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Commodities today: Opportunity and Diversification

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Marketing document for institutional investors in AT, CH, DE, ES, PT, FR, GB, IT, LU (Professional Investors only)

Restricted

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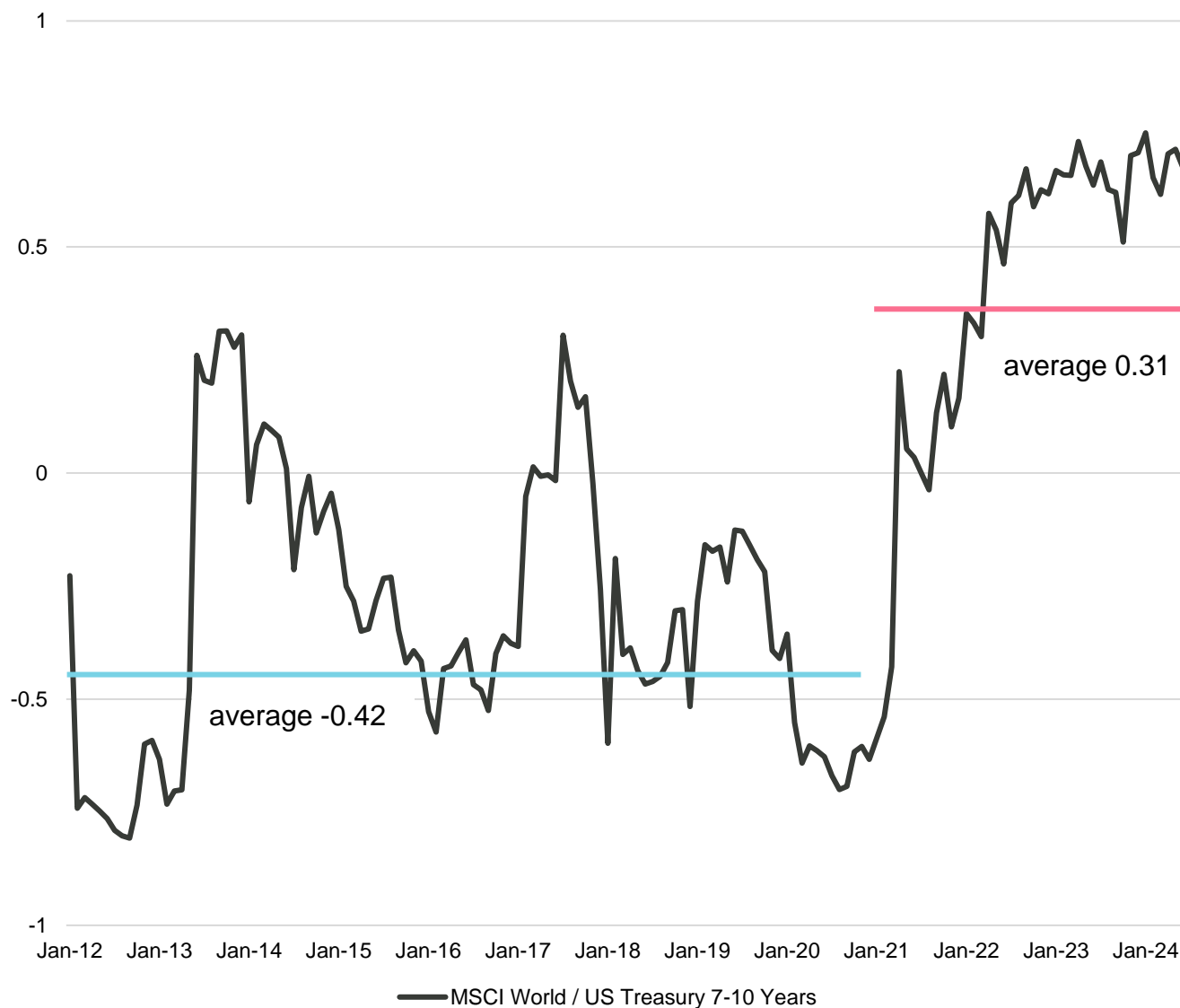


Agenda

- 4 **How to implement commodities: Gold or a broad basket?**
- 17 Commodities market outlook
- 38 Fund offering
- 45 Appendix

Alternative asset class needed in multi asset context

60/40 portfolio stopped working due to elevated correlation



- After decades of low to negative **equity/bond correlations**, they are now **back in positive territory**
- **Higher correlations** go hand in hand with **high-inflation periods**
- **Rising correlations put classic multi-asset portfolios at risk** as diversification via bonds no longer works
- Asset class **commodities** can be used as **diversifier**

Commodities as diversifying asset class

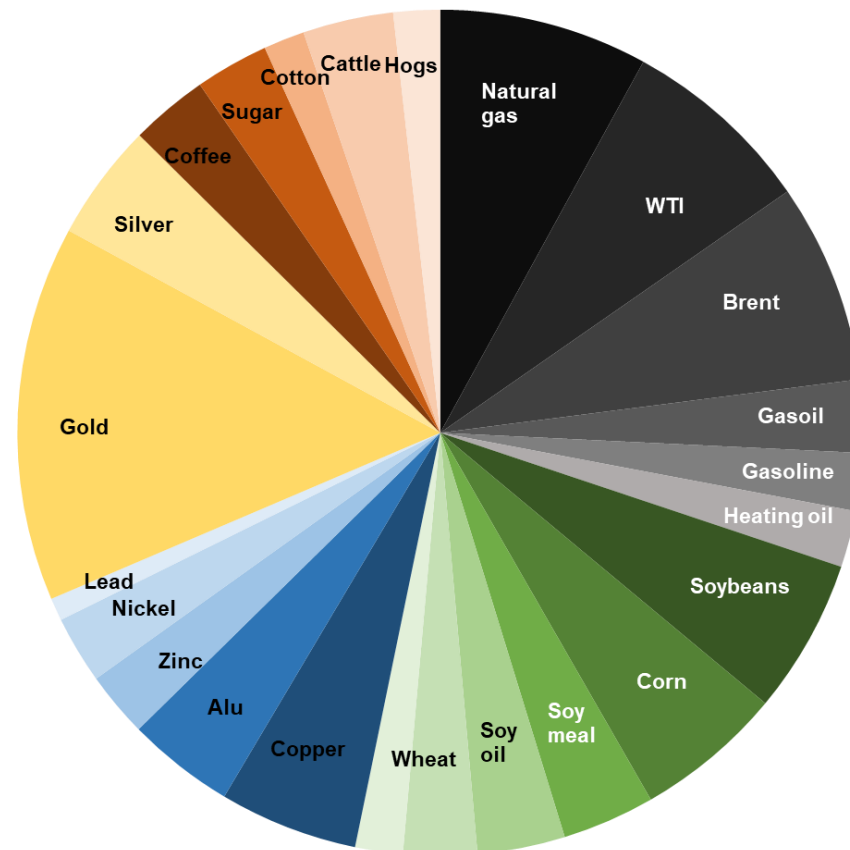
What to use?

Gold or.....



Gold on a stand alone basis.

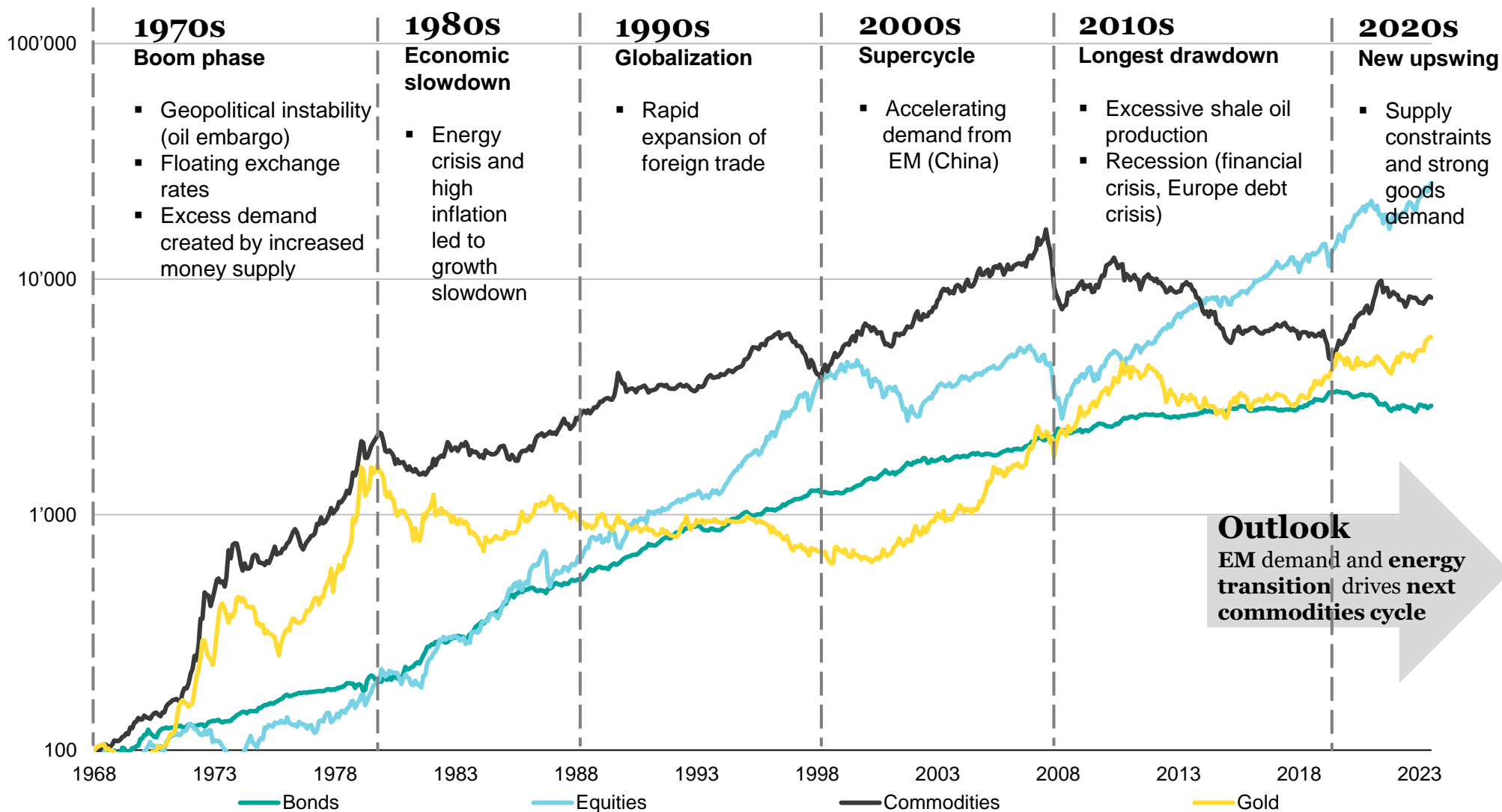
....a basket of commodities?



BCOM index with 24 commodities from 5 sectors.

#1 Attractive long term returns

Gold is not the only option...



Past performance is not a guide to current or future performance.

Performance data does not take into account any commissions and costs charged when shares of the fund are issued and redeemed, if applicable. The return may go down as well as up due to changes in rates of exchange between currencies. Data: Log values. Commodities: BCOM TR Index, Equities: S&P 500 TR Index, Bonds: US Government 10yr Bond TR Index, Gold: XAU. Source: Bloomberg, Vontobel Asset Management. Period: 29.1.1960 – 28.06.2024.

#1 Attractive long term returns

EM growth and energy transition are potential drivers of the next commodities cycle



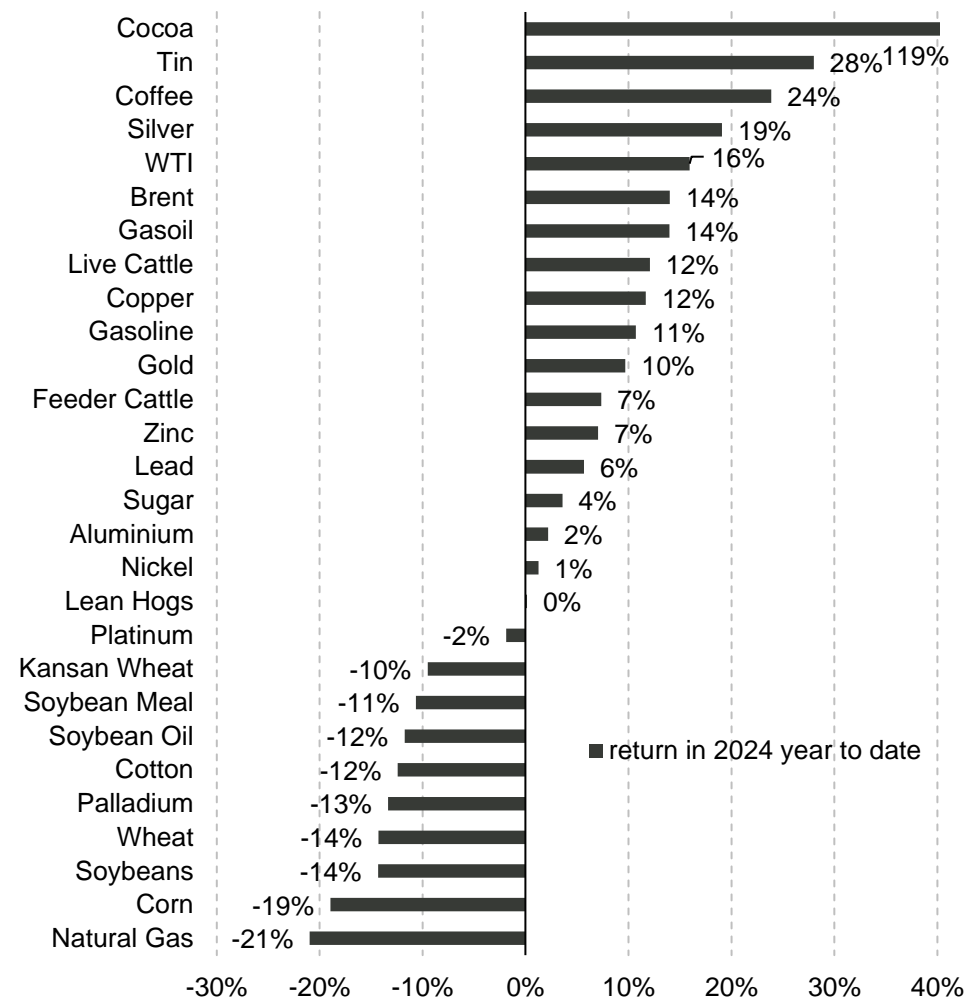
#2 Diversification

Commodity sectors are fairly uncorrelated

| | Natural Base | | | | | | |
|-------------|--------------|-------|--------|----------|--------|-------|---------|
| | Oil | Gas | metals | Precious | Grains | Softs | Livest. |
| Oil | 1.00 | | | | | | |
| Natural Gas | 0.09 | 1.00 | | | | | |
| Base metal | 0.42 | 0.14 | 1.00 | | | | |
| Precious | 0.14 | -0.07 | 0.45 | 1.00 | | | |
| Grains | 0.18 | 0.13 | 0.25 | 0.20 | 1.00 | | |
| Softs | 0.31 | 0.13 | 0.36 | 0.26 | 0.30 | 1.00 | |
| Livestock | 0.27 | 0.11 | 0.07 | -0.12 | -0.07 | 0.01 | 1.00 |

Commodity sectors show relatively low correlation with each other as they are driven by very diverse and specific supply and demand dynamics.

Large return dispersion creates opportunities for active managers



Past performance is not a guide to current or future performance.

