



# Baron Point Financial Group

The Diversified Algorithmic Fixed Income  
Alternative Strategy Family™ (DAFI™)

## Institutional Markets Report October 2025

**James Philip Coppola III**  
**Managing Partner**

Baron Point Capital Management Ltd.

Tel +1 212 248 2733 x702  
Fax +1 212 504 3101  
[coppola@baronpoint.com](mailto:coppola@baronpoint.com)  
[www.baronpoint.com](http://www.baronpoint.com)

**Michael J. Rotondi**  
**Head of Research**

Research & Analysis Division  
Baron Capital Management Ltd.

10 East End Avenue  
New York, New York 10075  
United States of America

Tel +1 212 248 2733  
Fax +1 212 504 3101  
[research@baronpoint.com](mailto:research@baronpoint.com)  
[www.baronpoint.com](http://www.baronpoint.com)







## Foreward

*Nothing is new on Wall Street, simply a repackaging of prior works of art laid down by **intelligence** that evolves with the **feelings** and **emotions** of **people**. It has been this way, since the Buttonwood Agreement was signed in 1792, by 24 stockbrokers under a buttonwood tree in New York City.*

- James Philip Coppola III

**B**aron Point is today a leading firm in the institutional investment business in Indochina. The Baron Point Research & Analysis Division provides regular and comprehensive analysis on topics for investment managers, institutional investors, stakeholders, and friends of the firm.

**Alternative Investments Group (ALTS)** provides regular and comprehensive analysis on topics and strategies used at the firm with its alternative investment programs.

For this ALTS installment, we introduce the reader to **The Diversified Algorithmic Fixed Income Alternative Strategy Family™ (DAFI™)**. This is a Baron Point family of systematic absolute return strategies that are the culmination of **Victor Sperandeo's (Trader Vic)** 55 years of legendary success in money management, garnered through every market cycle thought of, and others modeled by major Wall Street global investment banks. It is **100% rules-based, using only highly liquid futures index contracts listed and traded on U.S. regulated exchanges employing rules-based systematic operating procedures.**

The DAFI™ Strategy is a portfolio comprised of multiple highly diversified major market components and invests both long and short in some of the world's most liquid markets. The DAFI™ Strategy components are assorted using a proprietary methodology that presents the potential to **exploit and more accurately capture the net effects of trends in global Gross Domestic Product (GDP)**. Scalable to well over US\$ 25 billion, this absolute return strategy is an innovation that history may very well consider another remarkable achievement by Trader Vic.





## Table of Contents

01	The Diversified Algorithmic Fixed Income Alternative Strategy Family™ (DAFI™) .....	1
	About the Strategy Designer & the Chief Investment Officer of DAFI™ .....	1
02	About DAFI™ .....	3
	The DAFI™ Strategy is U.S. State of Delaware Department of Insurance Certified.....	3
	The DAFI™ Strategy is a Risk Parity .....	4
	The DAFI™ Strategy Return Streams Have Been Confirmed by Aa <sup>3</sup> / A <sup>+</sup> Global Banks .....	5
	The DAFI™ Strategy is a Rules Based, Trend Following System, Rebalanced Monthly.....	5
	Snapshot of DAFI™ RT2 Strategy at Position Level.....	8
	Approach to Sustainability and DAFI™ .....	9
03	Investment Process, Methodology & Senior Management Overview for the DAFI™ Strategy .....	11
04	Disclosure Appendix .....	13
	Disclosure Appendix .....	13
	Disclosures.....	13

## List of Figures

Figure 1:	DAFI™ Strategy components.....	6
Figure 2:	DAFI™ Strategy asset allocation.....	6
Figure 3:	Snapshot of DAFI™ RT2 Strategy at Position Level .....	8





# 01 The Diversified Algorithmic Fixed Income Alternative Strategy Family™ (DAFI™)

## About the Strategy Designer & the Chief Investment Officer of DAFI™

**Mr. James Philip Coppola III (J.C.) is a successful financier and publicly *ranked* fund manager with over 35 years of asset management experience.** Mr. Coppola III is the Managing Partner and Chief Investment Officer at the Investment Manager, Baron Point Capital Management Ltd., and its New York-based research and structuring affiliate Baron Capital Management Ltd.. Mr. Coppola III has worked extensively on assignment for over two decades solving problems and developing solutions for institutional portfolios with **Mr. Victor Sperandeo (Trader Vic)**. Trader Vic, profiled in the best-selling book *New Market Wizards*, is a legendary asset manager, author, and excellent financial commentator as well as he successfully managed the full exposure of **George Soros' fabled Quantum Fund**. Trader Vic also managed money for American billionaire investor and hedge Fund manager **Leon Cooperman**. Mr. Cooperman spent 25 years with Goldman Sachs, where he was a **Partner and served as Chairman and CEO of Goldman Sachs Asset Management**. Trader Vic also ran money for American business magnate and financier **T. Boone Pickens** and institutionally for firms such as **Bankers Trust Alex Brown**. Trader Vic has created products with over US\$ 6.4 billion linked to his strategies as well as other derivatives currently implemented at global investment banks such as Goldman Sachs, Morgan Stanley, Bank of America, Merrill Lynch, UBS, HSBC, BNP Paribas, RBS, Nomura, Barclay's, Macquarie Bank, Carnegie, Schroders, Investec, Wisdom Tree, Guggenheim Partners, and Rydex to name a partial list.

