

Comment January 2025

For us, the strong start of precious metal stocks into the new year was not surprising. Comparing the highs of last year, the sector is still a few percent behind the gold price. The main difference lies in the silver price, which was significantly higher at the time, which also had a corresponding effect on companies with silver production.

All in all, however, it was a successful start to the year. As in the previous year, the rising share prices were again accompanied by redemptions (sales) in the two VanEck ETFs GDX and GDXJ. Investors could hardly be more pessimistic about this sector. Instead, many investors turned to overpriced tech stocks in the first three weeks of January.

Some companies have already released production figures and cost guidance in January. Most of this news was received positively. We expect companies in the sector to rethink their dividend policy and tend to start more share buybacks instead of paying out the funds to investors in the form of cash dividends. We support these decisions. One example is B2Gold: Following continued negative news from Mali (this time due to a Barrick Gold mine) and higher investments in the "Goose" project in Canada, the company decided to halve the dividend (new: dividend yield of only 3%). In return, a comprehensive share buyback of up to 5% of all outstanding shares was announced. To temporarily build up a high liquidity reserve, the company also issued a convertible bond of USD 350 million in January, to always have a high liquidity cushion. A lot of cash will flow back to B2Gold over the year: For the year, free cash flow (FCF) from the production of 1 million ounces of gold should amount to around USD 800 million – at a current market capitalization of USD 3.1 billion. That is simply cheap.

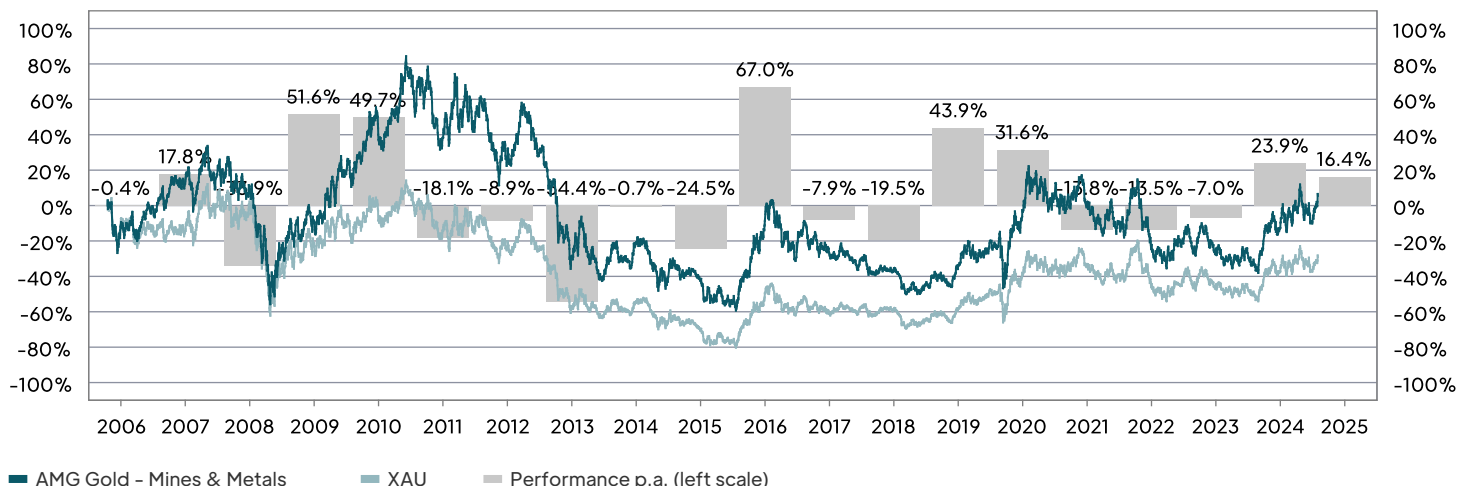
In the portfolio, the overweighted stocks have performed well in relative terms. The stocks Harmony Gold, Gold Fields, and AngloGold Ashanti – all also listed on the South African stock exchange – have particularly stood out. These three stocks saw strong demand from South African investors.

The next few months will show whether the gold price will continue to consolidate or move higher.

