

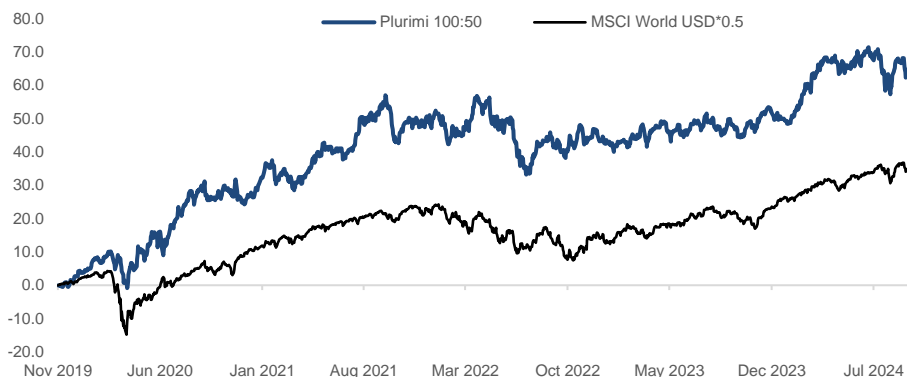
Objectives

The objective of the Plurimi AI Long/Short Equity Strategy is to achieve capital appreciation through a combination of owning a portfolio of global stocks with attractive valuation, growth and quality factors and shorting stocks with poor quality, momentum and value characteristics. The strategy combines a 100% allocation to the Plurimi Global Equity strategy and 50% allocation to the Plurimi AI short strategy. Stock selection is driven by artificial intelligence with machine learning techniques.

Risk and return targets

- Typical Beta range 0.3 to 0.6
- Return target: 50% of MSCI World return + 5% per annum

Total return (%)



Monthly performance (%)

Performance	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2024 Plurimi AI Long Short	3.4	5.2	3.0	-1.3	1.0	0.8	-2.8	2.9	1.4				14.1
MSCI W*0.5	0.6	2.1	1.6	-1.8	2.3	1.0	0.9	1.3	0.9				9.3
2023 Plurimi AI Long Short	0.7	1.1	1.6	-0.7	-1.0	3.4	0.6	-1.3	-2.6	1.9	3.3	-1.9	5.2
MSCI W*0.5	3.5	-1.2	1.5	0.9	-0.5	3.0	1.7	-1.2	-2.1	-1.4	4.7	2.5	11.9
2022 Plurimi AI Long Short	-4.4	1.2	5.5	-3.7	0.0	-8.4	4.8	-0.5	-1.6	5.0	-1.0	-2.5	-6.3
MSCI W*0.5	-2.6	-1.2	1.4	-4.1	0.1	-4.3	4.0	-2.1	-4.6	3.6	3.5	-2.1	-8.8
2021 Plurimi AI Long Short	-1.5	0.5	1.0	4.8	0.9	0.4	5.9	1.7	-3.0	1.6	-0.9	2.6	14.6
MSCI W*0.5	-0.5	1.3	1.7	2.3	0.7	0.8	0.9	1.3	-2.1	2.8	-1.1	2.2	10.8
2020 Plurimi AI Long Short	2.0	-1.8	0.6	2.3	7.5	2.0	8.0	0.6	-1.1	-0.3	-0.3	4.8	26.6
MSCI W*0.5	-0.3	-4.2	-6.6	5.5	2.4	1.3	2.4	3.4	-1.7	-1.5	6.4	2.1	8.8
2019 Plurimi AI Long Short											2.2	3.4	5.6
MSCI W*0.5											1.4	1.5	2.9

Total return in USD terms. (1 Nov 2019 – 30 Sep 2024)
Net of annual 1.7% management and custody fees.

