost)</b>		<b>USD</b>		<b>-0.11%</b>	<b>333'129</b>	<b>1.7%</b>
<b>NET ASSET VALUE</b>		<b>USD</b>		<b>-0.80%</b>	<b>19'691'335</b>	<b>100.0%</b>

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