



# Monthly Risk Report

30 September 2020

imagine



NICHE AM

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#### Pharus Electric Mobility Niches

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

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# Summary

- Ex-ante analysis: VaR 1 month – 95%
- 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 95% as of 30/09/2020

	Alert Level		VaR 95% 1M Fund	VaR 95% 1M Fund (prev. month)
	I°	II°		
<i>Pharus Electric Mobility</i>	-11,0%	-14,0%	-12.64%	-12.35%

- A Bod called on 09th October has approved the proposal of Risk management team to rescale the absolute VaR internal limit to a different confidence interval – from 99% to 95% – in line with the industry standard.
- The current VaR is slightly below the second rescaled alert level, almost unchanged compared to the previous month.
- The Bod has confirmed the waiver to risk budget until 13th November.

## VaR Sensitivity

	95% VaR	99% VaR
Historical 1D	-2.69%	-6.70%
Historical 1W	-6.02%	-14.98%
Historical 1M	-12.64%	-31.43%

Source: MSCI Risk Metrics, Niche AM

## EQUITY PORTFOLIO: Indices % price changes

Index	Price as of 30/09/2020	% Price Change 1 month (local currency)	% Price Change 1 month (€)	% Price Change Year to date (local currency)	% Price Change Year to Date (€)	% Price Change Since inception (local currency)	% Price Change Since inception (€)
<b>Pharus Electric Mobility</b>	<b>109.46</b>	-	<b>-0.04%</b>	-	<b>2.98%</b>	-	<b>9.46%</b>
Lithium Cells	-	-	-2.63%	-	58.20%	-	68.67%
Commodities	-	-	-1.39%	-	-12.13%	-	-13.43%
Cathodes	-	-	4.65%	-	24.70%	-	42.03%
Anodes	-	-	-1.42%	-	-23.58%	-	-24.04%
Satellite Areas	-	-	0.12%	-	-28.92%	-	-33.26%
Separators	-	-	3.73%	-	-23.12%	-	-12.68%
Powertrains & Ultracapacitors	-	-	1.21%	-	-13.85%	-	2.55%
Electrolytes & Elecfoils	-	-	6.77%	-	-0.04%	-	41.51%
Global X Lithium & Battery Tech ETF (LIT)	40.05	1.86%	3.75%	46.49%	40.14%	54.22%	48.87%
Amplify Advanced Battery Metals and Materials ETF (BATT.K)	10.33	-2.82%	-1.01%	-5.83%	-9.92%	-6.22%	-9.47%
Tokyo Stock Exchange (.TOPX)	1625.49	0.45%	2.75%	-5.57%	-6.85%	4.67%	3.90%
Korea (.KS200)	309.44	0.75%	4.10%	5.33%	-0.57%	13.72%	10.90%
Europe (.STOXX)	361.09	-	-1.48%	-	-13.17%	-	-4.54%

\* 10/06/2019 – Inception date

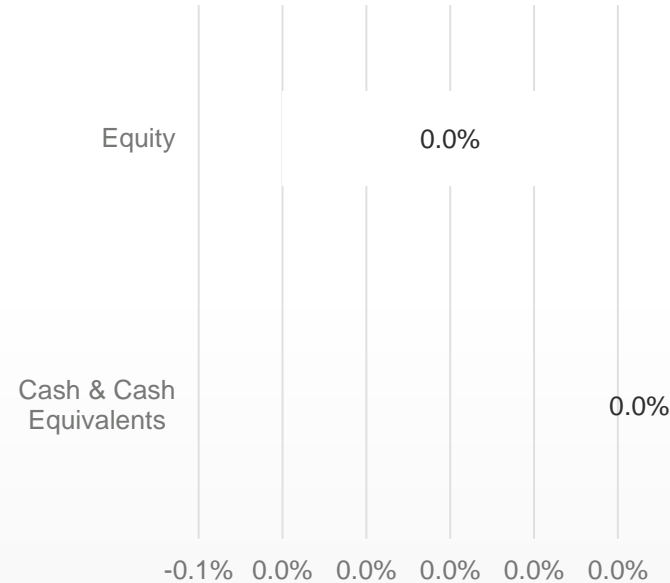
Source: Niche AM, Thomson Reuters

# PORTFOLIO: Allocation & Performance summary

NAVps: -0.04% (31 Aug – 30 Sept '20)



