



Factsheet - February 2024

Investment objective and policy

AGS Red Flame Absolute Return is an absolute return fund whose objective is to maximize the capital invested in the medium/long term. The Funds will invest in any type of asset listed in an organised market through assets of Equities, in Euro and other Currencies, Fixed Income, ETFs, Options and Futures. Derivatives strategies may be used for hedging or investment purposes. The minimum recommended investment horizon at the AGS Red Flame is 3 years. This fund is capitalized. You can read the analysis of the Management team on page 2.

Fund General Information

Release Date	04/02/2020
ISIN	AD0000056200
AFA Registration Number	189
Fund Type	Multi-currency equities
Currency	Euro
Minimum investment	1 Participation
NAV calculation and publication	Daily
Subscription and refund fee	0,00%
Management Fee	1,50%
Depositary Fee*	0,20%
Success Fee*	10%
Cut-off and Settlement Time	17h / D+1
NAV Publication	www.agisa.ad

*Indirect taxes not included (IGI 9.5%)

Fund Performance



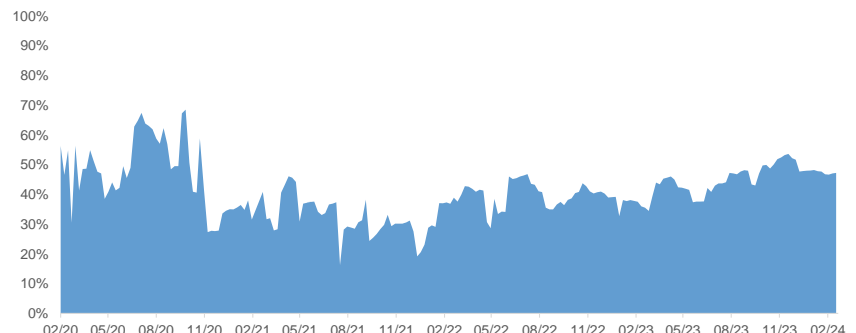
Returns	YTD	1 month	3 months	6 months	1 year	3 years	Inception
A-RED	1,62%	1,44%	3,30%	4,47%	5,89%	7,70%	10,30%

Contribution to performance - Last month	Cash	Equity	Derivatives
	-0,33%	3,82%	-2,03%

Top Holdings

iShares Core Eurostoxx 50	19,00%
iShares MSCI World EUR Hedged ETF	9,92%
Lyxor CAC 40	7,13%
Lyxor FTSE MIB DR UCITS ETF	4,85%
iShares STOXX Europe 600 Banks	4,02%
iShares STOXX Europe 600 Automobiles & Parts	3,87%
iShares STOXX Europe 600 Technology	3,72%
Cash Euro Warranty	3,48%
iShares Core DAX UCITS	2,70%
Cash Euro	2,34%

Net exposure to Equities (%TAN)



Risk profile:



This Fund is included in risk category or profile 3 according to SRR1 classification. This classification defines minimum and maximum volatility margins for each risk profile. The historical data used for the calculation of this indicator may not provide a reliable indication of the future risk profile of the fund. There are no guarantees that the risk profile indicator will remain unchanged, as it may vary over time.

Management Company:

Assessora i Gestora d'Inversions, SA (AGISA)
Avda. Carlemany, 65 3B
AD700 Escaldes-Engordany
Principat d'Andorra

Depositary Entity:

Andorra Banc Agricol Reig, SA (ANDBANK)
C/Manel Cerqueda i Escaler, 6
AD700 Escaldes Engordany
Principat d'Andorra

Auditing Entity:

KPMG Auditores, SLU (KPMG)
C/Manel Cerqueda i Escaler, 6
AD700 Escaldes Engordany
Principat d'Andorra



Market Comment



We continued the good tone in the main markets, maintaining significant gains thanks to good macro data and solid results from major companies that increase confidence in the stability of economic growth. In Europe, data showed that the region had escaped a technical recession (two consecutive quarters of contraction). Although Germany fared worse, countries such as Portugal, Spain and Italy surprised on the upside. In the US Powell rejected the possibility of a rate cut in March, although he removed the restrictive tone of previous meetings as consumer confidence reached the highest level in two years with a manufacturing PMI significantly exceeding expectation. Looking at the main European indices, the Eurostoxx 50 closed up 4.45%, the German DAX up 4.59%, the French CAC up 3.06%, the Italian MIB up 5.49% and finally the Spanish selective Ibex-35 with a negative result of -0.76% for the month. Sectorally, there were also winners and losers, with the winners including Autos with 12.70%, Technology with 4.12% and Banks with 2.14%. On the negative side bad results for the Utilities sector with -5.66%, Energy with -1.30% and Health Care with -0.04%. As for the main American benchmark indices, they followed the same trend as their European counterparts and also had a good monthly performance, the S&P 500 index, the Nasdaq and the Dow Jones closed February with monthly gains of 5.17%, 6.12% and 2.22% respectively. Oil rose for the second consecutive month by 3.18% to close at \$78.26 per barrel, bringing its annual gain to 9.04%. Gold fell back and managed to end the month in positive territory with a slight rise of 0.23%, closing at 2,044 dollars/oz, maintaining the 2,000 level as a clear support to be taken into account. The euro lost ground for the second consecutive month, ending the month with a slight fall of -0.12% at 1.0805 levels. The US 10-year Treasury yield recovered above 4% and for part of the month traded above 4.32% before falling back to 4.26% at the end of the month. The German 10-year Bund had a similar movement to the Treasury and for part of the month managed to rise to 2.46% before ending the month at 2.41%.

