

## Alternative - Relative Value

### Multi Strategy SICAV - Pendulum Class DPM CHF

January 31, 2024

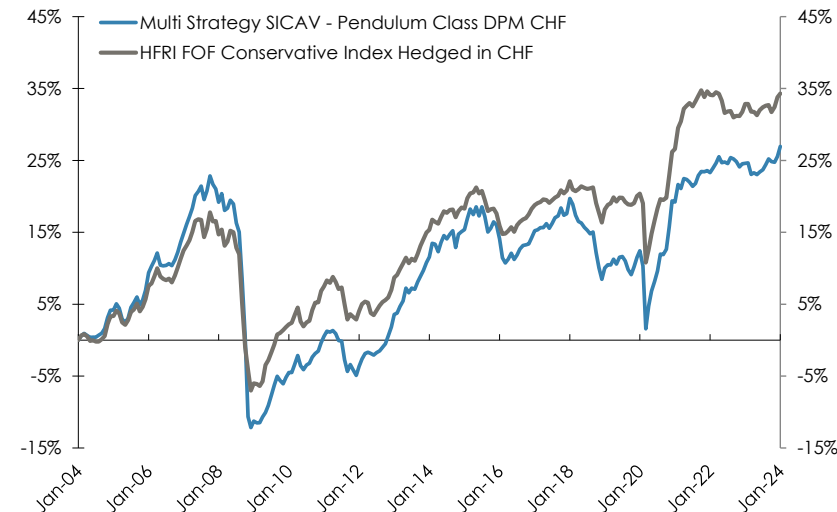


#### FUND OBJECTIVE

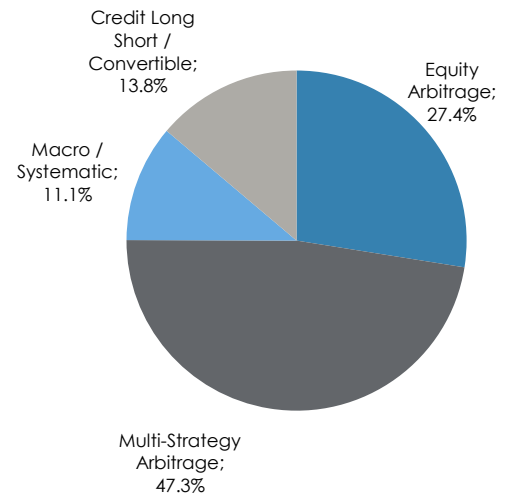
Pendulum is a low volatility multimanager fund. It invests in a selection of relative value and arbitrage managers. The selected fund managers use non-directional, market neutral and arbitrage strategies. This includes convertible, merger, fixed income and currency arbitrage. Some managers will use leverage. The objectives of the underlying funds are in general to provide a consistent positive return with low volatility and little correlation to the major fixed income and equity market indices.

The investment objective of Pendulum is to achieve superior risk-adjusted returns with a low correlation to traditional asset classes.

#### HISTORICAL PERFORMANCE



#### STRATEGY BREAKDOWN (% Allocation)



#### MONTHLY PERFORMANCE (%) NET OF FEES

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Fund	Index*
2024	1.11%												1.11%	0.38%
2023	0.04%	0.07%	-1.28%	0.16%	-0.19%	0.30%	0.25%	0.56%	0.66%	-0.31%	-0.07%	0.65%	0.83%	1.55%
2022	-0.22%	0.50%	0.56%	0.71%	-0.65%	0.08%	-0.17%	0.66%	-0.14%	-0.31%	-0.57%	0.33%	0.77%	-2.13%
2021	-0.12%	2.03%	-0.46%	1.15%	-0.12%	-0.30%	-0.48%	0.34%	0.90%	0.45%	-0.02%	0.11%	3.52%	6.68%
2020	0.82%	-1.88%	-7.94%	3.13%	1.99%	1.27%	1.31%	2.14%	-0.05%	0.66%	2.75%	3.14%	7.05%	5.12%
2019	1.45%	0.41%	-0.03%	0.73%	-0.61%	0.86%	0.06%	-0.52%	-1.09%	-0.63%	1.00%	1.18%	2.81%	3.16%

#### STATISTICAL ANALYSIS (Since February 2004)

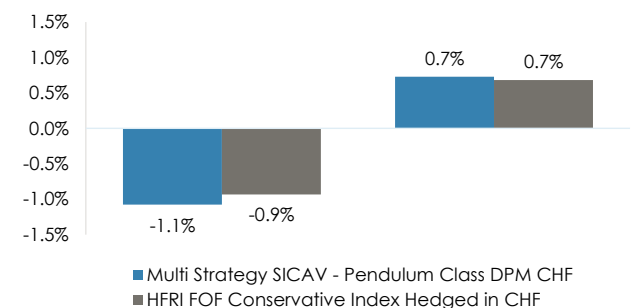
Return	Fund	Index*
Annualized return	1.2%	1.5%
% Positive Months	63%	66%

