

Alternative Alpha (CHF hedged)

Alternative alpha strategies are an important element for successful investing. Excluding linear strategies and focusing on non-replicable strategies significantly reduces correlation with the equity and bond markets, thus improving the portfolio risk/return profile.

Your advantages at a glance

- **Alpha at attractive terms**
- **Optimally complements traditional and alternative beta investments**
- **Improves portfolio risk/return profile**
- **Diversified and transparent**
- **Focus on non-replicable alternative strategies**
- **Independent investment management process meeting the most stringent compliance requirements**

Investment universe

The investment group, invests in transparent single funds through a fund-of-funds vehicle. The portfolio takes account of various investment strategies and styles worldwide in various sectors. The goal is to build and manage an appropriately diversified portfolio of non-replicable hedged fund strategies with low correlation to traditional asset investments. The investment group is denominated in CHF; currency risks on single fund level are hedged.

Investment process

This highly experienced team diversifies the portfolio by investment strategy, style, class, and region. Extensive bottom-up research and a proprietary database are employed to identify, review, select and monitor the individual fund managers. A portfolio construction tool is utilized to help the portfolio managers optimally weight the individual strategies and managers in the portfolio.

Manager

GAM International Management Limited

GAM is one of the world's largest fund-of-hedge-funds managers, with over 25 years' experience. Because of this trove of experience, there are distinct advantages to working with the firm, including solid knowledge and expertise, scope, clearly structured processes and a valuable proprietary database. Operational and investment risks are monitored by two dedicated, independent teams.

Alternative Alpha (CHF hedged)

The investment group, invests in transparent individual funds through a fund-of-funds vehicle. The portfolio considers various investment strategies and styles worldwide in various sectors. The goal is to build and manage an appropriately diversified portfolio of non-replicable alternative alpha strategies with low correlation to traditional asset markets. The investment group is denominated in CHF; currency risks on single fund levels are hedged.

As of 30.06.2019

Key characteristics

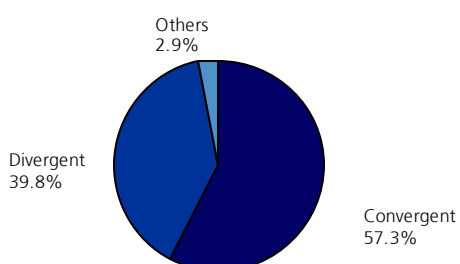
Manager	GAM
ISIN	CH0018303922
Bloomberg Ticker	ZAHEDGC SW
Benchmark	HFRX GI HF CHF Index
First issue	12.2004
Financial year	1.1. - 31.12.
Currency	CHF
Risk currency	Hegded in CHF
AuM (in mio.)	32.85
Net asset value	1,227.58
Management Fee	0.90%
TER (KGAST)	3.71%
Spread	0.00%
Issue/Redemption	Quarterly

For further information please visit: www.zurichinvest.ch

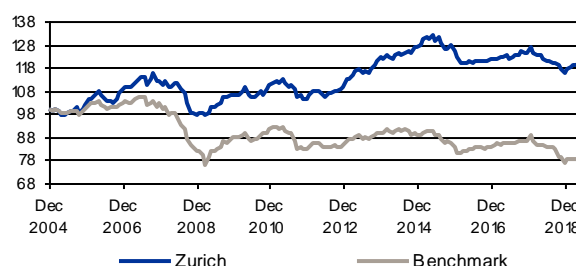
Asset manager (in %)

	Zurich
USD	92.67
EUR	5.94
CHF	1.39

Geographic allocation (in %)



Performance (net of fees, indexed)



Performance (net of fees in %, in CHF)

	Zurich	Benchmark
3 month	3.49	0.06
Current year	6.17	1.66
1 year p.a.	1.50	-6.36
5 years p.a.	-0.20	-2.98
10 years p.a.	2.03	-0.42
Since inception p.a.	1.42	-1.68

Volatility (in %)

	Zurich	Benchmark
1 year p.a.	3.91	4.98
5 years p.a.	3.91	4.02
10 years p.a.	4.26	4.17
Since inception p.a.	4.69	5.01

Risk figures since inception

	Zurich	Benchmark
Sharpe Ratio	0.23	-0.40
Beta	0.72	1.00
Tracking Error p.a.	3.32	-
Information Ratio	0.93	-
Jensen's Alpha (in %)	2.53	-
Max. Drawdown (in %)	18.18	39.39
Recovery Period*	49	123

*) in months

Asset allocation (in %)

	Zurich
Relative Value	39.80
Macro	27.70
CTA	16.20
Event Driven	14.90
Others	1.40

Liquidity (in %)

	Zurich
Daily	10.09
Monthly	66.23
Quarterly	22.33
Others	1.39

Largest positions (in %)

	Zurich
Field Street	8.49
PGIM Fixed Income	8.02
Nitrogen	7.97
LMR Alpha Rates	7.54
Tenor Opportunity	7.51

Risk figures for other time periods

	1 year p.a.	5 years p.a.	10 years p.a.	Since inception p.a.
Sharpe Ratio	0.60	0.12	0.54	0.23
Tracking Error p.a.	4.00	3.20	2.87	3.32
Information Ratio	1.97	0.87	0.85	0.93
Jensen's Alpha (in %)	5.03	1.99	2.42	2.53

Overview performance (net of fees in %)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2019	1.75	0.38	0.45	0.30	1.32	1.84							6.17
2018	1.86	-1.64	-0.67	-0.38	-1.49	-0.23	-0.10	-1.19	0.23	-0.70	-1.30	-1.40	-6.85
2017	0.06	0.42	0.44	0.26	0.12	-1.23	0.98	0.74	0.13	1.07	-0.84	0.20	2.35
2016	-2.16	-2.11	0.00	0.04	0.47	-0.70	0.70	0.11	-0.32	-0.06	0.11	0.69	-3.23
2015	0.61	1.94	1.16	-0.67	1.33	-2.34	1.50	-2.26	-1.73	0.23	0.73	-1.45	-1.09
2014	-0.58	1.90	-0.90	-1.12	1.59	0.72	-0.64	1.01	0.29	-0.82	2.65	-0.27	3.79
2013	2.66	0.33	1.26	1.76	0.83	-1.41	0.76	-1.21	1.75	1.29	1.36	1.41	11.26
2012	1.81	1.63	-0.08	-0.40	-1.15	-0.74	1.15	0.60	0.54	-0.24	0.71	1.38	5.27
2011	0.21	0.84	-0.25	1.29	-1.39	-1.52	0.83	-2.21	-2.90	0.59	-1.04	-0.34	-5.82
2010	-0.21	0.18	1.72	1.14	-3.15	-0.84	0.17	0.58	1.60	-1.55	2.85	1.82	4.24
2009	0.67	-0.02	-0.76	0.46	2.95	-0.24	1.61	0.85	1.87	0.08	1.10	0.05	8.91

¹ TER according to KGAST: The figure corresponds to the Total Expense Ratio (TER) from the last year and is no guarantee for a similar TER in the future.

² Spread: Settlement with an additional subscription or redemption charge (protection of the fund performance)

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