

# LO Funds (CH)

## Commodity Risk Premia ex-Agri

### Newsletter

Liquid Alternatives Strategies • Alternatives

31 July 2024

The Bloomberg Commodity ex-Agri & Livestock TR (BCOMXALT Index) was down -4.21% for the period.

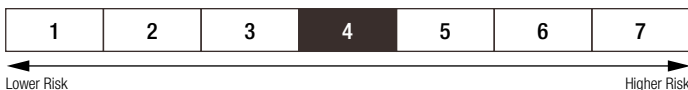
#### INDUSTRIAL METALS

The industrial metals complex experienced a broad-based weakness in July, driven by growing concerns over the global economic outlook. Earlier in the month, economic data had provided some support, with improvements in manufacturing PMIs in China and the US. However, sentiment soon soured following the release of disappointing Chinese GDP figures and the Chinese Communist Party's Central Committee Plenum, which failed to announce any major policy changes.

In the US, the high interest rate environment appears to be weighing on economic activity, with the July FOMC meeting resulting in unchanged target rates but signaling a likely rate cut in September.

An overall risk-off sentiment in the broader markets may have also

#### RISK AND REWARD PROFILE



The following risks may be materially relevant but may not always be adequately captured by the synthetic risk indicator and may cause additional loss:

**Counterparty risk:** When a fund is backed by a guarantee from a third party, or where its investment exposure is obtained to a material degree through one or more contracts with a counterparty, there could be a material risk that the counterparty to the transactions will fail to honor its contractual obligations. This may result in a financial loss to the Fund.

**Risks linked to the use of derivatives and financial techniques:** Derivatives and other financial techniques used substantially to obtain, increase or reduce exposure to assets may be difficult to value, may generate leverage, and may not yield the anticipated results. All of this could be detrimental to fund performance.

**Concentration risk:** To the extent that the fund's investments are concentrated in a particular country, market, industry, sector or asset class, the fund may be susceptible to loss due to adverse occurrences affecting that country,

contributed to the price declines seen across the industrial metals complex.

#### PRECIOUS METALS

The performance of the precious metals complex was mixed in July. Gold managed to end the period with gains, while Silver registered a decline.

#### ENERGY

The energy complex was down over the month, with all constituents in negative territory except for Carbon EUA, slightly up. While petroleum commodities performances were relatively uniform, natural gas stood out by losing over -20% over the month.

market, industry, sector or asset class.

**Model Risk:** Models may be misspecified, badly implemented or may become inoperative when significant changes take place in the financial markets or in the organization. Such a model could unduly influence portfolio management and expose to losses.

Before taking any investment decision, please read the latest version of the prospectus, the articles of incorporation, the Key Information Documents (KIDs) and the latest annual report and semi-annual report. Please pay attention to the Appendix B "Risk Factors Annex" of the prospectus.

Incorporation of extra-financial risks into the investment decision process may result in underweighting of profitable investments from the sub-fund's investment universe and may also lead the management of the sub-fund to underweight investments that will continue to perform. Sustainability risks may lead to a significant deterioration in the financial profile, profitability or reputation of an underlying investment and may therefore have a significant impact on its market price or liquidity.

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Any reference to a specific company or security does not constitute a recommendation to buy, sell, hold or directly invest in the company or securities. It should not be assumed that the recommendations made in the future will be profitable or will equal the performance of the securities discussed in this document.

