



ALPHA COMMODITY
March 2025 NEWSLETTER



MARKETING COMMUNICATION | FOR PROFESSIONAL CLIENTS ONLY

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INVESTMENT OBJECTIVE

The Sub-fund aims to generate absolute returns⁽¹⁾ from the three main sources of alpha across the commodity markets, excluding the agricultural and livestock commodities sector.

STRATEGY

- The fund aims to generate absolute performance, by providing synthetic exposure to a portfolio of quantitative strategies aiming at benefitting from key Commodities markets' specificities.
- The aforementioned portfolio is a non-directional, market-neutral portfolio which seeks to provide access to distinct and unadulterated commodity alpha sources; it consists of three quantitative strategies which are broadly uncorrelated with each other, in order to benefit from diversification.
- Performance is harvested by capturing carry differentials that arise across commodity forward curves, in addition to the alpha derived from market inefficiencies and opportunities.
- There is a dynamic and risk-balanced allocation between the three strategies which is updated on a monthly basis.
- The fund incorporated a 2x leverage mechanism on 31st October 2022 into the portfolio construction process.
- The fund changed its Carry sub strategy mechanism on the 26th of February 2025.

These internal guidelines are for indicative purposes only; Prospectus and KIID are prevailing.

PERFORMANCE

As of 31/03/2025	THEAM Quant – Alpha Commodity ²	Bloomberg Commodity ex-Agriculture and Livestock Capped Total Return Index ³
1 month performance	-1.39%	6.04%
YTD performance	-7.27%	13.36%
12 months performance	-14.05%	20.07%
Global annualised return	3.37%	7.55%
Overall performance ⁴	21.34%	52.95%

1 – Alpha Commodity Sub-Fund does not qualify as an absolute return fund as defined by French AMF

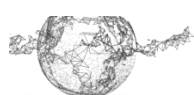
2 – Refers to LU1893641487, THEAM Quant – Alpha Commodity – I USD ACC <TQACIUA LX Equity>.

3 – Refers to BBUXALCT Index – Comparative Index for illustrative purposes only, it does not represent any benchmark for the fund.

4 – Overall performance since 28/06/2019.

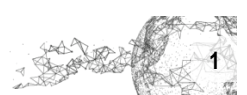
Source: Bloomberg. Past performance is not an indicator of future performance.

Follow the icon to go to the fund page on the THEAM Quant website



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MONTHLY COMMENTARY

PERFORMANCE

The THEAM Alpha Commodity fund lost -1.39% in March (A-share, USD). Momentum contribution was positive. Backwardation and Carry contributions were negative.

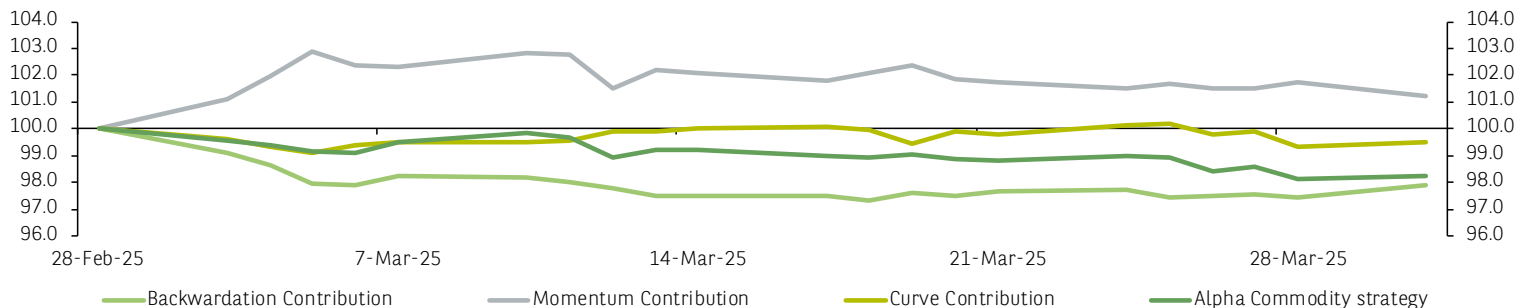
The index performance was mainly driven by the strong negative contribution from Copper to the Curve and Backwardation strategies, and to a lesser extent Natural Gas and Silver to the Curve strategy in particular. This was partially offset by the positive contributions of the Gold and Gas to the Momentum strategy.