Performance Breakdown by Asset Class (Pure) (31 Aug – 30 Sept '20)



Equity Portfolio: Monthly performance by Sector (31 Aug – 30 Sept '20)

	1 Month		
	Avg Weight	Return	Contribution
<b>Equity</b>	<b>98.9%</b>	<b>0.0%</b>	<b>-0.04%</b>
Information Technology	7.7%	0.7%	0.05%
Industrials	10.5%	0.2%	0.01%
Energy	4.3%	0.3%	0.00%
Consumer Discretionary	22.3%	0.0%	0.00%
Materials	54.1%	-0.2%	-0.11%

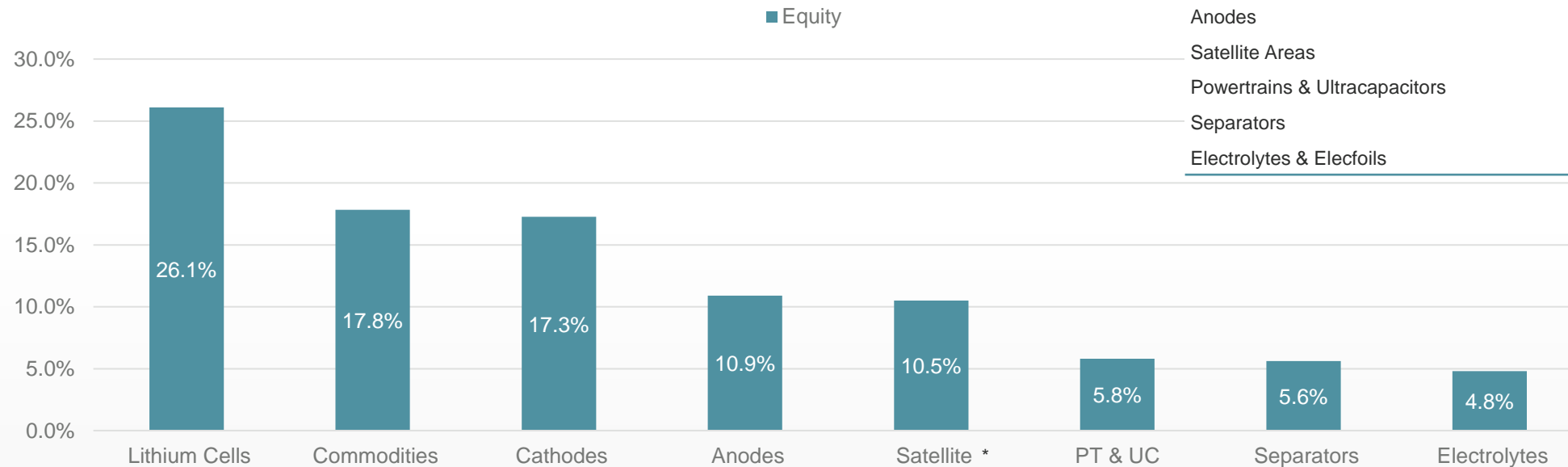
Source: Niche AM, Thomson Reuters

As of 30 Sept '20	
AUM (€ mln)	9,379 mln



# EQUITY PORTFOLIO: Breakdown by Niches

Weight by Niche as of 30 Sept '20



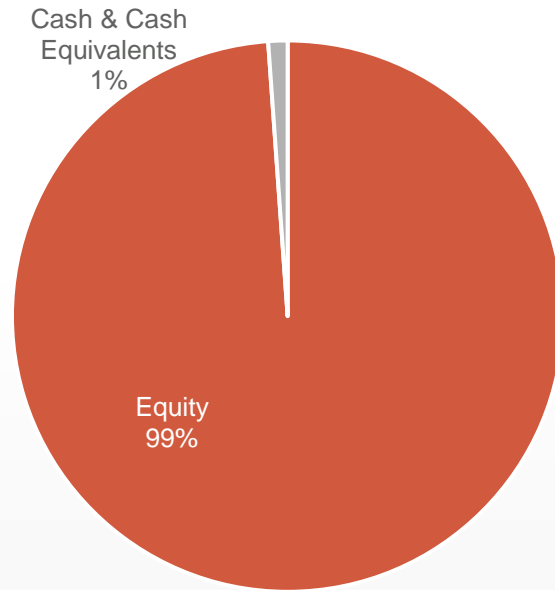
**Current Equity Exposure: 99%**

Niches	1 Month Performance
Lithium Cells	-2.6%
Commodities	-1.4%
Cathodes	4.7%
Anodes	-1.4%
Satellite Areas	0.1%
Powertrains & Ultracapacitors	3.7%
Separators	1.2%
Electrolytes & Electrofoils	6.8%

