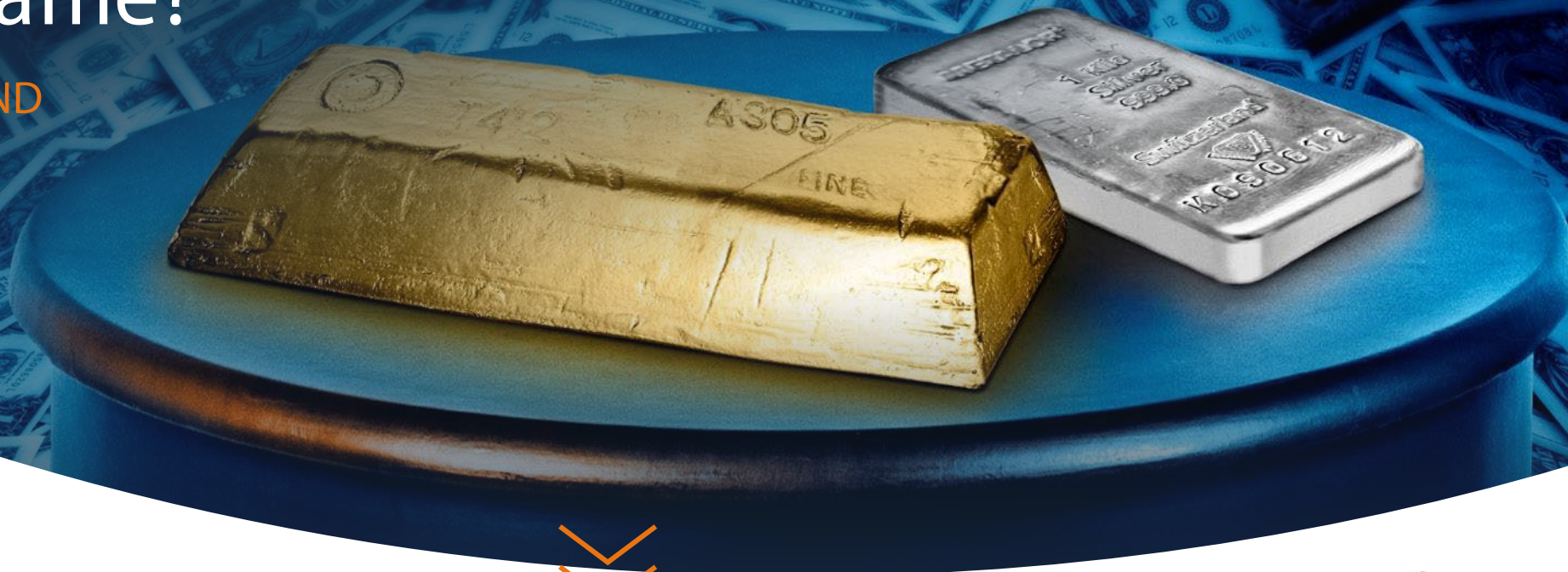


# GOLD

Are the central banks playing  
a double game?

NED NAYLOR-LEYLAND



Marketing Communication for professional and institutional investors only.  
Not for retail investors.

  
**JUPITER**  
ASSET MANAGEMENT

# KEY CHARACTERISTICS

## Jupiter Gold & Silver Fund

\$931m

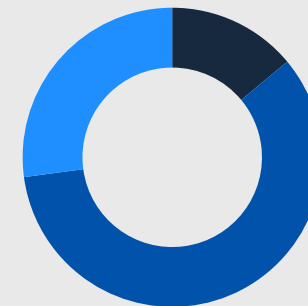
AUM

47

No. of securities

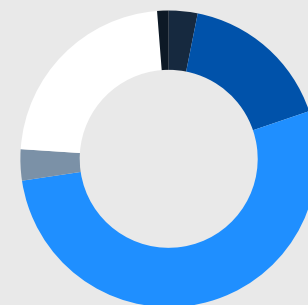
### Market cap

- >10bn (14.0%)
- 1 - 10bn (59.0%)
- <1bn (27.1%)



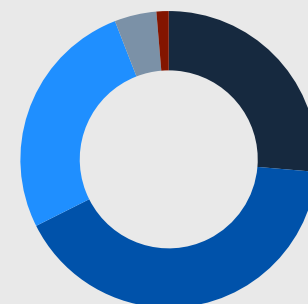
### Asset allocation

- Bullion
- Gold Miners
- Other
- Silver Miners
- Cash



### Geography

- Australia (25.5%)
- Canada (40.0%)
- LatAm (25.7%)
- EMEA (4.4%)
- USA (1.3%)