Source: Bloomberg/PW

Sector exposure and valuations

	AI Short *0.5	AI Long	Total		AI Long Short	MSCI W *0.5	Relative
Communication Serv.	-8.9	11.5	2.6	North America	42.2	36.8	5.4
Consumer Discretionary	-7.6	12.9	5.2				
Consumer Staples	-3.4	9.3	5.9	UK	-0.5	1.8	-2.2
Energy	0.0	5.8	5.8	Switzerland	-0.5	1.4	-1.9
Financials	-6.9	13.7	6.8				
Health Care	-6.5	9.4	2.8	Rest of Europe	-0.2	5.6	-5.8
Industrials	-6.4	17.1	10.7				
Information Technology	-3.4	14.5	11.1	Japan	5.8	2.8	3.0
Materials	-1.8	3.0	1.2				
Real Estate	-1.7	0.0	-1.7	Asia & EM	3.2	1.6	1.6
Utilities	-3.4	2.9	-0.5				

Key points

Bottom-up stock selection driven by Artificial Intelligence (AI) and machine learning. Evaluating more than 5000 global companies.

Objective stock selection process removes human emotion and behavioural biases.

Top-down region and style allocations.

Portfolio characteristics skewed towards value, quality, and momentum stocks.

Key risks

Capital is at risk. Equity markets are volatile and the positions in the strategy may rise leading to capital losses for this strategy. The strategy is a focused portfolio and not as diversified as the benchmark. Returns of the strategy are impacted by borrowing costs, and shorts may be bought in, which may lead to capital losses.

Risk (ex-ante), against MSCI World for relative

	100:50	MSCI W
Value at Risk (monthly 97.5%)	5.9%	8.7%
Beta	0.5	1.0
Volatility	10.5%	15.3%
AI predicted alpha	4.6%	0.0%

Performance indicators (%)

	AI 100:50	MSCI World
Annualised return	11.5	13.1
Annualised vol.	10.2	17.7
Sharpe ratio	0.9	0.6
Best month	8.0	12.8
Worst month	-8.4	-13.2
Max drawdown	-15.2	-34.0

Yield & earnings characteristics

	AI Long	AI Short	Net
Dividend Yield	1.4	5.6	3.3
Est P/E	17.2	18.4	15.8
Price to Cash Flow Ratio (P/CF)	15.6	10.0	30.3

Top 10 positions

Longs	Shorts
NVIDIA CORP	SARTORIUS AG-VORZUG
RECRUIT HOLDINGS CO LTD	PNC FINANCIAL SERVICES GROUP
META PLATFORMS INC-CLASS A	VERIZON COMMUNICATIONS INC
ALPHABET INC-CL C	VODAFONE GROUP PLC
HARTFORD FINANCIAL SVCS GRP	BASF SE
APPLIED MATERIALS INC	STARBUCKS CORP
PAYPAL HOLDINGS INC	ESTEE LAUDER COMPANIES-CL A
HITACHI LTD	MICROSTRATEGY INC-CL A
DR HORTON INC	BAYER AG-REG
GENERAL ELECTRIC	NIPPON TELEGRAPH & TELEPHONE

Source: Bloomberg/PW

Commentary

The strategy rose by 1.4% in net terms for the month compared to the MSCI World index return of 1.9%. Since inception, the strategy has delivered an annualised return of 11.5%, against 13.1% for the MSCI World.

Longs:

The strategy rose by 2.0% in September.

We did not make any changes during the month. The Federal Reserve cut interest rates by 0.5% in mid-month pushing equity markets higher. Towards month end the Chinese government put a significant monetary and fiscal stimulus package in place, pushing stocks with Chinese exposure sharply higher. **Alibaba** was a noteworthy beneficiary of the stimulus, and it was the largest monthly contributor rising 27%. **Freeport-McMoran** also rallied on Chinese policy. The stock rose 13%, as copper prices rose by 7%. **Meta** rose 10%. Analysts continued to raise their profit estimates for the company following strong guidance in July. **Paypal** rose by 8%. The market is rewarding new partnerships Paypal has announced with companies such as Amazon, Adyen and Shopify.

Adobe fell 10%. The company delivered revenue guidance which was slightly below consensus expectations early in the month. We continue to own the stock as the company's diversified product set across digital media is leading to strong growth from professionals, content creators, developers, advertisers, and publishers. Adobe's large recurring subscription revenue stream, coupled with attractive margin structure provides attractive profitability characteristics. **Devon Energy** fell 12% and **EOG** fell 5% respectively. Oil prices fell by more than 5%, dragging energy shares down. We remain attracted to the undemanding valuations of the stocks and like the characteristics should geo-political events create a spike higher in oil prices.