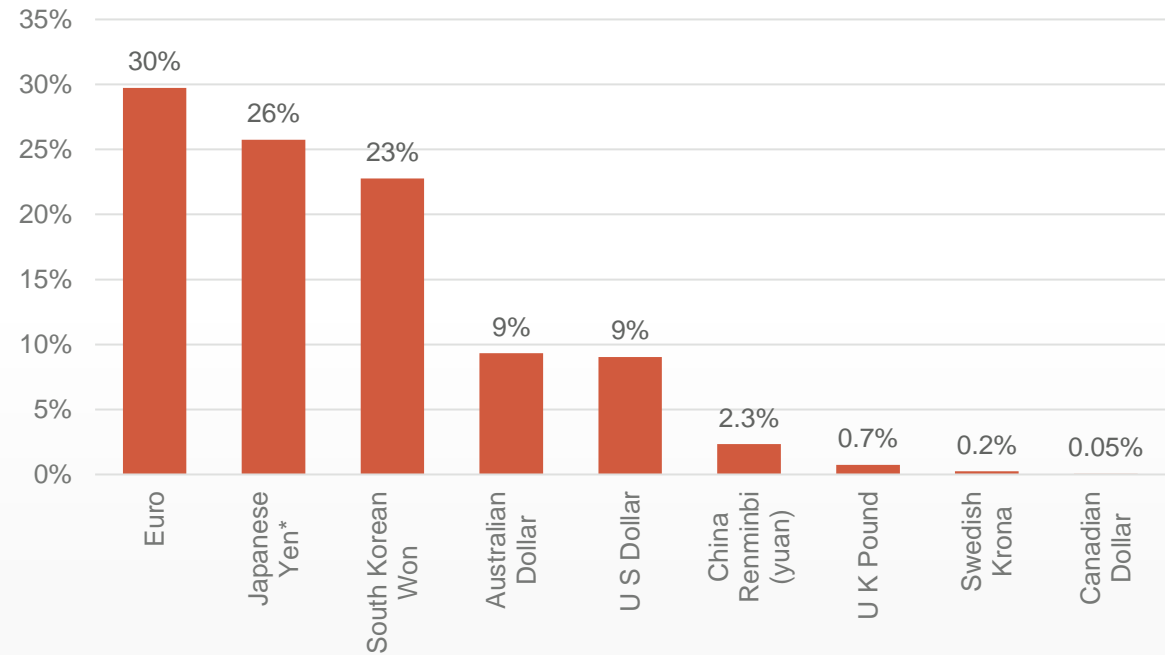
\* EV Makers merged into Satellite starting from this month

