

## INVESTMENT OBJECTIVE

Fund aims to achieve capital appreciation through investing in global equity markets with a long term investment horizon, fully focusing on fundamental value of sustainable high quality businesses, without speculation, hedging or market timing.

## PORTFOLIO REVIEW

The Protea BAM Global Equities Fund underperformed its benchmark in March, up 1.4% compared to a 3.1% gain for the index. . Communication Services (+0.8%) and Consumer Staples (+0.6%) posted the best performances, while Information Technology trailed the monthly sector ranking (-0.8%). No new companies were added to the portfolio during the month.

The first cracks are appearing in the ongoing AI bubble. Stability AI, a popular start-up focusing on text-to-image creation, has run out of money and is under distress. The core problem faced by this AI start-up is actually very simple: it does not really have a viable business model. On the positive side, its product, Stable Diffusion, is a popular tool that has garnered millions of active users since its 2022 launch. Running the service, however, is relatively costly. This is mostly done on Amazon Web Services, which has been investing heavily in Nvidia’s expensive GPUs. Costs are being incurred monthly and probably growing rapidly, while Stability AI management is finding it difficult to monetise its product. In this particular case, the issue is not a lack of profitability, but rather a lack of revenue.

This monetisation problem will probably extend to other AI companies. Obviously, small AI start-ups will be the most vulnerable, as they rely on GPU server farms hosted by the largest cloud players such as Microsoft, Meta, Alphabet and Amazon. All eyes will be on these hyperscalers and communications regarding their capital expenditure plans. It is very likely that, sometime soon, we will start seeing scaling back on these investment commitments. Thus far, we have seen spending plans in the tens of billions (and Nvidia’s meteoric rise), but are still waiting for subsequent “must have” applications that would actually – over time – pay for such investments. After all, capital is no longer “free”, meaning that venture capital firms will not be able to durably funnel billions into running free AI tools on expensive rented GPU capacity. We do want to reiterate our stance that AI will be long-term positive for productivity, but there is nonetheless a serious bubble to be dealt with in the short run.

## RISK & REWARD



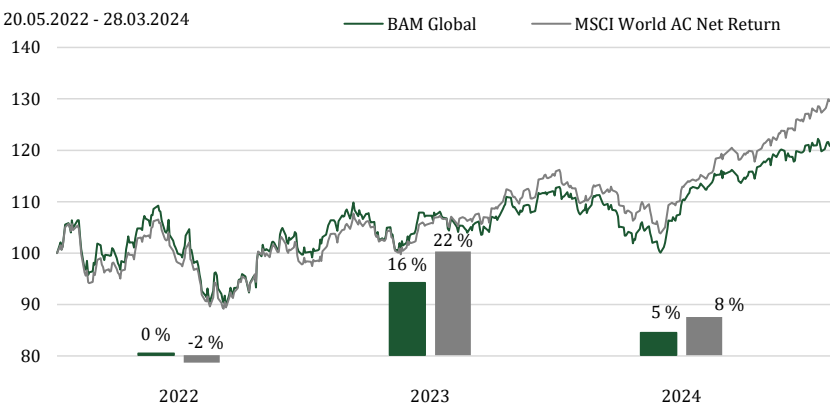
## FUND FACTS

Domicile	Luxembourg
Inception date	25 June 2021
Currency	USD
Fund Managers	BAM Team
Fund size*	USD 77 million
Liquidity (sub./red.)	Daily
Min. Investment	Retail: 1000 USD Instit.: 1 million USD
Management fees	0.8%-1.2%
Performance fees	20 %
High Water Mark	Yes
Benchmark	MSCI World AC Net Return

Class	Bloomberg	ISIN	NAV
Inst.: EUR	PRBGEIE	LU2264701744	88.5
CHF	-	LU2264701660	-
USD	PRPGEIU	LU2264701827	121.6
Ret.: EUR	PRPGERE	LU2264702122	87.4
CHF	PRPGERC	LU2264702049	85.4
USD	-	LU2264702395	104.9

\*the total strategy size is EUR 93 million

## NET PERFORMANCE AND ANNUAL PERFORMANCE IN USD

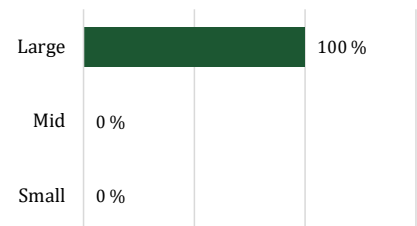


	Fund	Bench.	+/-
1 Month	1.4%	3.1%	-1.7%
3 Months	4.8%	8.1%	-3.3%
YTD	4.8%	8.1%	-3.3%
Since inception	21.6%	30.0%	-8.4%

