



Monthly Risk Report

31 March 2020

imagine



NICHE AM

Pharus Electric Mobility Niches

ISIN Class A – LU1867072149
 Class B – LU1867072222
 Class Q (listed class) - LU1867072495

Summary

- Ex-ante analysis: VaR 1 month – 99%
- Portfolio: allocation & performance summary
- Ex-ante analysis : VaR by sector and country
- Ex-ante analysis : Top securities which are contributing the most to total active risk
- Ex-Ante analysis: size and style allocation
- Liquidation time horizon
- Portfolio: FX hedging

Ex-ante analysis: VaR 1 month 99% as of 31/03/2020

	Alert Level		VaR 99% 1M Fund	VaR 99% 1M Fund (prev, month)
	I°	II°		
<i>Pharus Electric Mobility</i>	-12,0%	-17,0%	-31,11%	-15,59%

- The alert levels are linked to the 99% VaR 1M
- During the first two weeks of March the market reeled for the Covid-19 potential repercussions on the economy, steering the VaR above the second threshold. An extraordinary Board of Director was called to discuss the situation. The BoD was held on 13th March and it was agreed to grant a waiver for the following two months regarding the risk budget. This waiver must be confirmed by the BoD during every meeting held within the same period (i.e. 2 months).
- The waiver was granted due to the exceptional situation that led to a similar increase of VAR in most equity indexes.

VaR Sensitivity

	95% VaR	99% VaR
Historical 1D	-2,51%	-6,63%
Historical 1W	-5,62%	-14,83%
Historical 1M	-11,78%	-31,11%

Source: MSCI Risk Metrics, Niche AM

EQUITY PORTFOLIO: Indices % price changes

Index	Price as of 31/03/2020	% Price Change 1 month (local currency)	% Price Change 1 month (€)	% Price Change Since inception (local currency)	% Price Change Since inception (€)
Pharus Electric Mobility	77,23	-19,10%	-19,10%	-22,77%	-22,77%
Lithium Cells	-	-14,83%	-14,83%	-1,11%	-1,11%
Commodities	-	-26,30%	-26,30%	-36,55%	-36,55%
Cathodes	-	-16,99%	-16,99%	-15,37%	-15,37%
Anodes	-	-18,19%	-18,19%	-29,03%	-29,03%
Separators	-	-10,02%	-10,02%	-15,01%	-15,01%
Powertrains & Ultracapacitors	-	-28,04%	-28,04%	-27,43%	-27,43%
EV Makers	-	-29,46%	-29,46%	-46,36%	-46,36%
Electrolytes & Electrodes	-	-14,80%	-14,80%	11,34%	11,34%
Satellite Areas	-	-23,01%	-23,01%	-45,45%	-45,45%
Global X Lithium & Battery Tech ETF (LIT)	21,71	-22,55%	-22,58%	-16,40%	-14,26%
Tokyo Stock Exchange (.TOPX)	1403,04	-7,14%	-6,70%	-9,65%	-6,56%
Korea (.KS200)	236,82	-11,64%	-12,99%	-12,97%	-13,32%
Europe (.STOXX)	320,06	-14,80%	-14,80%	-20,66%	-20,66%

* 10/06/2019 – Inception date

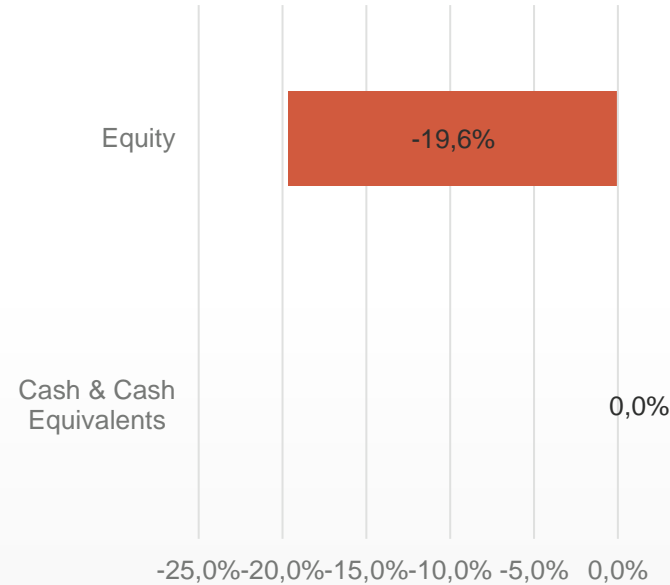
Source: Niche AM, Thomson Reuters

PORTFOLIO: Allocation & Performance summary

NAVps: -19,10% (28 February – 31 March'20)