Source: Bloomberg, Vontobel Asset Management. Left chart: correlation on monthly returns 12/31/2010-06/28/2024. Right chart: 12/2023-6/28/2024,

#2 Diversification

Commodities and gold offer diversification

| | BCOM TR index | Gold Spot | MSCI World TR | MSCI EM TR | ESTOXX TR | FTSE TR | US Dollar | U.S.bond Aggr | Treasury 1-3 Year | Treasury 7-10 | Gilt 7-10 Year | Bund 7-10 Year | US Corporate | Bitcoin |
|---------|--------------------|-----------|---------------|------------|-----------|---------|-----------|---------------|-------------------|---------------|----------------|----------------|--------------|---------|
| stocks | BCOM TR index | 1.00 | | | | | | | | | | | | |
| | Gold TR index | 0.36 | 1.00 | | | | | | | | | | | |
| | MSCI World TR | 0.49 | 0.17 | 1.00 | | | | | | | | | | |
| | MSCI EM TR | 0.53 | 0.34 | 0.77 | 1.00 | | | | | | | | | |
| | ESTOXX TR | 0.32 | 0.00 | 0.84 | 0.60 | 1.00 | | | | | | | | |
| | FTSE TR | 0.34 | 0.00 | 0.74 | 0.56 | 0.92 | 1.00 | | | | | | | |
| bonds | US Dollar | -0.47 | -0.48 | -0.53 | -0.64 | -0.26 | -0.30 | 1.00 | | | | | | |
| | U.S.bond Aggregate | -0.05 | 0.37 | 0.31 | 0.31 | 0.18 | 0.11 | -0.34 | 1.00 | | | | | |
| | Treasury 1-3 Year | -0.11 | 0.33 | 0.06 | 0.11 | -0.02 | -0.08 | -0.29 | 0.78 | 1.00 | | | | |
| | Treasury 7-10 Year | -0.21 | 0.36 | 0.01 | 0.03 | -0.08 | -0.15 | -0.15 | 0.92 | 0.79 | 1.00 | | | |
| | Gilt 7-10 Year | -0.15 | 0.27 | 0.10 | 0.03 | 0.03 | -0.07 | -0.01 | 0.74 | 0.60 | 0.77 | 1.00 | | |
| | Bund 7-10 Year | -0.21 | 0.18 | 0.07 | 0.00 | 0.00 | -0.11 | 0.08 | 0.76 | 0.58 | 0.78 | 0.83 | 1.00 | |
| | US Corporate | 0.13 | 0.37 | 0.54 | 0.52 | 0.40 | 0.34 | -0.40 | 0.90 | 0.56 | 0.70 | 0.60 | 0.63 | 1.00 |
| Bitcoin | 0.05 | 0.00 | 0.17 | 0.07 | 0.13 | 0.08 | -0.08 | 0.09 | 0.07 | 0.05 | 0.07 | 0.11 | 0.13 | 1.00 |

Commodities

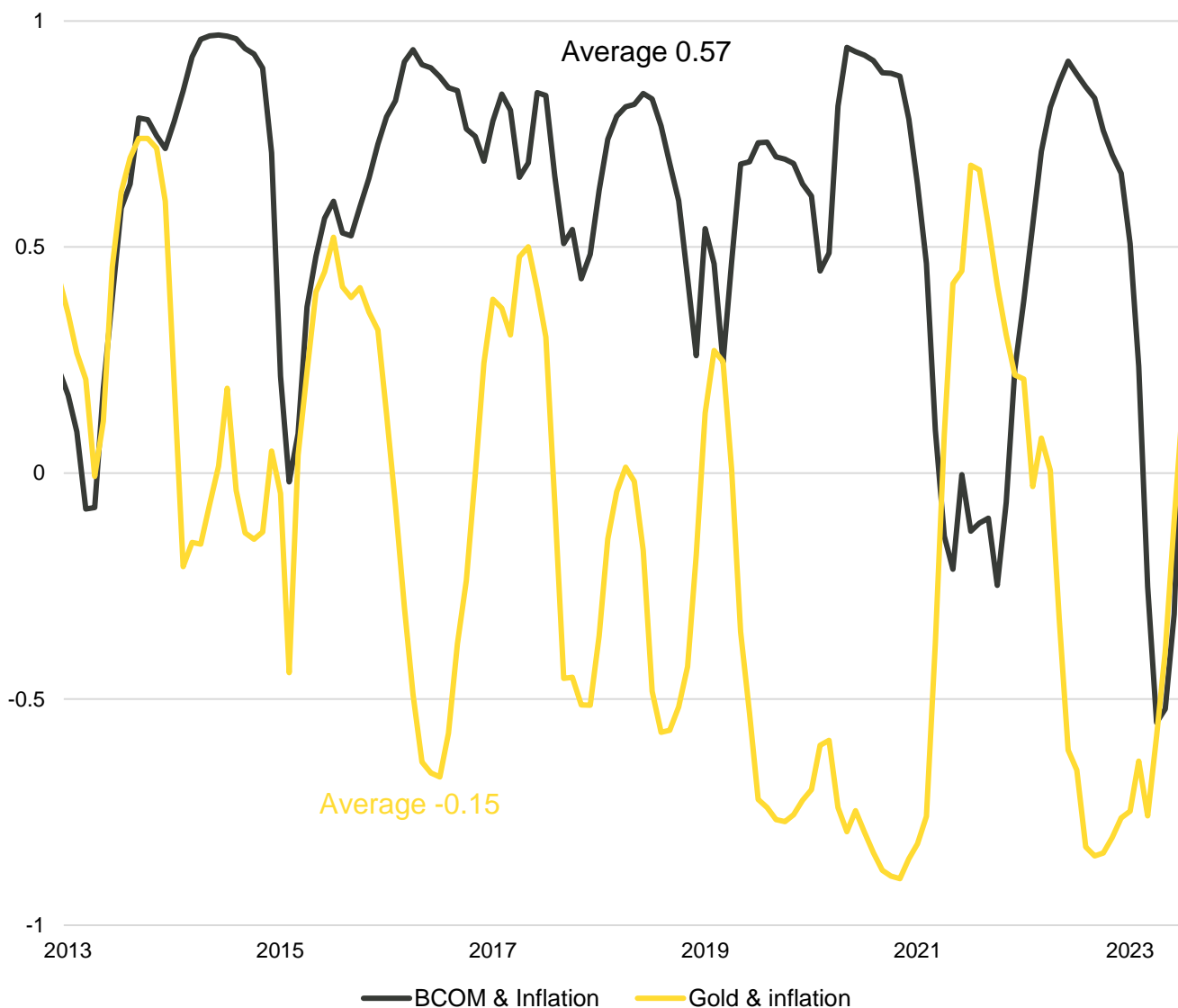
- Positive correlation with stocks
- Negative correlation with fixed income

Gold

- Low correlation with stocks
- Positive correlation with fixed income

#3 Inflation hedge

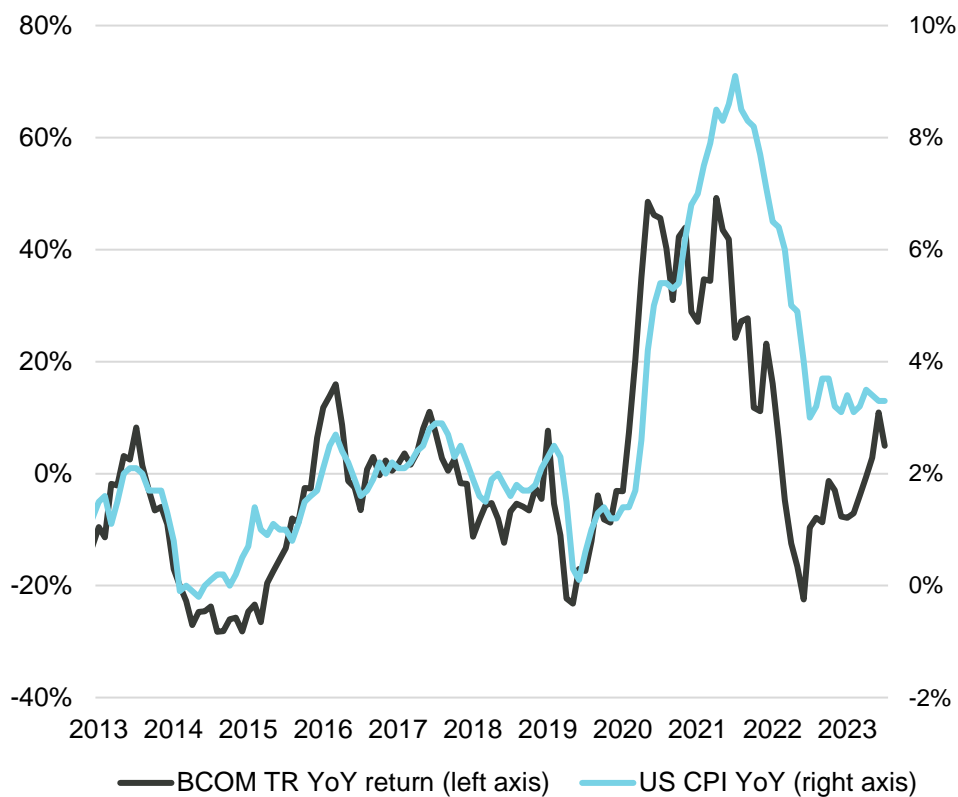
Correlations between inflation and gold / commodities



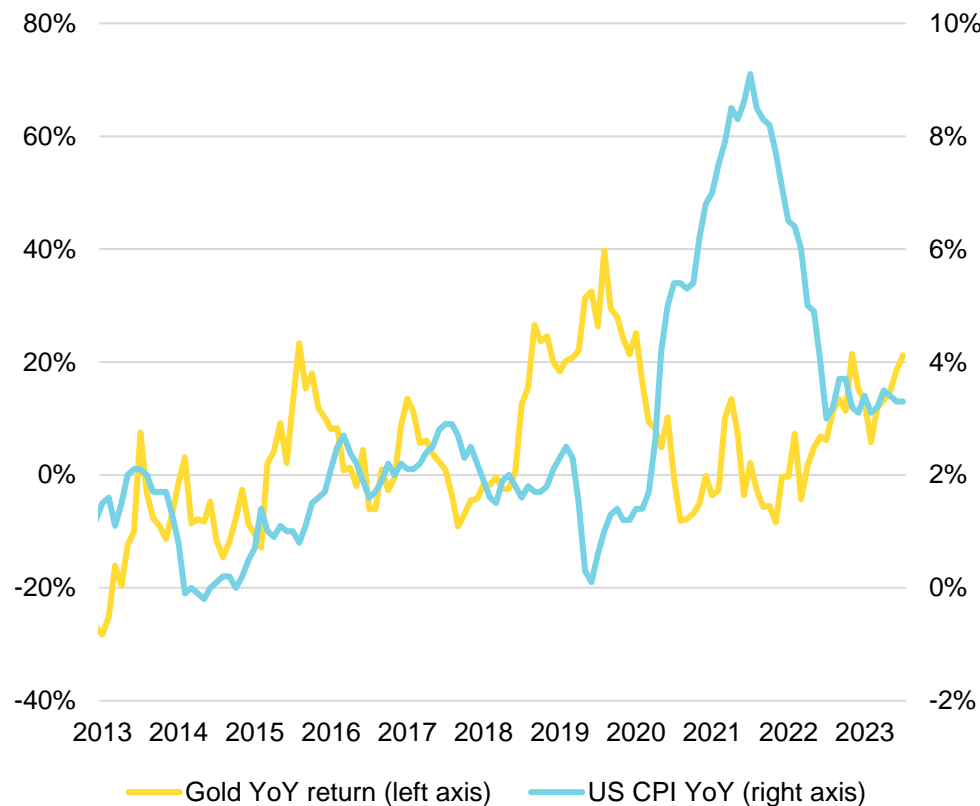
- High correlation of commodities with inflation as they form the building blocks of our society.
- Commodities are included in many goods and services that affect our daily life (food, metals in electronics, metals in energy transition technology and infrastructure, heating, etc.)
- When commodity prices rise, so does the cost of living.
- Slightly negative correlation of gold and inflation.

#3 Inflation hedge

Commodities and inflation (usually) go hand in hand



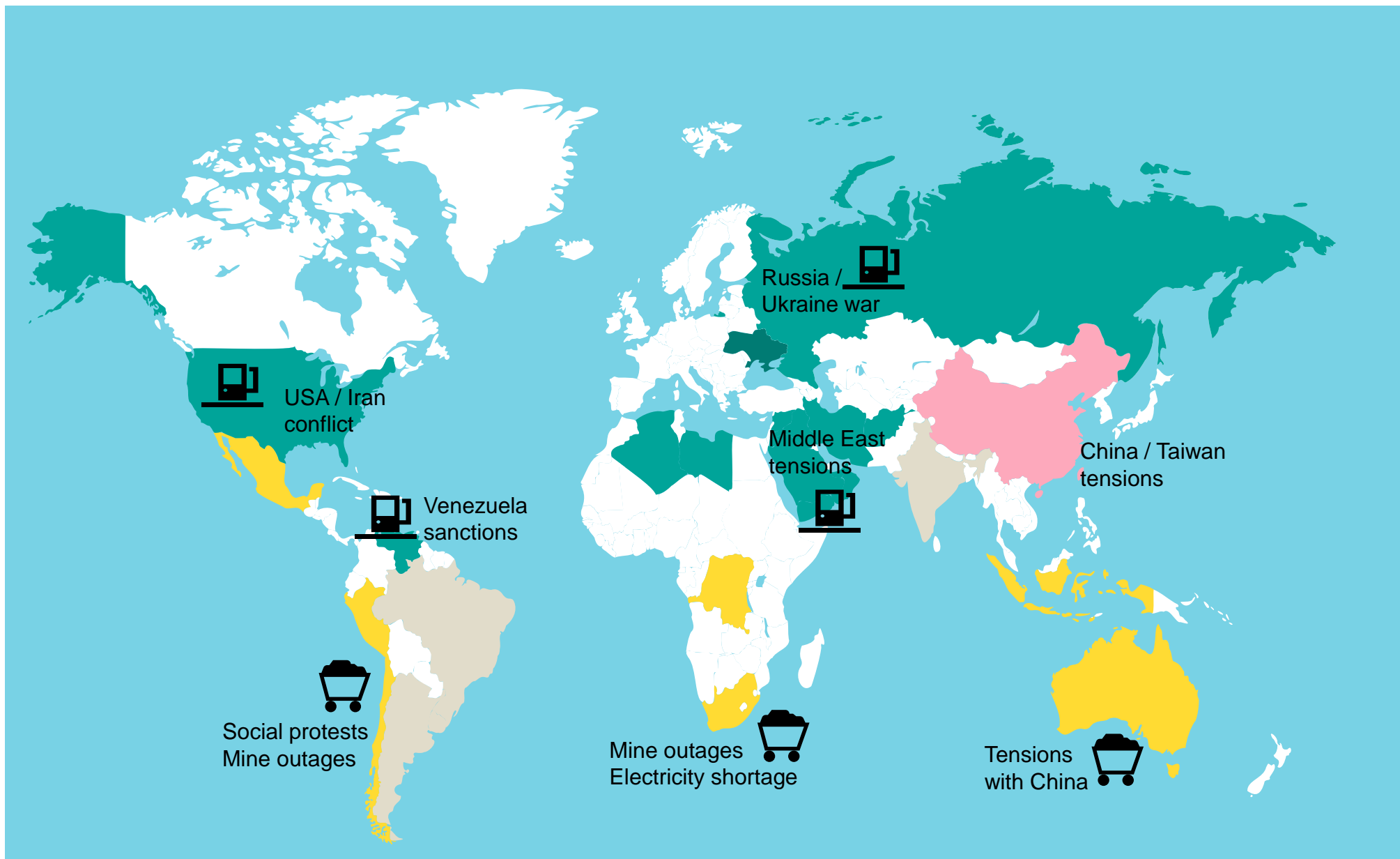
Gold and inflation have a less clear connection



Only disconnect: 2022-2023 due to sticky service inflation.

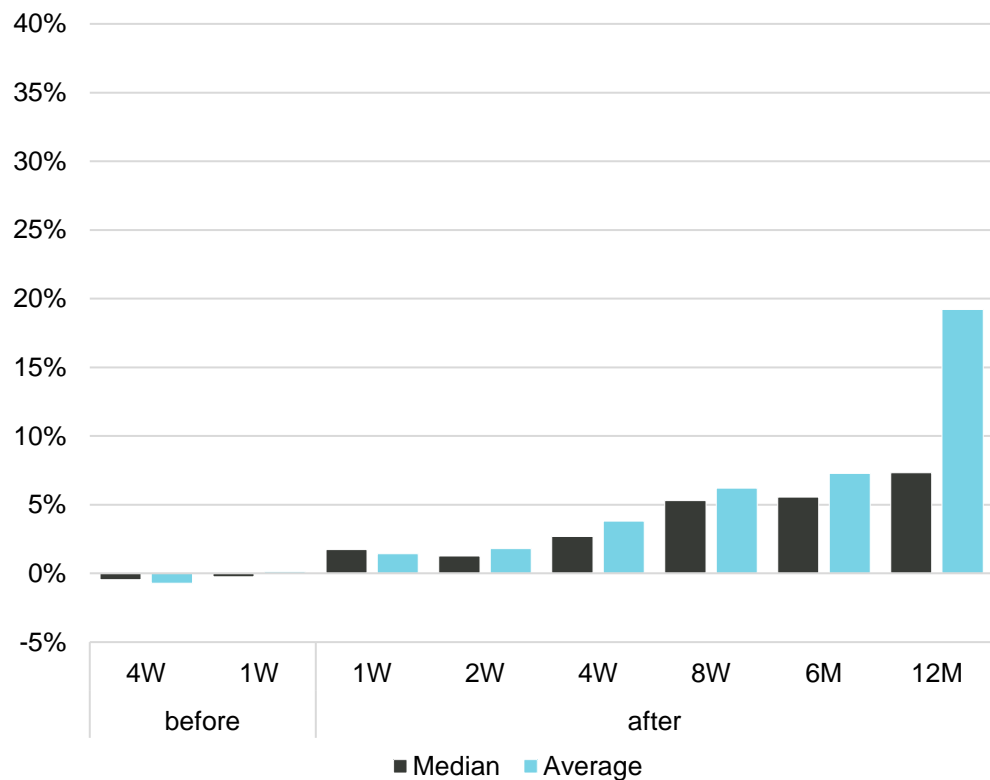
An efficient inflation hedge should respond positively to inflation rates. Gold has not done this, on average.