# PORTFOLIO: Allocation summary

**Breakdown by Asset Class  
as of 30 Sept '20**



**Breakdown by Currency  
as of 30 Sept '20**



\*Net of hedging

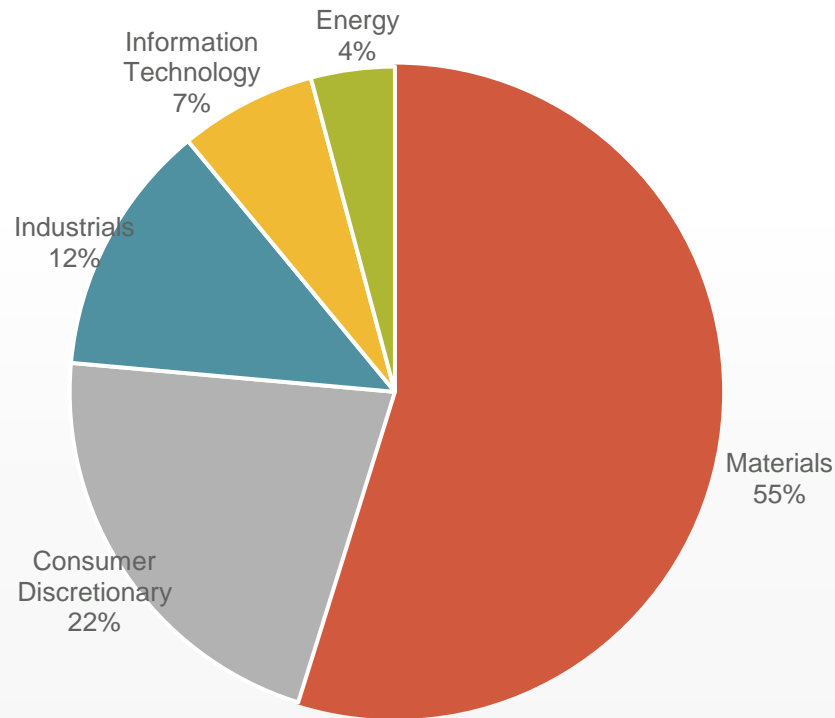
Source: Niche AM, Thomson Reuters

# EQUITY PORTFOLIO: Allocation summary

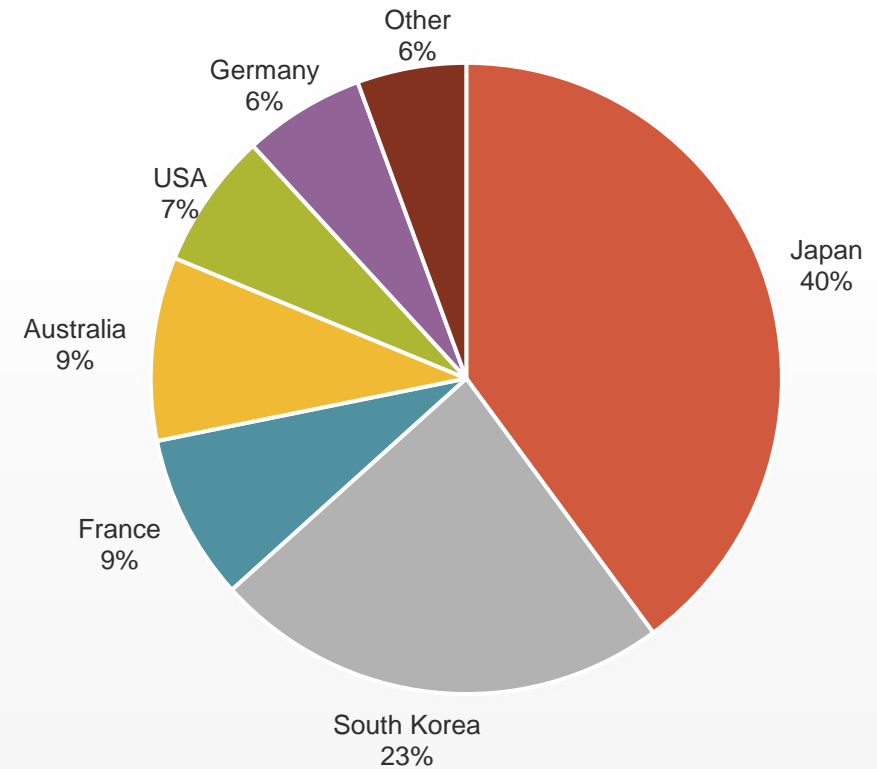
Equity Exposure: 99%

Equity Exposure previous month: 94%

**Equity Breakdown by Sector**  
as of 30 Sept '20 (rebased)



**Equity Breakdown by Country**  
as of 30 Sept '20 (rebased)





## ***EQUITY PORTFOLIO: Change in holdings (31 Aug – 30 Sept '20)***

	Trade	End Portfolio Weight
Toshiba	BUY	2.44%
Zeon Japan	BUY	0.65%
SFA Engineering	BUY	1.25%
Kureha	BUY	0.65%
MMC Norilsk Nickel PJSC	ADD	1.57%
Soulbrain Holdings	ADD	0.65%
Seronics	REDUCE	1.25%
Denso	SELL	0.00%
Honda Tsushin Kogyo	SELL	0.00%

