



## 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.
- e-sports, 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

<b>ISIN</b>	CH0473580212	DE000US734W3	XS2168939648
<b>NAV</b>	USD 139.1	USD 79.4	EUR 79.19
<b>Inception Date</b>	20.12.2019	04.06.2021	08.03.2021
<b>Issuer Rating</b>	Kepler - UBS S&P A+	Kepler - UBS S&P A+	Kepler - JPM S&P A+
<b>Number of Holdings</b>	26		
<b>Liquidity</b>	Daily		
<b>Management fees</b>	1.6% (incl. Issuer fees)		
<b>Performance fees</b>	15% (HWM)		

## Investment Universe



## March Report

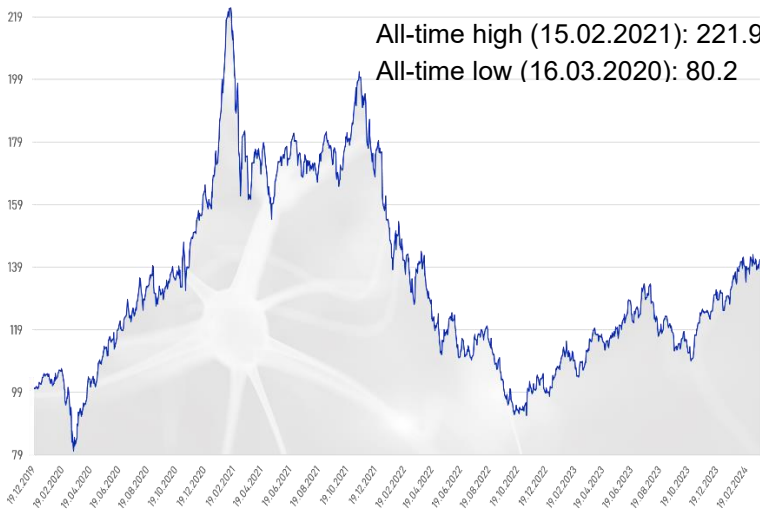
- The Gaming certificate gained 0.1% in March and underperformed the MSCI AC World by 3.1%.
- The gaming industry has had a solid start to the year, with content/software sales growing 10% over January and February in the US according to Circana. While the pipeline is not expected to be particularly impressive over coming months, we believe that investors' attention is already focused on 2025 with major releases both in the hardware (Switch 2, potential new Apple Vision) and software categories (GTA 6).
- According to a media report, the release of GTA 6 (widely expected in calendar Q1 next year) will be delayed as production is behind schedule. If confirmed, this would not come as a major surprise as the gaming

industry has a long history of shipment delays and we would view any significant weakness in Take-Two as an opportunity.

- Worth noting, there has been an increased focus lately around profitability across the industry, with many companies announcing additional cost-cutting initiatives. This, combined with the expected contribution from AI and a robust growth outlook, should help margins reach new records over the years.
- AI could become a margin tailwind sooner than most expect. Google DeepMind demonstrated in recent weeks that its text-to-video games Genie model was already able to build 2D games based on a short description, a hand-drawn sketch, or a photo.



## Performance



	2020	2021	2022	2023	2024
Jan	0.6%	22.3%	-16.1%	10.4%	2.2%
Feb	-6.0%	-3.3%	-2.7%	-6.3%	4.0%
Mar	-1.6%	-11.3%	-3.3%	14.1%	0.1%
Apr	9.2%	3.0%	-13.6%	-2.7%	
May	12.9%	0.5%	2.6%	3.2%	
Jun	3.7%	4.8%	-10.1%	5.3%	
Jul	8.1%	-5.4%	6.6%	6.5%	
Aug	5.4%	3.7%	-5.6%	-8.4%	
Sep	-2.4%	-5.0%	-14.4%	-6.5%	
Oct	-0.4%	6.6%	-1.8%	-3.8%	
Nov	13.3%	6.5%	9.6%	13.2%	
Dec	6.0%	-8.5%	-1.8%	4.9%	
<b>Annual</b>	<b>58.3%</b>	<b>10.2%</b>	<b>-42.7%</b>	<b>30.0%</b>	<b>6.4%</b>

### Top Contributors

Nvidia (NVDA US)  
AppLovin (APP US)  
Tencent (TCEHY US)

### Worst Contributors

NetEase (NTES US)  
Roblox (RBLX US)  
Unity (U US)

### Risk

Beta vs. MSCI AC World	0.9
Correlation vs. MSCI AC World	0.7
Realized Volatility (Annualized)	27%
Cash Allocation	0%

## Portfolio Structure

### Top Holdings

Nvidia (NVDA US)  
AMD (AMD US)  
AppLovin (APP US)

### Top 5 Currencies

USD 79%  
JPY 16%  
KRW 3%  
TWD 2%

### Market Cap Breakdown [USD]

Mega (> 200bn)	27%
Large (10bn to 200bn)	50%
Medium (2bn to 10bn)	23%
Small (300mln to 2bn)	0%
Micro (50mln to 300mln)	0%

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