# WHY WE USE BULLION FUNDS

## BEST CUSTODIAL PRACTICE IN PHYSICAL GOLD AND SILVER

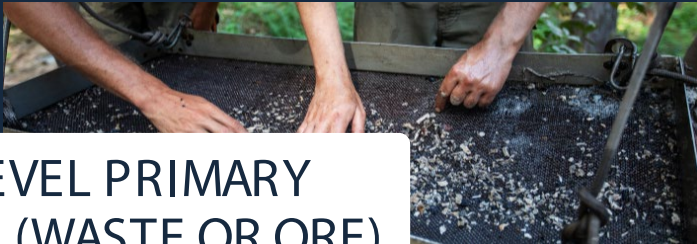
- Using bullion funds allows us to minimise custodial and sub-custodial risk that investors are exposed to through ETFs
- ETFs are sub-optimal products for medium to long-term investors – bullion funds minimise chain of ownership risk



# STOCK SELECTION PROCESS AND PROPRIETARY MODELLING

01

HIGH-LEVEL PRIMARY  
FILTERS (WASTE OR ORE)



Geographic  
filter



Management  
track record



Inventory  
of assets



02

VALUATION-FOCUSED  
SECONDARY FILTER

Balance sheet  
strength



Operating  
margin  
considerations



ESG  
screening



CULMINATES IN 'BOTTOM-UP'  
INTEGRATED FINANCIAL/  
OPERATIONAL MODELLING

# A FOCUS ON MID-CAP MINERS AND DEVELOPMENT ASSETS IN TIER 1 JURISDICTIONS

Mid-caps and development assets remain the sweet spot



Holdings examples are for illustrative purposes only and not a recommendation to buy or sell. Source: Jupiter, as at 31.12.22.

30-50 names held

Average holding size c.2%

Average market cap.  
c.US\$4.0 billion

Focus on cashflow  
management

Stronger balance sheets  
and less debt than  
large-cap miners

Greater ability to react  
to changing market  
realities

Acquisition targets



Major global silver producer. Owns a portfolio of mines in Latin America.



Gold explorer and developer. Owns the Mallina Project in the Pilbara region of Western Australia.



Gold producer. Owns the world class Fruta Del Norte underground gold mine in Ecuador.



Silver producer. Owns several underground silver mines in Mexico



Developer. Owns the Windfall Lake gold deposit in Quebec



# THE OPERATING ENVIRONMENT

Our narrowed mining universe

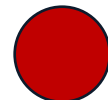


The views expressed are those of the presenter at the time of preparation and may change in the future.

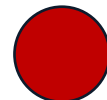
Cost headwinds become structural tailwinds