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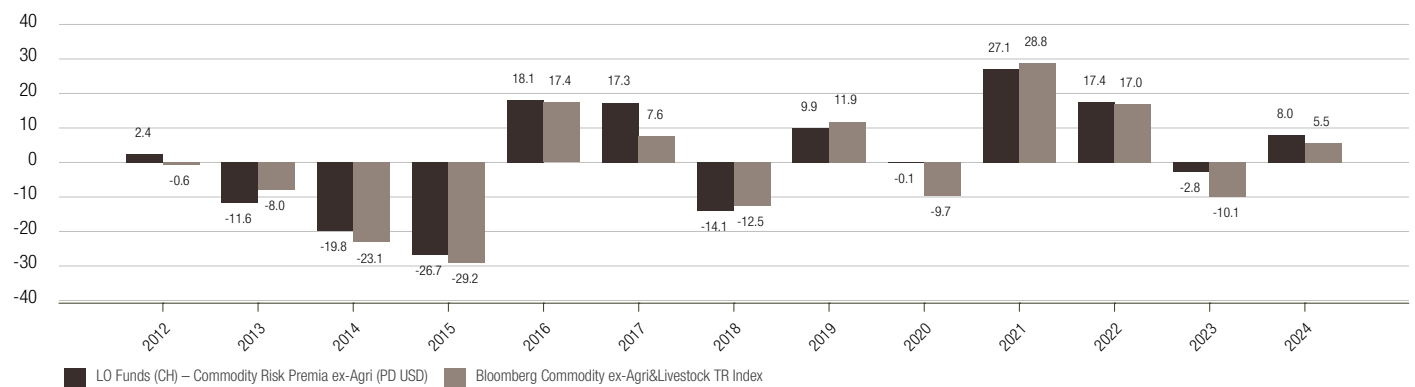
Newsletter · LO Funds (CH) - Commodity Risk Premia ex-Agri · Data as at 31 July 2024

## MEASURES SINCE INCEPTION OF THE FUND

|                              | FUND     | BENCHMARK |
|------------------------------|----------|-----------|
| Fund AUM (USD million)       | 55       | -         |
| Return since 31 October 2012 | 8.99%    | -20.50%   |
| Ann. compounded return       | 0.71%    | -1.88%    |
| Ann. excess return           | 2.60%    | -         |
| Ann. standard deviation      | 15.18%   | 17.26%    |
| Ann. tracking error          | 7.16%    | -         |
| Information ratio            | 0.47     | -         |
| Percentage of up months      | 56%      | 53%       |
| Maximum monthly gain         | 13.52%   | 11.31%    |
| Maximum monthly loss         | -8.75%   | -12.13%   |
| Maximum drawdown             | -25.62%  | -32.04%   |
| Recovery period              | In Recov | In Recov  |

Performance for the USD share classes P-Dis, net of fees and expenses; all performance figures reflect the reinvestment of earning, capital gains, interest and dividends. The Fund inception date: 31 October 2012. Benchmark: Bloomberg Commodity ex-Agri&Livestock TR Index. No index is directly comparable to the performance of the Fund. Monthly calculation step except for the Maximum drawdown which is calculated using daily figures. Source of the figures: Unless otherwise stated, figures are prepared by LOIM. Past performance is not a guarantee of future results.