Performance Breakdown by Asset Class (Pure) (28 February – 31 March'20)

Equity Portfolio: Monthly performance by Sector (28 February – 31 March'20)



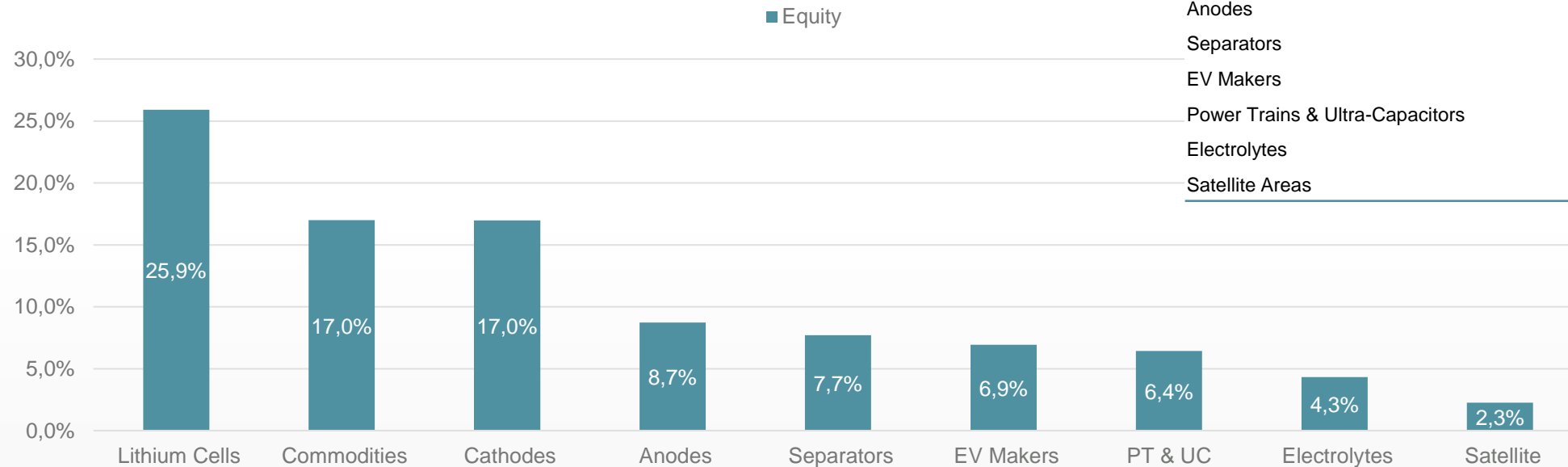
	Avg Weight	1 Month Return	1 Month Contribution
Equity	97,5%	-19,6%	-19,10%
Energy	3,9%	-14,9%	-0,58%
Industrials	7,4%	-12,9%	-0,95%
Information Technology	13,9%	-12,5%	-1,74%
Consumer Discretionary	19,4%	-26,8%	-5,20%
Materials	52,9%	-20,1%	-10,63%

