



## Monthly Factsheet - January 2025

### Fund Overview

The Atlantic House Dynamic Duration Fund aims to deliver capital growth over the medium to long term through a systematic and signal-based investment strategy, that is designed to outperform in a wider range of inflation environments than a conventional bond fund.

### Key Facts

<b>Launch Date</b>	8 August 2023
<b>Fund Size</b>	£25.73m
<b>NAV</b>	1.0333 *(A Acc GBP Share Class)
<b>OCF</b>	0.40% (Capped)
<b>Managers</b>	Mark Greenwood, FIA Jack Roberts, CFA
<b>Domicile</b>	Dublin, Ireland
<b>Fund Type</b>	UCITS
<b>Dealing</b>	Daily
<b>Currency</b>	GBP
<b>Available Share Classes</b>	<p><b>A Acc GBP</b> ISIN: IE00BMY8S439 Sedol: BMY8S43 Bloomberg: AHUEEAG</p> <p><b>A Acc (Hedged) EUR</b> ISIN: IE000YFXJA12 Sedol: BQS7T85 Bloomberg: AHDDEUA</p> <p><b>A Acc (Hedged) USD</b> ISIN: IE00BVXVS028, Sedol: BVXVS02, Bloomberg: AHFMUSI</p> <p><b>D Dis GBP</b> ISIN: IE00BMY8S546 Sedol: BMY8S54 Bloomberg: AHUEEAA</p>
<b>Distribution &amp; Target Market Strategy</b>	The fund is aimed at advised & discretionary market investors over the long term who have the capacity to tolerate a loss of the entire capital invested or the initial amount.

### Monthly commentary

The Dynamic Duration Fund was up 1.07% in January, as follows:

Interest rate swaps UK	+0.23%
Interest rate swaps US	-0.06%
Inflation swaps UK	+0.17%
Inflation swaps US	+0.25%
Cash base	+0.48%
<b>Total return</b>	<b>+1.07%</b>

The Dynamic Duration fund gained 1.07% in the first month of 2025. It was an eventful month as the new US administration took effect and the markets grappled with the threats of tariffs and fiscal uncertainty.

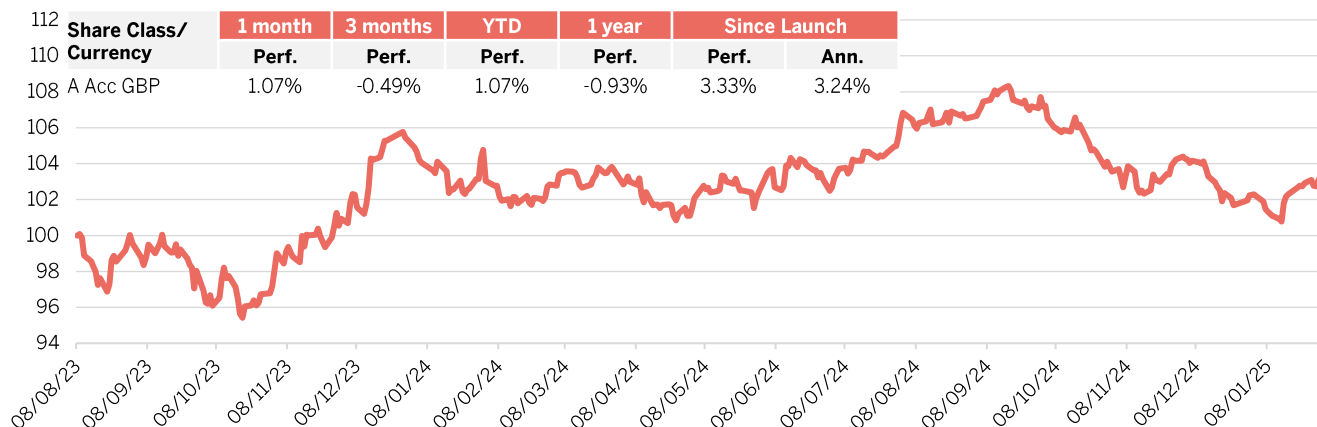
The US inflation swaps sleeve showed the strongest performance of the risk sleeves, contributing 25 basis points. The 10-year US inflation swap rate of 2.59% is only at its 70th percentile of the past 20 years so would appear to have scope to appreciate further should a tariff war ensue.

The Federal Reserve opted to leave rates unchanged in January after somewhat limited progress on the inflation front. Rates are held in a delicate balance between a strong US economy and slightly restrictive monetary policy. The path of future rates will be data-led, producing ample opportunities around the 10-year maturity used in the fund. The latest US core CPI was 3.2%, edging down from 3.3% the previous month. We expect core inflation to finally dip below 3% in April (when March data is published), taking the fund longer US fixed income due to the inflation target signal.

Turning to UK markets, there was no Bank of England rates decision this month but progress on inflation should help a rate cut at the next meeting on 6 February. Core UK CPI last printed at 3.2%, down from 3.5%. We see it finally dropping below 3% in April 2025, increasing exposure to UK fixed income. Well before this though, the real rate signal should reduce fixed income exposure as early as next month since 10-year real yields are now well below 1%. To help investors understand the likely path of signal inputs we now prepare regularly updated fancharts.