2001 - 2012

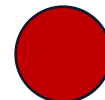
Energy



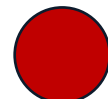
FX



Capacity



Now

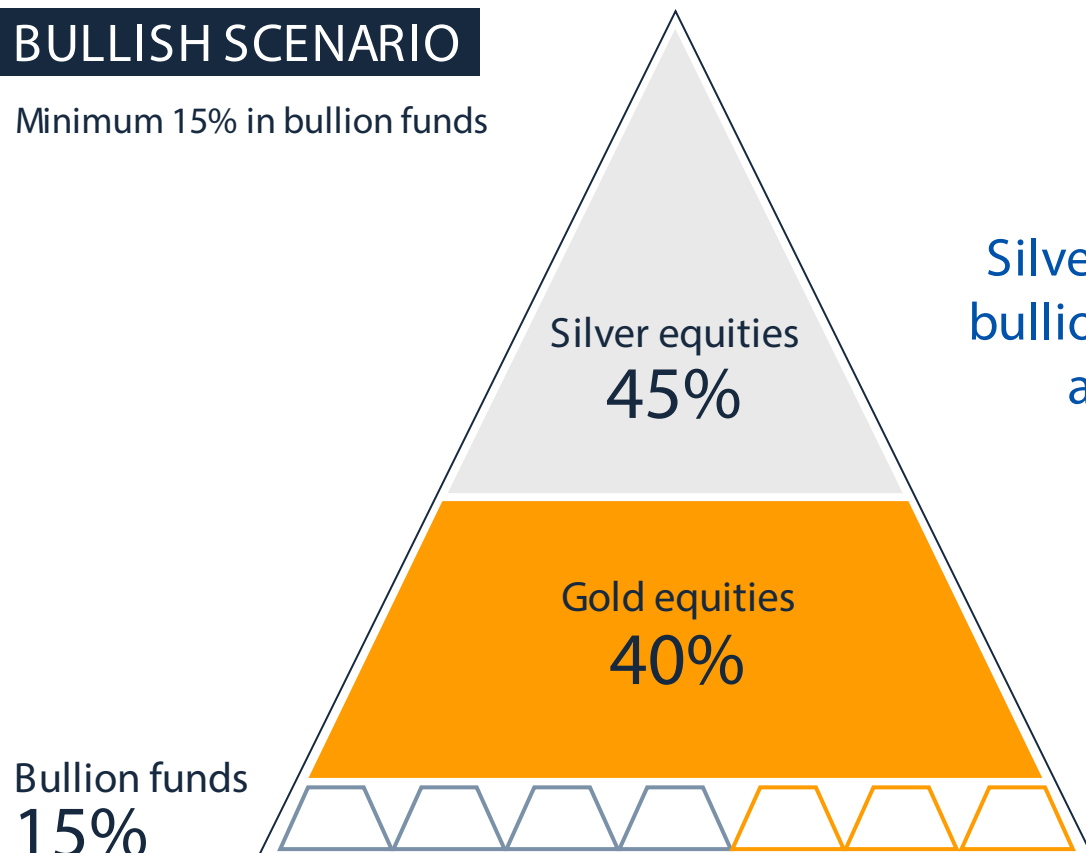


# FLEXIBLE AND DYNAMIC ASSET ALLOCATION

Blending of bullion and equities in gold and silver

## BULLISH SCENARIO

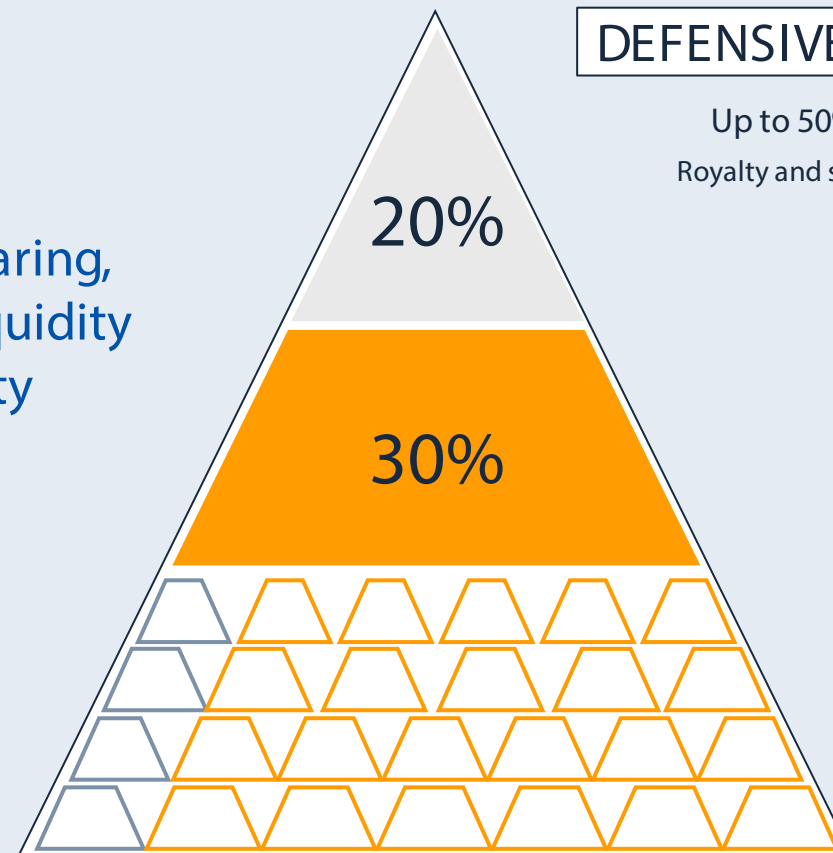
Minimum 15% in bullion funds



Silver adds gearing,  
bullion adds liquidity  
and security

## DEFENSIVE SCENARIO

Up to 50% in bullion funds  
Royalty and streaming companies  
are introduced



Source: Jupiter, as at 31.12.21. Altering the allocation to bullion funds vs equities and gold vs silver is a key tenet of our investment strategy but the prospectus does not detail min. and max. weights. These are internal guidelines only subject to change without notice.

