

Investment Objective

The **META ETI** has been specifically designed for conservative profiles, being eligible for retail clients and financial institutions' balance sheets by meeting high standards and rigorous regulatory requirements. The objective of the strategy is to maintain a controlled volatility of maximum 12% annualised and to maintain high diversification ratios via the implementation of a portfolio of ETFs on multiple industries such as equities, fixed income, commodities, and real estate.

The investment process, with the exception of market execution, is fully systematised and consists of a daily search for different portfolio scenarios in order to maintain the target ratios. For this purpose, the algorithm recursively performs calculations with data from the last 10 years until the ideal scenario is found.

The sectors in which the portfolio is invested is the result of the specific selection of ETFs, if they meet these criteria, as well as being diversified. The strategy does not have specific criteria to determine the number or quantity of ETFs in which it invests, however, the objective is to maintain an optimized (high) diversification ratio regardless of the number of assets or sectors. The strategy has no limits on the concentrations of the ETFs. The portfolio weighting assigned to each instrument is the result of the recursive procedure of the algorithm in seeking the lowest diversification ratio.

Investment Restrictions

The following investment restrictions will apply to the investment strategy of the META Portfolio Linked Note:

- The portfolio will be invested exclusively in a portfolio of ETFs;
- The maximum portfolio volatility will be of 12% aiming to maximize the diversification between portfolio components; and
- Each individual ETF within the portfolio must: be acceptable/eligible for retail investors, have ample assets under management, have a low management fee, be representative of the sector in which they invest, be able to support a large additional AUM capacity, and be within the most liquid in their category.

Monthly Commentary

Investors continued to digest the implications of a higher interest rate environment and the prospect of further rate increases by policymakers. Equity markets lost momentum compared to H1. Global equities ended the quarter down -3.4%, but up 10.1% for the year. The yield curve remained inverted with short-term yields higher than those with longer maturities. Gold rebounded to its September levels, while commodity prices climbed 12.8% in Q3. META ETI reduced its allocations to equities while increasing its allocations to gold. Correlations of equities to gold and bonds increased significantly in Q3. The global equity markets declined, with every segment finishing lower. The 20-yr Treasury yield climbed to nearly 4.9%, an 82 bp climb since Q2, and the highest rate seen in almost a decade.

Main Information

Identifiers

ISIN	DE000A3G1PE3
WKN	A3G1PE
CONID	607544539
CUSIP	ZM1653702
Bloomberg	ZM165370@EXCH Corp

Issue

Base Currency	USD
Min. Trading Size	1 unit
Issue Price	1,000,00
Exchange	Börse Frankfurt
Pricing	Daily
Offering	Public
Listing Date	28/12/2022

Underlying

Issuer	Altarius Index PCC – Cell E
Security	META Portfolio Linked Note
ISIN	GI000A3G1NC5
WKN	A3G1NC

Stakeholders

Issuer	Altarius ETI AG
Inv. Manager	Altarius Capital Ltd.
Port. Man.	Paradigm Partners Capital Mgmt.
Originator	Milliman Financial Risk Mgmt.
Arranger	Altarius Capital Ltd.
Paying Agent	Baader Bank AG
Calculation Agent	Altarius Capital Ltd.
Market Maker	ICF Bank AG
Legal Advisors	Triay Lawyers Ltd.
Auditor	BDO AG
Depository	Interactive Brokers Ltd.

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