The fund saw assets decline in the month, but the fund managers have kept risk in line with signals and net assets, without incurring transaction costs beyond our standard assumptions.

### Cumulative Performance and Performance Since Launch



Past performance does not predict future returns.

### 3 key signals

#### 1. Inflation Trend

(3-month average of) change over 6-months in headline inflation year-on-year rate

#### 2. Inflation versus Rates

Market real yield on the current 10-year inflation-linked bond

#### 3. Inflation target

Core inflation year-on-year rate minus official core inflation target rate



## Current signals and last change

Each of the 3 signals has a potential value of 0, 1, or 2 for a combined signal value out of 6. The higher the combined signal, the higher the strategy's positioning towards rates and lower to inflation, and vice versa. This table shows the current signals for both the UK and US based on the latest monthly data available. Also shown is the date at which the last signal change took place.

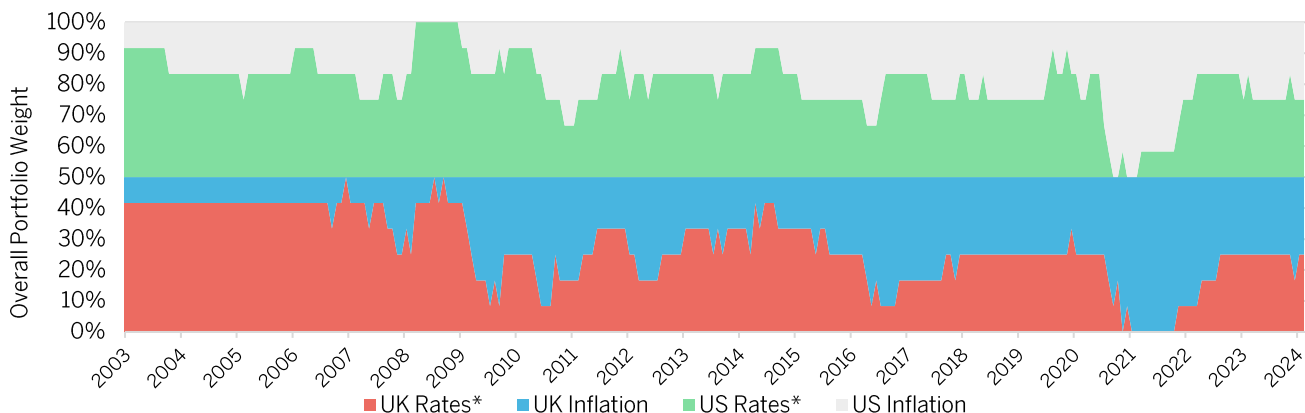
United Kingdom (UK)		Market data			Signal output				Portfolio Weight %		Portfolio Duration	
		Signal 1	Signal 2	Signal 3	Signal 1	Signal 2	Signal 3	Combined				
Date	Month	3m ave of 6m CPI change	Real yield 10y inflation linked bonds	UK core CPI (BoE target: 2%)	Inflation Trend	Inflation versus Rates	Inflation Target	Signal	Rates	Inflation	Rates	Inflation
Current CPI data	Dec 2024	0.4%	1.07%	3.2%	1	2	0	3/6	100%	50%	8.1	4.6
Last Signal change	Nov 2024	0.0%	1.15%	3.5%	1	1→2	0	2/6 → 3/6	100%	50%	8.1	4.5

United States (US)		Market data			Signal output				Portfolio Weight %		Portfolio Duration	
		Signal 1	Signal 2	Signal 3	Signal 1	Signal 2	Signal 3	Combined				
Date	Month	3m ave of 6m CPI change	Real yield 10y inflation linked bonds	US Core CPI (Fed target: 2%)	Inflation Trend	Inflation versus Rates	Inflation Target	Signal	Rates	Inflation	Rates	Inflation
Current CPI data	Dec 2024	-0.5%	2.23%	3.2%	1	2	0	3/6	100%	50%	8.1	4.2
Last Signal change	Oct 2024	-0.8%	2.11%	3.3%	2 → 1	2	0	4/6 → 3/6	100%	50%	8.2	4.2

## Signal evolution: portfolio weightings

The signals drive the risk weighting of the portfolio between 'rates' (interest rate swaps) and 'inflation' (inflation swaps), across both the UK and US markets equally. For each of the UK and US portfolios, a signal of 0/6 indicates 100% investment in inflation, while a signal of 6/6 indicates 100% investment in rates. The evolution of the rules-based signals over time allows us to plot the evolution of the resulting portfolio weights over the same period.



The fund uses leverage to gain twice the exposure to Rates via interest rate swaps; the fund's notional exposure to rates is double that shown. The fund is approximately ½ invested in rates exposure over the backtest life. For the fund to have a similar exposure and similar volatility, on average, to its internal benchmark of passive 10yr UK and US government bond exposure, equally weighted, twice leverage in rates exposure is required.

