

INDUSTRIAL METALS CHAMPIONS FUND



IMC Factsheet

Fund objectives

The fund aims to generate long term capital growth by primarily investing in equities from companies offering exposure to the industrial metals market.

Fund facts

Investment manager

Independent Capital Group AG

Fund name

ICG Umbrella Funds -
Industrial Metals Champions Fund

Legal status

Liechtensteiner UCITS contractual fund

Base currency

USD

NAV calculation

Daily

Inception date UCITS Liechtenstein

03. April 2018

New strategy - IMC

04. December 2018

Fund size

USD \$23m

Custodian

LLB Liechtensteinische Landesbank AG

Distribution

LI, CH, DE, AT, UK

Codes

Share classes

A	USD acc.	D	CHF acc.
B	CHF (unhedged) acc.	F	USD acc.
C	USD acc.		

Bloomberg ticker

A	GATNTRA LE Equity	D	GATNTRD LE Equity
B	GATNTRB LE Equity	F	GATNTRF LE Equity
C	GATNTRC LE Equity		

ISIN

A	LI0382154354	D	LI1121337953
B	LI0382154693	F	LI1205086088
C	LI0580310303		

Dealing & prices

Management fee p.a.

A	1.20%	D	1.50%
B	1.20%	F	2.00%
C	0.60%		

Trading frequency

Daily

Minimum subscription

A	USD \$1m	D	USD \$0.5m
B	USD \$1m	F	One share
C	USD \$5m		

February 2025

Performance since inception



Cumulative net performance in USD

	NAV	February	YTD	2 Years	4 Years	6 Years	since IMC*
	28.02.2025	31.01.-28.02.2025					
Class A	178.1	1.5%	1.5%	-17.5%	-11.9%	31.1%	42.0%
Class B	137.7	-0.1%	1.1%	-23.7%	-26.2%	2.9%	10.5%
Class C**	136.5	0.7%	1.6%	-16.5%	-9.7%		-9.0%
Class D**	126.7	2.1%	3.2%	-19.3%			-15.5%
Class F**	116.8	0.6%	1.4%	-18.8%			-22.1%

*domicile status change and inception of GNR-Fund Liechtenstein 3.4.18 (performance +28.06%); Change of strategy into IMC-Fund as of 4.12.2018

**C-Class since 08. January 2021; D-Klasse since 23. November 2022; F-Class since 10. February 2023

Monthly comment

The global commodities market is undergoing significant shifts, with key developments in aluminum, iron ore, cobalt, lithium, and nickel. The reintroduction of a 25% tariff on aluminum and steel imports by President Trump has disrupted trade flows and is expected to increase costs for US manufacturers, particularly in aluminum. This decision, part of a broader trade strategy, has analysts predicting higher prices and changes in sourcing regions, as the U.S. becomes more reliant on materials from the Middle East and Europe. Meanwhile, Mitsui & Co. has made a \$5.3 billion investment in the Rhodes Ridge iron ore project in Western Australia, marking its largest ever investment. This project, which will start production in 2030, is seen as a key move in securing high-quality iron ore for green steel production, a growing demand driven by the push for decarbonization in the steel industry. The investment reflects major shifts in the iron ore market as China's economy slows, and steelmakers face increasing pressure to decarbonize. In the financial world, Glencore is reconsidering its primary stock listing, potentially moving from London to the US in search of better capital valuation. This comes as other major companies, including Shell and BHP, are also contemplating shifts due to the UK market's struggles with limited investor appetite for fossil fuels. The decision to move reflects the changing landscape of global markets, where many companies are looking toward the US for deeper liquidity and higher multiples. In the cobalt market, the Democratic Republic of Congo (DRC) has suspended cobalt exports for four months to curb the oversupply of the metal used in electric vehicle batteries. The DRC, which produces around three-quarters of the world's cobalt, aims to stabilize the market after production outpaced demand, causing prices to fall below \$10 a pound. This move is expected to drive prices higher, and analysts predict it will have a significant impact on the global market. The lithium and nickel markets are also facing challenges, with prices plummeting over the past year. Lithium prices have dropped more than 80% since 2022, while nickel prices have halved. This downturn has led to substantial losses for major miners, such as IGO and Mineral Resources, and forced them to focus on cost-cutting measures. Analysts predict further consolidation in both sectors as companies look to weather the storm, with some even considering M&A to navigate the current market instability.

IMC Factsheet

Financial statistics*

Number of holdings	25
Market cap	\$24bn
P/B ratio	1.8x
P/cash flow	10.7x
EV/EBITDA 2025E	7.4x
FCF yield 2025E	6.2%
Dividend yield	2.8%
Net debt/equity	13%

Operating statistics in copper-eq.*

Production	900 ktpa
Reserve life (2P reserves)	35 years
Cash costs	\$4'399/t
Cash margin	58%
Reserve valuation (EV/2P)	\$1'477/t

Market cap. segmentation*

Small	< \$3bn	16%
Mid	\$3 - 30bn	60%
Large	> \$30bn	24%

Top 5 commodity exposure*

Copper	33%
Aluminum	11%
Iron Ore	8%
Steel	8%
Gold	7%

Top 5 country exposure (production)*

Australia	15%
United States	11%
China	10%
Peru	8%
Spain	8%

Top 5 holdings

Boliden	4.9%
Silvercorp	4.6%
Lynas Rare Earths	4.5%
Fresnillo	4.4%
Sandfire Resources	4.3%

