



Alma Recurrent Global Natural Resources Fund

A sub-fund of Alma Capital Investment Funds SICAV

RECURRENT
INVESTMENT ADVISORS

As of 31 December 2020

Fund description

- Investment objective: the fund seeks total return by investing in global natural resource-related companies.
- Typical industries in which the fund invests: energy, basic materials, infrastructure, transportation and logistics
- The fund may invest in companies of any market size capitalization, including IPOs
- The investment process incorporates macroeconomic and commodity supply/demand factors with fundamental company analysis

Investment manager: Recurrent Investment Advisors, LLC (US)

- Recurrent Investment Advisors is focused on understanding and profiting from commodity cycles to make differentiated natural resource investments
- Formed in April 2017. Registered as an investment adviser with the U.S. Securities and Exchange Commission (SEC)
- Primarily owned by its co-founders Mark Laskin and Bradley Olsen, who both have extensive experience in energy investing
- Based in Houston, Texas (US)

Cumulative performance (%)

	1 M	3 M	6 M	YTD	1Y	3Y	ITD	ITD (annualized)
IEUR C shares	6.46	26.58	24.39	-4.93	-4.93	-	-7.03	-2.86
I USD C shares	8.89	32.05	35.50	3.63	3.63	-	-2.36	-0.95
Index*	7.15	21.74	24.12	-0.05	-0.05	-	-2.18	-0.87

Fund launched on 29 June 2018

*S&P Global Natural Resources Net Total Return Index USD

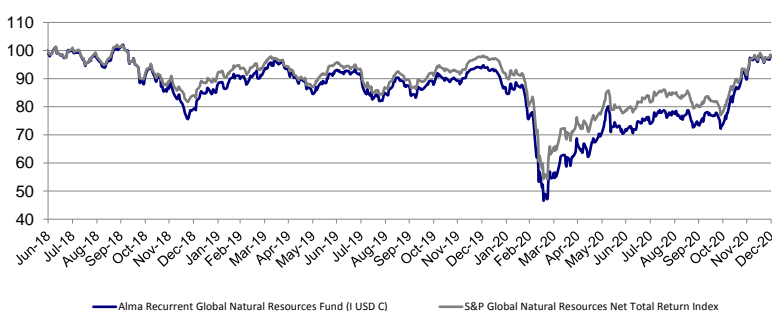
Portfolio characteristics

Main indicators	Fund	Index*
No. of securities	43	90
Weighted Average Market Cap (\$ bn)	42.3	56.7
Median Market Cap (\$ bn)	25.5	18.7
Estimated Price/Earnings (x)	91.7	1785.4
Price/Book (x)	1.4	1.6
Price/Sales (x)	0.8	1.1
Estimated Long Term Growth (%)	18.7	10.0
Active Share (%)	61.0	-

