Monthly Review January 2023 torck capital management

Exponential Opportunities Equity Metals Fund

Performance Data as of January 31st, 2023

Unit Class	NAV	Monthly Performance	QTD Performance	YTD Performance	Since Inception*
Class A USD	53.34	9.25%	9.25%	9.25%	-46.66%
Class A CHF	52.61	8.50%	8.50%	8.50%	-47.39%
Class B USD	45.30	9.15%	9.15%	9.15%	-54.70%
Class B CHF	49.73	8.39%	8.39%	8.39%	-50.27%

* Class A USD & Class A CHF: 31.03.2021 / Class B CHF: 05.05.2021 / Class B USD: 26.05.2021

Market Review

Gold continued its upward trend with a solid start to the year, gaining 6.5% in January to close the month at $1'945.3. The strong price increase is a clear sign that the correction which started in the summer of 2020 is finally over. However, despite its strong performance, gold is ripe for a consolidation and may see some short-term price corrections. The key level to watch for gold is $1825.

On the other hand, silver recorded a decline of -0.8% in January, lagging behind gold after showing a decent outperformance in the last quarter of 2022. The key level to watch for silver is $21. A breach of this level, which we do not expect, could result in a deeper correction in the silver price.

Exponential Opportunities Equity Metals Fund

In January, the fund is up 9.25% for the A-USD class and 8.50% for the A-CHF class while the B-USD class is up 9.15% and the B-CHF class 8.39%.

The strength in precious metals continued into the new year, reinforcing our belief that at longer-term bull market just has begun. Although silver lagged gold this month, silver stocks outperformed gold stocks on average in our portfolio.

An important shift in gold narrative seems to be taking place. A report by the World Gold Council highlights that Gold demand soared to an 11-year high in 2022 on the back of *"colossal central bank purchases, aided by vigorous retail investor buying."* It notes that annual gold demand jumped 18% to 4,741 tons across the year, the largest annual figure since 2011, fueled by record fourth-quarter demand of 1,337 tons. Key to the surge was a 55-year high of 1,136 tons bought by central banks across the year. The article notes that this marked a 152% increase from 2021, when central banks bought just 450 tons of gold, and the World Gold Council attributed the spike to geopolitical uncertainty and high inflation. With geopolitical tensions set to increase in the future, we expect this shift towards a higher gold allocation to continue, providing some tailwinds for the yellow metal.

Based on performance and subscriptions/redemptions, assets under management increased by 7.75% from $3.23m to $3.48m during the month of January.