Transparency	IMC	Universe
Scope 1 GHG/EVIC	322	489
Carbon footprint/EVIC	464	716
Renewable Energy Cons.	20%	7%
Fatality Rate	3.2%	4.8%
Women on board	30%	24%
Independent Board	70%	50%

more information and details see ESG Quarterly Report

Fund administration

Accuro Fund Solutions AG

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* based on weighted average and/or weighted average copper-equivalent numbers

Disclaimer: The state of the origin of the Fund is Liechtenstein. In Switzerland, the Representative is OpenFunds Investment Services AG, Seefeldstrasse 35, 8008 Zurich, whilst the Paying agent is Helvetische Bank AG, Seefeldstrasse 215, 8008 Zurich. The Basic documents of the Fund such as the prospectus, the key investor information document (KIID), the articles of association as well as the semi-annual and annual reports may be obtained free of charge at the office of the Swiss Representative. The current document is intended for information purposes only and shall not be used as an offer to buy and/or sell shares. The performance shown does not take account of any commissions and costs charged when subscribing to and redeeming shares. Past performance may not be reliable guide to future performance. This material has been prepared by Independent Capital Group AG, none of the administrator or the custodian and transfer agent of the Fund has independently verified any information contained herein and no party makes any representation or warranty as to the accuracy, completeness, or reliability of such information.

February 2025

Why commodities

Commodities have been key in the economic development of the world. Urban population is expected to grow globally from 52% to 66% by 2050. Urbanisation drives per capita wealth increase and with it the demand for natural resources. Middle class expands on a global basis, more than doubling by 2030 to reach >5 billion people. India and China show the largest increases with each reaching more than 1 billion middle-class citizens, China alone has the potential for 250 million people to urbanise in the next 10 years. By 2030, global middle-class consumption is expected to be more than \$63 trillion vs \$35 trillion in 2015. Demand for commodities remains continual, while they are becoming scarcer.

Why natural resource equities and the Industrial Metals Champions Fund

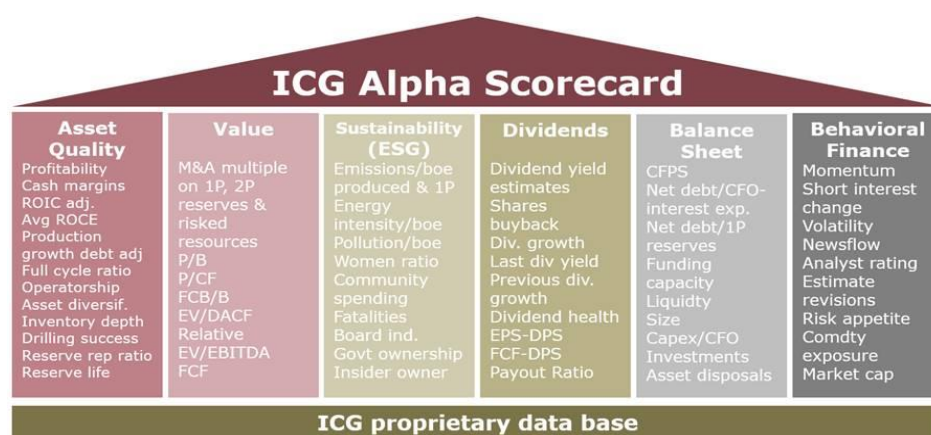
Natural resource companies are entering a phase of improving margins and the valuation is very low on a relative basis compared to the global equity markets. A portfolio of natural resource equities reduces firm specific risks while it increases the commodity exposure. The Industrial Metals Champions Fund offers the investor the opportunity to participate in an actively managed portfolio of natural resources companies active in the attractive industrial metals sector and this in a pragmatic sustainable way.

ICG Investment Process

Our investment process is based on a quantitative approach to find the best-in-class companies. The consistent methodological process is non-predictive with >90% of the analysis based on historical data. Our process has a portfolio view and helps to create a balanced portfolio instead of single stock bets. We developed a proprietary data base to better analyse financial and operating figures. Extensive data is used (>170'000 data points) to analyse trends across the industry and pinpoint sector champions. After defining the broad investment universe, selecting the best-in-class subsectors with the highest margins or most attractive investment opportunities, the universe is further filtered down to companies with significant subsector exposure.

ICG Alpha Scorecard

The ICG Alpha Scorecard is a quantitative and qualitative screening scorecard that pinpoints sector champions with strong economic «moat» based on different variables. The approach helps to identify companies with a relative good track record in different key financial and operational variables. The majority of variables are dynamic and based on historical figures from the last fiscal year or on a 3 year average. All 25 positions are equally weighted, however we may reduce the weight or even exclude a company on exceptionally events (e.g. oil spill, political risk).



Investment Manager

The Industrial Metals Champions Fund is managed by Independent Capital Group AG, an independent asset management and investment advisory firm based in Zurich and Basel. Independent Capital Group AG has taken over the team of the commodities and energy investment boutique Gateway Capital Group in Basel in 2014.