## ANNUAL RETURNS SINCE INCEPTION OF THE FUND



## FUND NET MONTHLY RETURNS SINCE INCEPTION

| P-D USD     |        |        |         |        |        |        |        |        |        |        |        |        |                |         |               |  |
|-------------|--------|--------|---------|--------|--------|--------|--------|--------|--------|--------|--------|--------|----------------|---------|---------------|--|
| CLASS       | JAN    | FEB    | MAR     | APR    | MAY    | JUN    | JUL    | AUG    | SEP    | OCT    | NOV    | DEC    | FUND           | BENCH   | EXCESS        |  |
| <b>2024</b> | 0.22%  | -0.77% | 4.83%   | 6.03%  | 0.81%  | -0.35% | -2.77% |        |        |        |        |        | <b>7.97%</b>   | 5.55%   | <b>2.42%</b>  |  |
| <b>2023</b> | 4.10%  | -6.59% | 2.22%   | -1.75% | -6.33% | 1.85%  | 8.85%  | -1.69% | 0.94%  | -2.16% | -0.68% | -0.64% | <b>-2.84%</b>  | -10.06% | <b>7.22%</b>  |  |
| <b>2022</b> | 6.26%  | 6.48%  | 13.52%  | 1.35%  | 0.12%  | -8.75% | -1.05% | -2.79% | -7.30% | 2.88%  | 7.00%  | 0.60%  | <b>17.42%</b>  | 17.01%  | <b>0.42%</b>  |  |
| <b>2021</b> | 0.82%  | 7.42%  | -2.78%  | 6.69%  | 4.62%  | 0.18%  | 3.25%  | -0.87% | 2.35%  | 4.63%  | -6.71% | 5.59%  | <b>27.12%</b>  | 28.80%  | <b>-1.68%</b> |  |
| <b>2020</b> | -6.82% | -5.56% | -14.51% | 2.19%  | 5.26%  | 4.02%  | 7.97%  | 5.93%  | -4.91% | 0.59%  | 6.59%  | 1.82%  | <b>-0.05%</b>  | -9.71%  | <b>9.66%</b>  |  |
| <b>2019</b> | 6.80%  | 2.80%  | -0.52%  | 0.18%  | -6.53% | 4.35%  | 1.45%  | -0.59% | -0.60% | 1.90%  | -3.30% | 4.30%  | <b>9.93%</b>   | 11.87%  | <b>-1.94%</b> |  |
| <b>2018</b> | 2.04%  | -3.84% | 0.37%   | 2.82%  | 1.40%  | -2.45% | -4.05% | -1.38% | 2.25%  | -3.90% | -5.72% | -2.10% | <b>-14.05%</b> | -12.52% | <b>-1.53%</b> |  |
| <b>2017</b> | 3.16%  | 1.93%  | -2.32%  | -2.62% | -1.01% | -0.16% | 3.81%  | 6.23%  | -0.72% | 3.52%  | -0.86% | 5.64%  | <b>17.34%</b>  | 7.58%   | <b>9.76%</b>  |  |
| <b>2016</b> | -1.23% | 3.44%  | 2.11%   | 8.15%  | -3.71% | 6.17%  | 0.63%  | -1.97% | 3.68%  | -1.07% | 2.31%  | -1.06% | <b>18.13%</b>  | 17.38%  | <b>0.75%</b>  |  |
| <b>2015</b> | -2.62% | 2.13%  | -4.35%  | 6.91%  | -3.59% | -3.99% | -8.42% | -2.96% | -2.46% | -0.69% | -7.74% | -2.01% | <b>-26.73%</b> | -29.18% | <b>2.46%</b>  |  |
| <b>2014</b> | -1.64% | 4.03%  | -1.67%  | 2.15%  | 0.69%  | 3.75%  | -2.03% | -0.32% | -6.50% | -4.06% | -6.34% | -8.96% | <b>-19.81%</b> | -23.15% | <b>3.34%</b>  |  |
| <b>2013</b> | 2.51%  | -4.68% | -1.09%  | -6.11% | -1.51% | -5.07% | 3.29%  | 3.94%  | -2.49% | 0.20%  | -2.43% | 1.78%  | <b>-11.64%</b> | -7.95%  | <b>-3.68%</b> |  |
| <b>2012</b> |        |        |         |        |        |        |        |        |        |        | 4.35%  | -1.87% | <b>2.40%</b>   | -0.58%  | <b>2.98%</b>  |  |

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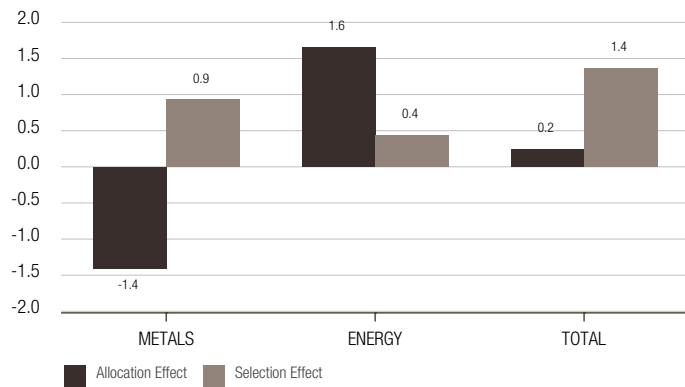
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### FUND GROSS PERFORMANCE CONTRIBUTION

