



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 100.6	USD 56.8	EUR 57.6
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	27		
Liquidity	Daily		
Management fees	1.6% (incl. Issuer fees)		
Performance fees	15% (HWM)		

Investment Universe



December Report

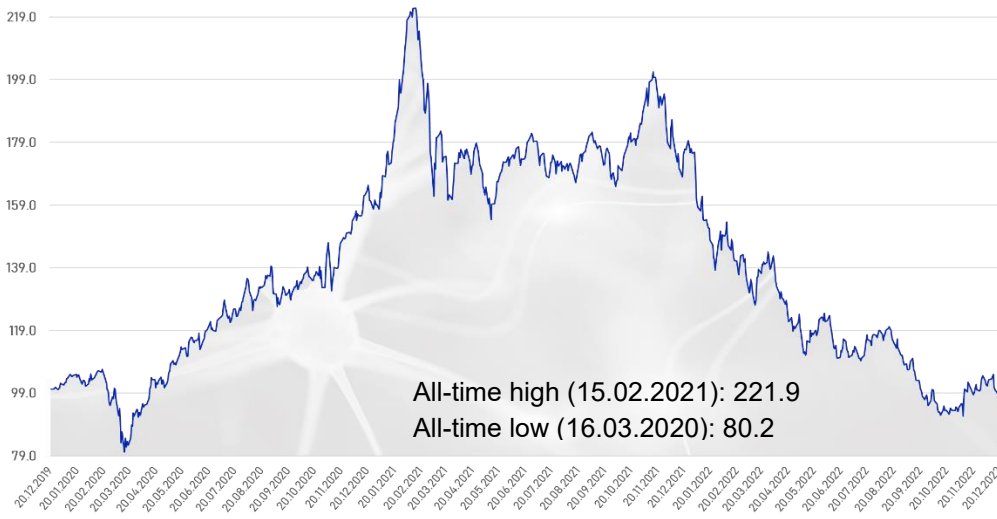
- The Gaming certificate fell 1.8% in December and outperformed the MSCI World by 2.4%.
- Sky Mavis, the creator of the play-to-earn game Axie Infinity, announced that its blockchain game has been approved to launch on Google Play Store. Considering that tokens are not allowed on the two main app stores, Axie Infinity: Origins will come with limited features compared to the flagship title and no reward tokens. But we see two major opportunities for the studio: 1/ bringing a large number of mobile users to the Axie player base and then, potentially, convert them to the flagship title and its play-to-earn blockchain mechanics 2/ building a direct bridge between the mobile game and the flagship title by transforming points into tokens for

instance. If successful, this initiative could be followed by many other ones and open up blockchain games, which, for now, have a confidential user base, to hundreds of millions of gamers.

- On the regulatory front, the US FTC has filed to block two M&A deals in the gaming space over the last couple of months, most notably the takeover of Activision by Microsoft. The outcome of these suits between the FTC and Microsoft/Meta will need to be monitored in coming months to assess the future M&A policy of Tech giants. For now, we believe that Netflix, Amazon and Google remain in a position to make M&A moves given their limited exposure to gaming assets, even if these moves will probably be less audacious.



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%	9.6%
Dec	6.0%	-8.5%	-1.8%
Annual	58.3%	10.2%	-42.7%

Top Contributors

Bilibili (BILI US)
Tencent (TCEHY US)
Kingsoft (3888 HK)

Worst Contributors

AMD (AMD US)
Unity Software (U US)
Nvidia (NVDA US)

Risk

Beta vs. MSCI AC World	1.0
Correlation vs. MSCI AC World	0.7
Realized Volatility (Annualized)	28.8
Cash Allocation	0%

Portfolio Structure

Top Holdings

Tencent (TCEHY US)
Electronic Arts (EA US)
Activision (ATVI US)

Top 5 Currencies

USD	60%
JPY	27%
KRW	4%
HKD	3%
EUR	3%

Market Cap Breakdown [USD]

Mega (> 200bn)	17%
Large (10bn to 200bn)	53%
Medium (2bn to 10bn)	29%
Small (300mln to 2bn)	1%
Micro (50mln to 300mln)	0%

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