Source: Niche AM, Thomson Reuters

As of 31 Mar '20	
AUM (€ mln)	6,129 mln

EQUITY PORTFOLIO: Breakdown by Niches

Weight by Niche as of 31 March 2020
***rebased**

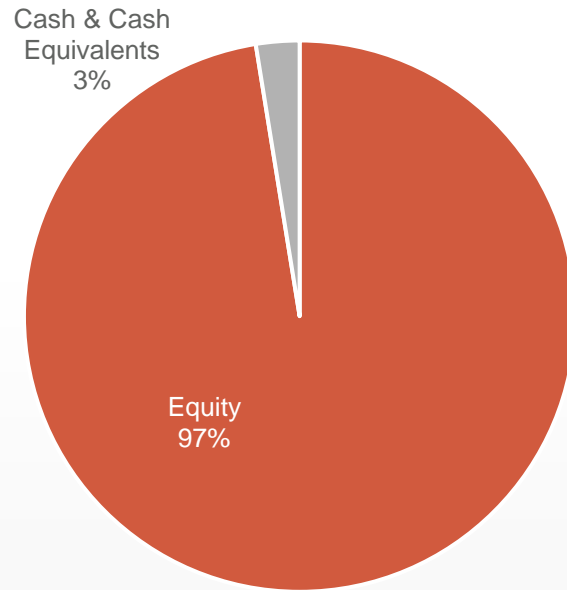


Current Equity Exposure: 97%

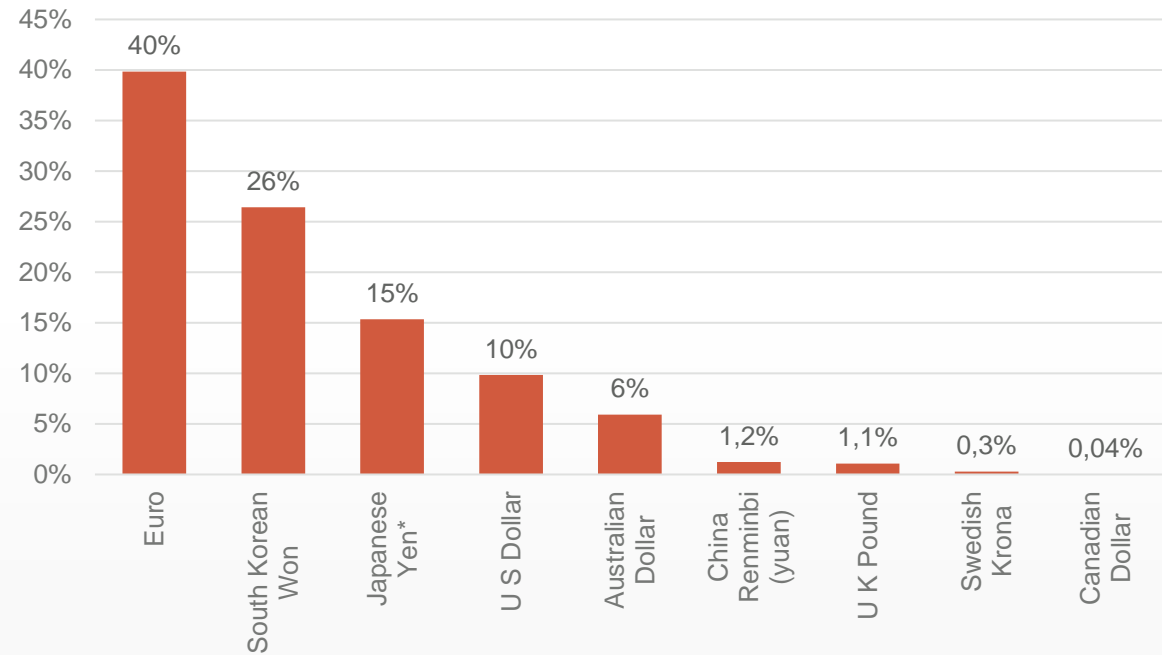
Niches	1 Month Performance
Lithium Cells	-14,8%
Commodities	-26,3%
Cathodes	-17,0%
Anodes	-18,2%
Separators	-10,0%
EV Makers	-28,0%
Power Trains & Ultra-Capacitors	-29,5%
Electrolytes	-14,8%
Satellite Areas	-23,0%