#4 Geopolitical hedge

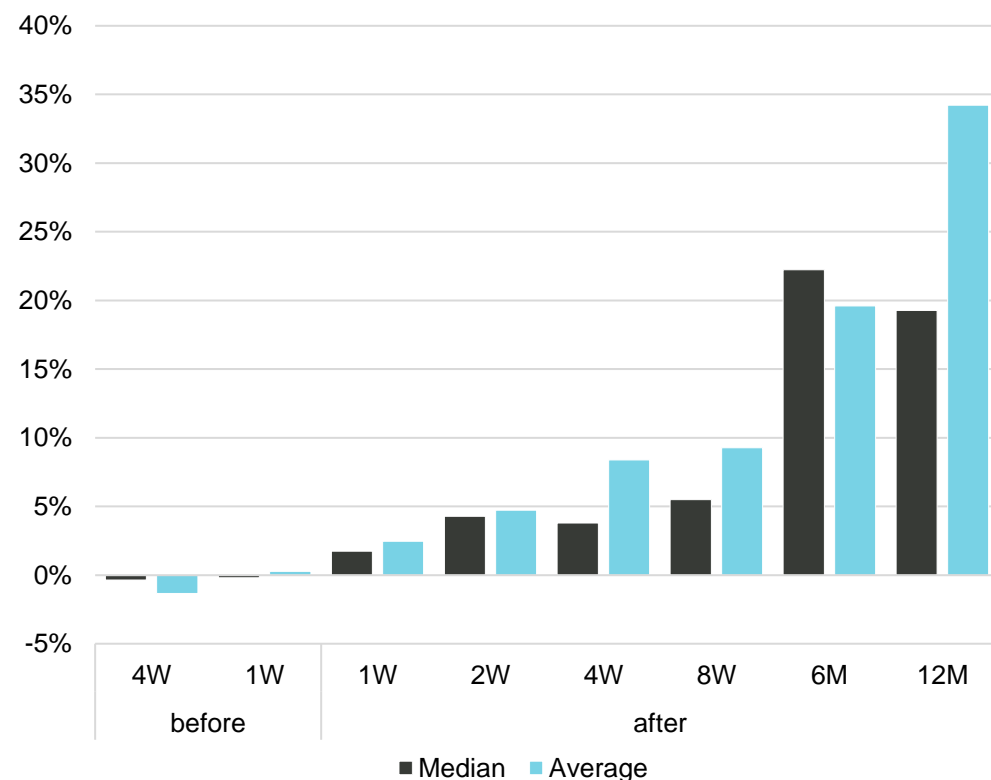


#4 Geopolitical hedge

Commodities performance pre/post crisis event



Gold performance pre/post crisis event



Commodities usually in the crossfire of geopolitical crises

Gold shines as geopolitical hedge.

#5 Sources of return

Gold total return

=

Spot return

Commodities total return

=

Spot return

+

Roll return

+

Collateral return

- In times of **backwardation**, positive roll returns provide another income stream
- Even when **contango** dominates, long/short strategies can harvest negative roll return

- Fund structured on **total return basis**
- Investors receive regular income tied to **government bond yields**

#5 Exposure to energy transition

Commodities are an essential component of the energy transition



Electric vehicles and **renewables** infrastructure need enormous investments and **commodities** input:

- Metals.
- Grains and softs as inputs for biofuels.
- EU emission allowances as key instrument to reduce CO₂.

Benefits of adding transition commodities for investor:

- Hedging against rising costs of transition investments.
- Strategic positioning for supply shortfalls in transition commodities with enormous upside potential.

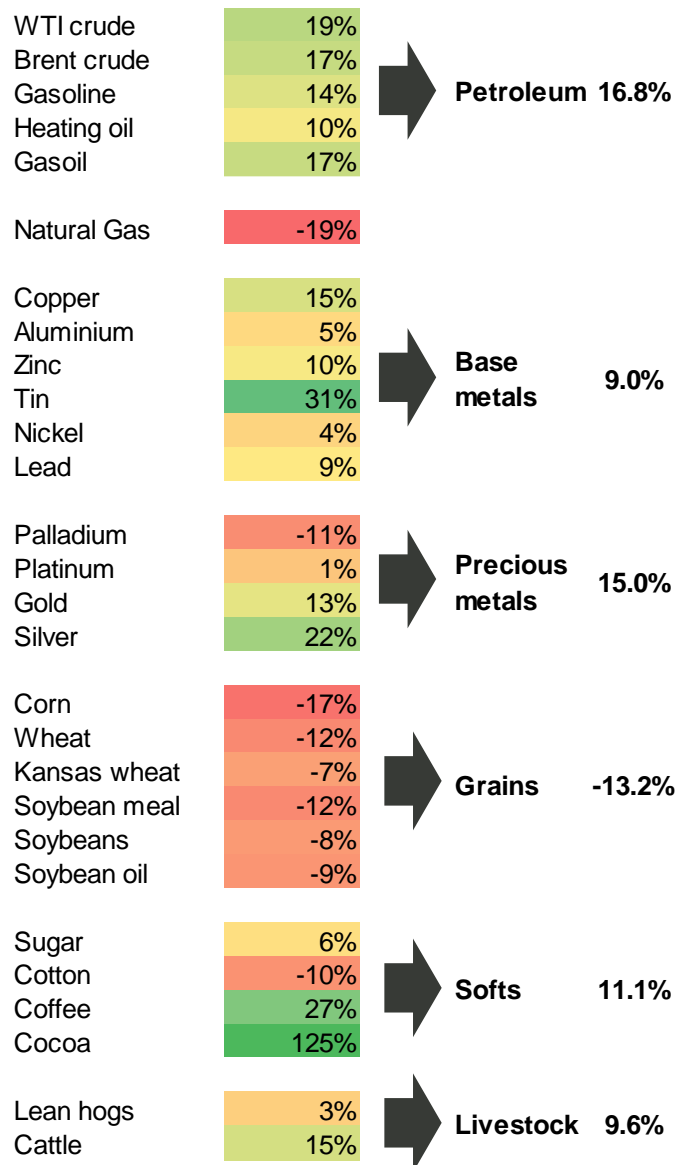


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Commodity TR Performance 2024

BCOM TR index up 5%



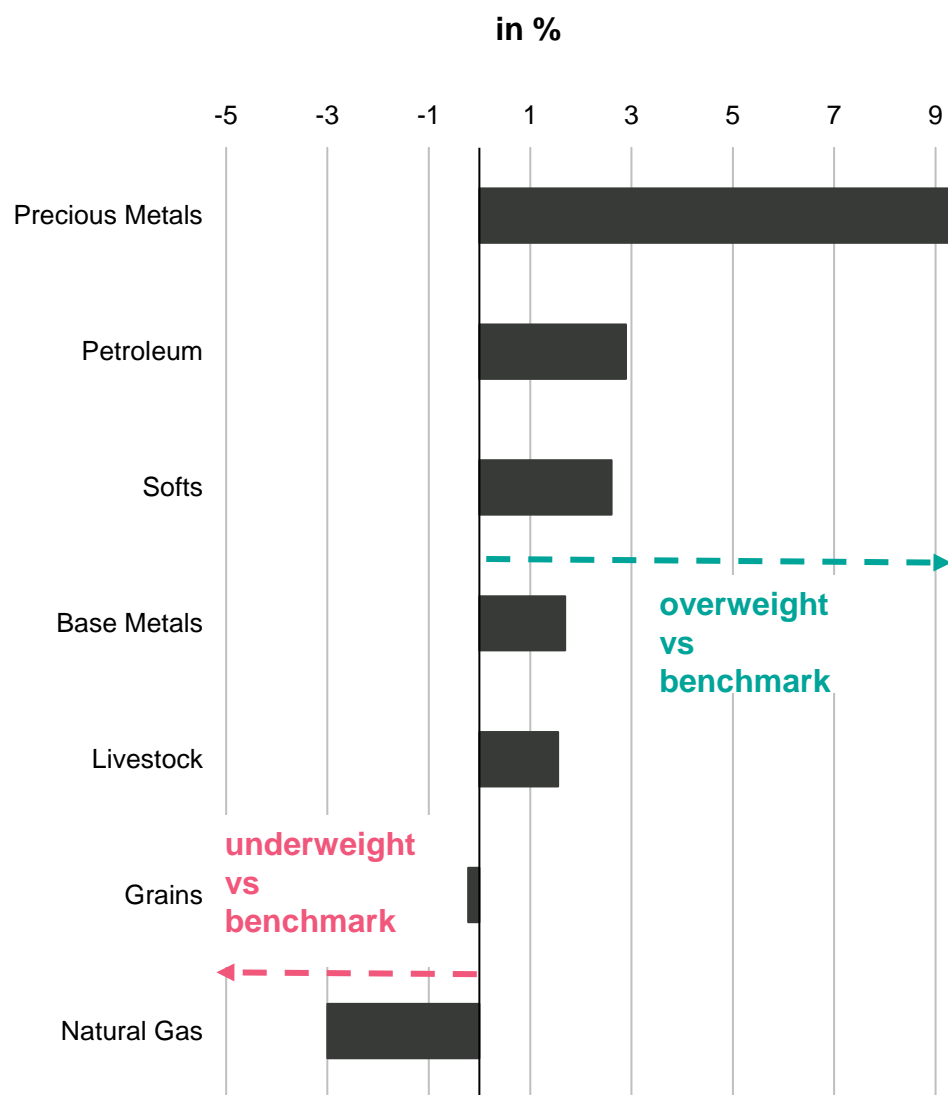
Reasons

1. Petroleum strong on
 - Geopolitical risk
 - Strong travelling
 - Strong refinery runs
2. Natural Gas weak due to
 - Storage congestion risk
 - Active hurricane season
3. Base metals strong on
 - Supply outages
4. Precious metals strong on
 - Physical buying
5. Grains weak on
 - Good US crop conditions
6. Softs strong on
 - Weather risks
7. Livestock strong on
 - Supply problems

Vontobel Fund – Commodity

Current convictions (per month-end June)

Relative commodity weights vs benchmark



Reasoning for positioning

Overweight precious metals on safe haven demand, strong physical buying and inflation hedging needs.

- Overweight silver as demand from solar industry is strong and industrial demand should pick up once central banks become more expansionary.

Small overweight oil products vs neutral crude oil

- Overweight gasoil, heating oil, gasoline as inventories are at low levels.
- Neutral Brent and WTI on large OPEC+ spare capacities and strong US shale oil supply growth.

Small overweight softs, especially sugar on weather risks

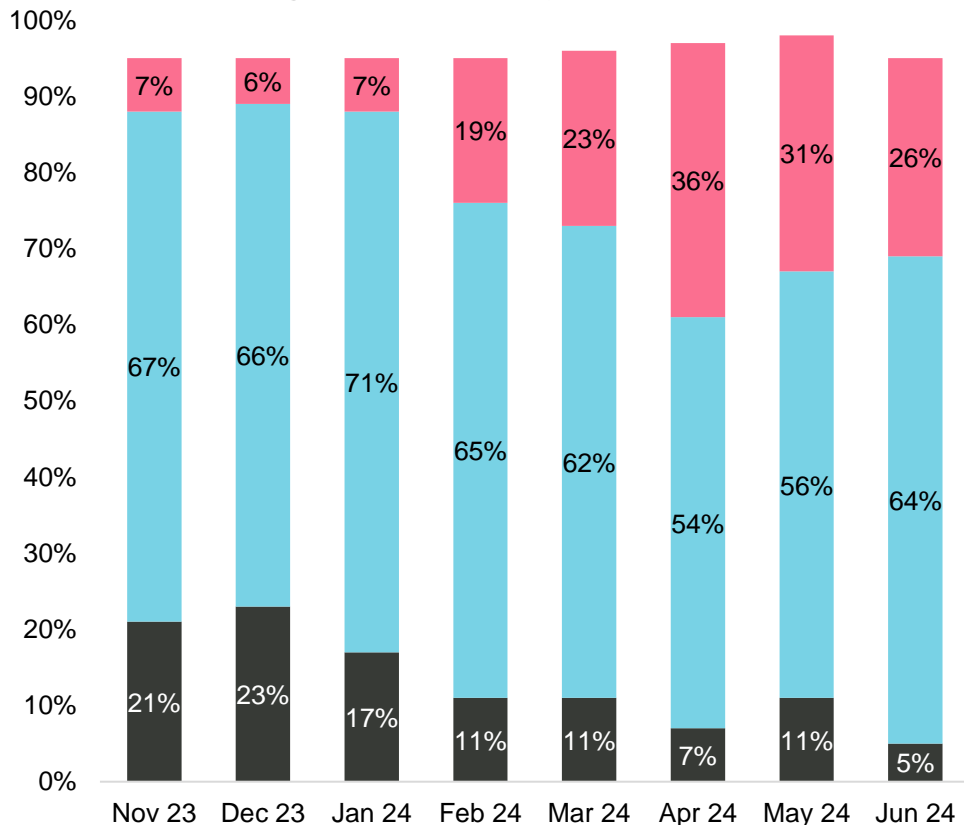
Small overweight base metals on supply issues versus rising inventories

Neutral grains: on one hand weather risks in Russia versus stellar crop conditions in the US

Underweight natural gas as production cuts are being reversed and increasing gas to coal switching

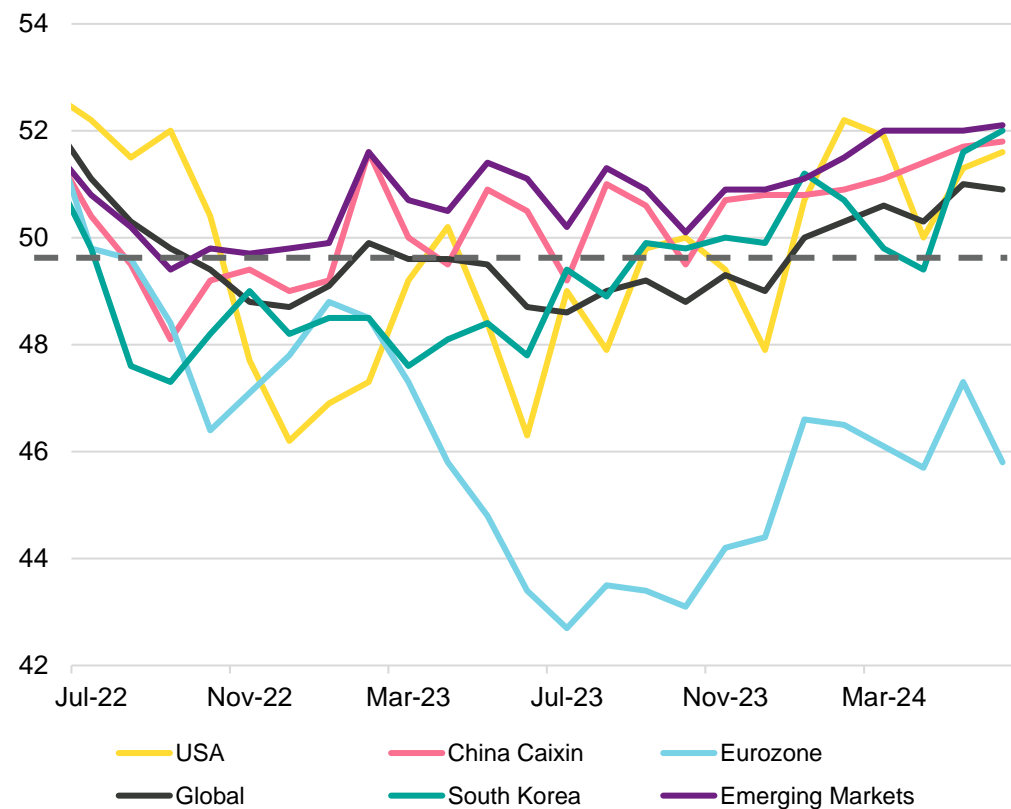
Macro Global economy

Global fund manager survey: What is the most likely outcome for the global economy in the next 12 months?



Expectations for a recession in next 12 months are very low.

Global Manufacturing PMIs recovering



Global PMIs suggest global growth recovering in recent months.

Global growth came in at a healthy 2.75% in 2023, close to long-run average.