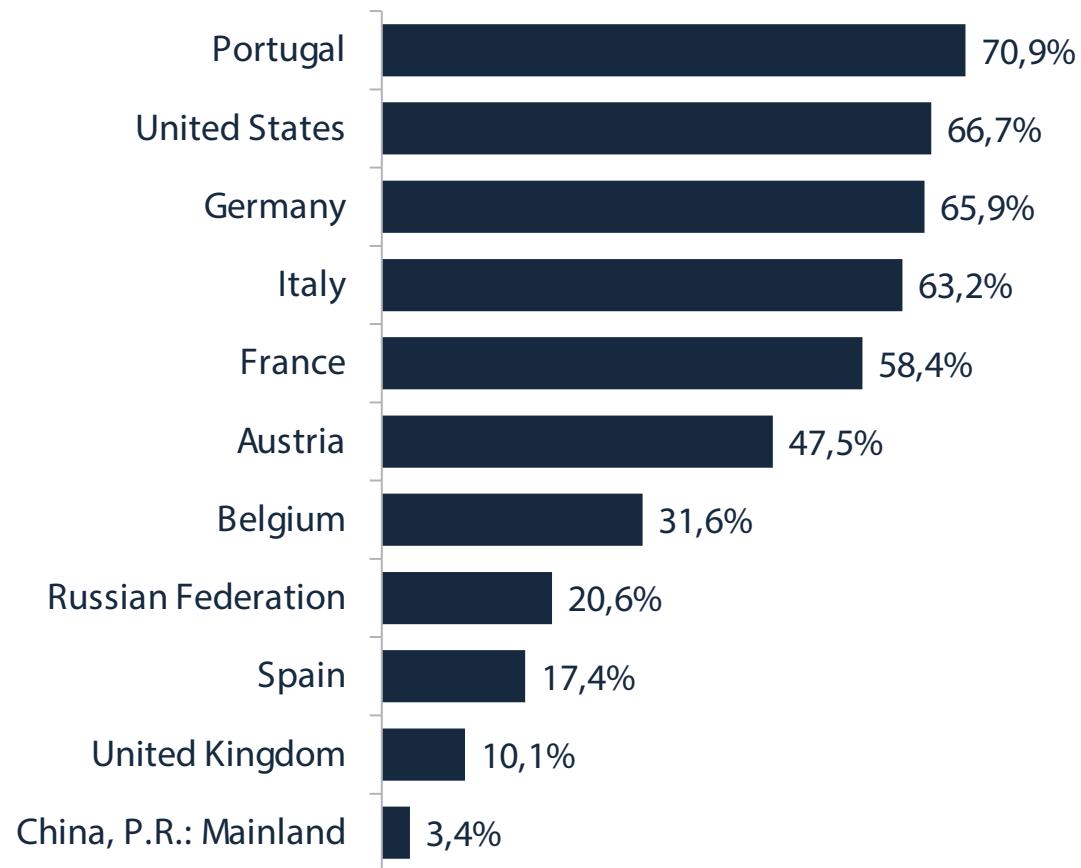
# CENTRAL BANKS ARE PIVOTING FROM DOLLARS TO GOLD

Central bank gold buying is accelerating



Source: Bloomberg as at 31.12.22

Central bank gold holdings as a % of reserve assets

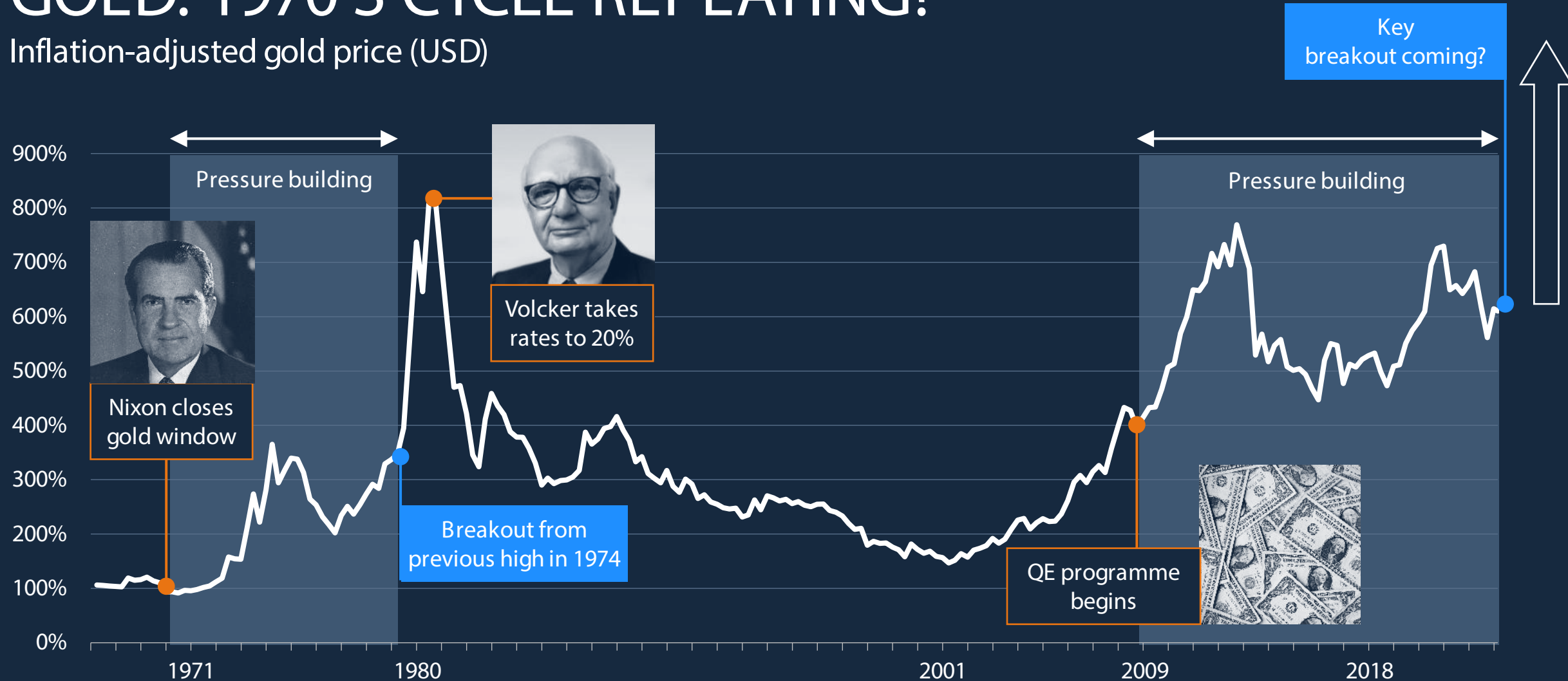


Source: IMF and World Gold Council as at November 2022. \* As at January 2022.



