

Portfolio Strategy

The fund seeks capital growth through active trading of futures, forwards, options and swaps across Energy, Precious Metals, Industrial Metals, Grains, Softs and Livestock. The benchmark is the Bloomberg Commodity Index Total Return (BCOMTR); currency-hedged share classes (e.g., CHF HI) are available. Minimum recommended holding period is approximately five years.

Key Features

| | |
|----------------------|--------------------------------|
| Asset Manager | Vontobel Asset Management S.A. |
| Net Assets Value | 632 (Mio US Dollar) |
| Inception Date | 16.02.2009 |
| UCITS | Yes |
| Base Currency | US Dollar |
| Liquidity | Daily |
| Share Class* | Swiss Franc Acc |
| Management Fees* (%) | 0.75% |
| Performance Fees | No |
| CH Registered | Yes |

Portfolio Style

| | | |
|----------------------|------------|------------|
| Investment Process | Judgmental | Systematic |
| Allocation | Strategic | Dynamic |
| Alpha Driver | Bottom-Up | Top-Down |
| Currency Exposure | Hedged | Non-Hedged |
| Risk Profile | Low | High |
| Investment Rationale | Core | Satellite |

Investment Rationale

The fund offers active commodity exposure with experienced curve and relative-value management, targeting supply shocks, roll yield and tactical sector opportunities. Best suited as a satellite allocation or inflation-hedge sleeve for clients with higher risk tolerance seeking diversification away from equity/bond beta.

Investment Philosophy

The investment process is built on five pillars:

- **Universe & filtering:** Global futures/forwards across all commodity sectors, screened for liquidity, tradability and term-structure characteristics (contango/backwardation).
- **Research & signals:** Bottom-up fundamental analysis (supply/demand, inventories, seasonal flows) combined with quantitative indicators (curve metrics, roll yield, positioning).
- **Valuation & trade selection:** Futures-curve analysis, implied convenience yields and marginal cost assessments; option-implied volatilities guide hedging. Trades sized on carry or structural premium.
- **Portfolio construction:** Diversified sector exposure with tactical overweights/underweights; target tracking error ~5%. VaR, stress tests, counterparty and liquidity limits are applied.
- **Implementation:** Primary instruments are derivatives (futures, forwards, swaps, options). Long-dated exposures, covered calls and currency hedging are permitted for relevant share classes.

Fund Management Team

The team is led by Kerstin Hottner and combines fundamental and quantitative approaches. It is supported by trading, risk, operations and distribution resources across six offices. Decision-making is discretionary within prospectus limits. The fund has been live since 2009, with risk statistics of tracking error ~5.0%, volatility ~11.6% and Sharpe ratio ~0.76.

Strengths

Active curve & relative-value expertise: Experienced commodity specialists capturing supply shocks and roll returns through long-dated and tactical trades.

Demonstrated outperformance: Multi-year positive alpha across 3- and 5-year horizons with explicit risk metrics (tracking error and volatility within stated targets).

Robust research framework: Blend of fundamental and quantitative research supported by trading, risk and distribution teams across six global offices.

Investor flexibility: Currency-hedged share-class options and UCITS governance provide regulatory rigour and broader investor eligibility relative to less-regulated commodity vehicles.

Weaknesses

The strategy is heavily reliant on Kerstin Hottner; her departure would represent a material sell trigger. **Liquidity/capacity:** Growing AUM may impair execution in less liquid segments (softs, livestock), compressing alpha. **Execution risk:** The fund has historically shown sensitivity to poorly-timed crude/gas positioning.

Structural: A rapid normalisation of supply disruptions (e.g., geopolitical resolution, reopening of supply corridors) could erode the core risk premia the strategy targets.

| | 1M | YTD | 2025 | 2024 | 2023 | 3Y (Ann.) | 5Y (Ann.) | Sharpe Ratio 3Y | Volatility 3Y | Max Drawdown 3Y |
|-------|------|-------|-------|------|--------|-----------|-----------|-----------------|---------------|-----------------|
| Fund | 4.14 | 24.38 | 14.21 | 3.52 | -9.30 | 11.37 | 8.77 | 0.77 | 14.89 | -12.00 |
| Index | 3.74 | 28.13 | 11.08 | 1.26 | -11.89 | 11.09 | 9.44 | 0.84 | 12.53 | -11.00 |