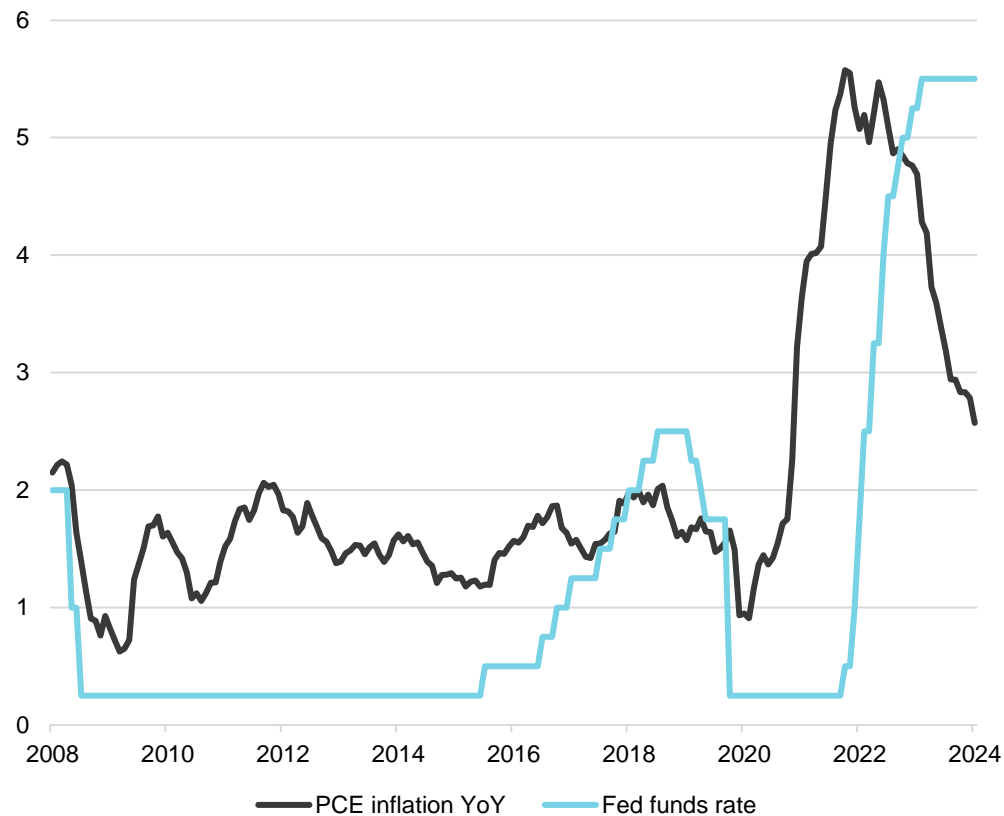
Macro

US: All indicators moving in the right direction for Fed to cut

Labor market weakening



Inflation is coming down



The gradual loosening up of very tight labor market is consistent with the Fed’s disinflation narrative and should give confidence to cut rates sometime in H2.

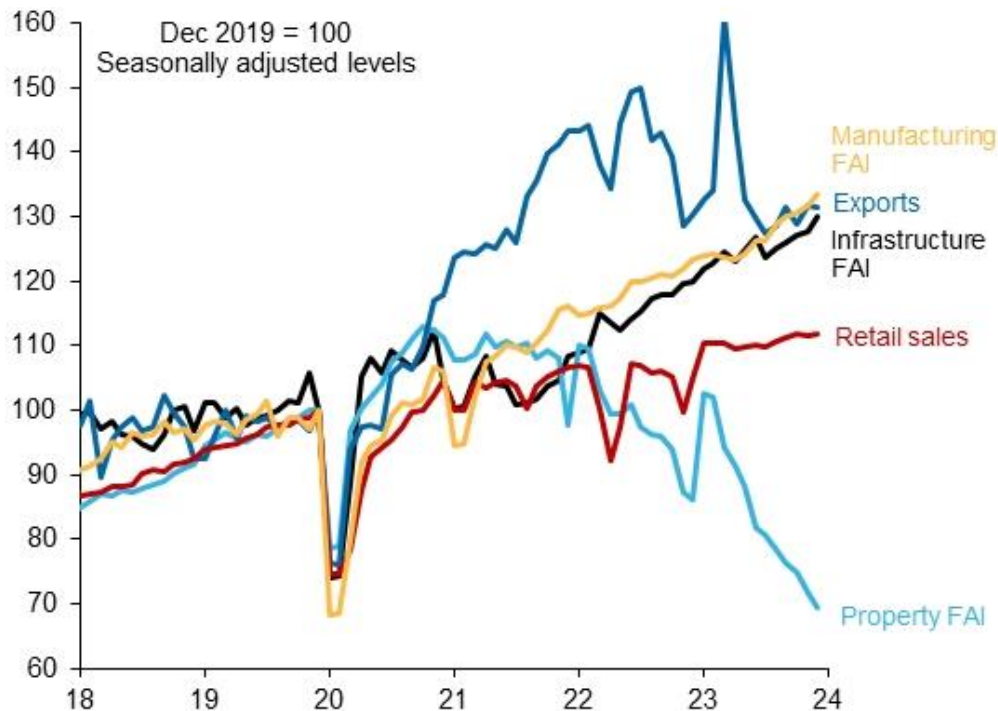
In June, PCE fell to 2.6%.

Powell “there has been a lot of progress on inflation”.

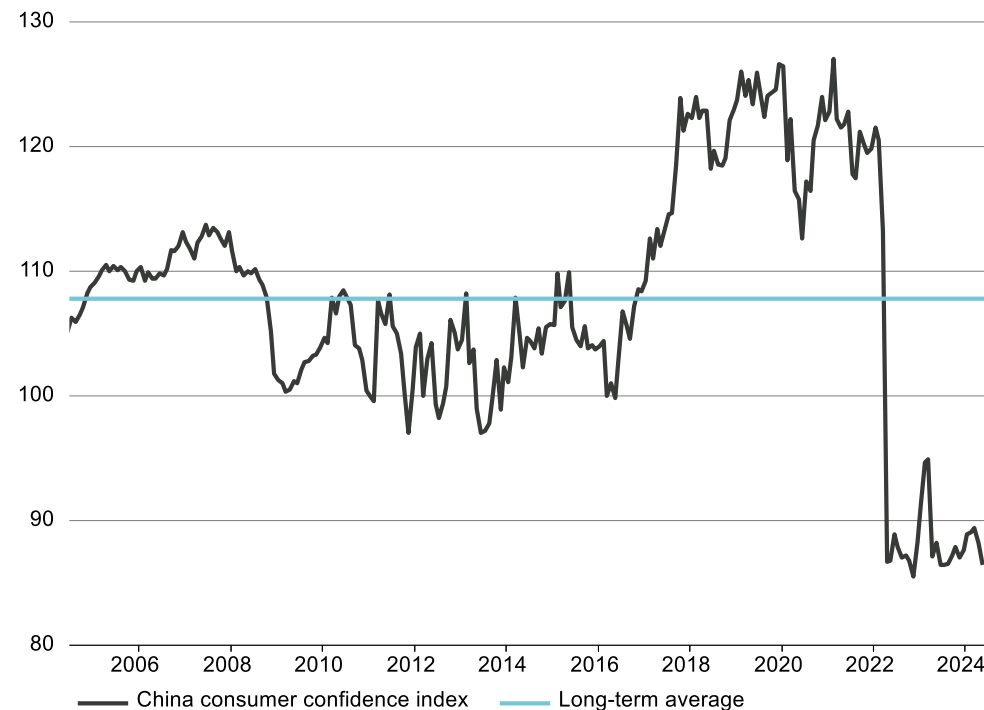
Market prices in 2 Fed cuts in 2024.

Macro China: a two-speed economy

Twofold economy



NBS consumer sentiment



Economy runs on strong exports, manufacturing and infrastructure.

Property and retail sales lagging.

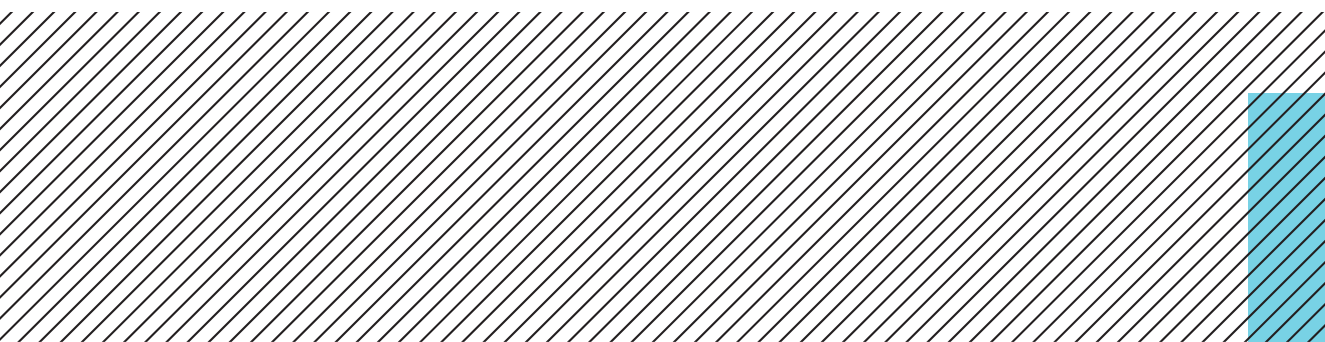
Retail sales and consumer confidence weak.

Energy

Crude oil

Oil products

Natural gas



Energy

Crude oil should stay supported over the summer months

Supporting drivers

Demand

- Strong seasonal **travelling** in summer (Europe, US)
- **Jet fuel demand** to increase further in July

Supply

- **OPEC+** extending cuts to end of Q3 2024 / Q3 2025
- **US oil rig count** decreased further and is now more than 10% lower than a year ago
- **Geopolitical** risk premium could re-emerge

Inventories

- Global inventories have recently turned to **draws**

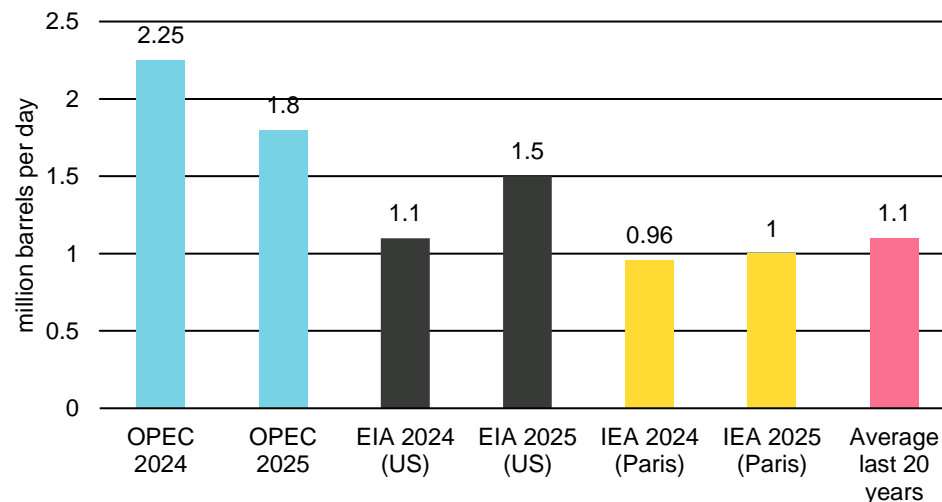
Technical

- Future curve in **backwardation** and strengthening
- **Speculative positioning** still at very low levels, creating room for adding length

US flight travelers are pushing jet fuel demand



Oil demand growth forecasts



Energy

Will oil prices be able to hold up after summer?

OPEC starts phasing out cuts from end of Q3 2024 on

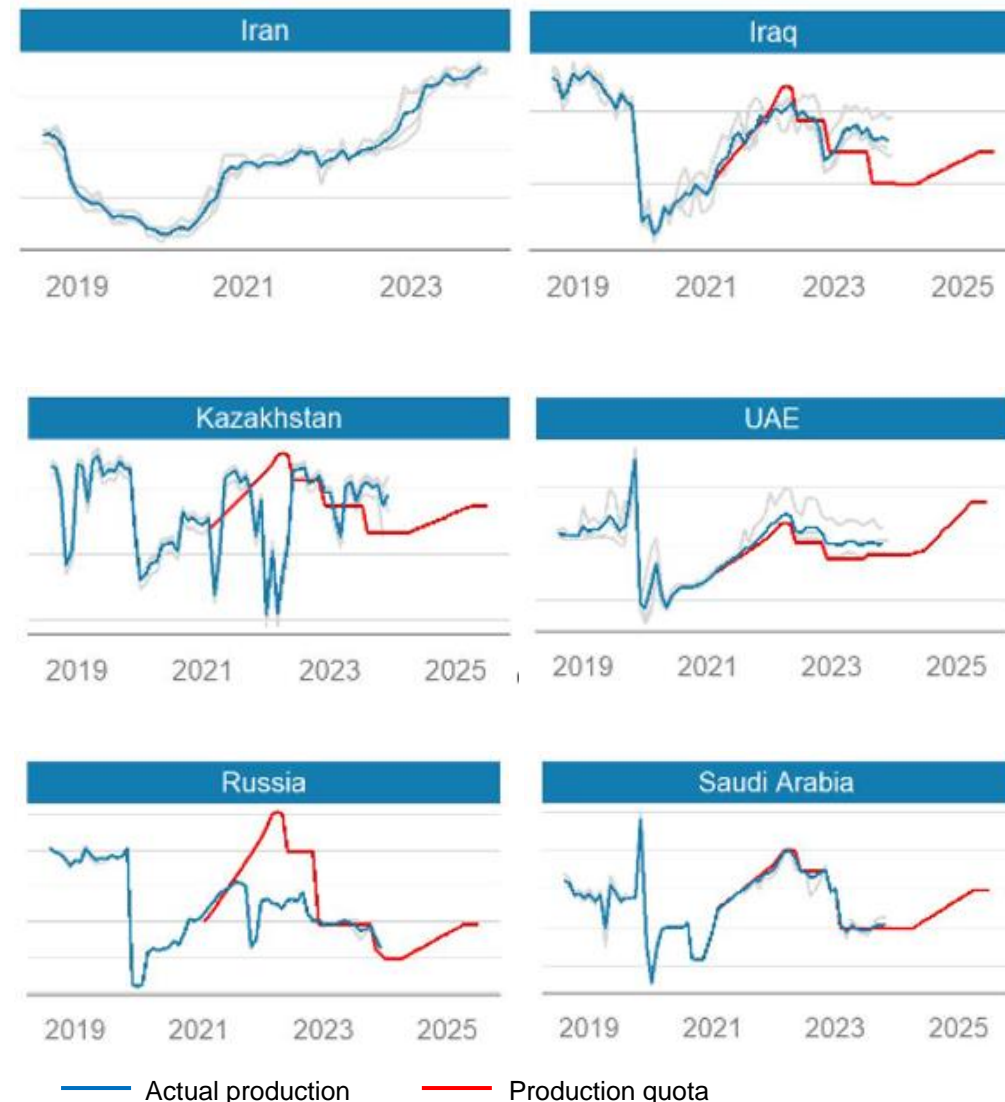
| | 3Q 24 | 4Q 24 | 1Q 25 | 2Q 25 | 3Q 25 | 4Q 25 |
|---------------------------------------|----------|-------------|-------------|-------------|-------------|-------------|
| OPEC+ 2.17mbpd cuts phased out | 0 | 0.36 | 0.9 | 1.45 | 1.99 | 2.17 |
| UAE baseline increase (0.3 mbpd) | 0 | 0 | 0.07 | 0.17 | 0.27 | 0.3 |
| Total increase in OPEC+ supply | 0 | 0.36 | 0.97 | 1.61 | 2.26 | 2.47 |

OPEC+ extends oil output cuts of 3.66 mbpd until end of 2025.

Taking it all together, OPEC+ cuts currently amount to 5.86 mbpd (roughly 5.7% of global demand/day).

Next OPEC meeting will be held on December 1st, 2024.