We have our strategies positioned with a small overweight in equity as we enter the fourth quarter. An economy that is expanding combined with looser central bank policy sets stage for equity rally into year end. We continue with a pro-cyclical positioning as we enter the fourth quarter, with significant overweights in industrials and consumer discretionary sectors.

Short:

The strategy fell 0.8% in September.

New additions: HSBC HOLDINGS PLC, MITSUI & CO LTD.

The strategy continued to benefit from short positions in EV companies, with **Rivian** falling 21%, and **Lucid** falling 12% in September despite the broad equity rally. We do not see a clear path to profitability for these companies in a very competitive market. **Boeing** continued to plunge in September, falling 12% as the company suffers from safety concerns, and regulatory issues. At month end the National Transportation Safety Board has more concerns about Boeing's planes. Healthcare companies **Eisai** and **Humana** both also fell by 10%, as their pricing power appears to be being questioned by the market.

Microstrategy was the most significant detractor. The company rose 27% during the month, on the back of higher Bitcoin prices. We continue to short the stock, based on what we think is a questionable business model of owning bitcoin on a levered basis. **Carrerfour** rose 11% before we closed the position. The company delivered better sales and higher margins than we expected during the month. **AT&T** rose almost 10%. The heavily indebted company benefited from falling interest rates and the Fed's cut early in the month. We continue to question the company's long term growth, as its already faces significant competition and disruptive technology will likely continue to create new competition in the communications sector.

We added new short in **HSBC**. HSBC's commercial real-estate loans could drive credit costs higher and weaken capital adequacy in 2025. The stock may suffer earnings drags from margin squeeze and provision pressure on Hong King property loans. **Mitsui** has operating groups including iron and steel, non-ferrous metals, machinery, chemicals, foods, energy, textiles, and general merchandise. Mitsui also operates real estate and overseas development projects. The company has suffered negative earnings estimates following weak guidance over the summer.

Strategy managers:

Patrick Armstrong, CFA
Eugen Fostiak

Target return: 50% MSCI World +5% p.a.

Holdings: 30 Long, 30 Short

Available in**Segregated account****UBS issued Actively Managed Certificates****ISIN:**

USD: CH0550137639

GBP: CH0552928746

EUR: CH1141734074

Daily Pricing from UBS

Source: UBSF on Bloomberg

DISCLAIMER

The information and opinions expressed in this publication were produced by Plurimi Wealth LLP (Plurimi). This publication is intended for information purposes only and does not constitute an offer, a recommendation or an invitation by, or on behalf of Plurimi to make any investments. Opinions and comments of the authors reflect their current views, but not necessarily of other Plurimi entities or any other third party. This publication has been prepared without taking account of the objectives, financial situation or needs of any particular investor. Before entering into any transaction, an investor should consider the suitability of the transaction against their individual circumstances and objectives. Any investment or trading or other decision should only be made after a review of the relevant product term sheet, subscription agreement, information memorandum, prospectus or other offering document relating to the issue of the securities or other financial instruments. Nothing in this publication constitutes investment, legal, accounting or tax advice, or a representation that any investment or strategy is suitable or appropriate for an investor's circumstances, or otherwise constitutes a personal recommendation for any specific investor. Plurimi recommends that you independently assess, with a professional advisor, the specific financial risks as well as legal, regulatory, credit, tax and accounting consequences. Past performance is not a reliable indicator of future results. Performance forecasts are not a reliable indicator of future performance. An investor may not get back the amount invested or may be required to pay more. Although the information and data herein are obtained from sources believed to be reliable, no representation is made that the information is accurate or complete. Plurimi do not accept liability for any loss arising from the use of this publication. This publication cannot be reproduced or used for any other purpose and can only be distributed in countries where its distribution is legally permitted. This publication may relate to investments or services of an entity/person outside the UK, or to other matters which are not regulated by the FCA, or in respect of which the protections of the FCA for retail clients and/or the UK Financial Services Compensation Scheme may not be available. Further details as to where this may be the case are available on request in respect to this document, please contact your Plurimi Relationship Manager.

Plurimi Wealth LLP, a limited liability partnership, is incorporated in England & Wales with registered number OC326895. Authorised and Regulated by the Financial Conduct Authority ("FCA") 466728.