

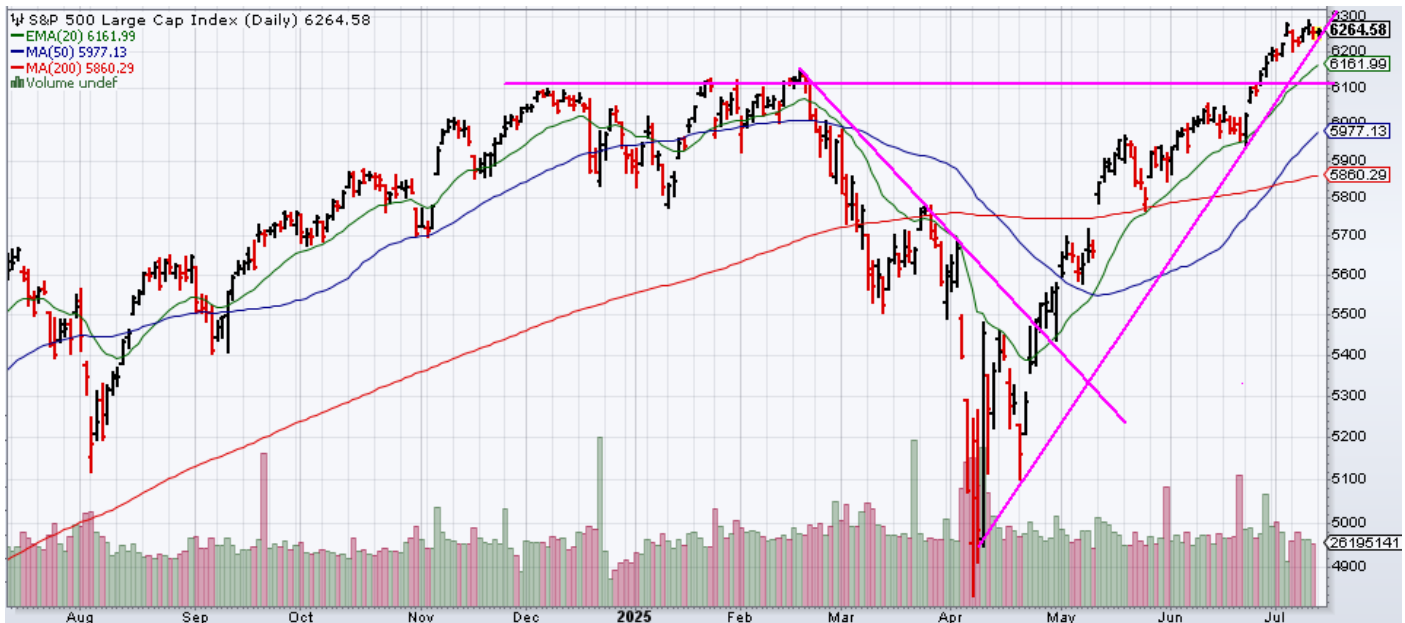
Despite economic policy turmoil, interest rate concerns, and fundamentally irrational stock market rebounds, GAMAG once again proved to be a rock in the surf in May 2025. While many investors swung between fear and greed, our strategies remained stable – delivering solid monthly results. With a gain of **+0.70%** for **GAMAG Black+White** and **+0.79%** for **GAMAG Vol+Value**, both strategies are tracking toward **9–10% annual returns after all costs**, significantly outperforming money market levels. In terms of risk-return profiles, both strategies continue to offer what many investors seek in vain: **stability, protection, and substance**.

Strategy	May 2025	% against previous month	% since start of trading
G.A.M.A.G Black+White	18.695,37	+ 0,70 %	+ 563,31 %
G.A.M.A.G Vol+Value	12.173,20	+ 0,79 %	+ 44,88 %

GAMAG Black+White: Approaching New Highs Despite Challenging Markets

While the DAX and S&P 500 were only able to partially recover the “tariff sell-off” from early April, **GAMAG Black+White** once again demonstrated its strength. The combination of selective interest rate strategies, a conservative equity allocation, and smart use of volatility instruments not only navigated the April crash effectively but is now once again nearing **all-time highs**. This is no coincidence – it’s the result of consistent strategic work in a market shaped by unpredictable U.S. politics and structural instability.

Market valuations remain fundamentally grotesque. With 10-year U.S. yields exceeding 4.5%, an S&P 500 P/E ratio of 26 is simply indefensible. Even in May, market participants preferred to rely on short-term optimism rather than economic reality. For us, this rally is not a buying opportunity – **it’s a selling signal**.



Tariffs: A Real Problem, Not a Passing Issue

We see no reason to downplay the issue of tariffs or to suggest it has been “resolved.” Those who claim otherwise reveal a basic lack of economic understanding. A baseline 10% import tariff is being discussed in the U.S. – which leaves two possible outcomes:

1. **Exporters lower their prices by 10%**, making the cost to U.S. consumers unchanged, but drastically reducing revenue for exporters, hitting GDP, profit margins, and ultimately pushing companies into insolvency.
2. **Prices remain the same**, but with a 10% tariff added, reducing sales volumes by 10%. This again leads to lower production, worsened capacity utilization, and increased pressure from fixed costs – with the same negative economic effect.

Simultaneously, the U.S. dollar has depreciated more than 10% against the euro in recent months. Contracts negotiated in late 2024 and now being fulfilled are not yet affected. Nor have the proposed tariffs – not yet enacted – had an impact. But it's inevitable: **significant economic setbacks are coming**. Anyone painting a positive outlook for European businesses under these conditions is simply ignoring the fundamentals. We see the current stock market calm as **the eye of the storm**.

Investors often forget that real-world consequences take time to be priced into markets. The 2008 Lehman crisis is a perfect example. Nothing happened for 2–3 weeks – and then the collapse began. Most companies cannot simply absorb 10% tariffs – especially combined with currency losses. **Massive economic consequences are on the horizon**, even if they haven't yet shown up in market pricing. We expect a turbulent autumn – which would also match classic seasonal stock market patterns.

GAMAG Vola+Value: A Reliable Defensive Yield Source

Vola+Value continues to show robust performance. The focus on pure options management, combined with a high cash position and targeted use of index puts, has once again delivered low volatility and steady returns. In a month marked by uncertainty, the strategy proved a valuable counterbalance to traditional equity and bond investments.

Conclusion: Better Positioned than the Markets

While financial media obsess over the U.S. president's daily tweets and investors react to every twist and turn, we remain focused on our core principles: **risk management, valuation discipline, strategic foresight**. It is increasingly clear that those who take global risks seriously and act with structure and prudence can not only endure – but thrive.

These considerations are even more relevant now that equity markets have continued to rally into June. Both GAMAG strategies have also continued to gain through June and even into July. However, this **further accentuates the overvaluation** of the equity markets. At current yield levels, we can access investments offering **annual returns of around 10%** – and see no reason to shift from these into **overvalued stock markets**.