

July 2025 was shaped by two dominant factors: a tightening in the interest rate market (TLT -1%) and a parallel correction in the weakness of the US dollar. Taken together, these developments created pressure on results. Nevertheless, the GAMAG strategies once again demonstrated their robustness: the declines of -0.08% (Black+White) and -0.17% (Vola+Value) are minimal and underline how stable the programs continue to perform.

Strategy	July 2025	% against previous month	% since start of trading
G.A.M.A.G Black+White	18.804,11	- 0,08 %	+567,59 %
G.A.M.A.G Vola+Value	12.218,83	- 0,17 %	+ 45,49 %

Currency Hedging Makes the Difference

The more than 10% depreciation of the US dollar since the beginning of the year would have been devastating for unhedged investors.

- The Dow Jones Index started 2025 at 42,400 points and stood at 43,600 at the end of July (+2.8%).
- The US dollar fell from 1.0352 (2 January 2025) to 1.1551 (31 July 2025), a currency loss of -10.4%. Combined, this resulted in a total loss of roughly -9% for a broadly diversified investment in US equities.
- Even with a more technology-heavy and market-cap weighted investment, as measured by the S&P 500 (2 January: 5,868 points, 31 July: 6,362 points = +8.4%), investors still ended up with a loss of around -2%.
- A pure NASDAQ 100 investment merely broke even.
- For the TLT (2 January 2025: 87.57; 31 July 2025: 86.92; 2% yield), which is more relevant for our interest-bearing securities, the result was massively negative without hedging.

Only because the GAMAG strategies fully hedged the currency risk were positive results even possible: not a single dollar of currency loss was passed on to investors. In effect, any unhedged investor broadly diversified into US equities or bonds suffered significant losses over the course of the year – despite rising prices across the board and additional distributions (dividends/interest).

This example vividly demonstrates how crucial active risk management is: price gains are worthless if they are neutralized or even turned negative by currency losses.

Interest Rate Tightening as an Opportunity

While the recent tightening of interest rates creates short-term pressure, it also opens an attractive medium-term window: investors can earn significantly more in the future on the basis of higher ongoing yields. For GAMAG strategies, which deliberately exploit interest rate and option opportunities, this is a constructive environment.

UBS and the Fear for Europe's Banking Hub

One topic that increasingly startled investors in July: UBS is openly considering relocating its headquarters to the USA – out of fear of ever-stricter regulation in Europe. The mere fact that one of Europe's leading banks is seriously considering such a move speaks volumes. If even banks want to turn their backs on Europe as a financial center – why should investors expect rising markets here?

For us, the conclusion is clear: Europe offers fewer and fewer reliable prospects. Our strategies therefore focus on the substance of secure interest rate and options-based solutions, not on overregulated and structurally weakening markets.

Conclusion

A minimal decline in July, but a clear message: stability remains the hallmark of the GAMAG programs. With consistent currency hedging, active steering in the interest rate environment, and a focus on real opportunities, we position ourselves as a reliable partner for investors – especially in an environment where Europe is losing attractiveness.

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