PORTFOLIO: Allocation summary

**Breakdown by Asset Class
as of 31 March '20**



**Breakdown by Currency
as of 31 March '20**



*Net of hedging

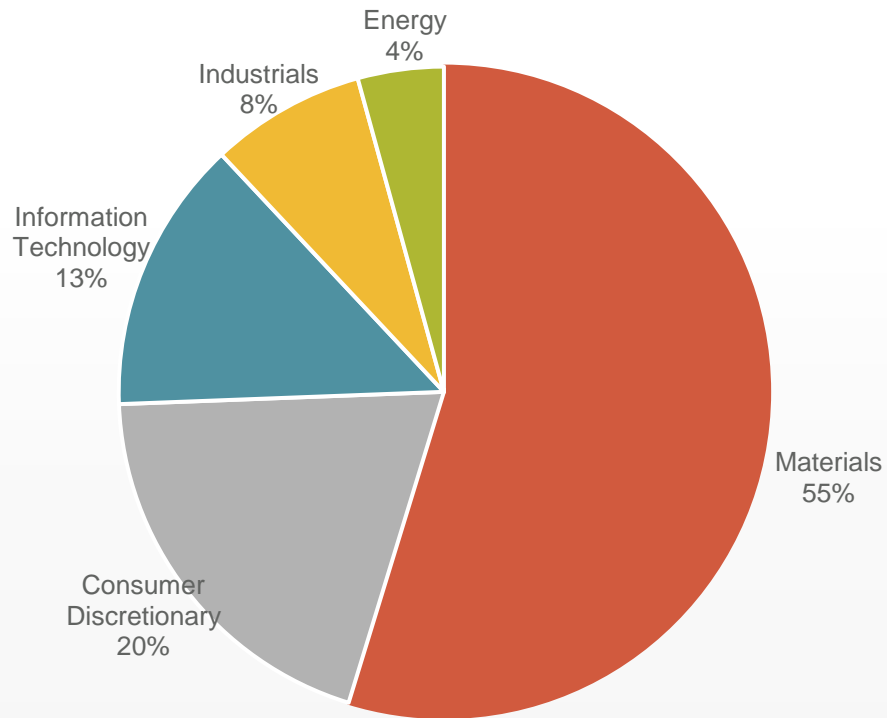
Source: Niche AM, Thomson Reuters

EQUITY PORTFOLIO: Allocation summary

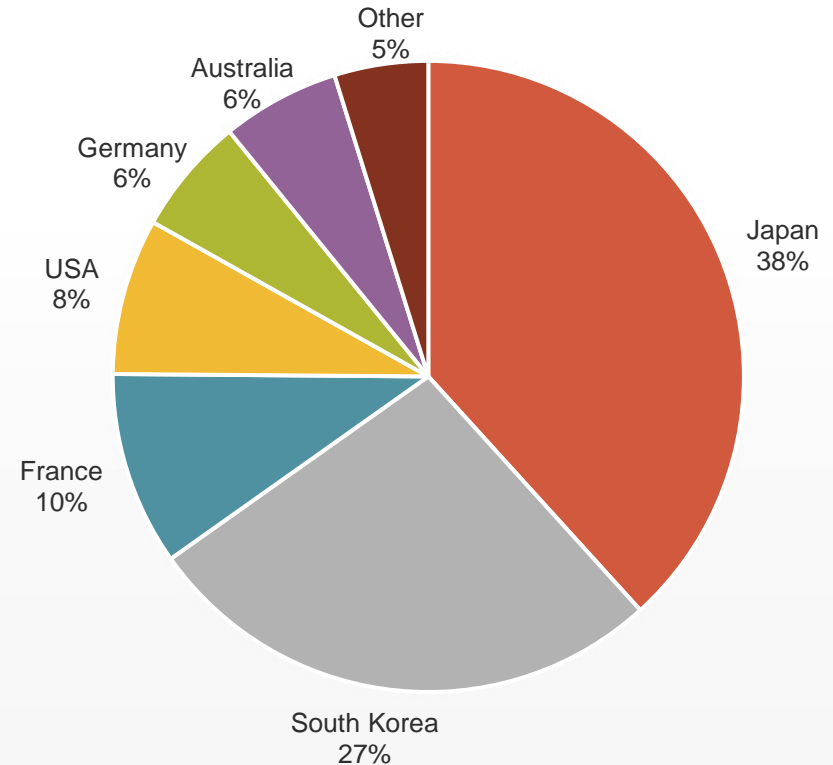
Equity Exposure: 98%

Equity Exposure previous month: 96%

Equity Breakdown by Sector
as of 31 March 2020 (rebased)



Equity Breakdown by Country
as of 31 March 2020 (rebased)



EQUITY PORTFOLIO: Change in holdings (28 February – 31 March '20)

	Trade	End Portfolio Weight
Western Areas Ord Shs	ADD	3,67%
Sumitomo Metal Mining Ord Shs	ADD	4,13%
Renault Ord Shs	ADD	2,12%
MMC Norilsk Nickel PJSC Sponsored ADR Representing Ord Shs	ADD	1,32%
Volkswagen Non-Voting Pref Shs	ADD	2,29%
Samsung SDI Ord Shs	SELL	0,00%
BMW Ord Shs	SELL	0,00%

EQUITY PORTFOLIO: Monthly performance (28 February – 31 March '20)