*(This page left blank intentionally)*





## 02 About DAFI™

The **Diversified Algorithmic Fixed Income Alternative Strategy Family™** (the “**DAFI™ Strategy**”) is a family of systematic absolute return strategies that are the culmination of Trader Vic’s 55 years of legendary success in money management, garnered through every market cycle thought of, and others modeled by major Wall Street global investment banks. It is **100% rules-based**, using only **highly liquid futures index contracts listed and traded on U.S. regulated exchanges employing rules-based systematic operating procedures**. The portfolio is comprised of multiple highly diversified major market components and invests both long and short in some of the world’s most liquid markets. The DAFI™ Strategy components are assorted using a **proprietary methodology** that presents the potential to **exploit and more accurately capture the net effects of trends in global Gross Domestic Product (GDP)**. Scalable to well over US\$ 25 billion, this absolute return strategy is an innovation that history may very well consider another remarkable achievement by Trader Vic.

### **The DAFI™ Strategy is U.S. State of Delaware Department of Insurance Certified**

**The DAFI™ Strategy was certified for usage by the U.S. State of Delaware Department of Insurance. A Certificate of Authority under Administrative Order by the Insurance Commissioner was issued to allow for the deployment of the DAFI™ Strategy in an annuity format under the Insurance Laws of the State of Delaware for retirees over 65 years old.**

The goals of the DAFI™ Strategy are:

- 1) Consistency of return stream output
- 2) Robustness of return stream relative to drawdown
- 3) Rules-based and monthly rebalancing, and
- 4) Self-adjustment for the impact of inflation on asset prices.



The DAFI™ Strategy was designed to have a **very low standard deviation**, and its performance metrics and **drawdown characteristics are far superior** to its major competing benchmark Strategy, the **Bloomberg US Aggregate Bond Index** (iShares Core U.S. Aggregate Bond ETF **NYSE Symbol: AGG**).

## The DAFI™ Strategy is a Risk Parity

Risk parity means a **diversified, balanced, liquid strategy** with the **ability to accept varying degrees of exposure**, and position for what is seen as the **most likely and repeatable scenario**, based on history:

- The DAFI™ Strategy was built, diversifying sources of risk and balancing volatility.
- The DAFI™ Strategy is a **risk-parity** and additional return enhancement can be achieved with minimal additional incremental exposure levels being employed on a passive basis.
- The DAFI™ Strategy has **approximately the same volatility** as the Bloomberg US Aggregate Bond Index (iShares Core U.S. Aggregate Bond ETF **NYSE Symbol: AGG**), However, over the last 21.25 years, **the DAFI™ Strategy has outperformed the AGG by 2.18%**.
- The DAFI™ Strategy is extremely efficient in its use of margin when allocating to the strategy. The DAFI™ Strategy base case is for US\$ 100 million in notional exposure and has been priced for minimum margin deposit purposes with several global banks at approximately 3.5% per US\$ 100 million. Therefore, its low cost of margin facilitates adding minimal additional incremental exposure to the risk parity for return enhancement.
- This is because the DAFI™ Strategy is **volatility balanced** and seeks to keep volatility as low as possible. For example, the standard deviation volatility of the **DAFI™ Strategy is 4.3%** over the last 21.25 years. Whereas the volatility for the **AGG is about the same, 4.2%**, over this same timeframe.



- Therefore, the **low volatility characteristics of the DAFI™ Strategy accounts for the very low relative margin requirements** for exposure to the DAFI™ Strategy, with the ability to **enhance returns with minimal additional incremental exposure levels at a very low need for additional margin.**

## **The DAFI™ Strategy Return Streams Have Been Confirmed by Aa<sup>3</sup> / A<sup>+</sup> Global Banks**

**Most recently, the volatility and drawdown characteristics of the DAFI™ Strategy have been confirmed (4Q2024 and 2Q2025) by Aa<sup>3</sup> / A<sup>+</sup> global banks for the pricing of principal protection and credit-linked notes (CLNs) at the global banks.** Therefore, the efficacy underpinning the DAFI™ Strategy return streams and risk characteristics is demonstrable and is replicable over multiple cycles (1961 – Present), to the extent that these global banks have confirmed the pricing and the use of their balance sheet in structure products utilizing the DAFI™ Strategy as the enhanced return stream in principle protected issuances.