# GOLD: 1970'S CYCLE REPEATING?

Inflation-adjusted gold price (USD)



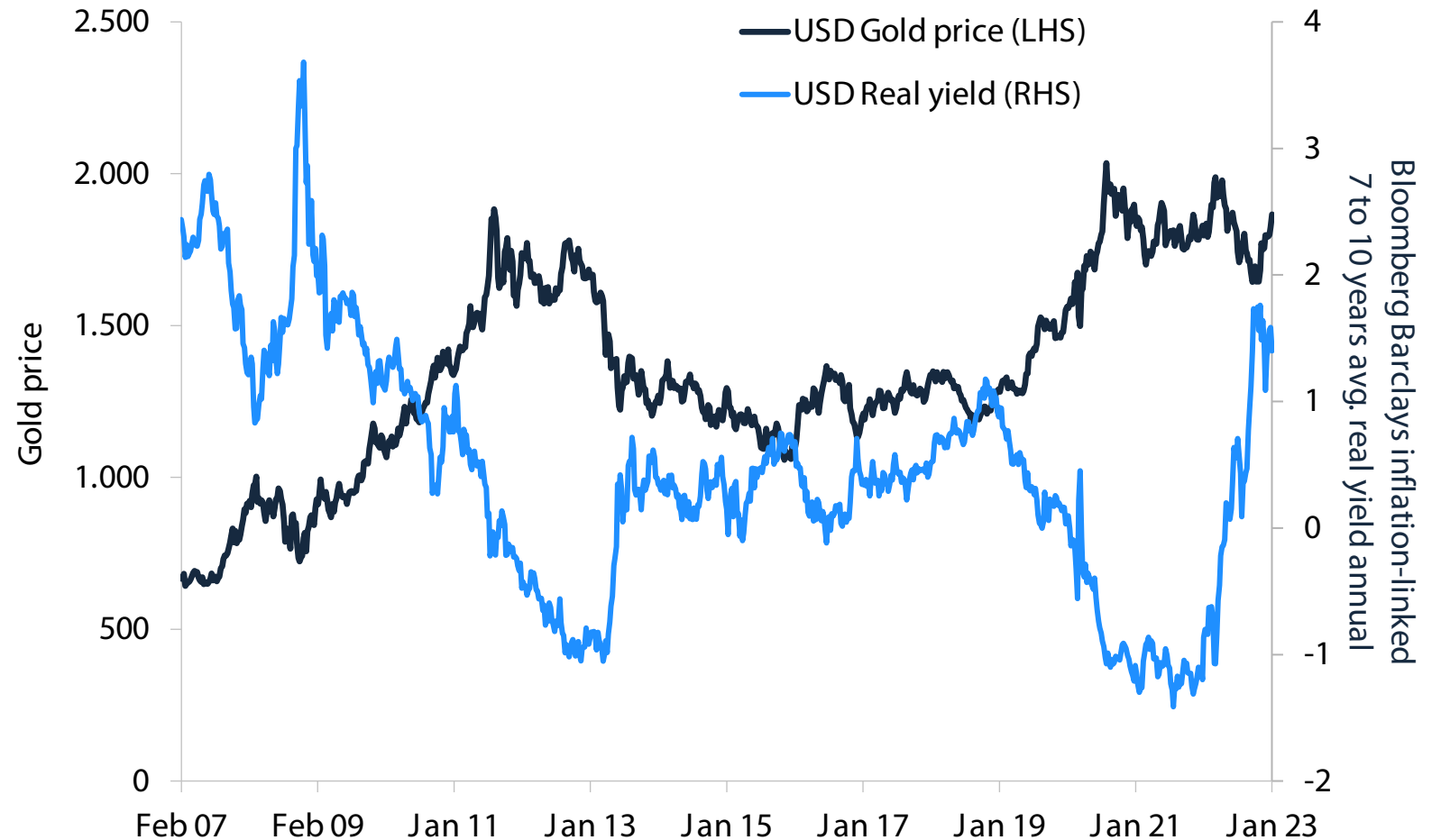
Source: Bloomberg, as at 28.02.23.

