

# AMC- C&S Volatility Opportunity Certificate

May 31, 2021

## Strategy Description

The C&S Volatility Opportunity strategy is designed to produce quality risk adjusted returns by focusing on options markets. Asset classes include equities, indices, commodities and interest rates. The primary markets are the S&P500, Eurostoxx, DAX, Gold, Silver, Treasury Bonds and Treasury Notes. The objective is to produce absolute returns.

Positioning is opportunistic and depends on analysis of option volatility surfaces and maturity structures. Each of the markets has a deep and liquid options market traded on major exchanges. Positions can be delta long or delta short through options combinations.

## Portfolio Comment

May performance was positive by 2.61%

The initial drawdown of March was well contained. The positive performance of April continued into May but with different performance drivers. As performance has improved, risk appetite has also increased. This is a function of risk management discipline.

The majority of the positive return in May was generated in Gold with a contribution of +280bp. During April we had targeted pullbacks to accumulate Gold call butterflies and call ratios. These positions performed well in May as Gold rose 7%. The largest position by net market value is a Gold August 1900-2000-2100 Call Butterfly. We have taken partial profits at 3x cost. There is further substantial upside should the uptrend in Gold continue. Also we hold Gold call ratios with expiries in late November and with strike prices at 2000 and higher.

The monthly contribution in Silver options was +45bp. We took profits on the July 25-27-29 call butterfly and now hold call butterflies and ratios at strikes prices of 30 and higher.

The largest negative contributor was in S&P call ratios. After the healthy profits in April, existing call ratios have seen some erosion in value due to the sideways market. New positions have been added for August expiry. The contribution for the month was -70bp. Positions with July and August expiries have very good potential from here in the scenario of a continuation of the uptrend. S&P put positions also saw a bit of premium erosion to the tune of -25bp contribution. We have held some put positions from inception. Despite the strong rally, the YTD contribution has been only -40bp. This has been due to careful construction of positions with butterflies being partly financed by puts at much lower strikes.

Small positive contributions were generated by a call fly in the Nasdaq and by call ratios in the Russell.

In the interest rate sector, we took profits from a combination trade – a put butterfly on the Long Bond and a call butterfly on the Ten Year. We are in process of re-establishing this position in August options.

% of NAV	Delta	Theta	Vega	Gamma
S&P	3.25	0.05	0.06	6.66
NASDAQ	0.00	0.00	0.00	0.00
RUSSELL	3.89	0.00	-0.00	0.00
GOLD	47.27	0.07	-0.13	-0.42
SILVER	8.13	-0.02	0.03	0.51
LONG BOND	-2.65	0.02	-0.06	-4.84
TEN YEAR	0.00	0.00	0.00	0.00
Margin/Equity	61%			

## Current Figures

NAV	1025.75
Issue Price	1000.00
Fund Launch	1st March 2021
12 months high	1025.75
12 months low	989.45
Number of positive months	2
Number of negative months	1
Cash	92%
Margin Utilization	61%
Issue Size	1.3 m

## Certificate Facts

ISIN	CH0592028051
Valor	59020805
Strategy Manager	Cura & Senectus Investment AG, Vaduz
Issuer Company	Incorporated cell of Swiss Asset Segregated Platform: Asset Segregated SPV no. 26 Jersey
Paying Agent	ISP Securities AG, Zurich
Clearing / Settlement	Six SIS AG, Olten
Issue Date	1st March 2021
Issue Price	1000 USD
Price Calculation	Daily Buy/Sell only between working hours - 8 am. to 5 pm.
Accounting Currency	USD
Minimum Investment	1 Certificate and multiples of 1 Certificates
Minimum Investment Amount at Issuance	USD 50'000
Management Fee	1.25% p.a.
Performance Fee	20% with high-water mark
Setup Fee	CHF 5000
Issuance Fee	100bps
Trading Frequency	Daily (secondary market) Private Placement Switzerland
Calculation Agent / Swiss Paying Agent	ISP Securities AG
Administration Fee	0.50% p.a.
Secondary Market Spread	Up to 100 bps
Offering	Private Placement for qualified investors only Not for public distribution
Jurisdiction	Swiss law

**Subscription:** For subscription and trading details please contact ISP Securities AG.

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## C&S VO Certificate Performance

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2021			-1.06%	1.03%	2.61%								2.58%
2022													

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