

Comment November 2024

A correction in gold prices had been anticipated for some time. However, we view the recent weakness in gold prices as temporary. Gold is one of the few "Trump trades" that did not respond positively to the U.S. election results. The correction in silver prices in November was even more pronounced. We believe the declines in precious metal stocks are exaggerated, as current levels are comparable to those in August when gold prices were significantly lower. Increased volatility in this sector has had a significant impact on the portfolio. Every message, whether positive or negative, had a major effect on the stock prices, which can be attributed to a lack of market liquidity. Currently, no clear trends are emerging, so we have made only minor adjustments to the portfolio.

The third-quarter reporting season was completed in November. Barrick Gold's net income for Q3 came in slightly below analysts' expectations. Its EBITDA of \$1.77 billion fell short of forecasts, while free cash flow of \$444 million exceeded projections. Although costs remained stable, the company has yet to indicate that all challenges have been resolved. It is expected that optimization measures will begin to bear fruit only during 2025.

For smaller companies, quarterly results were generally positive. This was also true for several positions in our portfolio, although their performance was partially offset by the negative market environment.

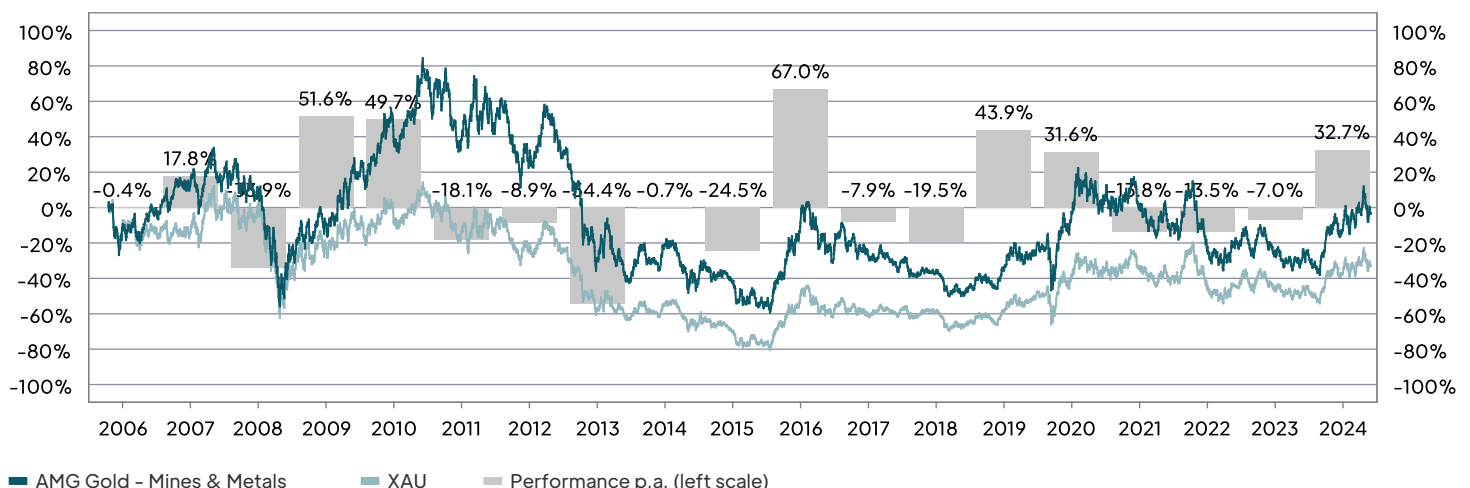
Some investors may wonder how the sector will perform in 2025. Whether Trump will act as a "peace apostle" remains to be seen. From a macroeconomic perspective, global sovereign debt will likely continue to rise sharply in the coming years, effectively leading to a devaluation of paper currencies. Gold is expected to benefit from this trend. Moreover, Trump's proposed trade tariffs are inflationary and are certainly not to be classified as peaceful measures.

The sector will gain importance as its relative performance compared to other industries becomes more evident. We continue to believe that a stagflationary environment would be highly favorable for precious metals and precious metal stocks.