Top performers*

	1 Month (Portfolio)		
	Avg Weight	Return	Contribution
Teijin Ord Shs	2,5%	5,2%	0,16%
Eramet Ord Shs	2,8%	-1,0%	0,12%
Nihon Kagaku Sangyo Ord Shs	1,4%	3,8%	0,04%
GrafTech International Ord Shs	0,8%	-0,5%	0,02%
Antofagasta Ord Shs	0,6%	-0,5%	0,01%
Showa Denko Ord Shs	1,4%	-3,6%	0,01%
Nippon Chemical Industrial Ord Shs	1,6%	-2,4%	-0,01%
BMW Ord Shs	0,0%	-1,6%	-0,01%
Conic Metals Ord Shs	0,0%	-24,2%	-0,01%
Samsung SDI Ord Shs	0,4%	-1,6%	-0,02%
Stella Chemifa Ord Shs	0,3%	-7,9%	-0,02%
Honda Tsushin Kogyo Ord Shs	0,5%	-8,1%	-0,03%
Takaoka Toko Ord Shs	0,8%	-6,0%	-0,04%
Tanaka Chemical Ord Shs	1,1%	-6,6%	-0,05%
Daimler Ord Shs	0,3%	-26,7%	-0,07%

Bottom performers

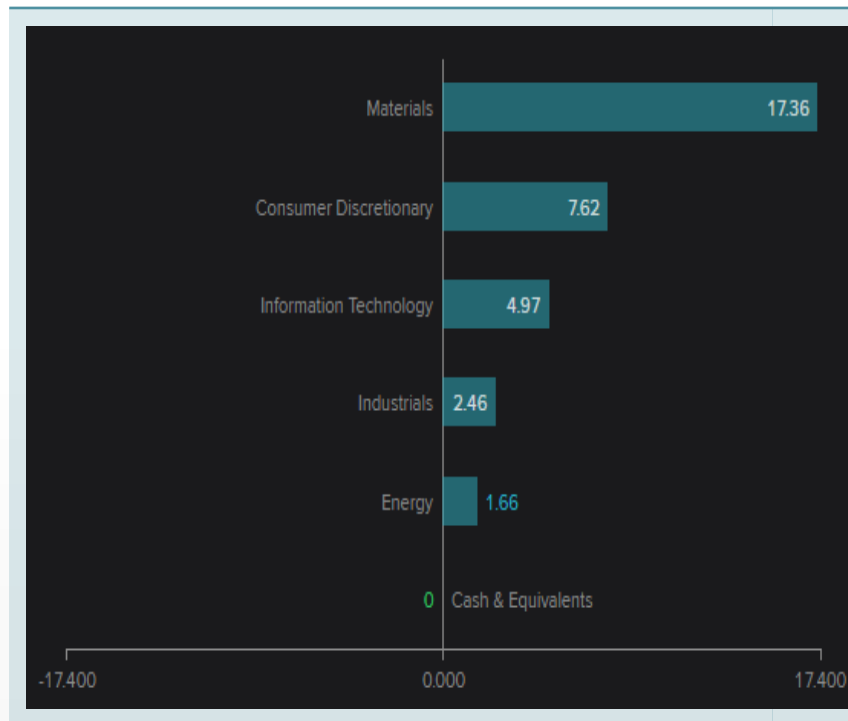
	1 Month (Portfolio)		
	Avg Weight	Return	Contribution
LG Chem Preferred Stock	6,7%	-22,1%	-1,76%
Panasonic Ord Shs	6,6%	-18,1%	-1,21%
Livent Ord Shs	2,0%	-41,2%	-1,04%
Imerys Ord Shs	2,7%	-34,7%	-1,03%
Continental Ord Shs	2,5%	-35,4%	-0,99%
Western Areas Ord Shs	3,6%	-23,9%	-0,96%
Albemarle Ord Shs	2,6%	-30,7%	-0,91%
Toda Kogyo Ord Shs	2,3%	-32,1%	-0,81%
Renault Ord Shs	2,1%	-33,2%	-0,76%
Volkswagen Non-Voting Pref Shs	2,3%	-28,1%	-0,73%
Valeo Ord Shs	2,1%	-33,1%	-0,70%
Syrah Resources Ord Shs	1,6%	-35,5%	-0,69%
SK Innovation Pref Shs	3,8%	-15,3%	-0,61%
Samsung SDI Pref Shs	8,0%	-5,7%	-0,59%
Sumitomo Metal Mining Ord Shs	3,9%	-16,0%	-0,58%