Fund Performance



The Fund's performance in February was positive by 1.46%, giving a cumulative return of 1.62% for the year. The good performance of the equity markets has helped the fund to make profits, following the trend shown during the last quarter of the previous year and the beginning of this one. Looking at the analysis of the Fund's long portfolio, the indexed part added to the Fund's performance, with positive contributions of 0.90% from the Eurostoxx50 ETF, 0.34% from the Global ETF, 0.25% from the French index and 0.27% from the Italian MIB index. On the sectoral side we highlight the good performance of the auto sector with 0.43%, technology with 0.14% and financials with 0.08%. As for the performance of direct equity assets, we highlight the contributions of Mercedes with 0.23%, BMW with 0.17% or Siemens with 0.23% and on the negative side, stocks such as RWE or E.ON subtracted -0.07% and -0.08% respectively. In terms of the management universe, the different factors delivered mixed performances while the Momentum, Quality and Value factors contributed positively by 0.10%, 0.04% and 0.03%. The current hedging component (52%) detracted from the Fund's performance by around 2%.

Investment perspectives and strategy



We continue with a good market backdrop supported by the US results, the macro strength in the US and a possible trough in the European macro, all of this in turn supported by more information from the ECB and FED statements, as well as an ever-closer calendar of cuts. It is also important not to lose sight of the evolution of the US election campaign in the medium term. Corporate results and macroeconomic data support the market in a positive context where we highlight S&P's 4Q results that would result in a +5% EPS when the consensus estimated +1.5%. Powell emphasised how the results of his policy would imply a "soft landing" in addition to expressing his willingness to initiate the first rate cut this year. Within the forecast he also reiterated his patience to change the monetary course after having more room for manoeuvre, the result of GDP growth above 3%, a robust labour market and inflation that is being controlled precisely because of the high restrictive rates. The S&P and Nasdaq indices closed the month at record highs, both consolidating their fourth consecutive monthly advance. The euro zone published its first price data for February. Deflation continued its course in the area, but at a slower pace than expected. Headline inflation fell to 2.6% and core inflation to 3.1%, against expectations of 2.5% and 2.9% respectively. The European Central Bank (ECB) is likely to be encouraged by the decline in prices and feel justified in waiting until the summer to ease monetary policy. The overnight interest rate swap market rates the possibility that the ECB will cut rates by 25 basis points in June at 86%. In currencies, volatility in the major pairs has been falling, with mid-month EUR/USD reaching its lowest level so far this year and trading below 1.07. In commodities, the IEA said that crude oil demand reached a four-year high in 2023 and is likely to remain in line with last year. China's indices seem to have found their ground with profits stabilising, although at a tenuous pace and with insufficient confidence to attract investors' attention. Some strategists support a growth in profits in the Chinese stock market of between +8-10%, justifying their low valuations and the potential stimulus measures from the government within 10-12 months. This beginning of the year, like the previous one, is exceeding all our expectations and we should look at it with some caution, closely following the macro data as it comes out in order to make decisions for the long term.

Period statistics:

Volatility 1Y	4,82%
Index Volatility	-
Percentage/Volume Agisa	31,87%
Tracking Error	-
Beta	-
Sharpe	2,26
TER	0,61%
Synthetic TER	0,61%
Rotation Ratio	4,19%
Overhead Ratio	0,61%

General data:

Current Account Remuneration	2,00%
Overnight	-
Term deposits	-
Total deposits	-

Glossary:

Sharpe ratio: The Sharpe ratio measures the excess return relative to the risk-free rate divided by the standard deviation of this return. This is an indicator of marginal return per unit of risk. If the Sharpe ratio is positive, the higher the risk will pay.

Net Asset Value: is the price of a stake in an investment fund.

Volatility: Volatility is the most accepted measure by the market to mathematically represent the risk of a financial asset in a given period. Volatility is often measured in statistical terms through the standard deviation (it indicates how, on average, a fund's return has deviated from the average return over the observation time horizon). We represent the 1-year volatility of the Reference Funds.

TER: The TER is the total expenditure ratio. Investment funds are obliged to stipulate by law their main commissions. The TER covers all the expenses involved in a fund: 1. Management 2. Deposit 3. Success Commission 4. Legal Fees 5. Audit committees 6. Other expenses

Fund main risks:

Interest rate risk: it is the risk that the price of a security that accrues a fixed interest is affected by an increase in market interest rates. Generally, increases in market interest rates negatively influence the price of an obligation and average the duration of the security (the longer the life of the security, the greater the increase in risk). Interest rate risk may result in a decrease in the net asset value of the Fund.

Liquidity risk: An investor may encounter restrictions when it comes to undoing the positions in which he has invested. This usually happens when trading outside of organized markets, in very specific securities with low trading levels. The lack of liquidity can influence the sale price and, therefore, condition the profitability of the operation.

Exchange rate risk: This results from the value of a fund's positions being adversely affected by exchange rate movements between the currency in which the fund is denominated and the currency of the assets in which the funds invest.

Equities: there is a risk that the price changes of the shares that make up the fund may be conditioned by external economic factors, by the volume of the securities traded and by the level of capitalization of the company may and this may negatively influence the performance of the Fund.

Derivatives: The Fund uses derivative instruments in its strategy as a hedging mechanism. There is a risk that investment in derivatives (futures, options, etc.) may incorporate greater risk given the nature of these products.

Legal Information

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