



Investment Rationale

- The increasing supply of next-gen consoles should give fresh impetus to video game demand over coming years, with the blockbuster release cadence expected to accelerate and fuel industry growth.
- eSports, game streaming and Augmented Reality are other major catalysts, expected to offer both increased engagement and new revenue streams (subscriptions, media rights, sponsorship...).
- In the longer term, gaming companies appear at the forefront of the Metaverse revolution, a 3D virtual world that will come with its own economy and new monetization opportunities (advertising, NFT collectibles...).
- Video gaming assets should then keep attracting M&A interest from Tech and Media giants seeking to bolster their content library amid the rise of video game streaming and to consolidate their position in the Metaverse.

Certificate Details

ISIN	CH0473580212	DE000US734W3	XS2168939648
NAV	USD 111.2	USD 62.6	EUR 64.3
Inception Date	20.12.2019	04.06.2021	08.03.2021
Issuer Rating	Kepler - UBS S&P A+	Kepler - UBS S&P A+	Kepler - JPM S&P A+
Number of Holdings	26		
Liquidity	Daily		
Management fees	1.6% (incl. Issuer fees)		
Performance fees	15% (HWM)		

Investment Universe



August Report

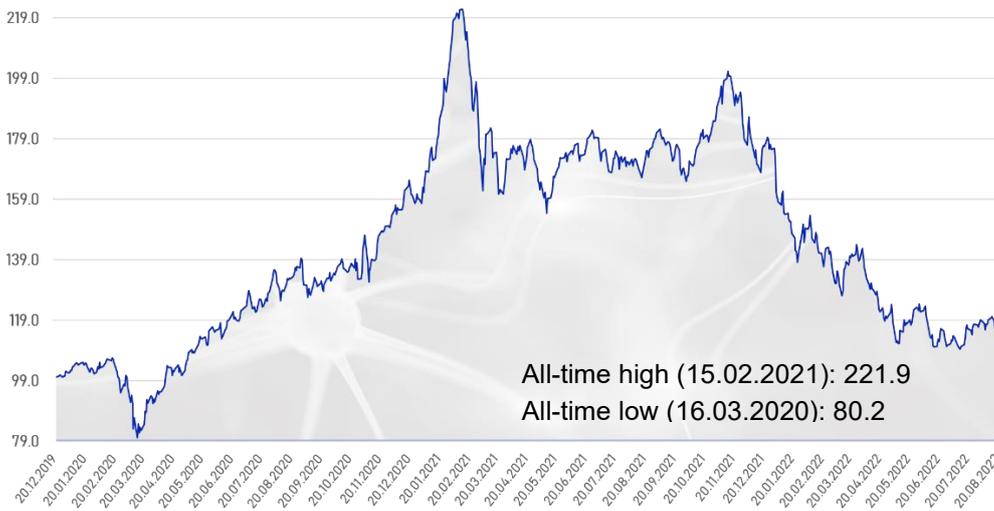
- The Gaming certificate fell 5.6% in August and underperformed the MSCI World by 1.4%.
- M&A took center stage again as rumors swirled around Ubisoft and Electronic Arts and as design software and digital advertising company Unity rejected an unsolicited takeover bid from AppLovin, confirming the industry's appeal despite the current growth slowdown.
- As for Ubisoft, Chinese tech giant Tencent is reportedly in talks with the founding family to raise its stake (from its current 5% ownership) at EUR100 per share vs. a current price around EUR45. If such a move was confirmed, that would probably open the door to a gradual exit of the Guillemot family and a full takeover of Ubisoft in the next couple of years, an immediate

takeover being an unlikely scenario in our view.

- As for EA, speculation about potential takeover interest from Amazon followed previous reports and rumors about the company's discussions with Tech (Apple) and Media (Disney, NBCU) giants.
- Turning to Unity, the company unsurprisingly rejected AppLovin's approach in light of the poor premium offered and the share exchange deal but we believe that a revised offer from AppLovin could follow soon.
- Overall, that confirms our view that video gaming assets should keep attracting significant M&A interest from Tech and Media giants seeking to bolster their content library amid the rise of video game streaming and to consolidate their position in the Metaverse.



Performance



	2020	2021	2022
Jan	0.6%	22.3%	-16.1%
Feb	-6.0%	-3.3%	-2.7%
Mar	-1.6%	-11.3%	-3.3%
Apr	9.2%	3.0%	-13.6%
May	12.9%	0.5%	2.6%
Jun	3.7%	4.8%	-10.1%
Jul	8.1%	-5.4%	6.6%
Aug	5.4%	3.7%	-5.6%
Sep	-2.4%	-5.0%	
Oct	-0.4%	6.6%	
Nov	13.3%	6.5%	
Dec	6.0%	-8.5%	
Annual	58.3%	10.2%	-36.7%

Top Contributors

Tencent (TCEHY US)
Ubisoft (UBI FP)
Bilibili (BILI US)

Worst Contributors

AMD (AMD US)
Nvidia (NVDA US)
Nexon (3659 JP)

Risk

Beta vs. MSCI AC World	0.9
Correlation vs. MSCI AC World	0.7
Realized Volatility (Annualized)	29.1
Cash Allocation	0%

Portfolio Structure

Top Holdings

NetEase (NTES US)
Electronic Arts (EA US)
Apple (AAPL US)

Top 5 Currencies

USD	65%
JPY	28%
HKD	3%
EUR	3%
KRW	1%

Market Cap Breakdown [USD]

Mega (> 200bn)	23%
Large (10bn to 200bn)	51%
Medium (2bn to 10bn)	22%
Small (300mln to 2bn)	4%
Micro (50mln to 300mln)	0%

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