## EQUITY PORTFOLIO: Monthly performance (31 Aug – 30 Sept '20)

### Top performers\*

	1 Month (Portfolio)		
	Avg Weight	Return	Contribution
Syrah Resources	3.5%	23.4%	0.69%
Seronic	1.8%	47.5%	0.61%
BYD H	1.2%	59.7%	0.57%
Stella Chemifa	1.3%	16.7%	0.19%
Sumitomo Metal Mining	5.2%	4.1%	0.19%
Ecopro	2.2%	5.9%	0.11%
GS Yuasa	2.6%	4.7%	0.11%
Nippon Carbon	1.2%	9.9%	0.11%
SFA Engineering	0.5%	9.1%	0.10%
Honda Tsushin Kogyo	0.4%	27.7%	0.10%
POSCO	1.6%	6.3%	0.09%
Livent	1.7%	5.2%	0.09%
Tanaka Chemical	1.2%	7.5%	0.09%
Nippon Chemical Industrial	1.1%	8.6%	0.09%
Sumitomo Chemical	2.0%	3.2%	0.06%

### Bottom performers

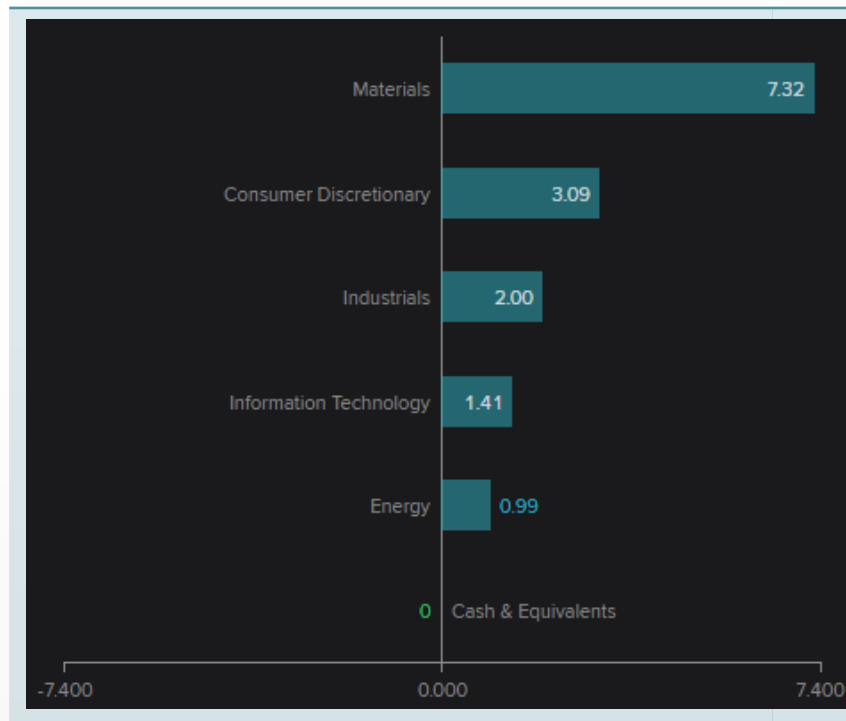
	1 Month (Portfolio)		
	Avg Weight	Return	Contribution
LG Chem Preferred Stock	4.3%	-16.2%	-0.79%
Panasonic	7.5%	-6.2%	-0.48%
Eramet	1.8%	-23.2%	-0.45%
Western Areas	4.8%	-7.4%	-0.36%
Showa Denko	2.7%	-7.1%	-0.20%
Renault	2.3%	-8.1%	-0.19%
Toshiba	1.0%	-10.4%	-0.18%
Cosmo Chemical	1.3%	-12.1%	-0.16%
Imerys	2.4%	-6.6%	-0.16%
SK Innovation Pref	4.2%	-3.3%	-0.14%
BAIC Motor H	0.8%	-15.0%	-0.13%
Samsung SDI Pref	3.9%	-3.0%	-0.13%
Toda Kogyo	2.7%	-3.7%	-0.11%
CosmoAM&T	0.9%	-10.0%	-0.10%
Fluor	1.1%	-7.5%	-0.08%