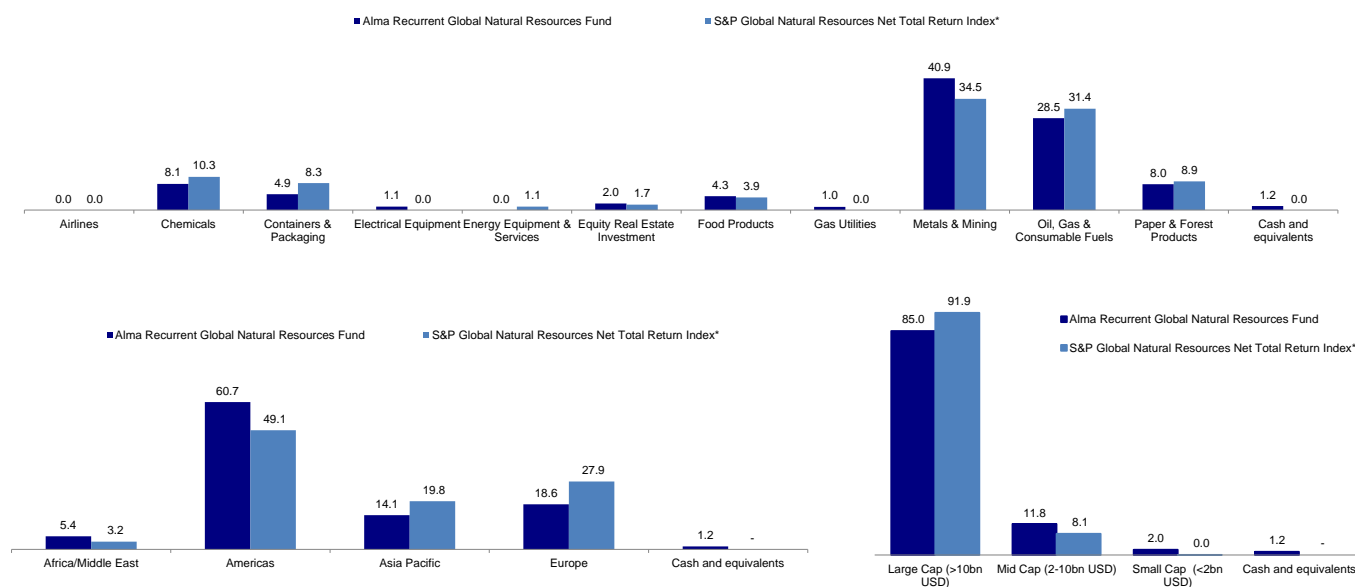
*S&P Global Natural Resources Net Total Return Index

Except number of securities, using "SPDR S&P GLOBAL NATURAL RESOURCES ETF" as a proxy

Performance (Indexed - Base 100)



Industry, region and market cap breakdown (% NAV)



*Using "SPDR S&P GLOBAL NATURAL RESOURCES ETF" as a proxy

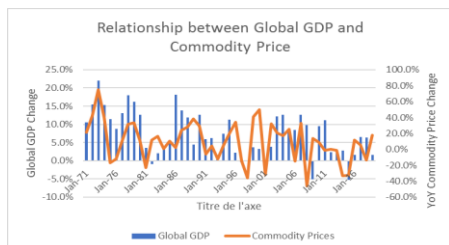
Investment manager's commentary

Portfolio discussion

Continued improvement in global economic prospects resulting from positive vaccine announcements and fiscal stimulus, the Alma Recurrent Global Natural Resources Portfolio rose by 8.89%, outpacing the S&P Global Natural Resources' 7.15% return in December 2020. During the month, portfolio holdings ArcelorMittal, Plug Power, and Cenovus Energy rose by 25.7%, 28.5%, and 22.4% respectively, and stock selection in the Integrated Oil sector further added value.

Investment Discussion

Historically, global commodity prices have shown a strong correlation to economic growth. This relationship makes inherent sense, given the changes in commodity demand as a result of changes in economic growth. As seen in the chart below, since the 1970s, the relationship has been fairly clear and consistent.



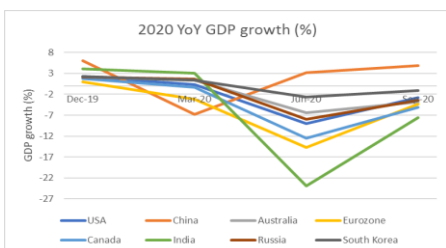
Source: Bloomberg, Recurrent research

Since the beginning of the COVID pandemic, commodity prices have fluctuated greatly as a result of changes in demand. As global economies closed to limit the spread of COVID, many commodity prices plummeted, highlighted by crude oil prices briefly turning negative in March.

As the effects of COVID continued throughout 2020, most leading global economies remain well below year ago levels, and global GDP expectations have fallen to -4 to -5%. Historical correlations, as shown above, would lead many investors to expect weak commodity prices, however, that has not been the case. Is there a unique circumstance which is causing the dislocation from this historical relationship?