Risk	Fund	Index*
Annualized Volatility	5.0%	3.9%
Sharpe Ratio (1%)	0.04	0.12
Maximum Drawdown	-28.5%	-21.0%
Months In Maximum Drawdown	14	14
Months To Recover	153	66

Comparison To Benchmark	Index*
Annualized Alpha	-0.4%
Beta	1.13
Correlation	0.88

\*Index: MSCI World Index Hedged in CHF

#### Average Return during Bear & Bull Markets



Top Holdings	Weight
Verition International Multi-Strategy Fund	18.5%
Sona Credit Master Fund Ltd	12.3%
Eisler Capital Multi-Strategy Fund	11.8%
Riverview Omni Fund	11.8%
Atlas Enhanced Fund	8.5%

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### FUND COMMENTARY

"Knock on Wood" – Eddie Floyd, 1966

This time it's for real: many major indices have broken to the upside, touched all-time highs, or reached levels unseen for years during the month of January: the S&P 500, the Dow Jones, the Nasdaq 100 (but curiously not the Composite), the DAX and the CAC, among others, hit their historical highs, while the Topix has now its 1990 record in sight (still 13% to go, though) and the FTSEMIB is as high as it was in 2008, before the GFC. This rosy picture nevertheless gets a tad sober because of the Chinese CSI300, which, contrarily to the aforementioned indices, broke to the downside and is now 46% lower than its 2021 record. The Chinese rout dragged the broad MSCI Emerging Markets down 4.2%, just for January. Despite mixed returns recorded by the Magnificent Seven, Growth embarked 2024 the way it sailed during 2023, strongly and outpacing Value by 2.3%.

For once, fixed-income markets were relatively calm, with the US and the German 10 year yields barely up, but currencies and commodities had quite a volatile start of the year: the dollar rose 1.7% versus the euro, 3.8% versus the Yen and 1% versus the Renminbi, while Oil added 5.9% (buoyed by renewed tensions in the Red Sea as well as a possibly stronger global GDP growth, as confirmed by the IMF) and Gold receded by 1.1%.

"So goes January, so goes the year" says an old Wall Street quip; let's then "Knock on Wood", to paraphrase Eddie Floyd, and hope this proves true in 2024, with new highs in sight!

#### Performance Analysis

The Multi Strategy SICAV - Pendulum class DPM USD posted a gain of 1.45% for the month compared to a gain of 0.69% for the HFRI Conservative Fund of Fund Index. Hedge fund strategies overall posted a good month as all sub-strategies ended in positive territory with Discretionary Macro and Event Driven strategies lagging.

#### Commentary

With respect to our portfolio, all except 1 of our 12 underlying managers were able to post positive returns this month and except for one, beat the benchmark index. Most of the gains this month came from our Equity Long Short, Systematic and Credit strategies.

The Multi-Strategy Arbitrage allocation representing 47.3% of the portfolio added 99 bps to overall performance. The performance of the underlying managers within the category ranged between +0.78 and +4.90%. The largest contributor was our third largest weighting in the category which benefitted mostly from its Macro strategies.

The Equity Arbitrage allocation representing 27.4% of the portfolio added 46 bps to gross performance attribution on the month. Individual manager performance ranged between +0.50% and +2.49%. The largest contributor to performance was our largest weighting of the category which benefitted from its Macro, Commodities and Equity Arbitrage strategies.

The Macro allocation representing 11.1% of the portfolio detracted 1bp from gross performance attribution. Individual manager performance numbers on the month ranged between -0.32% and +0.35%. The largest performance contributor benefitted mostly from its discretionary book in Sovereigns & Rates together with Equities.

The Credit Long Short allocation now representing 13.8% of the portfolio following the addition of new credit manager, added 33 bps to gross performance on the month. Individual manager performance ranged between +2.34% and +2.60% despite lacklustre performance in the high yield sector. Our largest contributor to performance made money on both sides of the book and across high yield, investment grade and REITs. We added a new manager in the space this month that was off to a great start posting a return of 2.6% thanks to its Special Situations book together with its shorts.

We begin 2024 on a positive note as equity markets continued their pre-Christmas rally led by the Magnificent 7. As we write, the market rally continues unabated but as we all know there will always be unexpected surprises to come. We have a pipeline of new ideas we are currently working on for this year as we continue to find additional sources of alpha.

### GENERAL INFORMATION



<b>Fund Inception</b>	31-Jan-2004	<b>Subscription</b>	Monthly	<b>Fund Domicile</b>	Luxembourg
<b>AUM (USD)</b>	138 840 901	<b>Redemption</b>	Monthly (95 Days)	<b>Inv. Manager</b>	NS Partners Europe SA
<b>Share classes</b>	USD EUR CHF GBP	<b>Management Fee</b>	1.50%	<b>Administrator</b>	Apex Fund Services S.A.
<b>Investment Min</b>	5 000	<b>Performance Fee</b>	0.00%	<b>Auditor</b>	PricewaterhouseCoopers, Lux.
<b>ISIN (DPM CHF)</b>	LU0722507612	<b>NAV</b>	125.84	<b>Custodian</b>	UBS Europe SE, Lux. Branch
<b>Fund Type</b>	SICAV Part II				

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