\*Sorted from highest to lowest by Contribution

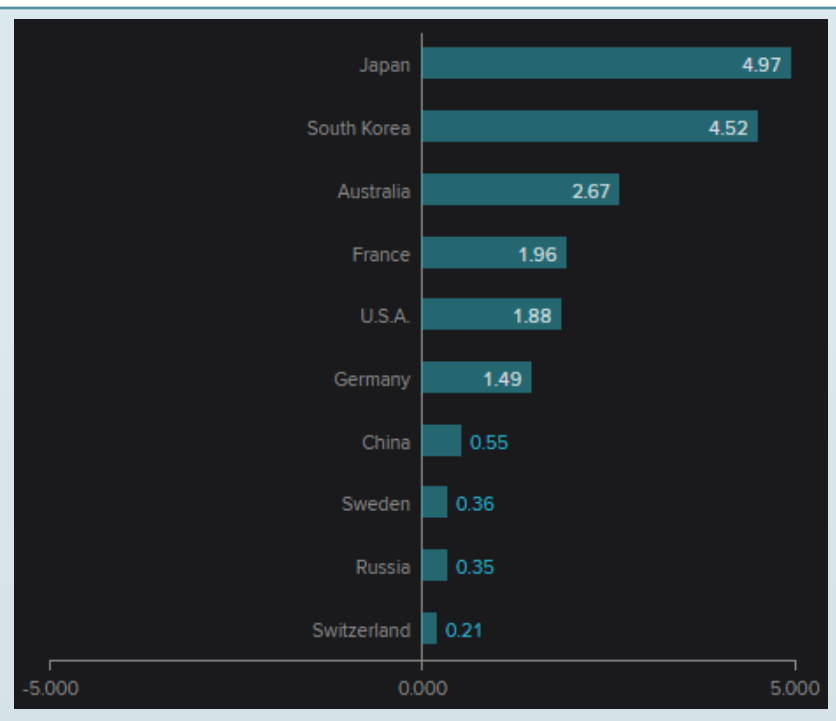
# Ex-ante analysis: VaR 1 month 99%

as of 30/09/2020

**VAR 1M – 95% BY GICS SECTOR  
AS OF 30/09/2020**



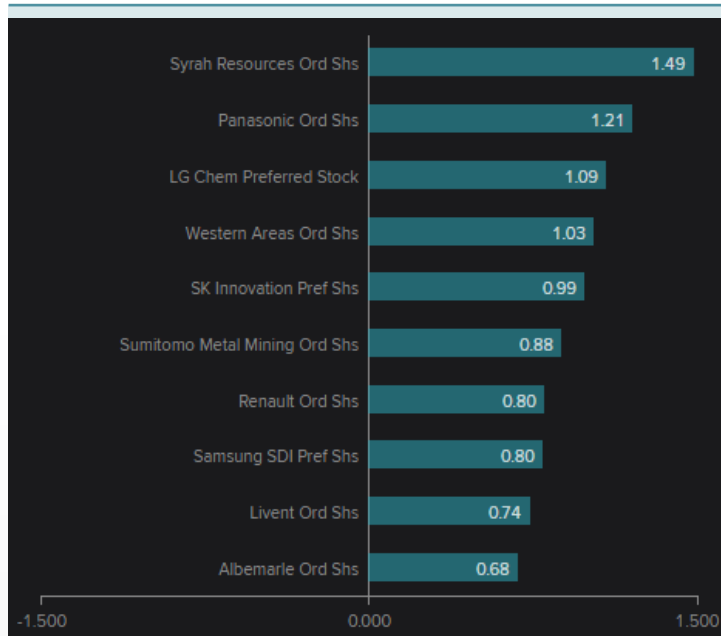
**VAR 1M – 95% BY COUNTRY  
AS OF 30/09/2020**