*Sorted from highest to lowest by Contribution

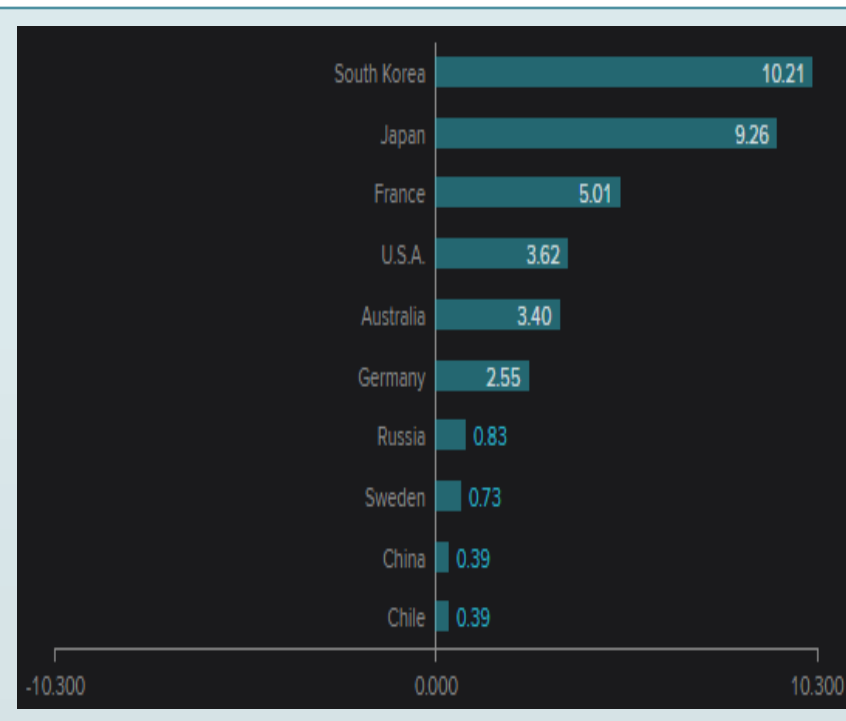
Ex-ante analysis: VaR 1 month 99%

as of 31/03/2020

**VAR 1M – 99% BY GICS SECTOR
AS OF 31/03/2020**



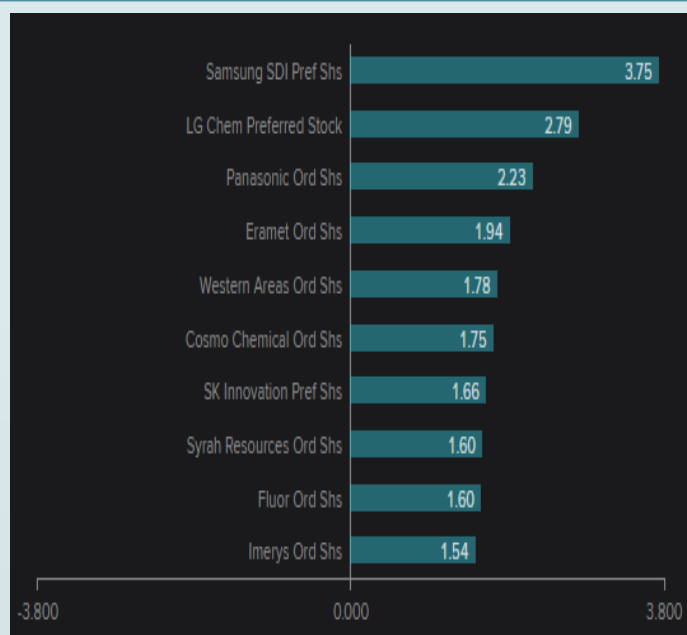
**VAR 1M – 99% BY COUNTRY
AS OF 31/03/2020**