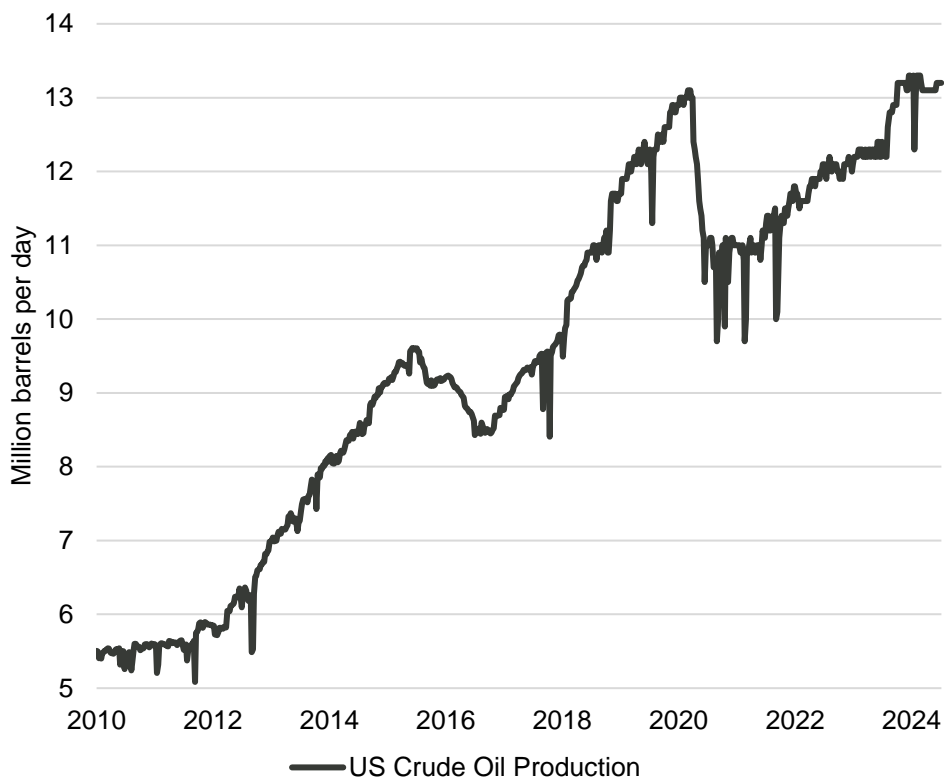
OPEC production compliance very questionable



Energy

Non-OPEC oil production is expected to be strong in coming years

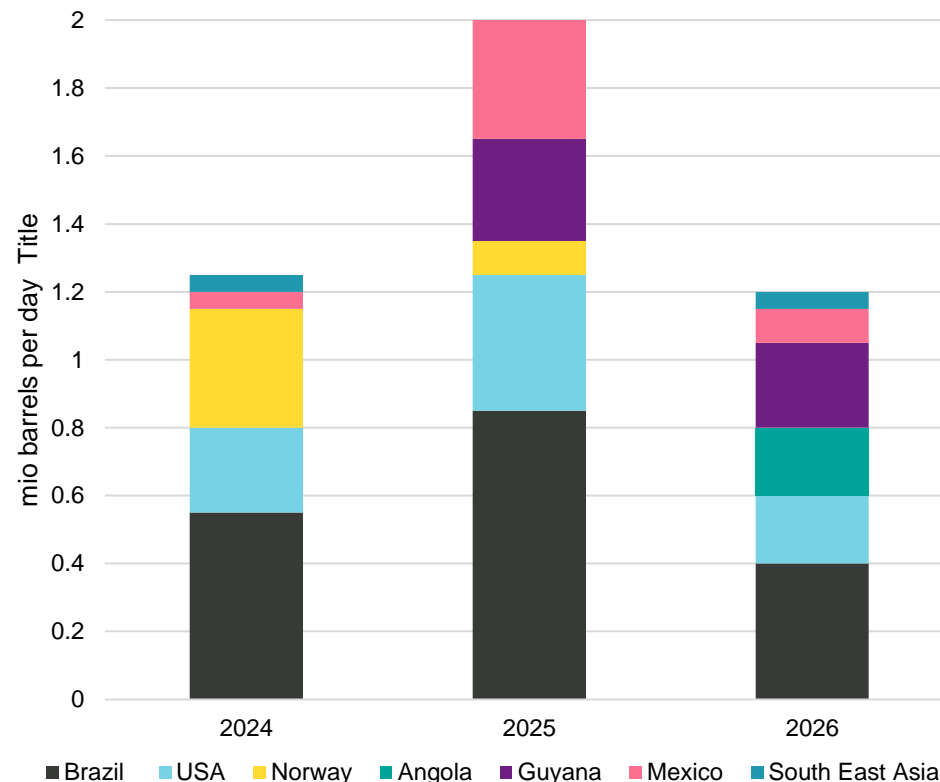
Strong US crude oil production



Record high US oil production.

A potential setback for future production could be downtrend of new oil rigs.

Non-OPEC offshore new project startups look quite strong



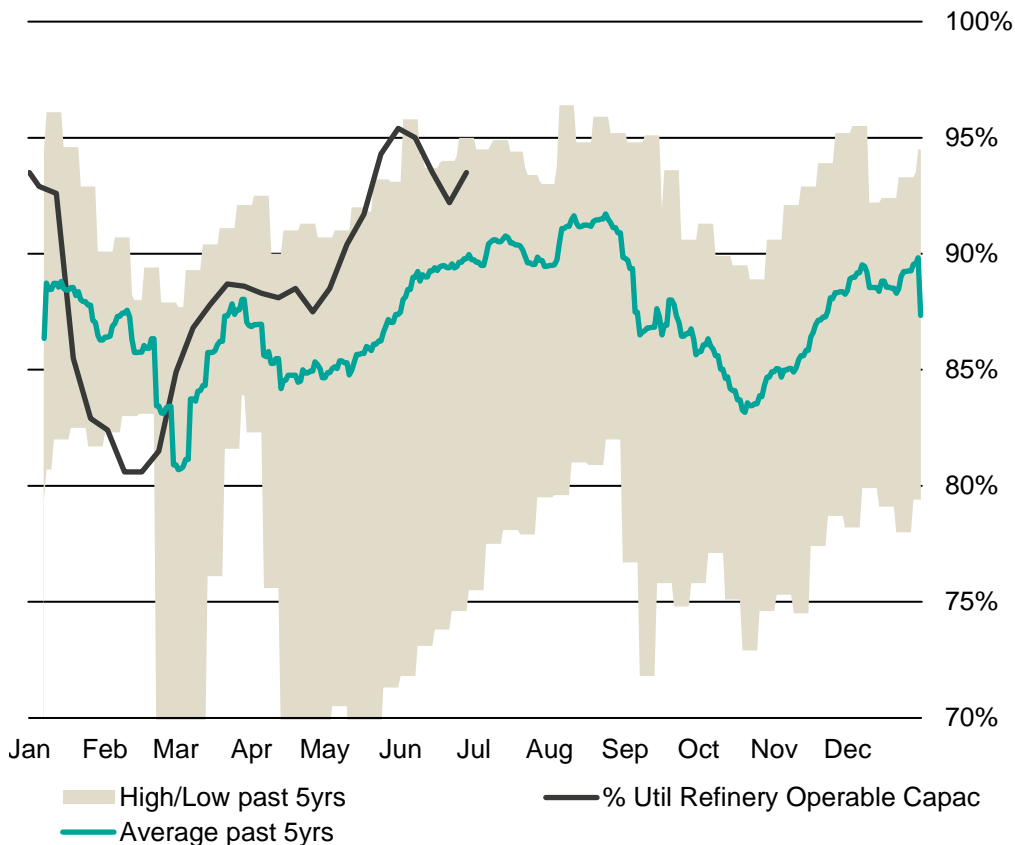
Brazil, USA, Mexico, Guyana are ramping up.

Canada not even included (almost no offshore oil production).

Energy

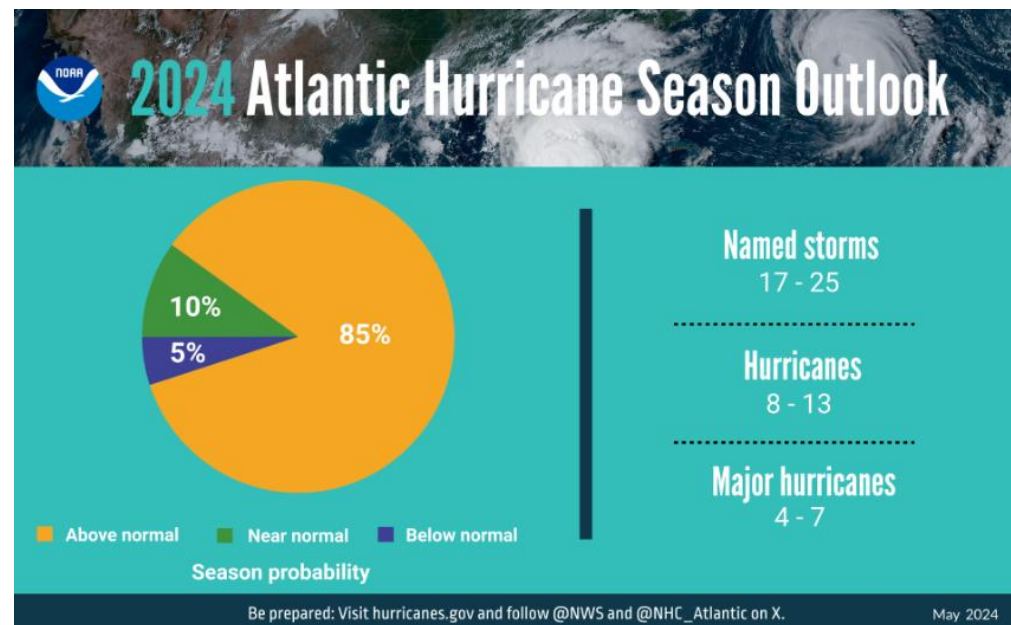
Oil products: USA

Gasoline refinery runs at record highs



Still elevated margins for refiners and potential lobbying from Biden administration to keep gasoline prices low.

NOAA predicts above-normal 2024 hurricane season

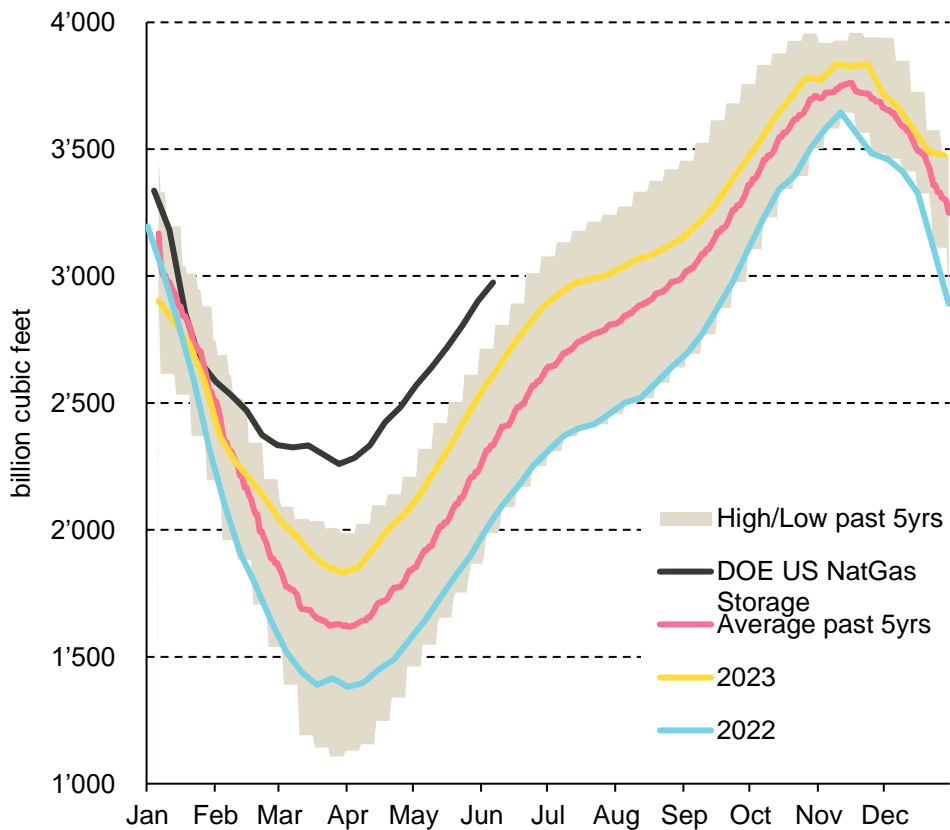


La Nina and warmer-than-average ocean temperatures might become major drivers of tropical activity.

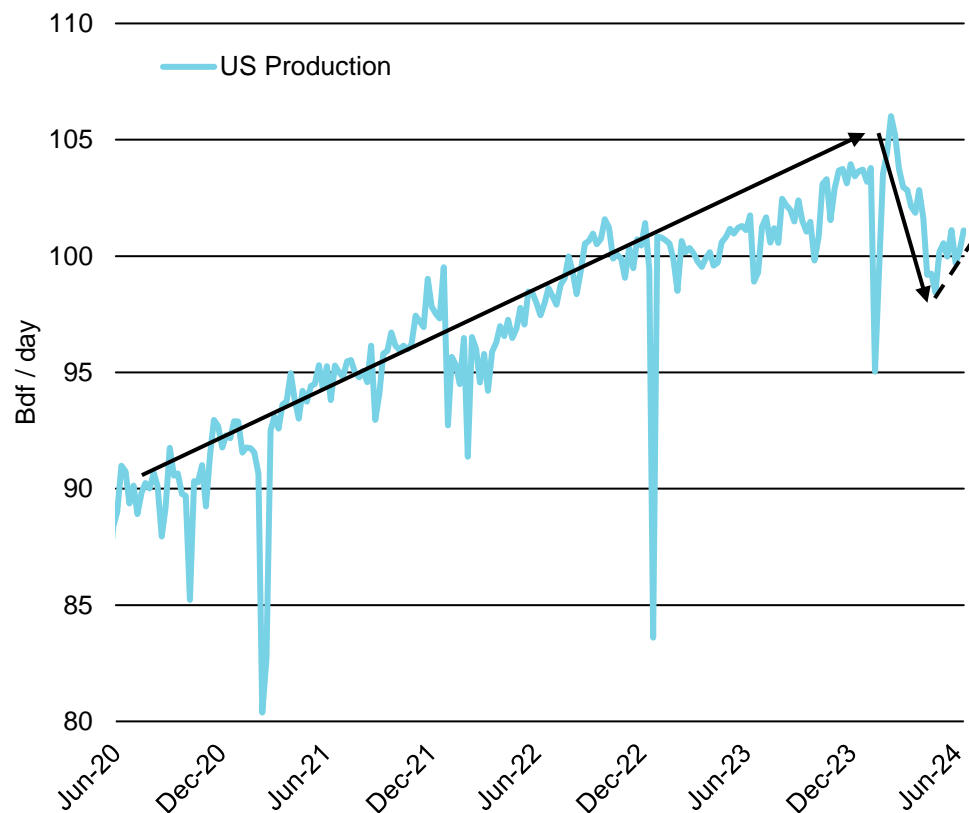
Energy

US natural gas still shows high inventory levels

Big inventory surplus...



...but production has been coming down



A **warm winter** and **high production** explains why US gas inventories are at record high levels.

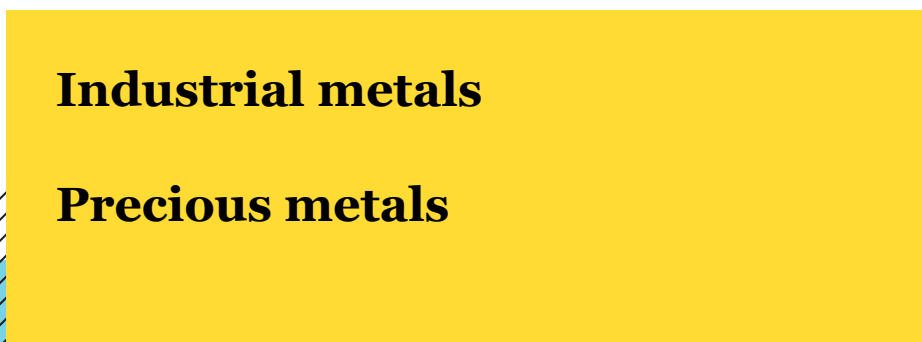
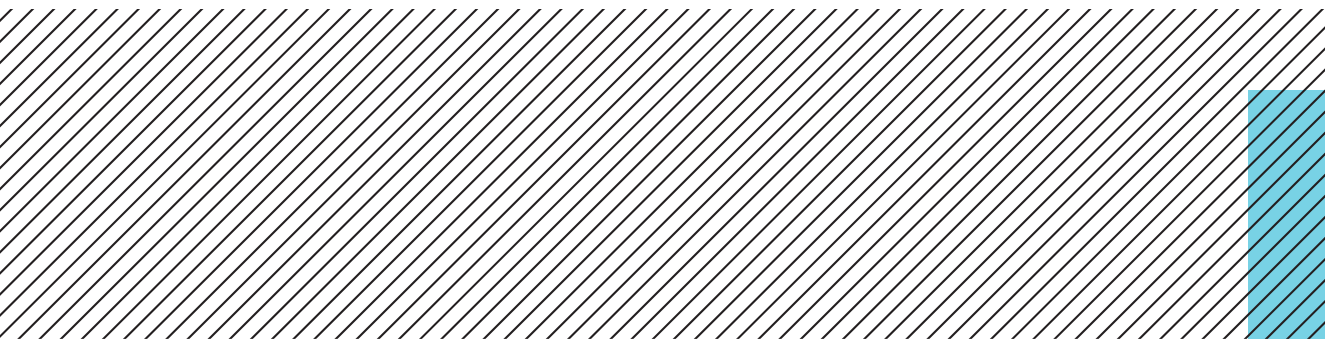
Concerns about congestion in summer.