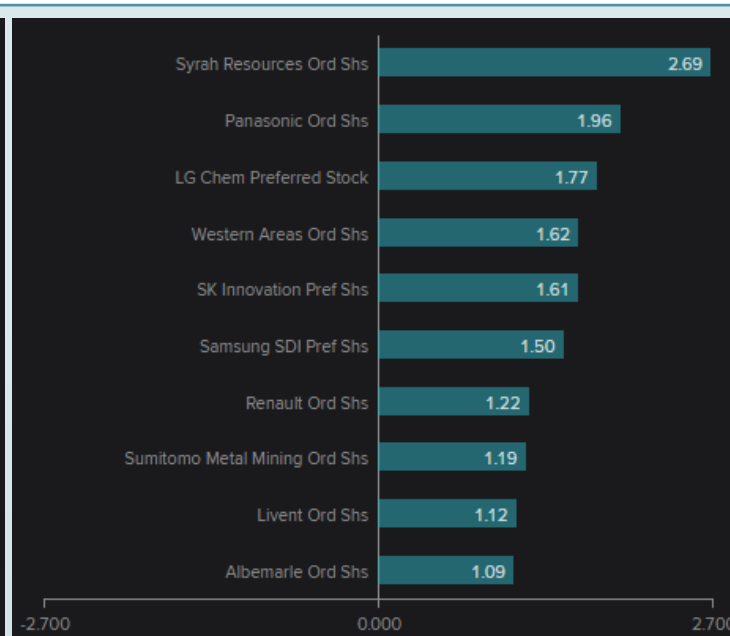
Source: MSCI RiskMetrics, Niche

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

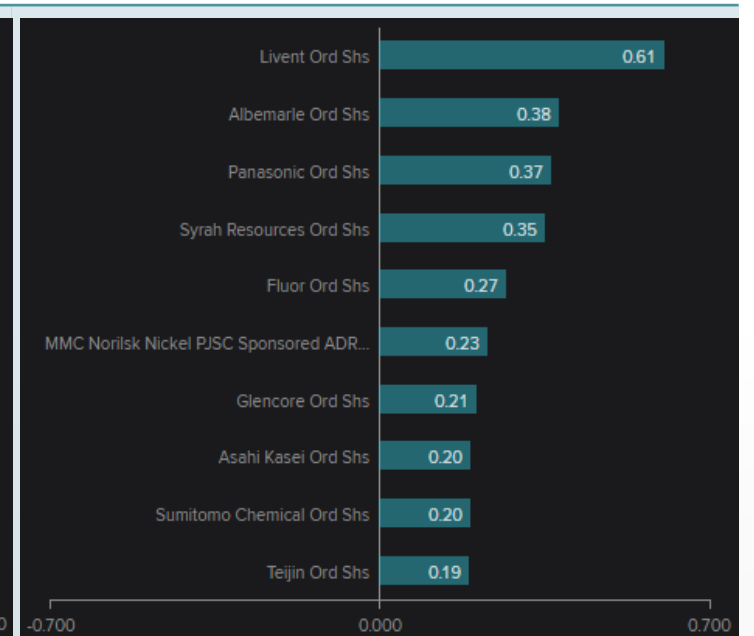
**VAR 1M-95% TOP 10 SECURITIES  
AS OF 30/09/2020**



**CVAR 1M-95% TOP 10 SECURITIES  
AS OF 30/09/2020**



**MVAR 1M-95% TOP 10 SECURITIES  
AS OF 30/09/2020**



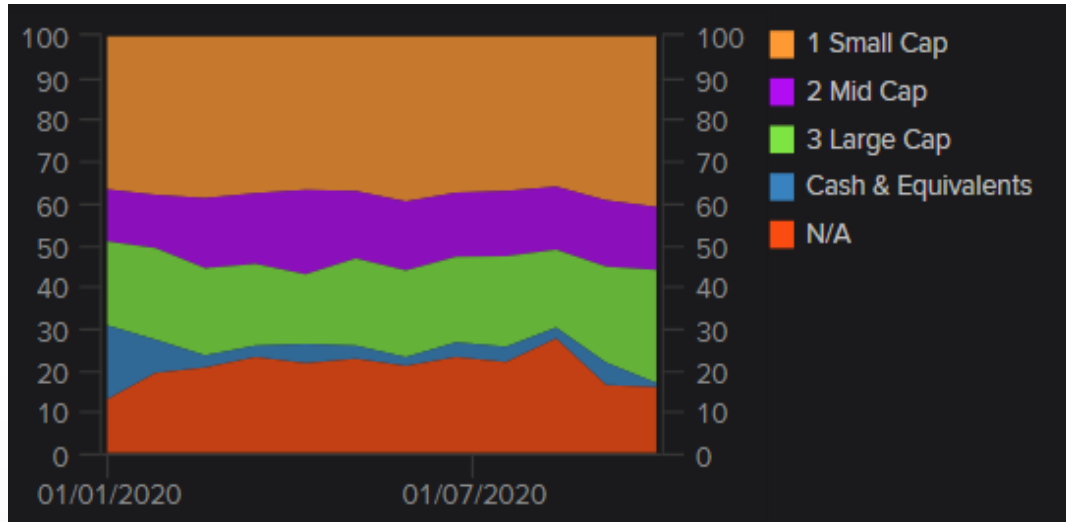
## Ex-ante analysis: Top securities which are contributing the most to total active risk (sorted by Expected Shortfall) *as 30/09/2020*