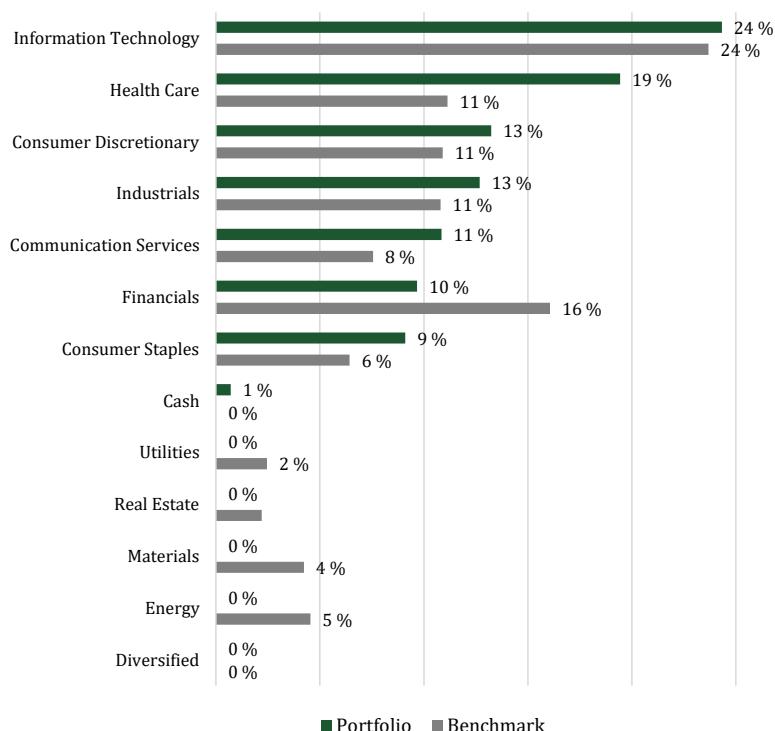
## STATISTICS

Leading PE	25.0
EV/EBITDA	21.1
P/Book	7.8
Dividend Yield	1.5 %
ROE	25 %
Debt/Equity	51 %
Interest Coverage	11.6
Beta	1.0
Volatility	15 %

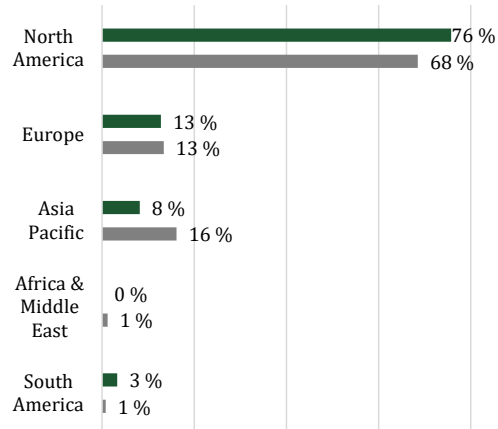
## ALLOCATION BY MARKET CAP



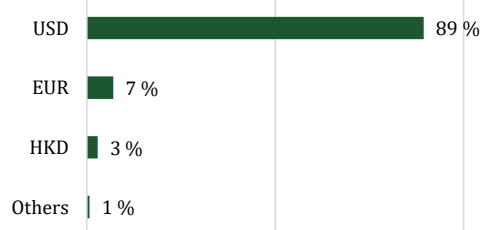
### ALLOCATION BY SECTOR



### ALLOCATION BY REGION



### ALLOCATION BY CURRENCY



### TOP 10 HOLDINGS

	Sector	Country	Weight
WALT DISNEY CO/THE	Communication Services	US	5.2%
MICROSOFT CORP	Information Technology	US	5.0%
VISA INC-CLASS A SHARES	Financials	US	4.1%
AMAZON.COM INC	Consumer Discretionary	US	4.0%
ACCENTURE PLC-CL A	Information Technology	IE	3.9%
MERCADOLIBRE INC	Consumer Discretionary	UY	3.3%
MOODY'S CORP	Financials	US	3.3%
FAIR ISAAC CORP	Information Technology	US	3.2%
ADOBE INC	Information Technology	US	3.2%
THERMO FISHER SCIENTIFIC INC	Health Care	US	3.2%
<b>Total</b>			<b>38.4%</b>
Total number of Holdings			38

### FUND COMPLEMENTARY DETAILS

Administrator	FundPartner Solutions SA
Representative in Switzerland	FundPartner Solutions (Suisse)
Investment Manager	Bruellan SA
Custodian	Pictet & Cie (Europe) SA
Paying agent in Switzerland	Banque Pictet & Cie SA
Auditor	Deloitte Audit S.à r.l

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