Top 10 positions

Agnico Eagle Mines	7.6%
Pan American Silver	6.3%
Kinross Gold	6.0%
Newmont Mining	5.2%
Anglogold Ashanti	4.8%
Wheaton	4.6%
Barrick Gold	4.0%
Gold Fields	3.9%
IAMGOLD	3.6%
Mag Silver Corp	3.5%

Performance since launch Tranche A



Key figures as of 31 January 2025

Net Asset Value Tranche A	CHF 126.57
Number of shares	121'860
Total Net Asset Value	CHF 110.9m

Performance Tranche A

Duration	Fund	XAU
1 month	16.4%	12.5%
3 months	2.8%	0.3%
12 months	57.8%	43.6%
3 years p.a.	7.6%	6.3%
5 years p.a.	6.3%	6.9%
since inception (18.04.2006) p.a.	0.3%	-1.8%
Year		
2025	16.4%	12.5%
2024	23.9%	17.5%
2023	-7.0%	-5.4%
2022	-13.5%	-7.3%
2021	-13.8%	-5.3%
since inception (18.04.2006)	5.5%	-29.1%

Risk ratios (rolling over the last 3 years)

Volatility (p.a.)	32.8%
Sharpe ratio (0.88% Risk free rate)	0.24
Beta (vs. XAU)	1.03

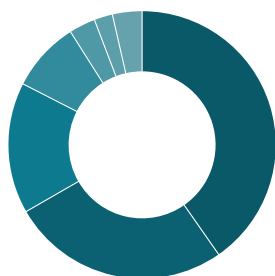
Exposure

Longposition	96.7%
Cash	3.6%

Top-3 / Poor-3 performers in January 2025

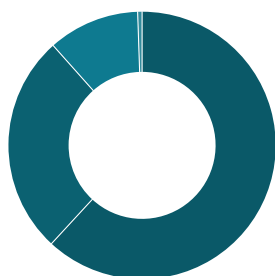
Company	Perf.
Harmony Gold Mining	37.3%
Anglogold Ashanti	30.9%
Gold Fields	28.3%
New Found Gold	-6.2%
B2Gold	-0.3%
Eldorado Gold	3.5%

Breakdown by sectors



Seniors	40.3%	Explorers	3.2%
Intermediates	26.4%	Juniors	2.2%
Silver Stocks	15.8%	Cash	3.6%
Royalties	8.5%		

Breakdown by currencies



USD	61.9%	AUD	11.1%
CAD	26.6%	CHF	0.5%

Investment philosophy

The equity fund invests mainly in gold mining companies, with a selection of silver mining companies supplementing the fund composition. The equity fund is actively managed along the market cycles in gold and silver. The basis for this is the own fundamental and technical analysis. The top-down approach results in a concentrated portfolio of qualitatively convincing mining companies.

Fund facts

Domicile of fund	Switzerland
Legal form	Contractual investment fund
Investment universe	Precious metal shares global
Investment manager	Serafin Asset Management Ltd, Zug
Management company	LLB Swiss Investment Ltd, Zurich
Custodian bank	Bank J. Safra Sarasin Ltd, Basel
Launch date	18.04.2006
Recommended investment horizon	5 years
Reference currency	CHF
ISIN / Bloomberg-Ticker (respective share class)	A: CH0024686773 / AMGGMMF SW C: CH0197484386 / AMGGMMC SW H (FX-hedged): CH0420487941 / AMGGMMH SW
Distributions	distributing (Dividend & Capital Gain)
Subscription and redemption	daily (cut-off 13.00 CET)
Performance Fee	8% over 5% Hurdle, with High Water Mark
High Water Mark and Hurdle	CHF 226.74
Tax transparency	CH, AT
Tax status Germany	Equity fund pursuant to InvStG with partial exemption
Registered for public distribution	CH, DE

Fee structure

Subscription and redemption fee	none
Management fee p.a.	Tranche A: 1.50% Tranche C: 1.00% Tranche H (FX-hedged): 1.00%
Total expense ratio p.a. (per 30.06.2024; TER, before profit sharing)	Tranche A: 1.76% Tranche C: 1.26% Tranche H (FX-hedged): 1.26%

Portfolio management



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