## Three scenarios based on the fund's current sensitivities to interest rates and inflation

Recessionary shock <b>Rates down 3%</b> <b>Expected inflation down 1%</b>	Wage price growth cools <b>Rates down 1%</b> <b>Expected inflation down 1%</b>	Inflationary shock <b>Rates up 1%</b> <b>Expected inflation up 2%</b>
Passive bond fund: +26.2% Active bond fund: <i>uncertain</i> Dynamic Duration: +22.0%	Passive bond Fund: +8.3% Active bond fund: <i>uncertain</i> Dynamic Duration: +4.1%	Passive bond Fund: -7.9% Active bond fund: <i>uncertain</i> Dynamic Duration: +1.8%



## Key Risks

This is a marketing communication. The fund is aimed at advised & discretionary market investors over the long term who have the capacity to tolerate a loss of the entire capital invested or the initial amount.

A final investment decision should not be contemplated until the risks are fully considered. A comprehensive list of risk factors is detailed in the Risk Factors Section of the Prospectus and the Supplement of the fund and in the relevant key investor information document (KIID). A copy of the English version of the Supplement, the Prospectus, and any other offering document and the KIID can be viewed at [www.atlantichousegroup.com](http://www.atlantichousegroup.com) and [www.gemincapital.ie](http://www.gemincapital.ie). A summary of investor rights associated with an investment in the fund is available in English at [www.gemincapital.ie](http://www.gemincapital.ie).

**Please be aware that past performance is not indicative of future performance. The value of investments and income from them can go down as well as up, and you may get back less than originally invested.**

**Counterparty Risk:** The risk that a counterparty will not fulfil its payment obligation for a trade, contract or other transaction, on the due date.

**Interest Rate Risk:** The fund's investments are sensitive to changes in interest rates.

**Operational Risk:** The risk of direct or indirect loss resulting from inadequate or failed processes, people and systems including those relating to the safekeeping of assets or from external events.

**Credit Risk:** The risk the issuer of the bond fails to make interest or capital payments.

**Liquidity Risk:** The risk that the fund may be unable to sell an investment readily at its fair market value. In extreme market conditions this can affect the fund's ability to meet redemption requests upon demand.

**Derivatives Risk:** The fund is permitted to use certain types of financial derivatives to achieve its objective. The value of these investments can rise and fall depending on the value of the underlying instrument. There is also a risk that the counterparty to these derivatives fails to meet its obligations.

For full information on these and other risks, please refer to the fund prospectus and offering documents, including the KID or KIID, as applicable.

## Important Information

Source for all data is Atlantic House Investments as of 31 January 2025, unless stated otherwise.

This document is issued by Atlantic House Investments Limited and does not constitute or form part of any offer or invitation to buy or sell shares. It should be read in conjunction with the Fund's Prospectus, key investor information document ("KIID") or offering memorandum. Atlantic House Investments Limited is authorised and regulated by the Financial Conduct Authority FRN 931264. Atlantic House Investments Limited is a Private Limited Company registered in England and Wales, registered number 11962808. Registered Office: One Eleven Edmund Street, Birmingham. B3 2HJ.

The contents of this document are based upon sources of information believed to be reliable. Atlantic House Investments Limited has taken reasonable care to ensure the information stated is accurate. However, Atlantic House Investments Limited make no representation, guarantee, or warranty that it is wholly accurate and complete. The information provided in this material is confidential and only for use by its recipient. This material may not be disclosed or referred to any third party or distributed, reproduced, or used for any other purposes without the prior written consent of Atlantic House, any data provider and any other third party whose data is included herein and must be returned on request to Atlantic House and any copies thereof in whatever form destroyed.

A decision may be taken at any time to terminate the arrangements for the marketing of the Fund in any jurisdiction in which it is currently being marketed. Shareholders in affected EEA Member State will be notified of any decision to terminate marketing

arrangements in advance and will be provided the opportunity to redeem their shareholding in the Company free of any charges or deductions for at least 30 working days from the date of such notification.

The Atlantic House Uncorrelated Strategies Fund is a sub-fund of GemCap Investment Funds (Ireland) plc, an umbrella type open-ended investment company with variable capital, incorporated on 1 June 2010 with limited liability under the laws of Ireland with segregated liability between sub-funds.

GemCap Investment Funds (Ireland) plc is authorised in Ireland by the Central Bank of Ireland pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (S.I. No. 352 of 2011) (the "UCITS Regulations"), as amended. Gemini Capital Management (Ireland) Limited, trading as GemCap, is a limited liability company registered under the registered number 579677 under Irish law pursuant to the Companies Act 2014 which is regulated by the Central Bank of Ireland. Its principal office is at Suites 22-26 Morrison Chambers, 32 Nassau Street, Dublin 2, D02 X598 and its registered office is at 7th Floor, Block A, One Park Place, Upper Hatch Street, Dublin 2, D02E762. GemCap acts as both management company and global distributor to GemCap Investment Funds (Ireland) plc.