Low prices incentivizes **production curtailments**, leading to a **20% rally in natural gas prices**.

Metals

Industrial metals

Precious metals



Industrial metals

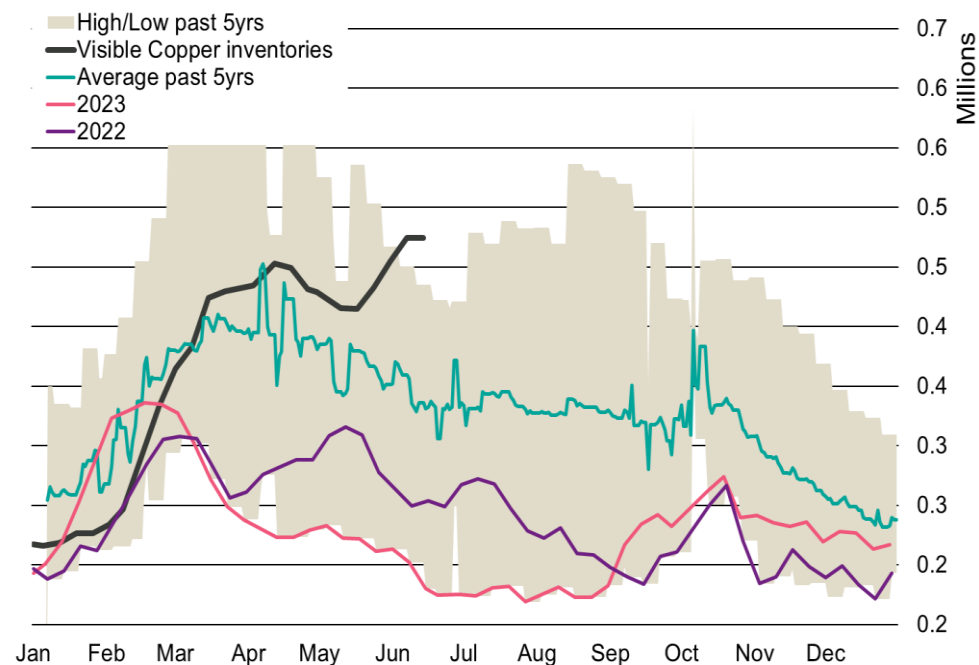
All eyes on copper

Copper prices went too far, too fast



Accelerating investor positioning was driving up copper prices too fast.

Copper inventories need to fall soon to justify prices

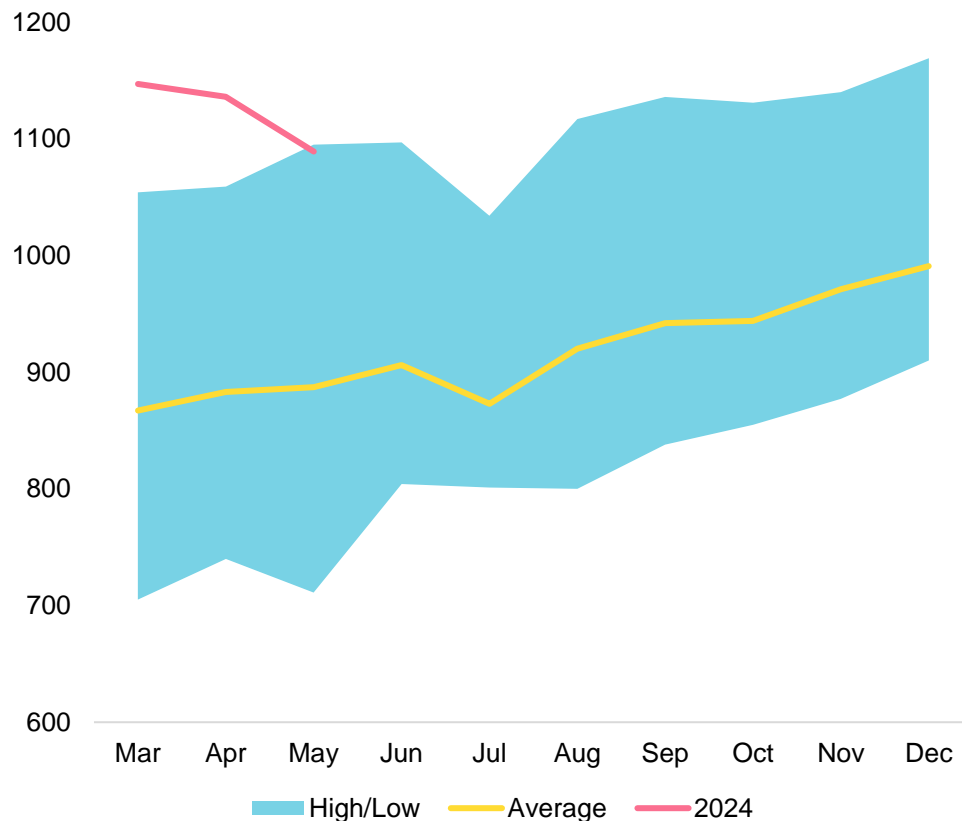


The typical seasonal inventory drawdown in spring has not been happening.

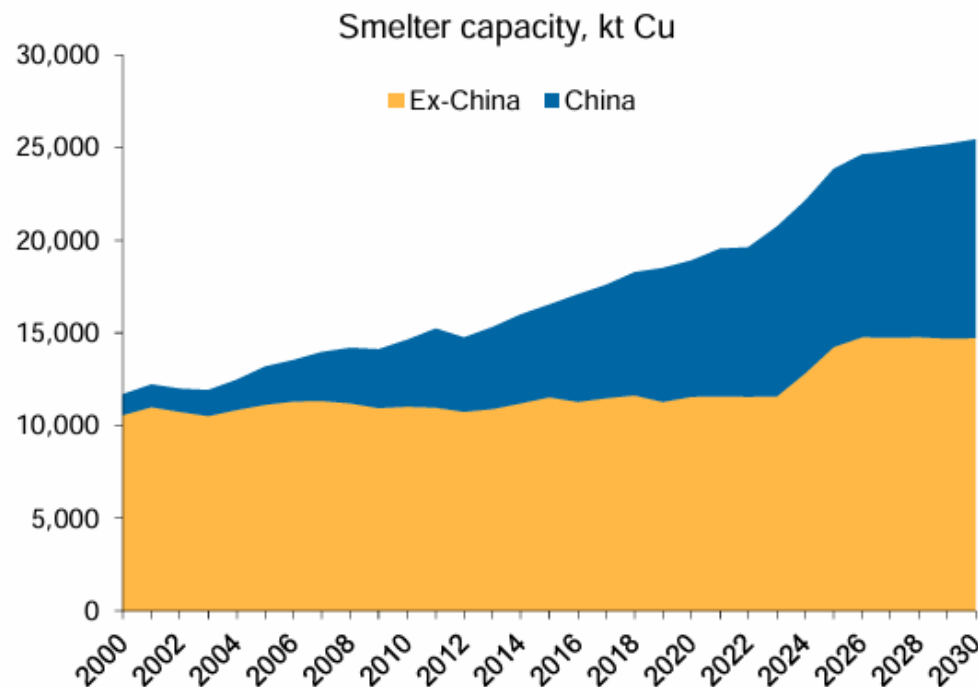
Industrial metals

Is there a copper shortage short-term?

Chinese copper production high despite low margins



Smelter overcapacities are still supplying world with sufficient refined copper



Copper concentrate market is tight due to several mine outages/shutdown.

Smelters have to pay up for receiving concentrate in order to process into refined copper.

Massive smelter capacity additions, especially in China in recent years.

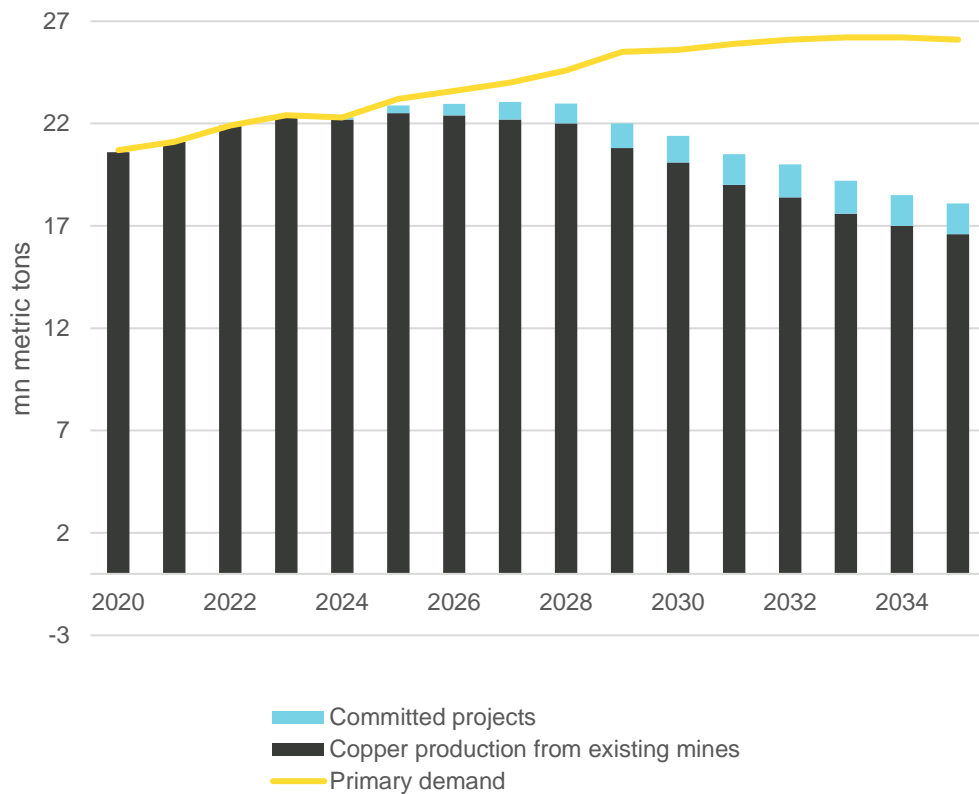
Smelters kept on producing by finding short term workarounds (e.g. insourcing copper scrap).

Source: Vontobel Asset Management, Bloomberg. Periods: left chart: Bloomberg, Vontobel. 12/2019-6/2024. right chart: 2000-2030 forecast, Company reports, WoodMac, CRU, SMM, Macquarie.

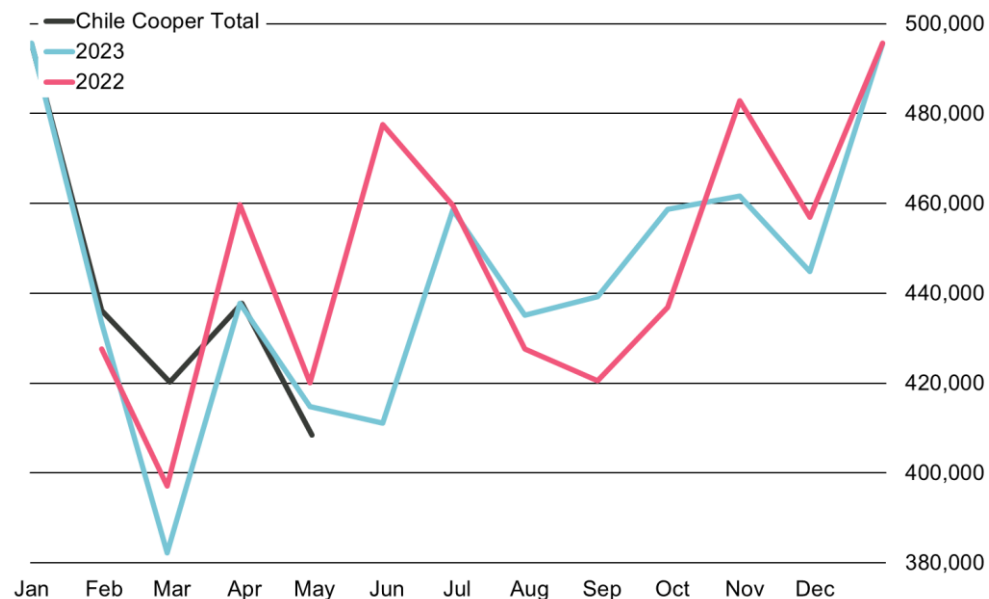
Industrial metals

Is there a copper shortage long-term?

A huge supply gap will open up



Even #1 producer Chile struggled recently



Predicted deficit 2030 by CRU: 4.2mt.

New mines face delays due to environmental protests (see Cobre Panama), cost overruns, take 5-8 years to come online.

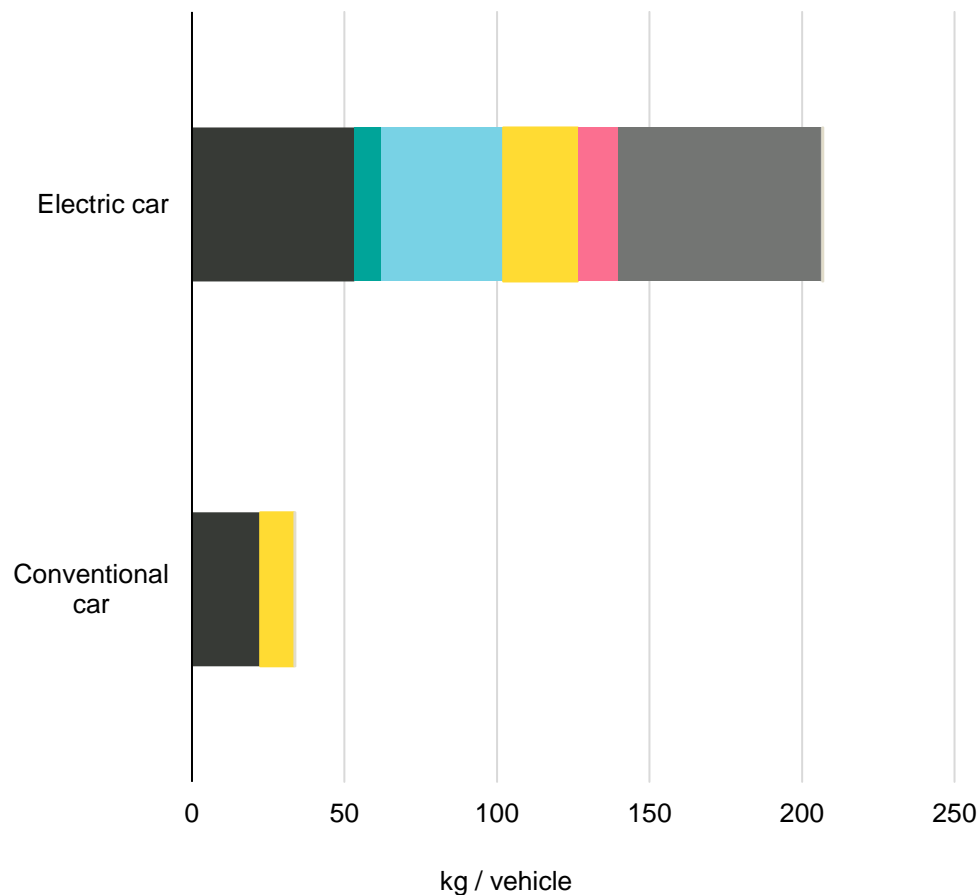
Existing mines face decreasing ore quality, water issues.

Codelco Q1 output decline (-9.6%) due to lower ore quality of aging mines.