# FALLING REAL YIELDS MEAN A HIGHER GOLD PRICE

Gold & Silver trade in FX markets

XAU

XAG



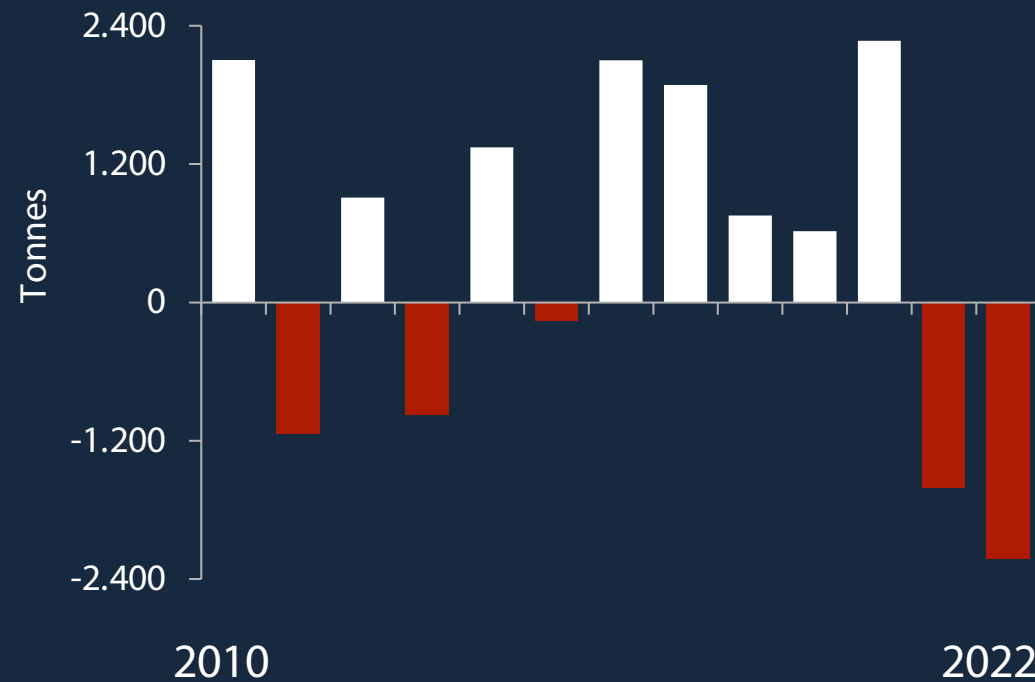
# RIDE THE BIG WAVE LOWER IN THE GOLD/SILVER RATIO

Falling gold/silver ratio: bull market for monetary metals

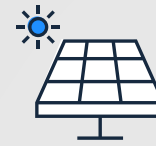




# SILVER IS IN DEEP STRUCTURAL DEFICIT



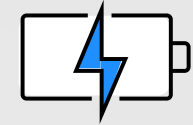
Source: Bloomberg, as at 31.12.22. \* 11.01.23.



Solar panels use silver paste to coat silicon wafers



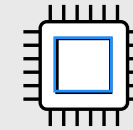
Silver protects filters from bacteria



Silver will be vital in advanced batteries



Ultra-thin silver will advance touchscreens on smartphones



Silver's high conductivity makes it vital in chip manufacturing

There is a serious problem at the moment in terms of metal availability. There is a view that we can just flick a switch and produce more. You can't. This requires long term planning.