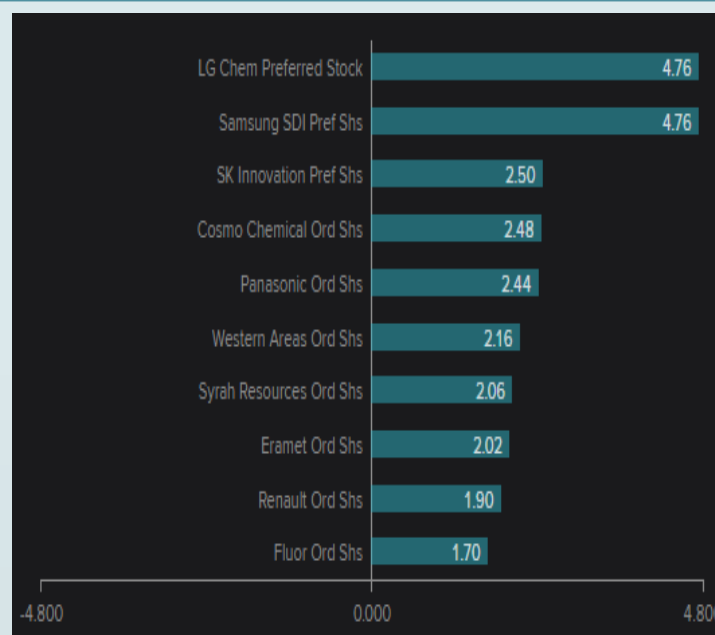
Source: MSCI RiskMetrics, Niche

Ex-ante analysis: Top securities which are contributing the most to total active risk

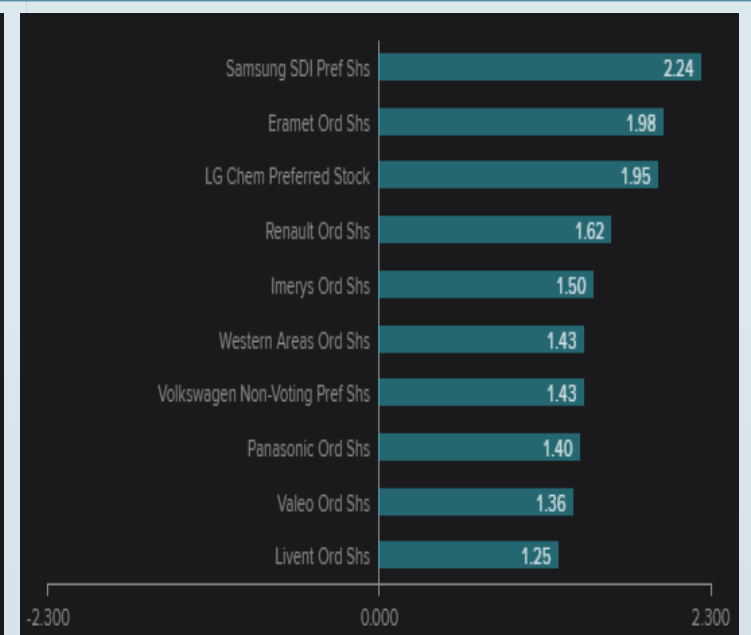
**VAR TOP 10 SECURITIES
AS OF 31/03/2020**



**CVAR TOP 10 SECURITIES
AS OF 31/03/2020**



**MVAR TOP 10 SECURITIES
AS OF 31/03/2020**



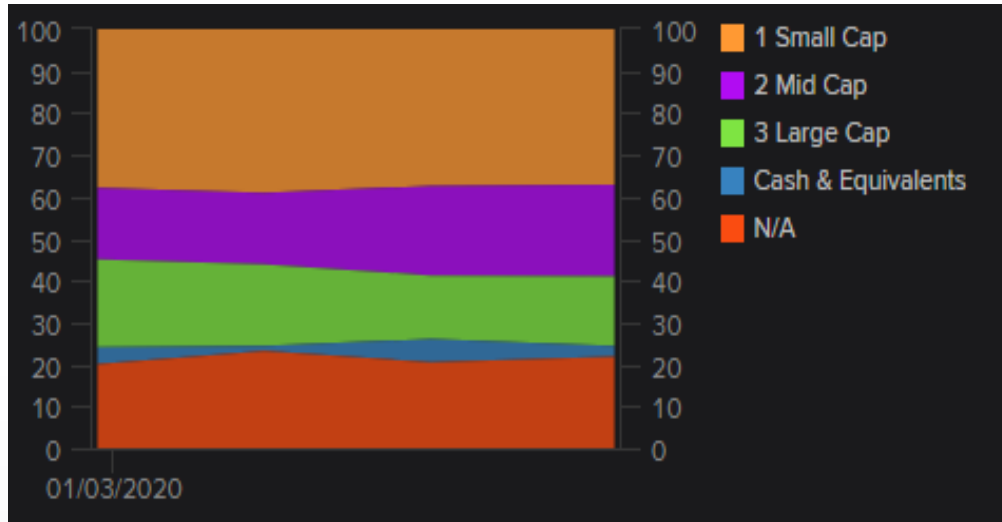
Ex-ante analysis: Top securities which are contributing the most to total active risk (sorted by Expected Shortfall) *as 31/03/2020*

