

Plenum Insurance Capital Fund

P-Share Class I Capitalization | USD | LI0542471102

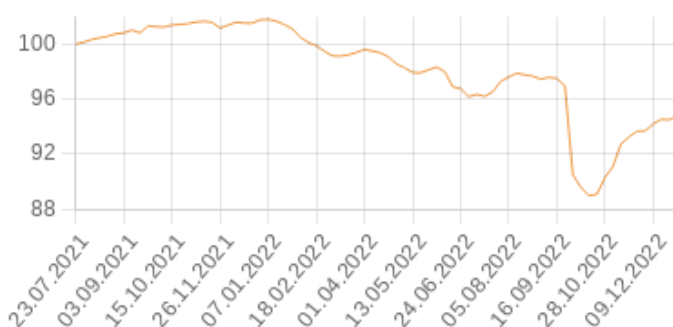
"Tail-to-Tier" leads to more efficient management of concentration risks, benefits from premium differentials and better control of seasonal risks – CAT and Insurance Bonds in the best sense.



Investment Strategy

In order to achieve the return target of 4.5% p.a in EUR, we make use of the strong complementarity of CAT bonds and insurance bonds. We pay attention to global diversification and benefit from premium differences between the two asset classes (cyclicality).

Performance-Chart (Fund)



Portfolio Key Figures

Net Asset Value	USD 343.1 Mio.
Investment Degree	95.04%
Number of Positions	144
10 Largest Positions	18.02%
Average Position Size	0.66%
Portfolio Yield (USD)	11.55%
Portfolio Yield (EUR)	9.08%
Portfolio Yield (CHF)	7.67%
Weighted Average Duration (Years)	1.29

ESG

Natural Catastrophes, Life & Health	96.5%
Meteorological Risk	76.0%
EU sustainability-related classification	Article 8
FNG-Label	1 Star

Statistic (Fund)

NAV	94.79
MTD	1.20%
YTD	-6.84%
Last 12 Months	-6.84%
Last 36 Months	-5.21%
Total Return	-5.21%
Total Return annualized	-3.50%
Volatility (12M)	8.47%
Sharpe Ratio	(0.93)
% Positive Months	50.00%
Best Month	3.72%
Worst Month	-7.34%

Market Comment

The performance in December was positive. Spread widening of CAT bonds and insurance bonds held back the portfolio's performance, while positions that might have been affected by Hurricane Ian continued to recover due to lower than expected losses. As per the current state of information, Hurricane Ian will not lead to losses for any of the positions in the portfolio. Likewise, we do not expect any losses from winter storm "Elliot" in the U.S., but the event is likely to lead to an increase in accumulated losses for aggregating CAT bonds. We are very cautious about investing in such positions. The primary market for CAT bonds was extremely active in December and a total of 7 CAT bonds were placed with a total volume of over USD 1.0 billion. Demand for reinsurance coverage was thus strong and not all of the originally announced CAT Bonds could be placed successfully. The spreads of the newly placed bonds rose to unprecedented levels – the expected loss multiples of the successfully placed CAT bonds were up to 12.5x and on average 5.5x across all placed CAT bonds! We used this flood of new issues to invest new money – the fund reached a new record volume of USD 343 million at the end of the year.

Performance-Table (Fund)

	Jan	Feb	Mär	Apr	Mai	Jun	Jul	Aug	Sep	Okt	Nov	Dez	Jahr
2022	-0.63%	-1.61%	-0.09%	-0.84%	-0.44%	-1.41%	0.56%	0.39%	-7.34%	-0.21%	3.72%	1.20%	-6.84%
2021	-	-	-	-	-	-	0.14%	0.61%	0.57%	0.16%	-0.32%	0.58%	1.75%

In Focus

In Focus Outlook 2023: As noted many times, the tough reinsurance market has led to an investment environment in CAT Bonds that is comparable in attractiveness to the post-Hurricane Katrina period in 2005. Past experience has taught us that this is the best moment to be invested in CAT Bonds. With insurance bonds also offering extremely attractive yield levels, we are very optimistic for the combined strategy (CAT bonds in combination with insurance bonds) in 2023. Fundamentally, the insurance and reinsurance industry is on solid footing. Rising interest rates have led to higher Solvency Ratios across the board for European insurers, the legal reform in Florida should mean that insurers are no longer inundated with lawsuits after events and the reinsurance industry will benefit massively from the massively increased premiums. This also benefits the portfolio because the Plenum Insurance Capital Fund gives capital to insurers in the form of regulatory capital or in the form of reinsurance capacity, depending on where it is most profitable for an investor. On average, the portfolio yields 11.5% in USD.