MACRO & COMMODITIES ANALYSIS

- US trade policy remained a key focus in March as President Trump made multiple announcements about import tariffs, and some tariffs (notably on steel and aluminium) were raised.
- Investors were still trying to reassure themselves about the implementation of reciprocal tariffs when, on 26 March, Donald Trump suddenly announced the imposition of a 25% tariff on 'all cars not made in the US' from 3 April.
- Uncertainties on all fronts (economic policy, growth and inflation outlook, geopolitical context) pushed gold prices to new records at more than \$3,100 an ounce (+9.3% compared to the end of February). After the announcement by the OPEC+ countries early in the month about increased production, oil prices fell to year lows. They ended March slightly up compared to the end of February (+2.5% for WTI) and practically unchanged from the beginning of the year (-0.3%) at \$71.5 a barrel.

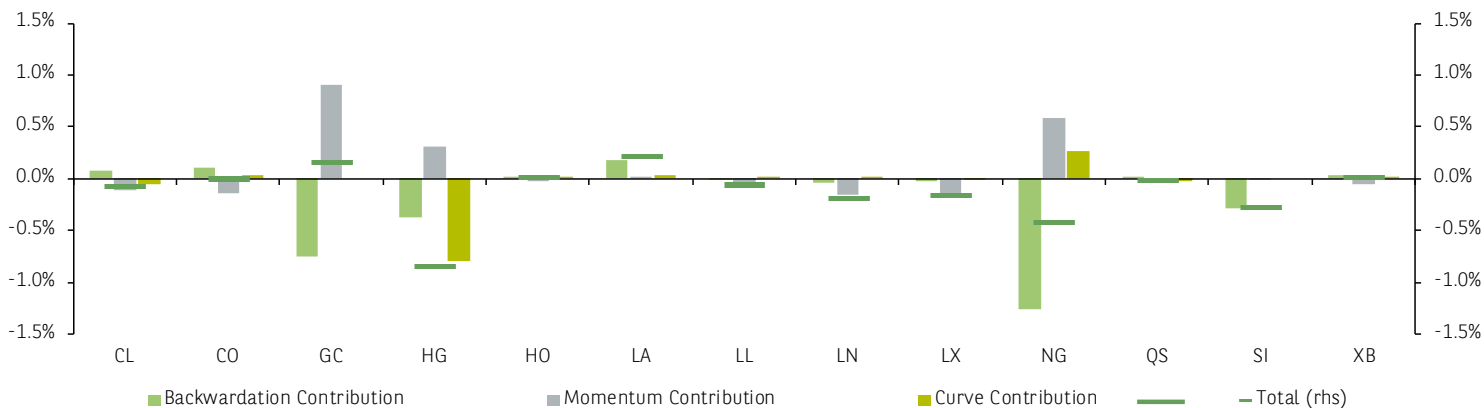
PERFORMANCE CONTRIBUTION:

STRATEGY & INDEX PERFORMANCE



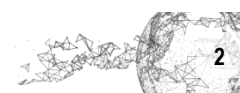
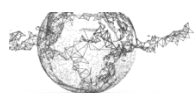
Source: Bloomberg, BNP Paribas. As of 31/03/2025