Chinese GDP growth has greatly exceeded global peers

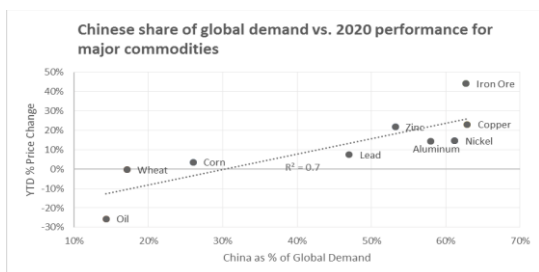
Interestingly, despite the impacts of COVID-19, Chinese GDP has fully recovered compared to 2019 levels. In 3Q 2020, Chinese GDP was more than 3% higher than 3Q 2019. From a commodity perspective, China plays a unique role.



Source: Bloomberg, Recurrent research

In 2020 commodity prices have shown a meaningful correlation to the percent of global demand represented by China

As a key global manufacturing center, Chinese industrial commodity demand represents a large percentage of global commodity demand. As a result, Chinese 3Q 2020 economic growth alone greatly improves demand for commodities, which should support prices. In fact, in the chart below we look at the relationship between the percent of global demand represented by China, and the change in commodity price during 2020.



Source: Bloomberg, Recurrent research

The relationship between the two variables is fairly high, with an R^2 of 70%. Since Chinese economic growth leads the world, and China represents a high percentage of global demand, many of the commodities have moved to operating deficits, and prices have risen to incentivize additional investment in supply. Chinese demand for iron ore, aluminum, copper and nickel all exceed 50% of the global total, and the respective commodity prices all exceed 20% since the beginning of 2020.

In the short term, the strength of the Chinese economy continues to buoy many global commodity markets. Through the course of 2021, improved global economic prospects resulting from accelerating vaccinations and opening economies should further increase demand for commodities. Although many commodity prices have risen in 2020, they remain far below historical averages, offering opportunities for further appreciation.

Top 10 positions details

Security name	Industry	Country	% NAV
ANGLO AMERICAN PLC	Metals & Mining	South Africa	5.41
FREEPORT-MCMORAN INC	Metals & Mining	United States	5.08
ALCOA CORP	Metals & Mining	United States	4.61
BHP GROUP LTD-SPON ADR	Metals & Mining	Australia	4.54
ARCELORMITTAL	Metals & Mining	Luxembourg	4.22
NUTRIEN LTD	Chemicals	Canada	4.16
TOTAL SE-SPON ADR	Oil, Gas & Consumable Fuels	France	3.39
UPM-KYMMENE OYJ	Paper & Forest Products	Finland	3.32
CENOVUS ENERGY INC	Oil, Gas & Consumable Fuels	Canada	3.09
RIO TINTO PLC-SPON ADR	Metals & Mining	Australia	2.96
TOTAL:			40.80

Fund facts

Fund total net assets:	\$31.29 M	Dealing:	Each day with a 1-day notice	Cut-off time : 12 pm CET
Fund domicile:	Luxembourg	Identifiers:		
Countries where the fund is registered:	Luxembourg, France, Germany	Institutional USD Capitalisation share class		
Fund type:	UCITS SICAV	Isin: LU1823602369	Ticker: ARGNIUC LX	Launch: 29 June 2018
Base currency:	USD	Institutional EUR Capitalisation share class		
Management fee:	0.95% p.a.	Isin: LU1845388146	Ticker: ARGNIEC LX	Launch: 29 June 2018
Depository, Administrator, Transfer Agent:	BNP Paribas Securities Services (LU)	Contacts		
Management company:	Alma Capital Investment Management (LU)	Hervé Rietzler (FR / CH / LU / IT)		
Investment manager:	Recurrent Investment Advisors (US)	Baptiste Fabre (FR / IR / UK)		
Fund managers:	Mark Laskin	Sebastian Meissner (DE / AT)		
	Bradley Olsen	Raluca Alda (CH / IT)		
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