Key Figures (CAT Bonds)

Portfolio Share	61.2%
Number of Positions	107
Average Position Size	0.57%
Number of Sponsors	57
Collateral Return	4.41%
Discount Margin (Insurance risk compensation)	8.97%
Average Expected Loss ("EL")	2.95%
Average Price	92.0
Average Time to Maturity	1.8
Modified Duration (Years)	-

Top 5 (CAT Bonds)

Name	% NAV	DM***	Peril
TOPANGA RE LTD 2021-1 A	1.98%	7.55%	US MP
FLOODSMART RE LTD 2022-1 A	1.78%	15.09%	US TC
TORREY PINES RE PTE. LTD 2021-1-B	1.75%	7.83%	US EQ
LONG POINT RE III LTD 2022-1	1.68%	5.83%	US MP
FOUR LAKES RE 2021-1 A	1.56%	9.13%	US MP

Aggregate Loss Exceedance Probability Curve

an probability of occurrence. For example, it shows the amount of damage



VaR (CAT Bonds)

	Sub Portfolio	NAV
VAR (99%)	39.65%	24.28%
VAR (99.5%)	44.02%	26.96%
TVAR (99%)	44.65%	27.34%
TVAR (99.5%)	47.53%	29.11%

Historic Events

Great Miami, 11 September 1926	22.71%	13.91%
Great San Francisco, 18 April 1906	20.55%	12.58%
Galveston, 27 August 1900	17.52%	10.73%
Long Island Express, 10 September 1938	11.68%	7.15%
Northridge, 17 January 1994	9.08%	5.56%
Pinar del Rio, 12 October 1944	8.68%	5.32%
New Madrid, 16 December 1811	3.77%	2.31%
Lothar, 26 December 1999	0.73%	0.45%
Great Kanto, 01 September 1923	1.19%	0.73%
Katrina, 23 August 2005, Levees 2011	0.27%	0.17%

Risk Exposure and Regions (CAT Bonds)

Peril	% EL
US SE Hurricane	46.96%
California Earthquake	14.80%
US NE Hurricane	13.05%
Japan Typhoon	3.40%
Caribbean Hurricane	3.11%
Pacific NW Earthquake	2.26%
Europe Storm	2.01%
UK Terrorism	1.94%
US Severe Thunderstorm	1.86%
Mexico Earthquake	1.33%
New Madrid Earthquake	1.24%
Europe Earthquake	1.23%
US Fire	1.23%
Japan Earthquake	0.96%
Mexico Hurricane	0.46%
Others	0.44%

Key Figures (Insurance Bonds)

Portfolio Share	34.0%
Number of Positions	37
Average Position Size	0.9%
Number of Issuers	28
YteC*	10.0%
Average Price	85.73
Modified Duration (Years)	3.8
Coverage Ratio / MSCI ESG Rating	100% / AA

Classes (Insurance Bonds)

Restricted Tier 1	45.7%
Tier 2	17.5%
Tier 3	2.4%
Tier 1 grandfathered	8.7%
Tier 2 grandfathered	13.4%
Other	12.3%

Domicile (Insurance Bonds)

Benelux	19.6%
UK	31.4%
Germany	11.6%
France	7.7%
Italy	8.8%
Other	20.9%

Top 5 (Insurance Bonds)

ASRNED 4 5/8 PERP	1.95%	BB+	4.1	8.8%	Solvency II - T1
ROTHLF 4 7/8 PERP	1.88%	BBB-	4	10.7%	Solvency II - T1
ATRADI 5 1/4 09/23/44	1.81%	BBB	1.6	5.9%	Solvency I - T2
Utmost 6.125 PERP	1.77%	BB+	4.7	10.3%	Solvency II - T1
Directline 4.75 PERP	1.74%	Ba1	4.1	11.7%	Solvency II - T1

Issuer (Insurance Bonds)

Name	% NAV	SCR**	Domicile
Unipol	2.76%	216%	Italy
Allianz	2.32%	209%	Germany
ASR	1.95%	196%	Netherlands
Swiss Re	1.88%	223%	Switzerland
Rothsay	1.88%	226%	United Kingdom

Sub-Sectors

Reinsurance	19.4%
Life	24.0%
Non-Life	13.9%
Composite	42.7%

Basic Data (Fund)

Performance Target	4-4.5% in EUR p.a.
Fund Domicile	Liechtenstein
Fund Structure	UCITS V
Distribution	AT/CH/DE/LI
Base Currency	USD
Assets under Management	USD 325mn
Assets in Strategy	USD 325mn
Appropriation of Income	accumulating
Fund Inception Date	5/29/2020
Financial Year	Dec. 31
Bewertungsintervall	weekly
Order Cut-Off (Subscriptions)	T-3 (16:00 MEZ)
Order Cut-Off (Redemptions)	T-10 (16:00 MEZ)
NAV Publication (T + 1)	weekly
Settlement	T + 3
Daily Trading	-
Minimum Investment in share class currency	20.0 Mio.
Management Fee	0.55%
Performance Fee	keine
TER (30.06.2022)	0.72%
ISIN	LI0542471102
WKN	A3CT7H
Valor	54247110
BB Ticker	PLICPUD LE

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