(Jeremy Weir, Trafigura CEO)\*



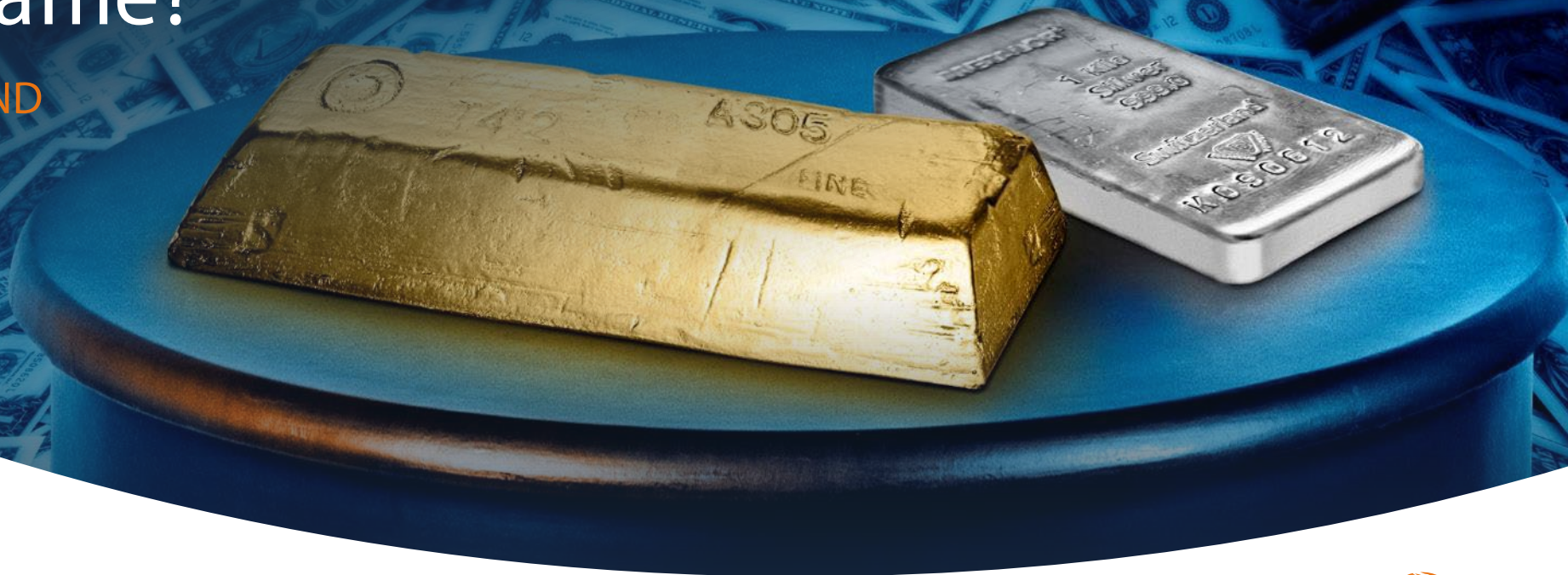
# SILVER TECHNICAL PICTURE SUGGESTS MOMENTUM HAS SWITCHED AND RALLY IS IMMINENT



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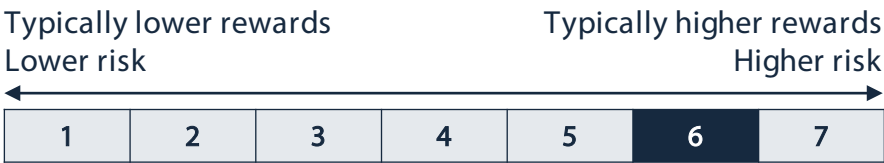
# FUND OVERVIEW

## Jupiter Gold & Silver Fund

|                |   |
|----------------|---|
| Fund objective | The investment objective of the Fund is to seek to achieve a total return by investing predominantly in listed equities. In seeking to achieve its investment objective, the fund aims to deliver a return, net of fees, greater than that of the composite benchmark comprising 50% Gold Price (XAU) and 50% FTSE Gold Mines Index with net dividends re-invested over rolling three-year periods. |
| Benchmark      | 50% Gold Price (XAU), 50% FTSE Gold Mines Index with net dividends re-invested  |
| Structure      | ICVC  |

Source: Jupiter.

### SRI<sup>1</sup>



<sup>1</sup>For EU investors - The risk indicator assumes you keep the product for five years. The summary risk indicator (SRI) is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you. We have classified this Fund as 6 out of 7 which is the second highest risk class. This rates the potential losses from future performance at a high level. Poor market conditions are very likely to impact the probability of experiencing material losses on your investment. Please see the KID for further information. SRI as per the most up to date KID (01/01/2023).

### SRRI<sup>2</sup>



<sup>2</sup>For UK investors - Synthetic Risk Reward Indicator (SRRI) is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The lowest category does not mean 'no risk'. Please see the KIID for further information. Synthetic Risk Reward Indicator (SRRI) as per the most up to date KIID (10.02.22).

# Fund overview (cont.)

## Jupiter Gold & Silver Fund

- Investment risk – there is no guarantee that the Fund will achieve its objective. A capital loss of some or all of the amount invested may occur.
- Sector concentration risk – the Fund's investments are concentrated in natural resource companies, and may be subject to a greater degree of risk and volatility than a fund following a more diversified strategy. Silver tends to outperform gold in a rising gold price environment and it tends to underperform gold when sentiment moves against the sector.
- Strategy risk – as the Fund invests in other collective investment schemes, which themselves invest in assets such as bonds, company shares, cash and currencies, it will be subject to the collective risks of these other funds. This may include emerging markets risk and smaller companies risk.
- Company shares (i.e. equities) risk – the value of Company shares (i.e. equities) and similar investments may go down as well as up in response to the performance of individual companies and can be affected by daily stock market movements and general market conditions. Other influential factors include political, economic news, company earnings and significant corporate events.
- Concentration risk (number of investments) – the Fund may at times hold a smaller number of investments, and therefore a fall in the value of a single investment may have a greater impact on the Fund's value than if it held a larger number of investments.
- Smaller companies risk – smaller companies are subject to greater risk and reward potential. Investments may be volatile or difficult to buy or sell.
- Liquidity risk – some investments may become hard to value or sell at a desired time and price. In extreme circumstances this may affect the Fund's ability to meet redemption requests upon demand.
- Currency risk – the Fund can be exposed to different currencies. The value of your shares may rise and fall as a result of exchange rate movements.
- Derivative risk – the Fund may use derivatives to generate returns as well as to reduce costs and/or the overall risk of the Fund. Using derivatives can involve a higher level of risk. A small movement in the price of an underlying investment may result in a disproportionately large movement in the price of the derivative investment. Derivatives also involve counterparty risk where the institutions acting as counterparty to derivatives may not meet their contractual obligations.
- The fund may be subject to various other risk factors, please refer to the latest sales prospectus for further information. The KIID and Prospectus are available from Jupiter on request.

