



AVA

Pure Opportunity

ISIN: XS2396810348, Class B USD

- Markets are sometimes too short-sighted and fail to recognise in advance when a company's prospects are about to improve or when a turnaround is close to bearing its fruits
- This market-myopia can be a source of opportunity for investors willing to position their portfolio towards acquiring good businesses, that are just experiencing a temporary blip
- Pure Opportunity is specifically designed to invest in companies where we expect circumstances to rebound in the near future
- Focus: US and European listed stocks at the early stage of their cyclical recovery, under a 'special situation' scenario (spinoffs, recap, merger, activist) or post a successful turnaround

01

Monthly review & performance

Risk assets have bounced over the last weeks on a mix of technical and fundamental drivers reviving the FOMO mindset that we saw last summer. The key trigger was the renewed hope that the Fed and other central banks will be forced to pivot due to weakening growth.

Oil price was up again on renewed demand/supply scarcity worries after OPEC+ cut production while Biden struggle to find a meaningful response that would limit the rise in WTI.

Unsurprisingly our large exposure to the Energy sector was beneficial with significant positive contributions from Oil Services names such as **VALARIS**, **SCHLUMBERGER** and **TECHNIPFMC**.

Still elevated multiples for equity markets (especially compared to the cost of capital), mean that future expected returns are contingent on Earnings moving decisively higher. We do not want to make it our central scenario and hence see potential upside as limited, at best. Should inflation continue to surprise to the upside, there is significant downside potential for equities, especially post the recent rally. As such we maintain a relatively high cash balance in the strategy in order to lower the beta of our portfolio. The Energy sector is the only one providing positive earnings momentum at a very decent valuation and we expect to remain overweight the sector while the supercycle continues to last.

	Name	YTD	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Since inception
2022	Pure Opportunity	1.6%	-2.5%	9.8%	7.6%	-2.7%	4.2%	-16.8%	6.7%	1.3%	-7.8%	4.9%			-4.5%
	Benchmark (MSCI World)	-21.2%	-5.3%	-2.7%	2.5%	-8.4%	-0.2%	-8.8%	7.9%	-4.3%	-9.5%	7.1%			-20.9%
2021	Pure Opportunity	-6.1%											-8.0%	2.1%	
	Benchmark (MSCI World)	0.3%											-3.7%	4.2%	

02

Top 5 holdings

Name	Sector	Theme	Weight
CRITEO SA-ADR	Communication Services	Beaten-up quality	4.7%
PINTEREST INC -A	Communication Services	Beaten-up quality	4.5%
HALLIBURTON CO	Energy	The Oil Rush	4.3%
EQUINOR ASA	Energy	The Oil Rush	3.6%
AIXTRON SE	Information Technology	Beaten-up quality	3.6%

03

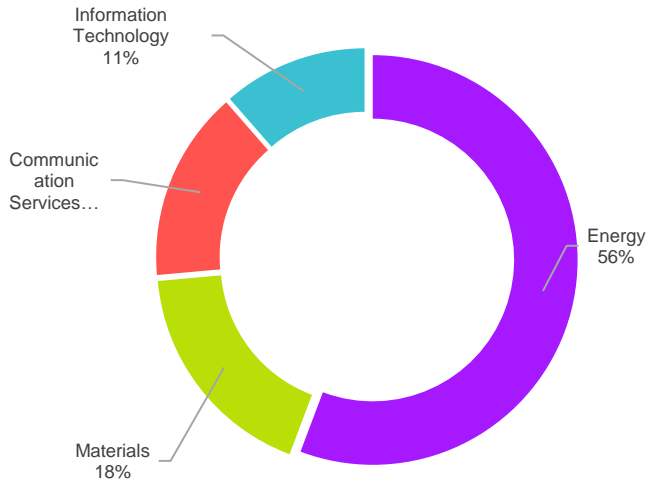
Top & bottom contributors

TOP		BOTTOM	
Name	Contrib.	Name	Contrib.
VALARIS	+ 122bps	ASM INTERNATIONAL	- 69bps
SCHLUMBERGER	+ 109bps	AIXTRON	- 50bps
TECHNIPFMC	+ 81bps	ERAMET	- 43bps

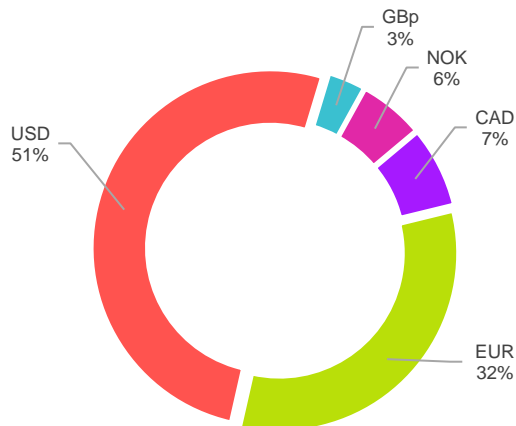
*Since inception on the 17.11.2021.

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04 Sectors



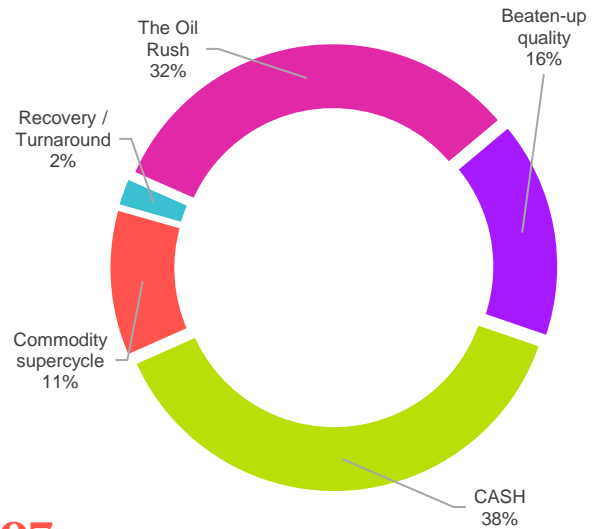
05 Currencies



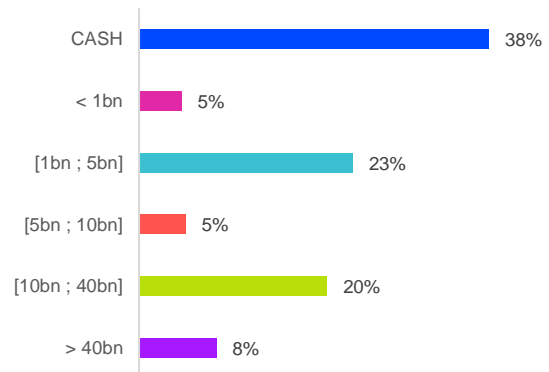
08 Share class characteristics

Launched on	17 Nov. 2021
Format	AMC
Issuer	Goldman Sachs (rating A+)
Currency risk	None, fully hedged
Leverage	None

06 Themes



07 Market caps



09 Disclaimer

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