

AMC- C&S Volatility Opportunity Certificate

June 30, 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

June performance was negative by 4.67%. This was driven primarily by give back of unrealized profits in Gold and Silver. Portfolio risk is now lower.

The statements of Federal Reserve officials that the tapering of bond purchases could begin as early as 2022 and that interest rates could begin to rise in 2023 has taken the wind out of inflation theme trades. From their end May peak prices, Gold declined by 8% and Silver by 9%.

GOLD - We positioned well in March and April in call combinations with maturities in July and November. When Gold ran up from \$1765 to \$1900, we had unrealized profits of 3.0%. We top sliced a small portion of the July positions. The November position (the Dec 2000-2200 call ratio) did not achieve the first target profit taking level and has fallen back to cost price. This position, currently valued at 5.3, has a target price of 50 (and a maximum value of 200). IF the recent decline in Gold is a correction within a larger uptrend, there is plenty of time for this trade to play out. In addition, we have added the Oct 2000-2100 call ratio (expires Sept 23rd), risking just .07% of net market value

SILVER - Our July 30-32-34 Call Fly position did not work. This position cost 0.13% of NAV. But our long-dated positions are geared to a price of silver to exceed \$30 by late November. We have added to the Silver Dec 30-34-38 Call Fly on this decline in the Silver price. Silver volatility is more volatile than that of Gold. Therefore, we tend to position in butterflies in Silver rather than in ratios. This entails spending more net premium per unit of upside.

SPX INDEX CALLS - This position is geared to a rally in the S&P to 4400 or higher by August. We sometimes position in S&P Index calls instead of fully in futures options as part of managing margin exposure to index options and futures options. We maintain a buffer in these two margin buckets. Overall Imargin usage is now 65%.

S&P FUTURES PUTS - We have held some put exposure since inception, keeping the net cost as low as possible. The current significant position is in a Sept 4100-4000-3900 put butterfly. Thi is effectively a hedge against call

US TEN YEAR BOND - We are positioned in call butterflys for the US Ten Year Yield to stabilize in the 1.40 to 1.60 range. In this scenario, these positions accrete value every week in the form of premium erosion in our favour.

US LONG BOND - We are positioned in put butterflys as a partial hedge against the US ten year exposure. The flattening of the 10s-30s yield curve on the back of FED comments has not helped this position. We are rolling the strikes to maintain the desired exposure.

OVERALL - the markets were somewhat surprised by the FED comments. The market moves affected our positions in the precious metals, in stock indices and in interest rates all negatively at the same time. Most of the give back of P/L is unrealized. Our management style is to sharply control net premium at risk. This risk management technique helps to ensure that such loss scenarios are well controlled as compared to other investment styles.

Current Figures									
NAV	977.76								
Issue Price	1000.00								
Fund Launch	1st March 2021								
12 months high	1025.75								
12 months low	977.76								
Number of positive months	2								
Number of negative months	2								
Cash	91%								
Margin Utilization	64%								
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%	-4.67%							-2.22%



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