



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 93.4	USD 52.7	EUR 55.7
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	25		
Liquidity	Daily		
Management fees	1.6% (incl. Issuer fees)		
Performance fees	15% (HWM)		

Investment Universe



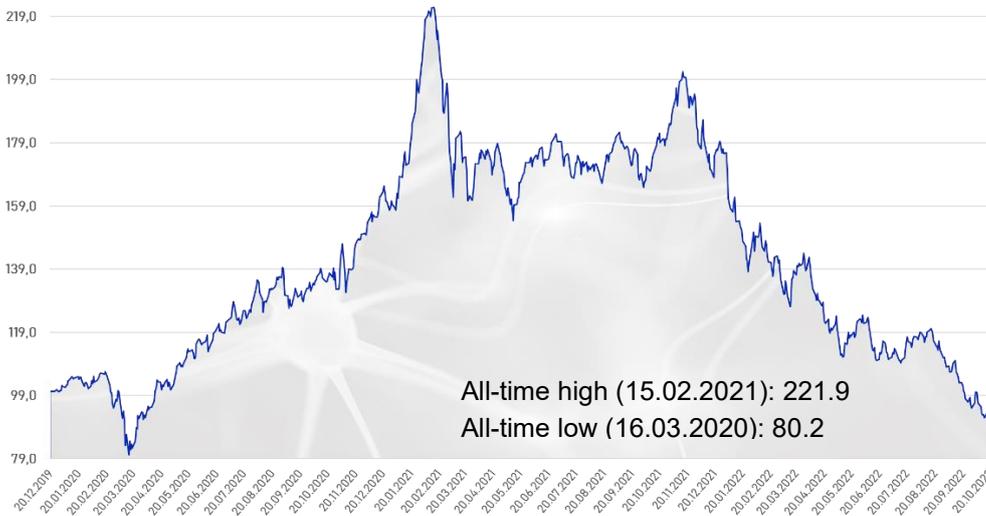
October Report

- The Gaming certificate fell 1.8% in October and underperformed the MSCI World by 9%.
- Even if the gaming industry is still affected by tough comparisons with a pandemic-driven 2021, there are some encouraging signs giving confidence in the 2023 outlook. Notably, console sales, which had been underwhelming due to supply constraints, have been accelerating in the last three months and reached 19% growth in the US in September according to NPD. This rise in hardware sales is largely attributable to the increased availability of PS5 and Xbox, suggesting that the supply issues are finally coming to an end.
- With a PS5 installed base expected to almost double and approach 40 million units by the first half next year,

- game makers are likely to become more confident in releasing big budget games. Accordingly, the blockbuster release cadence is set to accelerate starting in 2023 with notably Spider-Man 2, Zelda, Star Wars Jedi, Assassin's Creed Mirage, Avatar or Diablo 4.
- Even if gaming consumption will not be immune to consumers' reduced spending on discretionary purchases, this robust pipeline should help the gaming industry growth recover next year.
- Turning to Chinese names, they weighed again on the portfolio's performance last month as crackdown fears resurfaced following Xi Jinping's reshuffle of the party's politburo standing committee.



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%	-14.4%
Oct	-0.4%	6.6%	-1.8%
Nov	13.3%	6.5%	
Dec	6.0%	-8.5%	
Annual	58.3%	10.2%	-46.8%

Top Contributors

Roblox (RBLX US)
Electronic Arts (EA US)
Take-Two (TTWO US)

Worst Contributors

NetEase (NTES US)
Tencent (TCEHY US)
Bilibili (BILI US)

Risk

Beta vs. MSCI AC World	1.0
Correlation vs. MSCI AC World	0.7
Realized Volatility (Annualized)	28.8
Cash Allocation	5.6%

Portfolio Structure

Top Holdings

Electronic Arts (EA US)
Activision (ATVI US)
Nintendo (7974 JP)

Top 5 Currencies

USD	57%
JPY	34%
HKD	4%
EUR	3%
SEK	2%

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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