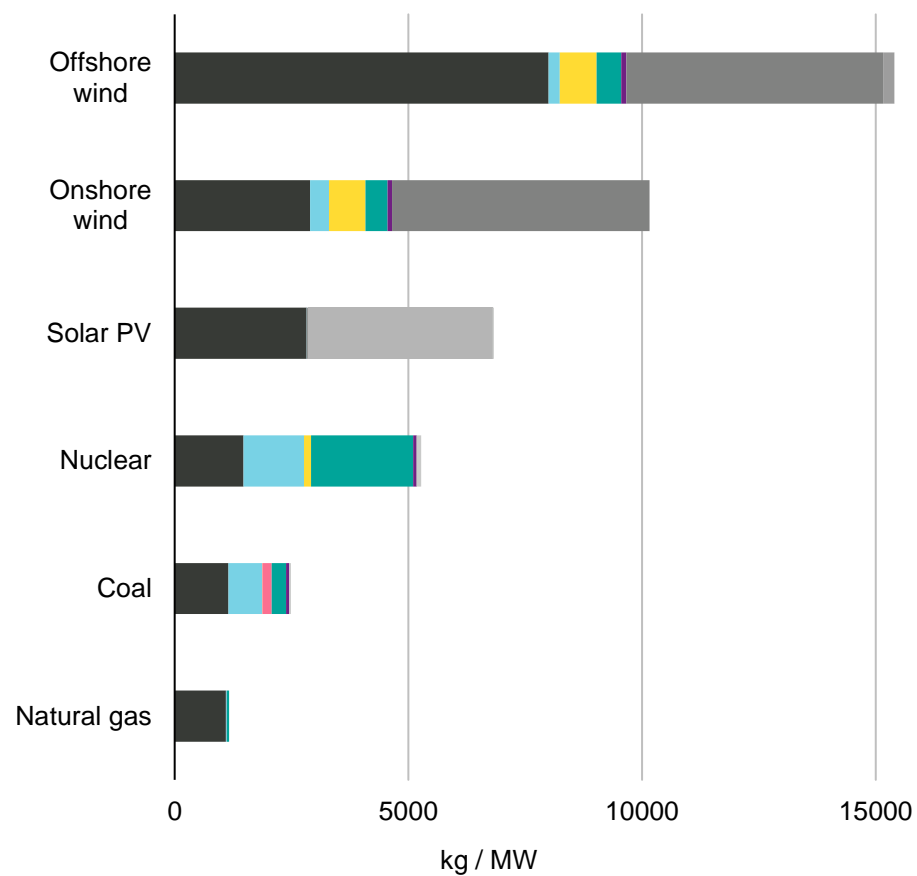
Industrial metals

Renewables are metals-intensive

Metals used in vehicles



Metals used in power generation



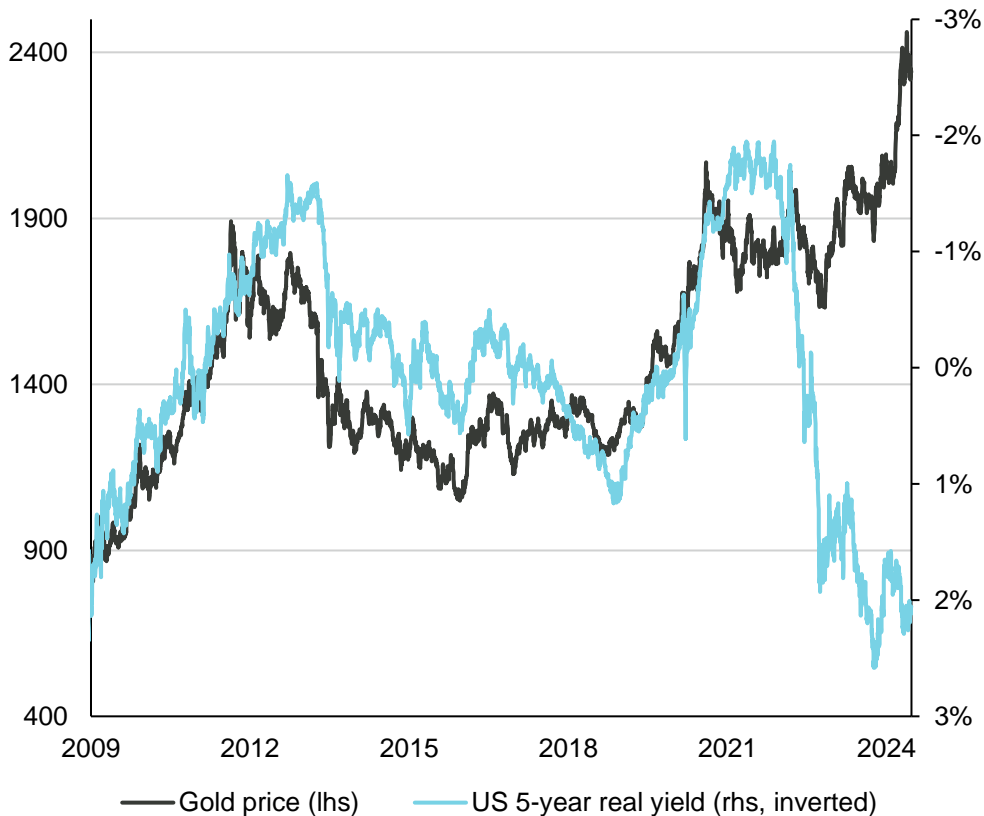
- Copper ■ Lithium ■ Nickel ■ Manganese ■ Cobalt
- Graphite ■ Zinc ■ Rare earths ■ Others

- Copper ■ Nickel ■ Manganese ■ Cobalt ■ Chromium
- Molybdenum ■ Zinc ■ Rare earths ■ Silicon ■ Others

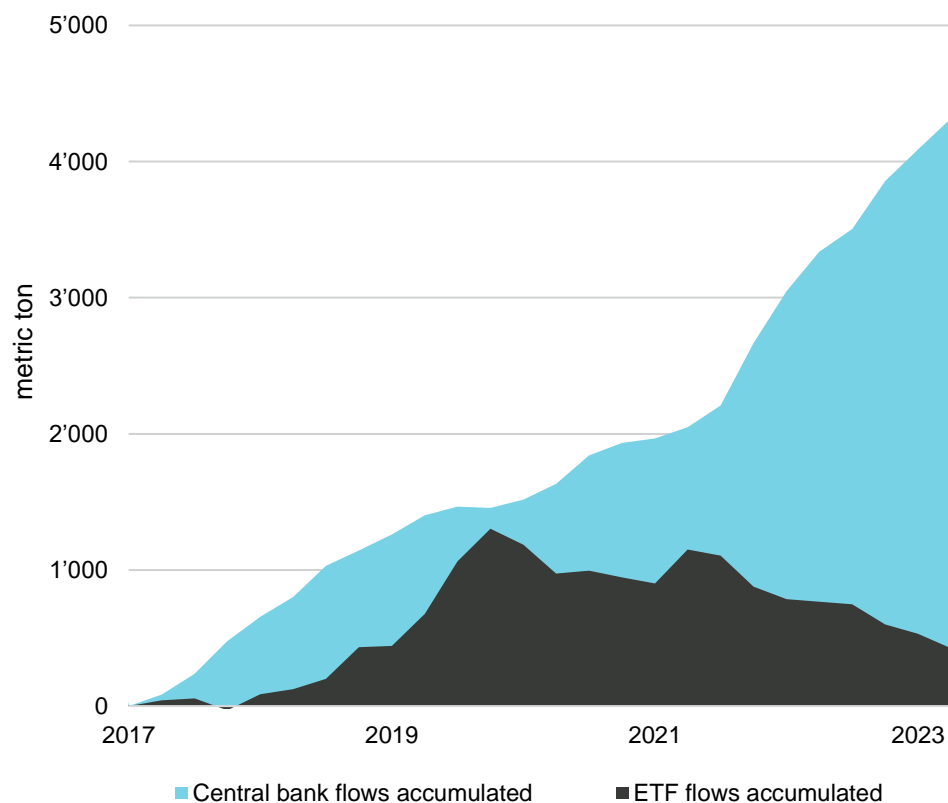
Precious metals

Strong physical demand

Gold expensive despite high interest rates...



...as accelerating central bank demand supports prices



Gold prices have been disconnecting from (real) yields in since 2022.

Central bank cutting rates will bring support.

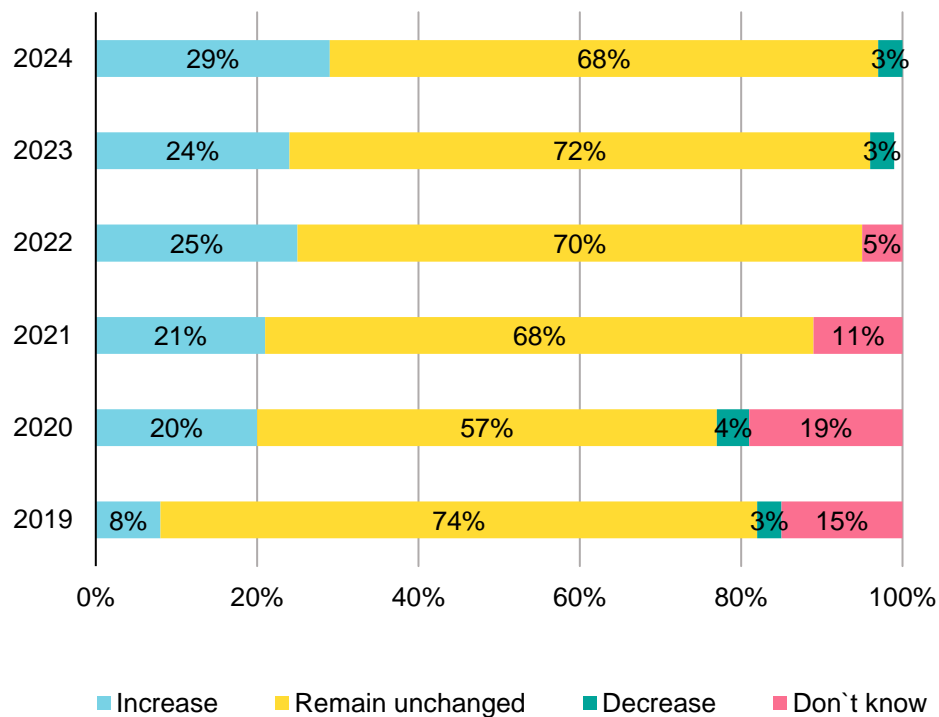
Central banks started to replace their US-Dollar holdings by gold positions.

ETF holdings decreasing.

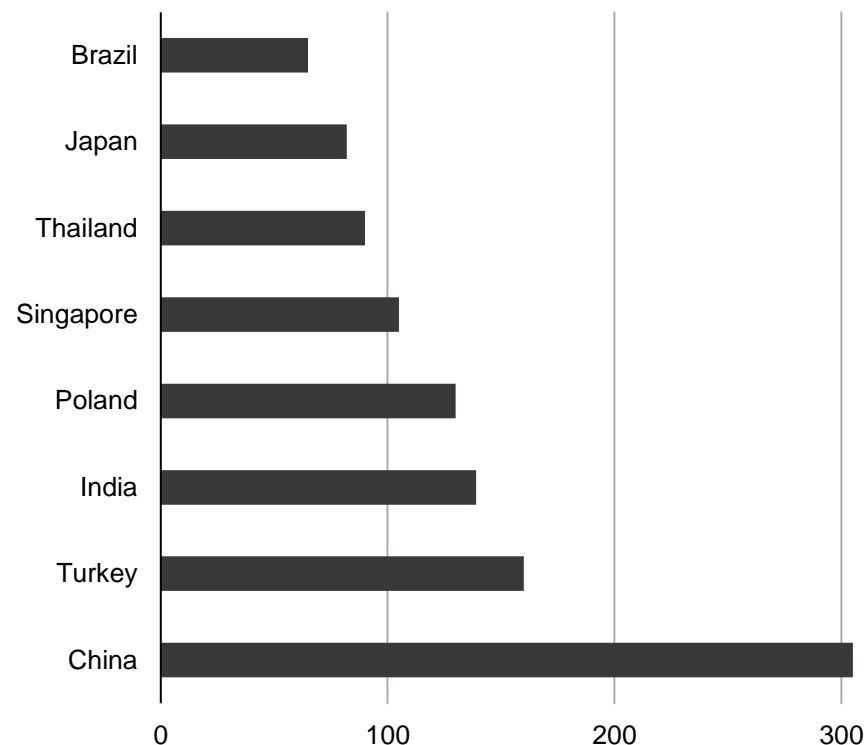
Precious metals

Central banks gold demand

How do you expect your institution's gold reserves to change over the next 12 months?



China is not the only central bank buying gold



Central bank survey by Gold Council per end April 2024: 29% of central banks respondents intend to increase their gold reserves in the next twelve months, the highest level ever.

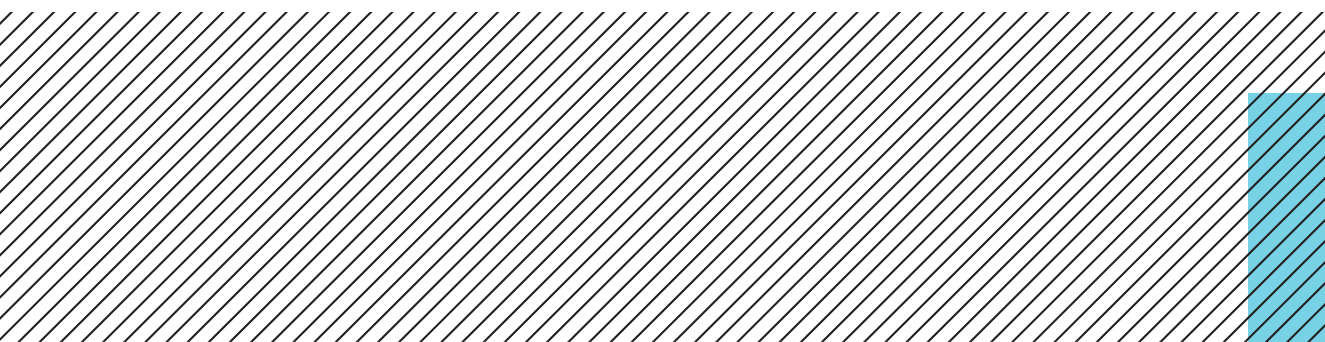
Central banks gold buying 2021 - Q1 2024.

Agriculture

Grains

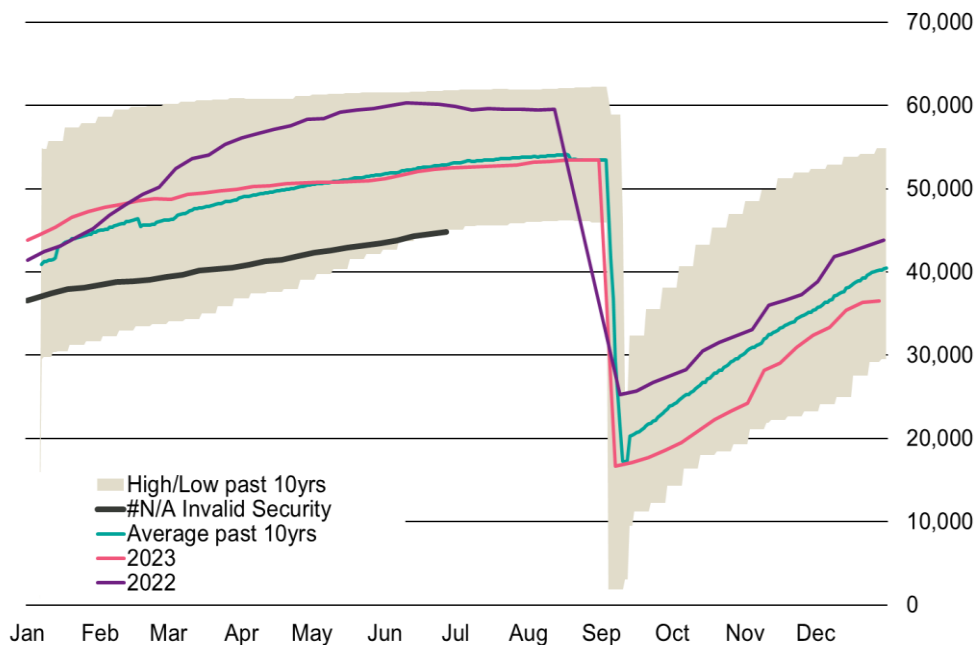
Softs

Livestock

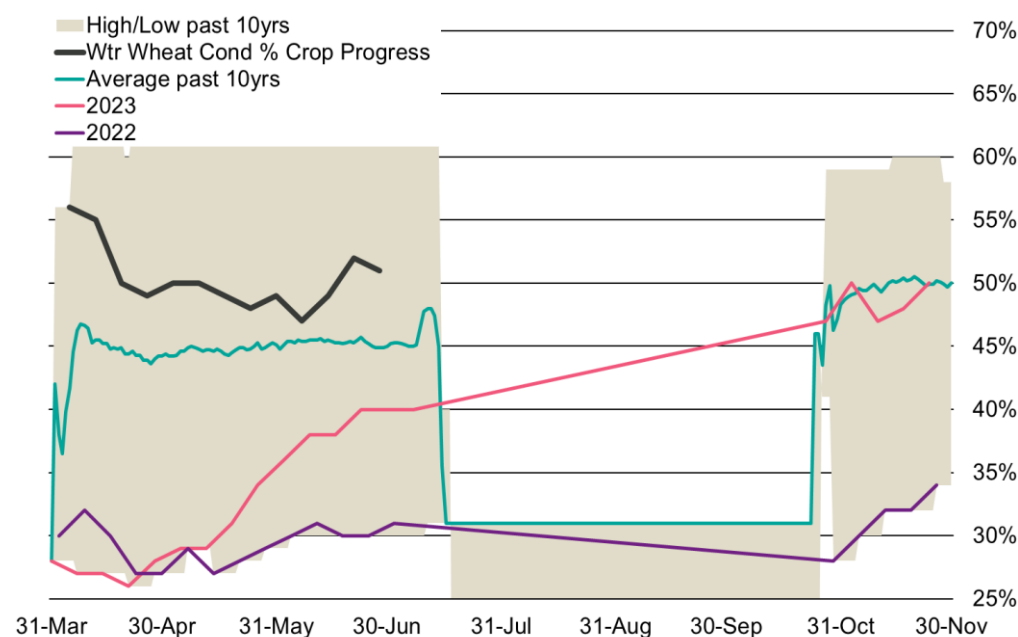


Wheat caught between bad outlook for Russia and stellar crop conditions in USA

Soybeans accum. exports & outstanding sales



Stellar wheat crop conditions in the US



China leaning towards Argentina and Brazil rather than US soybean destination.