Source: Jupiter.

# Important information

This is a marketing communication. Please refer to the latest sales prospectus of the sub-fund and to the Key Information Document (KID) (for investors in the EU) or Key Investor Information Document (KIID) (for investors in the UK), particularly to the sub-fund's investment objective and characteristics including those related to ESG (if applicable), before making any final investment decisions.

This document is intended for investment professionals and is not for the use or benefit of other persons, including retail investors.

This document is for informational purposes only and is not investment advice. Market and exchange rate movements can cause the value of an investment to fall as well as rise, and you may get back less than originally invested. Initial charges are likely to have a greater proportionate effect on returns if investments are liquidated in the shorter term.

Past performance is not a guide to future performance. Company/Holding/Stock examples are for illustrative purposes only and are not a recommendation to buy or sell. Quoted yields are not a guide or guarantee for the expected level of distributions to be received. The yield may fluctuate significantly during times of extreme market and economic volatility. Awards and Ratings should not be taken as a recommendation. The views expressed are those of the Fund Manager(s) / author(s) at the time of preparation, are not necessarily those of Jupiter as a whole and may be subject to change. This is particularly true during periods of rapidly changing market circumstances. Every effort is made to ensure the accuracy of the information provided but no assurance or warranties are given.

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Prospective purchasers of shares of the sub fund(s) of the Company should inform themselves as to the legal requirements, exchange control regulations and applicable taxes in the countries of their respective citizenship, residence or domicile. Subscriptions can only be made on the basis of the latest sales prospectus and the Key Investor Information Document (KIID) for UK investors, and Key Information Document (KID) for EU investors, accompanied by the most recent audited annual report and semi-annual report. These documents are available for download from [www.jupiteram.com](http://www.jupiteram.com) or can be obtained free of charge upon request from any of:

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# Important information

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Austria: Erste Bank der oesterreichischen Sparkassen AG (Austrian Facilities Agent), Am Belvedere 1, 1100 Vienna, Austria.

France: BNP Paribas Securities Services, Les Grands Moulins de Pantin, 9 rue du Debarcadère 93500 Pantin, France.

Germany: GerFIS – German Fund Information Service UG (Haftungsbeschränkt), Zum Eichhagen 4, 21382 Brietlingen, Germany.

Hong Kong: Jupiter Asset Management (Hong Kong) Limited, Suite 1706, Alexandra House, 18, Chater Road, Central, Hong Kong.

Italy: Allfunds Bank S.A.U., Milan Branch, Via Bocchetto, 6, 20123 Milano, Italia; Societe Generale Securities Services S.p.A, Via Benigno Crespi 19A – MAC2, Milan. The sub-fund has been registered with the Commissione Nazionale per le Società e la Borsa (CONSOB) for the offer in Italy to retail investors.

Luxembourg: BNP Paribas Securities Services, Luxembourg Branch, 60, avenue J-F Kennedy L-1855 Luxembourg Grand-Duchy of Luxembourg.

Spain: Allfunds Bank, C/ La Estafeta 6, Edificio 3, 28109 Alcobendas, Madrid, Spain. For the purposes of distribution in Spain, the Company is registered with the Spanish Securities Markets Commission – Comisión Nacional del Mercado de Valores ("CNMV") under registration number 301, where complete information, including a copy of the marketing memorandum, is available from the Company authorised distributors. Subscriptions should be made through a locally authorised distributor. The net asset value is available on [www.jupiteram.com](http://www.jupiteram.com).

Sweden: Skandinaviska Enskilda Banken AB ("SEB"), Kungsträdgårdsgatan 8, SE-106 40, Stockholm, Sweden.

Switzerland: Copies of the Memorandum and Articles of Association, the Prospectus, KIDs and the annual and semi-annual reports of the Company may be obtained free of charge from the Swiss representative First Independent Fund Services Ltd., Klausstrasse 33, CH-8008 Zurich. BNP Paribas Securities Services, Paris, succursale de Zurich, Selnaustrasse 16, CH-8002 Zurich is the Swiss paying agent.

Taiwan: Capital Gateway Securities Investment Consulting Enterprise, 9F/9F-1, No. 171, Songde Road, Xinyi District, Taipei City, Taiwan, R.O.C.

United Kingdom: Jupiter Investment Management Limited (UK Facilities Agent), The Zig Zag Building, 70 Victoria Street, London, SW1E 6SQ, United Kingdom. The Fund is recognised by the FCA.

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