Top 10 positions

Agnico Eagle Mines	9.2%
Newmont Mining	7.6%
Barrick Gold	6.2%
Kinross Gold	6.2%
Anglogold Ashanti	4.9%
Pan American Silver	4.9%
Wheaton	4.7%
Gold Fields	4.2%
Northern Star Resources	3.8%
B2Gold	3.5%

Performance since launch Tranche A



Key figures as of 29 November 2024

Net Asset Value Tranche A	CHF 116.48
Number of shares	124'934
Total Net Asset Value	CHF 105.9m

Performance Tranche A

Duration	Fund	XAU
1 month	-5.4%	-4.9%
3 months	2.3%	1.5%
12 months	29.0%	22.9%
3 years p.a.	1.4%	3.2%
5 years p.a.	5.5%	6.8%
since inception (18.04.2006) p.a.	-0.2%	-2.1%
Year	Fund	XAU
2024	32.7%	25.3%
2023	-7.0%	-5.4%
2022	-13.5%	-7.3%
2021	-13.8%	-5.3%
2020	31.6%	23.1%
since inception (18.04.2006)	-2.9%	-32.8%

Risk ratios (rolling over the last 3 years)

Volatility (p.a.)	33.1%
Sharpe ratio (0.81% Risk free rate)	0.02
Beta (vs. XAU)	1.04

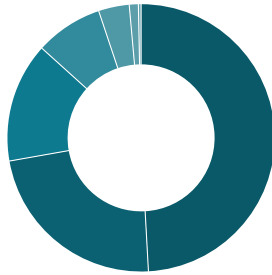
Exposure

Longposition	99.7%
Cash	0.3%

Top-3 / Poor-3 performers in November 2024

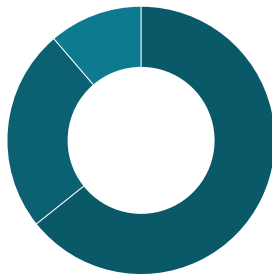
Company	Perf.
OceanaGold	11.9%
Equinox Gold	2.0%
New Gold	1.8%
Bellevue Gold Reg.	-21.2%
First Majestic Silver	-17.1%
New Found Gold	-16.5%

Breakdown by sectors



Seniors	49.1%	Explorers	3.7%
Intermediates	23.1%	Juniors	1.1%
Silver Stocks	14.5%	Cash	0.3%
Royalties	8.2%		

Breakdown by currencies



USD	64.4%	AUD	11.3%
CAD	24.5%	CHF	-0.2%

Investment philosophy

The equity fund invests mainly in gold mining companies, with a selection of silver mining companies supplementing the fund composition. The equity fund is actively managed along the market cycles in gold and silver. The basis for this is the own fundamental and technical analysis. The top-down approach results in a concentrated portfolio of qualitatively convincing mining companies.

Fund facts

Domicile of fund	Switzerland
Legal form	Contractual investment fund
Investment universe	Precious metal shares global
Investment manager	Serafin Asset Management Ltd, Zug
Management company	LLB Swiss Investment Ltd, Zurich
Custodian bank	Bank J. Safra Sarasin Ltd, Basel
Launch date	18.04.2006
Recommended investment horizon	5 years
Reference currency	CHF
ISIN / Bloomberg-Ticker (respective share class)	A: CH0024686773 / AMGGMMF SW C: CH0197484386 / AMGGMMC SW H (FX-hedged): CH0420487941 / AMGGMMH SW
Distributions	distributing (Dividend & Capital Gain)
Subscription and redemption	daily (cut-off 13.00 CET)
Performance Fee	8% over 5% Hurdle, with High Water Mark
High Water Mark and Hurdle	CHF 226.74
Tax transparency	CH, AT
Tax status Germany	Equity fund pursuant to InvStG with partial exemption
Registered for public distribution	CH, DE

Fee structure

Subscription and redemption fee	none
Management fee p.a.	Tranche A: 1.50% Tranche C: 1.00% Tranche H (FX-hedged): 1.00%
Total expense ratio p.a. (per 30.06.2024; TER, before profit sharing)	Tranche A: 1.76% Tranche C: 1.26% Tranche H (FX-hedged): 1.26%

Portfolio management



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