US Winter wheat in healthy condition.



Agenda

- 4 How to implement commodities: Gold or a broad basket?
- 17 Commodities market outlook
- 38 **Fund offering**
- 45 Appendix

Vontobel's commodity fund offering

| | Vontobel Fund - Commodity | Vontobel Fund – Non-Food Commodity |
|---------------------|--|--|
| Product | Long-only (UCITS) | Long-only (UCITS) |
| Benchmark | Bloomberg Commodity Index TR | Bloomberg Commodity ex-Agriculture and Livestock Capped Index TR |
| Universe | Diversified basket of commodities (energy, industrial and precious metals, grains, softs, livestock) | Energy, industrial and precious metals, excluding agriculture |
| Risk target | 6-9% tracking error | no explicit target |
| SFDR Classification | Article 6 | Article 6 |
| AuM | USD 334 mio | USD 84 mio |

Our offering

Investment Philosophy

- Commodity investing requires a **hybrid approach for long-term success**
- **Machines** allow for a systematic exploitation of **commodity risk premia**
- **Humans** take advantage of **fundamental, idiosyncratic opportunities**
- **Active commodity management** adds value over a pure passive approach

Our Strengths

- Solid, **long-term track record** in a **UCITS compliant** framework
- **Unique investment approach**
 - Combining systematic strategies (Machine) with fundamental analysis (Human)
- **Strong team background**
 - Leveraging both in-depth fundamental knowledge and quantitative skills

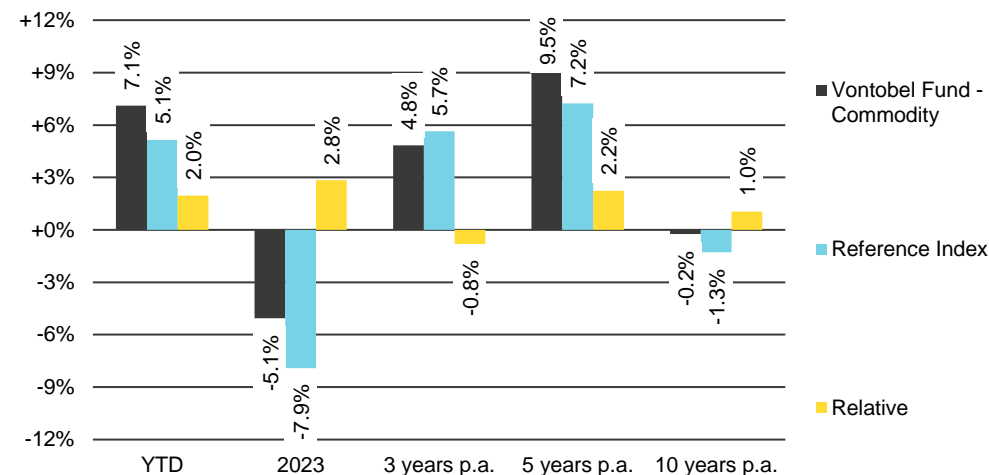
Vontobel Fund – Commodity I

Net annualized performance overview

Fund characteristics

| | |
|------------------------|--|
| Fund | Discretionary managed long-biased commodity fund that utilizes a structured investment process based on fundamental research combined with quantitative screening. Investment universe covers 35 commodities. (LU0415415800) |
| Reference Index | Bloomberg Commodity Total Return Index |
| Currency | USD |

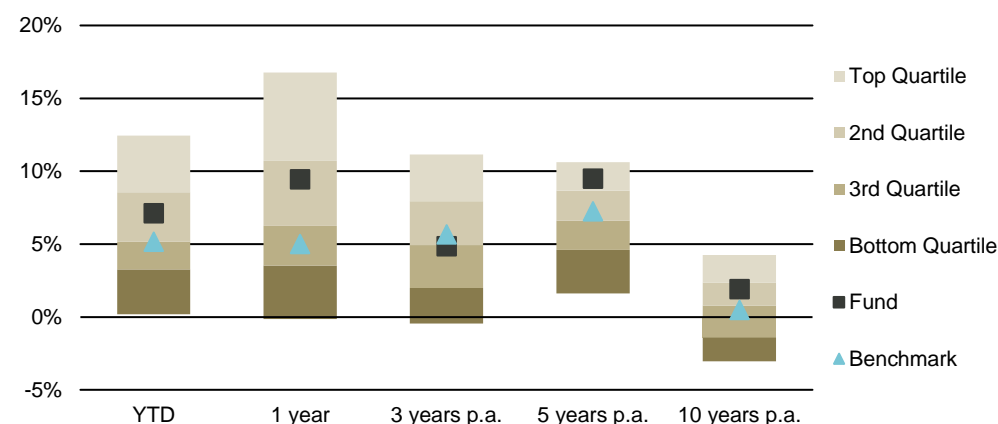
Net return as of 30.6.2024 (in %)



Rolling 12-month net returns (in %)

| | Fund - I | Reference Index |
|--------------------|----------|-----------------|
| 1.7.2023-30.6.2024 | 9.43 | 5.00 |
| 1.7.2022-30.6.2023 | -12.26 | -9.61 |
| 1.7.2021-30.6.2022 | 20.04 | 24.27 |
| 1.7.2020-30.6.2021 | 48.04 | 45.61 |
| 1.7.2019-30.6.2020 | -7.81 | -17.38 |

Net return vs. peers as of 30.6.2024 (in %)



Past performance is not a guide to current or future performance. Performance data does not take into account any commissions and costs charged when shares of the fund are issued and redeemed, if applicable. The return of the fund may go down as well as up due to changes in rates of exchange between currencies.

Source: Vontobel Asset Management, Morningstar Direct.

Investment risks of the Vontobel Fund – Commodity

- Using derivatives creates significant leverage. The sub-fund is also subject to corresponding valuation risks and operational risks.
- Using derivatives results in corresponding counterparty risks.
- The sub-fund's investments may be subject to sustainability risks. Information on how sustainability risks are managed in this sub-fund may be obtained from vontobel.com/sfdr.

To Summarise...

Attractive returns



- Strategic tailwinds powering the **next commodity cycle**
- High dispersion creates opportunities for **active managers**

Improved diversification



- Commodities are an efficient **inflation hedge ...**
- ...and a diversifier given rising **equity/bond correlation**
- Commodities hedge against **geopolitical risks**

Energy transition



- Commodities play a critical role in the **energy transition**
- **Biofuels**, specific **industrial and precious metals** are key for a successful transition

Why Vontobel?

- **Active** management with **Long-term track record** in a **UCITS Fund**
- **Unique Hybrid investment approach** combining...
 - **Machine** > Systematic strategies to exploit commodity risk premia
 - **Human** > Fundamental analysis to take advantage of strategic opportunities







Agenda

- 4 How to implement commodities: Gold or a broad basket?
- 17 Commodities market outlook
- 38 Fund offering
- 45 **Appendix**

Vontobel Fund – Commodity Performance attribution

Gross performance attribution 2024 (per month-end June)

| | Absolute Perform % | | Attribution % | | |
|-------------------------|--------------------|-------------|---------------|------------------|--------------|
| | Portfolio | Bench. | Weighting | Contract Select. | Total |
| Vontobel Fund - | 5.37 | 2.38 | 3.22 | -0.23 | 2.99 |
| Energy | 3.97 | 1.47 | 2.62 | -0.16 | 2.46 |
| Crude Oil | 1.61 | 2.23 | -0.18 | -0.49 | -0.67 |
| Gasoil QS | 0.73 | 0.40 | 0.63 | -0.30 | 0.33 |
| Heating Oil | 0.40 | 0.18 | 0.30 | -0.07 | 0.23 |
| Natural Gas | 0.88 | -1.59 | 1.79 | 0.67 | 2.46 |
| Gasoline | 0.36 | 0.26 | 0.08 | 0.04 | 0.11 |
| Industrial Metal | 1.83 | 0.94 | 0.82 | 0.07 | 0.90 |
| Aluminium | 0.00 | 0.06 | -0.05 | 0.00 | -0.05 |
| Copper | 1.02 | 0.63 | 0.38 | 0.02 | 0.40 |
| Lead | -0.10 | 0.05 | -0.15 | 0.00 | -0.15 |
| Nickel | 0.04 | 0.06 | -0.02 | 0.00 | -0.02 |
| Tin | 0.76 | | 0.77 | 0.00 | 0.77 |
| Zinc | 0.10 | 0.16 | -0.12 | 0.05 | -0.06 |
| Precious Metal | 1.84 | 2.23 | -0.44 | 0.06 | -0.38 |
| Gold | 1.36 | 1.38 | -0.07 | 0.04 | -0.03 |
| Palladium | 0.01 | | 0.01 | 0.00 | 0.01 |
| Platinum | -0.63 | | -0.63 | 0.00 | -0.63 |
| Silver | 1.10 | 0.85 | 0.25 | 0.02 | 0.27 |

| | Absolute Perform % | | Attribution % | | |
|------------------|--------------------|--------------|---------------|------------------|--------------|
| | Portfolio | Bench. | Weighting | Contract Select. | Total |
| Grains | -3.84 | -3.25 | -0.74 | 0.17 | -0.57 |
| Corn | -0.87 | -1.07 | 0.15 | 0.07 | 0.22 |
| Soybean Meal | -0.45 | -0.36 | -0.05 | -0.02 | -0.08 |
| Soybean Oil | -0.76 | -0.39 | -0.44 | 0.08 | -0.36 |
| Soybeans | -0.91 | -0.83 | -0.11 | 0.05 | -0.06 |
| Wheat | -0.87 | -0.59 | -0.28 | -0.01 | -0.28 |
| Softs | 2.03 | 0.61 | 1.55 | -0.12 | 1.43 |
| Cocoa | 1.71 | | 1.73 | 0.00 | 1.73 |
| Coffee | 0.62 | 0.65 | 0.00 | -0.04 | -0.04 |
| Cotton | -0.28 | -0.18 | -0.19 | 0.09 | -0.10 |
| Sugar | -0.02 | 0.14 | 0.01 | -0.17 | -0.16 |
| Livestock | -0.46 | 0.37 | -0.60 | -0.26 | -0.85 |
| Cattle | 0.13 | 0.41 | -0.05 | -0.24 | -0.29 |
| Lean Hogs | -0.59 | -0.04 | -0.55 | -0.02 | -0.56 |

Weighting: relative performance coming from over- underweighting commodities
Contract Selection: relative performance coming from positioning on futures curve

Past performance is not a guide to current or future performance.

Performance data does not take into account any commissions and costs charged when shares of the fund are issued and redeemed, if applicable. Numbers are gross performance, futures only.
 Data period: 31.12.2023 to 28.6.2024. Source: Vontobel Asset Management, Bloomberg PORT.

Investment process

The case for hybrid

A hybrid approach allows to make the most of the strengths of Human vs. Machine engines

Strengths

Weaknesses



Machine

- Scalability: Processes data efficiently
- Un-emotional, unbiased decisions
- Exploits patterns and regimes
- Detects inefficiencies in the market

- Reacts slowly to shocks & changing fundamentals
- Lacks robustness when data is scarce
- Fails at predicting intentions and their consequences



Human

- Compensates data gaps w/ analysis
- Reacts fast w.r.t. regime changes
- Understands shocks and their impact
- Modulates risk management effectively

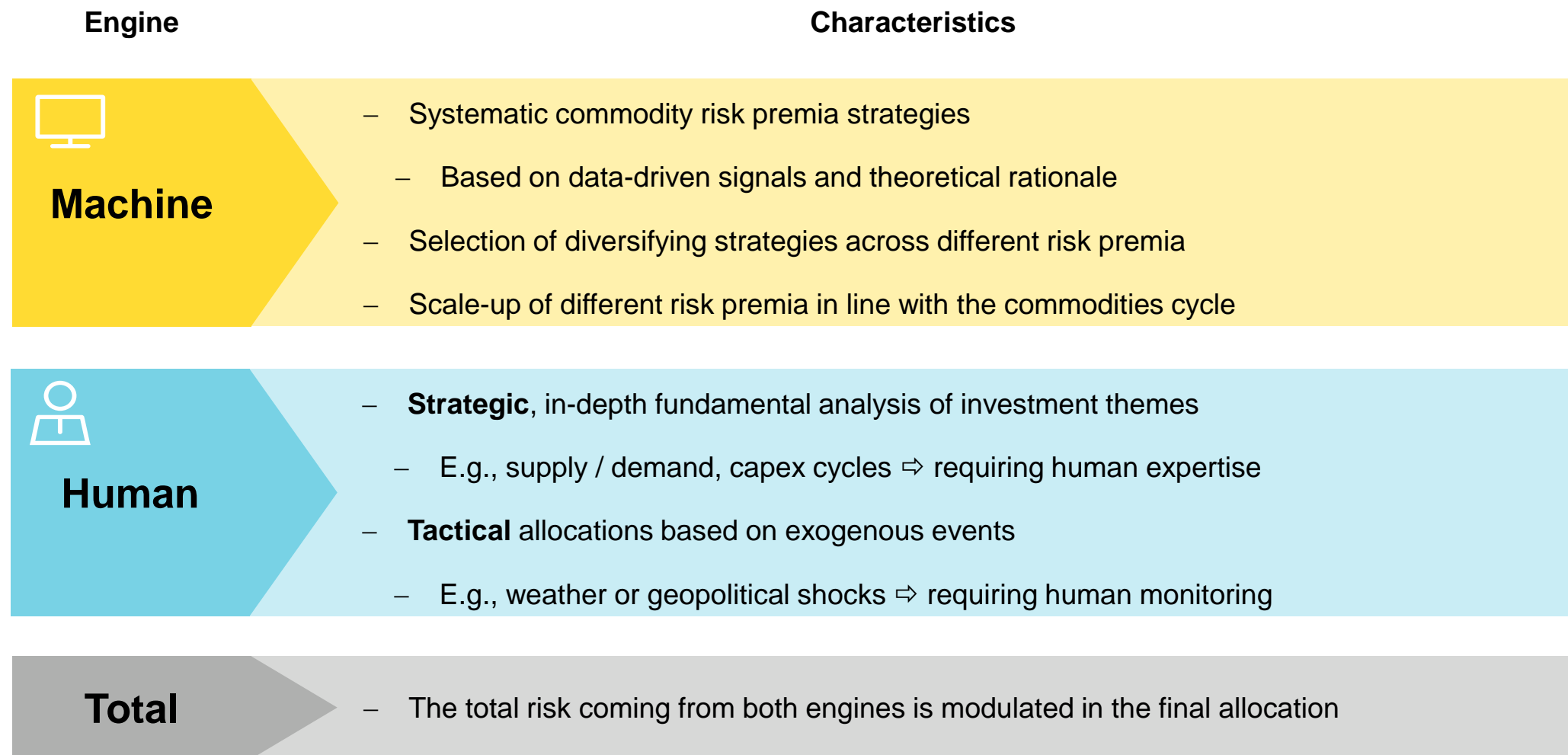
- Lacks scalability
 - To makes the most of all data
- Falls victim to behavioral biases
 - By definition unconscious

→ The allocation process is designed to make the most of respective strengths while compensating weaknesses

Investment process

Hybrid approach

The combination of systematic strategies (Machine) and a fundamental approach (Human) offers the best of both worlds: a data-driven exploitation of risk premia, and strategic / tactical overlays based on human analysis.



Risk allocation

The **Machine allocation** is used as a starting point. In a second step, the allocation is enhanced with tactical bets and risk adjustments – made by the **Human** – to generate a well-diversified and robust commodity portfolio.

Machine

- **Baseline allocation** to harvest risk premia, e.g.:
 - Backwardation trades
 - Congestion exposures
 - Curve rotations
- **Machine** takes positions of two types
 - Across commodities, directionally
 - As overweight / underweight vs. benchmark
 - Within a commodity, on its future curve

Human

- **Tactical allocation** based
 - Fundamental analysis
 - Shocks / regime changes
- **Human** can take position of several types
 - Individual commodity over- / under-weight
 - Off-benchmark allocation
 - Modify curve positioning on seasonality

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