|               | MTD   | YTD   |
|---------------|-------|-------|
| <b>METALS</b> | -1.8% | 4.0%  |
| Copper        | -0.3% | 1.3%  |
| Aluminum      | -0.7% | -0.8% |
| Zinc          | -0.8% | -0.2% |
| Nickel        | -0.3% | -0.1% |
| Gold          | 0.5%  | 2.2%  |
| Silver        | -0.2% | 1.6%  |
| <b>ENERGY</b> | -1.2% | 1.7%  |
| Crude Oil     | -0.2% | 0.6%  |
| Natural Gas   | -0.2% | -0.7% |
| Brent         | -0.3% | 0.5%  |
| Heating Oil   | -0.3% | 0.3%  |
| Gasoil        | -0.3% | 0.6%  |
| Gasoline      | -0.1% | 0.6%  |
| Carbon        | 0.1%  | -0.3% |

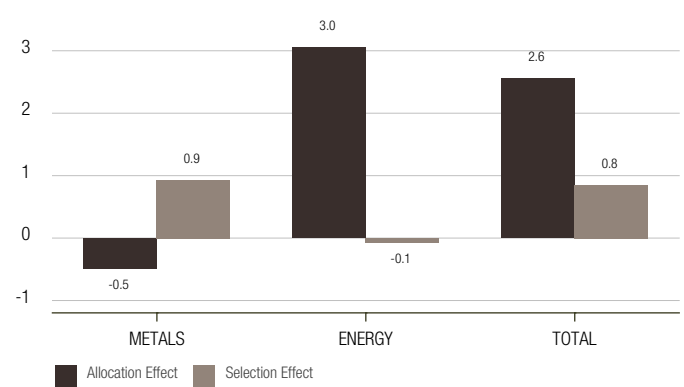
Estimated performance contribution based on gross returns.  
See performance table above for net returns.

### FUND GROSS PERFORMANCE ATTRIBUTION



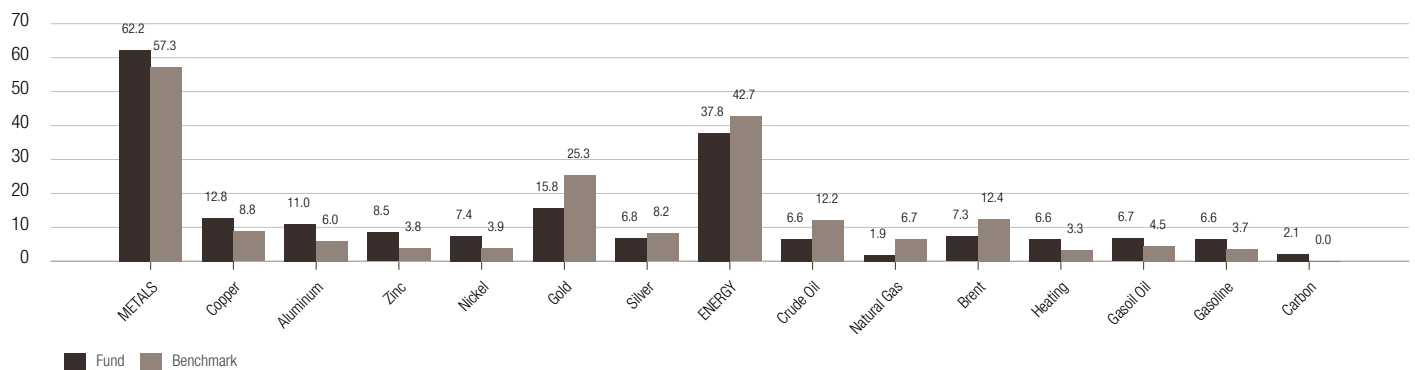
Estimated performance attribution based on gross returns relative to the benchmark (Bloomberg Commodity ex-Agri&Livestock TR Index). See Strategy Philosophy for definition of the effect.