CONTRIBUTION BY COMMODITY AND MECHANISM TO STRATEGY PERFORMANCE

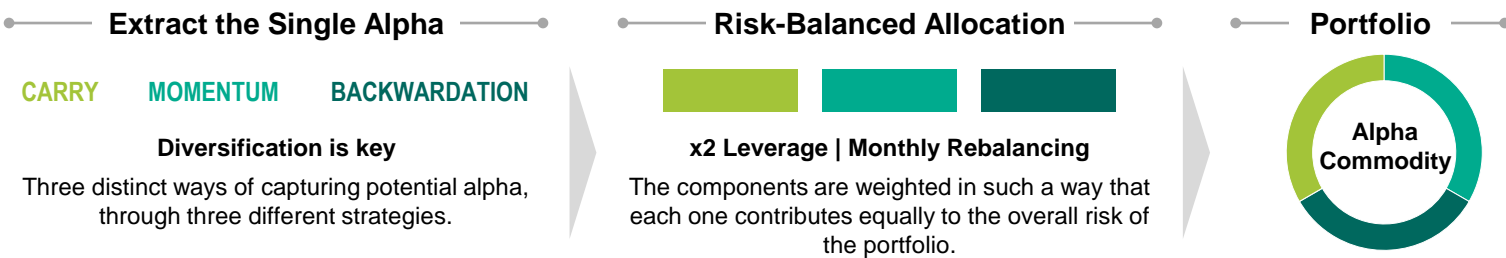


CL: Nymex WTI, CO: ICE Brent, HO: Nymex ULSD (NY Harbour), XB: Nymex RBOB Gasoline, NG: Nymex Natural Gas (Henry Hub), LA: LME Aluminium, LX: LME Zinc, LN: LME Nickel, HG: COMEX Copper, GC: COMEX Gold, SI: COMEX Silver

Source: Bloomberg, BNP Paribas. As of 31/03/2025.



INVESTMENT PROCESS IN A NUTSHELL



For illustrative purposes only.

- The fund’s strategy aims to generate return by exploiting supply-demand imbalances and persistent price-trends in the commodities sector (excluding agriculture and livestock), by providing access to the following three strategies:
 - Alpha Curve: Aims at exploiting the difference in carry costs along the forward curve vs. the placement of benchmark indices
 - Alpha Momentum: Aims at exploiting the usual persistence of commodity price trends (supply-demand imbalances)
 - Alpha Backwardation: Aims at exploiting the usual outperformance of backwardated commodities
- There is an “Equally-Weighted Risk Contribution” allocation between the strategies, which is updated on a monthly basis.

CONTACTS

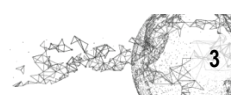
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FUND CHARACTERISTICS AND RISKS

	THEAM Quant – Alpha Commodity	
Management company	BNP Paribas Asset Management France	
Type of fund	Sub-fund of the Luxembourg THEAM Quant SICAV, UCITS compliant	
Recommended investment horizon	4 years	
Capital protected	No	
SFDR Article	6	
SRI Risk Classification (scale of 1-7) ⁵	3	
Share ⁶	I (USD) ACC	I (EUR) ACC
Launch date	28 June 2019	28 June 2019
Bloomberg Code	TQACIUA LX Equity	TQACIEH LX Equity
ISIN Code	LU1893641487	LU1893641727
Subscription/ Exit fees	None	
On-going charges	0.65%	
International registration	Austria, France, Italy, Germany, Switzerland	France, Germany, Italy (light registered), Switzerland

5 - The Summary Risk Indicator is determined on a scale from 1 to 7 (7 being the highest risk level), the higher the risk, the longer the recommended investment horizon.

6 - For all shares available, please refer to the prospectus [here](#).



WHAT ARE THE RISKS?

The value of investments and the income from them may go down as well as up and investors may not get back the amount originally invested.

Liquidity Risk: This risk arises from the difficulty of selling an asset at a fair market price and at a desired time due to lack of buyers.

Counterparty Risk: Linked to the default of a counterparty on over-the-counter markets.

Risk related to the use of forward financial instruments: In order to achieve its investment objective, the UCITS makes use of forward financial instruments traded over-the-counter that allow it to replicate the performance of the strategy. These instruments may involve a series of risks that could lead to adjustments or even the early termination of the instrument, which may affect the net asset value of the UCITS.

For the full list of risks, please refer to the prospectus.

DISCLAIMER

"THEAM Quant" is the generic name given to a broad range of systematic strategies designed by BNP Paribas Global Markets and mostly implemented in Funds managed by BNP Paribas Asset Management

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