	VaR 1M 95%	VaR 1M 99%	Portfolio Weight %	CVaR 1M 99%	Marginal VaR
Pharus Electric Mobility	11,78	31,11	100,00%	36,13	31,11
LG Chem Preferred Stock	1,27	2,79	6,63%	4,76	1,95
Samsung SDI Pref Shs	1,67	3,75	8,16%	4,76	2,24
SK Innovation Pref Shs	0,87	1,66	4,16%	2,50	0,89
Cosmo Chemical Ord Shs	0,63	1,75	2,02%	2,48	0,69
Panasonic Ord Shs	0,87	2,23	6,91%	2,44	1,40
Western Areas Ord Shs	0,83	1,78	3,67%	2,16	1,43
Syrah Resources Ord Shs	0,63	1,60	1,47%	2,06	1,21
Eramet Ord Shs	0,74	1,94	3,15%	2,02	1,98
Renault Ord Shs	0,50	1,39	2,12%	1,90	1,62
Fluor Ord Shs	0,64	1,60	1,38%	1,70	0,81
Continental Ord Shs	0,40	1,04	2,37%	1,66	1,19
Imerys Ord Shs	0,54	1,54	2,42%	1,63	1,50
Valeo Ord Shs	0,49	0,99	2,02%	1,53	1,36
Albemarle Ord Shs	0,59	1,42	2,33%	1,50	1,19
Volkswagen Non-Voting Pref Shs	0,31	1,29	2,29%	1,49	1,43

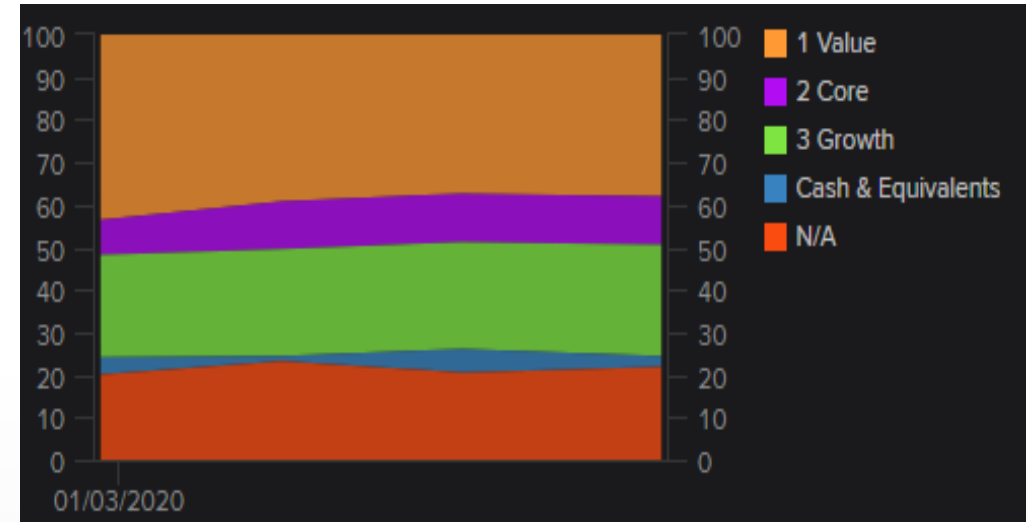
Source: MSCI RiskMetrics, Niche

Ex-ante analysis Multi-Factor risk *as of 31/03/2020*

Size Allocation



Style Allocation



Source: Thomson Reuters, Niche AM

Liquidation time horizon and stress test

	1 day	5 days	10 days	30 days
Pharus Electric Mobility	93%	99%	99%	100%

Source: Niche AM, Thomson Reuters

Assumptions for what regards the time it takes to liquidate assets for cash on a daily basis:

- *Equity: orders placed on the market at 20% of volumes; average 3 month volume considered*

Internal Liquidity requirement: at least 10% can be liquidated in one week and 40% in one month



Number of days necessary to liquidate 20% of the portfolio: 1 day

PORTFOLIO: FX hedging

Forex outright trades in place: YEN

31-Mar-20

Total JPY Exposure	270,787,411 (37% AUM)
Total JPY Net Exposure	107,787,411 (15% AUM)

Currency Pair	<u>RATE</u>	Amount sold in JPY	Amount bought in euro	Amount as a % of total JPY Exposure	Maturity
JPY	120,3385	-163,000,000	1,354,512	59%	26/06/2020

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