	VaR 1M 95%	VaR 1M 99%	Portfolio Weight %	CVaR 1M 99%	Marginal VaR
<b>Pharus Electric Mobility</b>	<b>12.64</b>	<b>31.43</b>	<b>100.00%</b>	<b>37.05</b>	<b>31.43</b>
Syrah Resources	1.49	3.59	3.76%	4.23	3.11
Panasonic	1.21	2.52	7.17%	3.83	1.46
LG Chem Preferred Stock	1.09	2.06	4.23%	3.09	1.24
SK Innovation Pref	0.99	2.02	4.12%	2.80	0.88
Western Areas	1.03	2.19	4.50%	2.65	1.75
Samsung SDI Pref	0.80	2.24	3.92%	2.59	1.07
Renault	0.80	1.56	2.25%	2.03	1.72
Sumitomo Metal Mining	0.88	1.33	5.00%	1.79	0.88
Valeo	0.64	1.12	2.27%	1.72	1.52
Ecopro	0.57	1.01	2.09%	1.62	0.71
Albemarle	0.68	1.45	2.26%	1.56	1.15
Continental	0.47	0.97	2.18%	1.53	1.10
Imerys	0.53	1.32	2.36%	1.52	1.47
Toda Kogyo	0.57	0.88	2.68%	1.48	0.10
Livent	0.74	1.38	1.80%	1.42	1.30

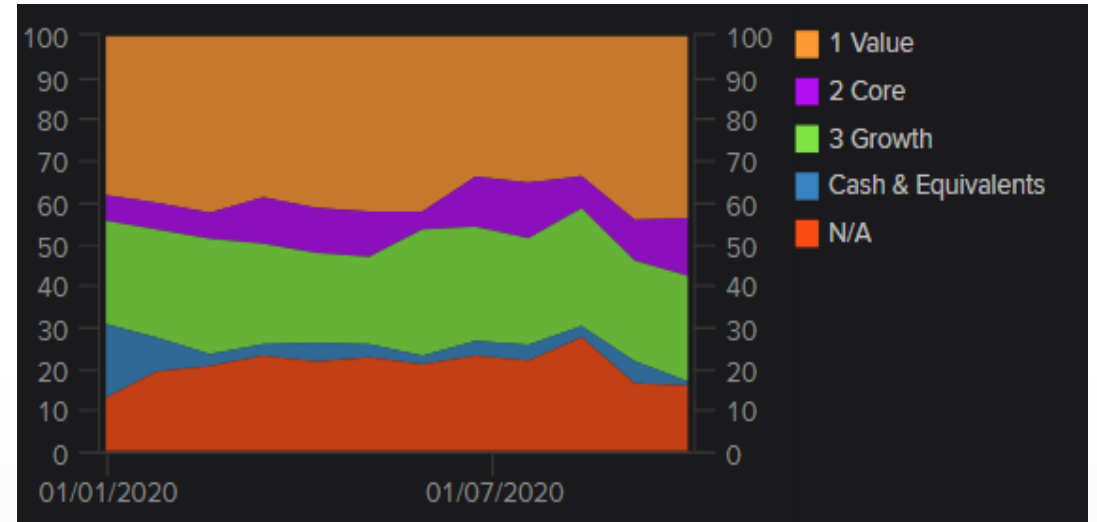
Source: MSCI RiskMetrics, Niche

# Ex-ante analysis Multi-Factor risk *as of 30/09/2020*

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	95%	100%	100%	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*




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

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# PORTFOLIO: FX hedging

*Forex outright trades in place: YEN*

30-Sept-20

<b>Total JPY Exposure</b>	<b>461,614,404 (39.8% AUM)</b>
<b>Total JPY Net Exposure</b>	<b>298,614,404 (25.7% AUM)</b>

Currency Pair	<u>RATE</u>	Amount sold in JPY	Amount bought in euro	Amount as a % of total JPY Exposure	Maturity
JPY	123.07769	-163,000,000	1,324,366	<b>35%</b>	18/12/2020



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