### FUND GROSS PERFORMANCE ATTRIBUTION - YTD



Estimated performance attribution based on gross returns relative to the benchmark (Bloomberg Commodity ex-Agri&Livestock TR Index). See Strategy Philosophy for definition of the effect.

### FUND AND BENCHMARK ALLOCATION



Portfolio allocation and benchmark allocation by commodity as at end of month.

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**FUND ALLOCATION DETAILS (IN %)**

|                   |               |
|-------------------|---------------|
| <b>Metals</b>     | <b>62.21%</b> |
| Copper [Dec-26]   | 12.8%         |
| Aluminum [Dec-26] | 11.0%         |
| Zinc [Jan-25]     | 8.5%          |
| Nickel [Jan-25]   | 7.4%          |
| Gold [Dec-24]     | 15.8%         |
| Silver [Mar-25]   | 6.8%          |

|                      |               |
|----------------------|---------------|
| <b>Energy</b>        | <b>37.79%</b> |
| Crude Oil [Sep-24]   | 6.63%         |
| Natural Gas [Mar-25] | 1.89%         |
| Brent [Oct-24]       | 7.28%         |
| Heating Oil [Mar-25] | 6.57%         |
| Gasoil [Dec-24]      | 6.74%         |
| Gasoline [Oct-24]    | 6.58%         |
| Carbon [Dec-24]      | 2.10%         |

Portfolio allocation and benchmark allocation by commodity as at end of month.

**FUND DETAILS**

|                             |   |
|-----------------------------|---|
| <b>Portfolio Managers</b>   | Laurent Joué, Marc Pellaud                                  |
| <b>Inception date</b>       | 31-oct.-12  |
| <b>Pooled Fund domicile</b> | FCp   |
| <b>Investment Managers</b>  | Lombard Odier Asset Management (Europe) Limited             |
| <b>Administrator</b>        | CACEIS Bank Paris   |
| <b>Auditor</b>              | Pricewaterhouse Coopers                                     |
| <b>Legal Advisors</b>       | Linklaters LLP, Luxembourg                                  |
| <b>INVESTMENT TERMS</b>     | <b>SHARE CLASS N, M, P</b>                                  |
| <b>Share currencies</b>     | USD, EUR (Hedged), CHF (Hedged), GBP (Hedged), JPY (Hedged) |
| <b>Minimum investment</b>   | USD 1 million (N class), USD 3'000 (M & P class)            |
| <b>Valuation Daily</b>      | Daily   |
| <b>Redemption frequency</b> | Daily, cut-off T-1, 3 PM Luxembourg time                    |
| <b>Redemption penalties</b> | Nil   |
| <b>Management fee</b>       | 0.75% (N & P), 0.825% (M)                                   |
| <b>Distribution fee</b>     | 0.75% (Class P only)  |
| <b>Performance fee</b>      | Nil   |

For detailed information please consult the relevant prospectus of the pooled fund vehicle.

**INVESTOR RELATIONS**

|              |                  |  |
|--------------|------------------|--|
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### Access to documents in country of registrations:

The PRIIPS/KIDs are available in one of the official languages of your country and a Prospectus is available in English and French. The PRIIPS/KIDs and the Prospectus together with the Articles of Incorporation and the last annual and semi-annual financial report are available on [www.loim.com](http://www.loim.com) or can be requested free of charge at the registered office of the Fund or of the Management Company, from the

distributors of the Fund or from the local representatives as mentioned below. These Offering Documents are provided for information and illustration and is not a contractually binding document or an information required by any legislative provisions and is not sufficient to take an investment decision.

Please refer to the prospectus and the PRIIPS/KIDs before making any final investment decisions. Before making an investment in the Fund, an investor should read the entire Offering Documents, and in particular the risk factors pertaining to an investment in the Fund, consider carefully the suitability of such investment to his/her particular circumstances and, where necessary, obtain independent professional advice in respect of **risks**, as well as any **legal, regulatory, credit, tax, and accounting consequences**.

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A summary of investor's rights relating to regarding complaints and litigation is available in English on <https://am.lombardodier.com/home/asset-management-regulatory-disc.html>.

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