## **The DAFI™ Strategy is a Rules Based, Trend Following System, Rebalanced Monthly**

Combining **several rules-based, *trend following*, systems** applied to interest rate and equity indexes as ***secular*** “long” exposure as well as ***cyclical*** “long/short” commodity and currency futures indices in several asset classes (each a “Component” or collectively “Components”), the Components themselves measure/reflect **certain objective market characteristics of a diverse group of historically non-correlated traditional and non-traditional asset classes.**



*Figure 1: DAFI™ Strategy components*

DAFI™ Strategy Components	Approximate Exposure Level (%)
<b>SECURELAR LONG ASSET CLASS TARGETS</b>	
U.S Treasury Note Futures (3-yr. or 2-yr.)	40%
U.S Treasury bond Futures (30-yr)	8%
S&P 500 / Nasdaq 100 Index Futures	10%
Gold Futures	8%
<b>Long Asset Classes Total</b>	<b>68%-74%</b>
<b>Cyclical Long / Short Rules-based Strategy Targets</b>	
ALT™ (Formerly S&P DTI®)	20%
CTI®	6%
Crude oil FI Index™	0-6%
<b>Rules-based Strategies Total</b>	<b>26 – 32%</b>
<b>DIFI Components Total</b>	<b>94 – 100%</b>

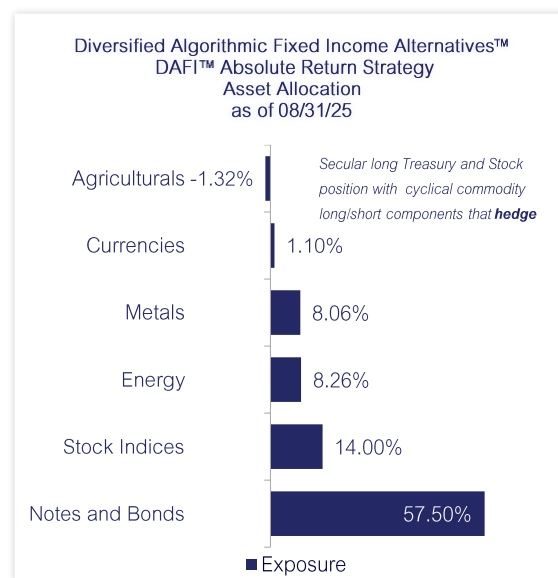
Source: Baron Capital Management Ltd.

The DAFI™ Strategy **methodology is entirely rules-based** and was

designed to measure/reflect the global economic environment. The DAFI™ Strategy will typically have a gross notional exposure of 100% of capital. Proprietary rules-based indices will typically have a 26 - 32% allocation, with the approximate balance, 68%, being allocated to “all long” exposure to several traditional

asset classes. This combination provides exposure to U.S. interest-rate futures, U.S. equity index futures, as well as commodity sectors — including energy, grains, precious metals, livestock, industrial

*Figure 2: DAFI™ Strategy asset allocation*



Source: Baron Capital Management Ltd.



metals and softs — and currencies. The allocation of market exposure to each component is **based on principles of diversification with the objective of measuring/reflecting the global economic environment.**

Allocations to each component are fixed, although certain rules-based components themselves are designed to vary their individual exposure levels to a certain degree when the DAFI™ Strategy is ***rebalanced monthly.***

These Components, in combination, provide exposure to U.S. interest-rate futures (whether on long intermediate or short-term U.S. Treasury debt), U.S. equity index futures, commodity sectors (including energy, grains, precious metals, livestock, industrial metals and softs), and currencies. In combining these components at the exposure levels noted herein, the **DAFI™ Strategy attempts to create an objective *systematic absolute return macro system* that more accurately reflects the tendency of developed economies to expand than we believe any other current benchmark can currently potentially capture.**



## Snapshot of DAFI™ RT2 Strategy at Position Level

The composition of the DAFI™ Strategy are the following highly liquid futures contracts listed and traded on U.S. regulated exchanges:

*Figure 3: Snapshot of DAFI™ RT2 Strategy at Position Level*

DAFI™ Component Positions	Recognized Exchange	Contact Code	Month	# of Contracts
Australian Dollar	CME	AD	M	-3
British Pound	CME	BP	M	-6
Canadian Dollar	CME	CD	M	-1
Euro	CME	EC	M	-10
Japanese Yen	CME	JY	M	14
Swiss Franc	CME	SF	M	-1
Crude Oil (Light)	NYMEX	CL	M	114
NY Harbor USLD	NYMEX	HO	M	7
RBOB	NYMEX	RB	M	7
Natural Gas	NYMEX	NG	M	23
Corn	CBOT	C	N	37
Soybeans	CBOT	S	N	21
Wheat	CBOT	W	N	19
High Grade Copper	COMEX	HG	N	10
10 Yr U.S. Treasury Note	CBOT	TY	M	7
30 Yr U.S. Treasury Bond	CBOT	US	M	99
Live Cattle	CME	LC	M	-9
Lean Hogs	CME	LH	M	-11
Gold	COMEX	GC	M	30
Silver	COMEX	SI	N	2
Coffee	ICE	KC	N	2
Cocoa	ICE	CC	N	-2
Sugar #11	ICE	SB	K	11
Cotton	ICE	CT	N	-7
5 Yr U.S. Treasury Note	CBOT	FV	M	417
S&P 500 Index E-Mini	CME	ES	M	43
Nasdaq 100 Index E-Mini	CME	NQ	M	2

**LEGEND:**

CBOT= Chicago Board of Trade

CME = Chicago Mercantile Exchange

NYMEX = New York Mercantile Exchange

ICE = Intercontinental Exchange

COMEX = Commodity Exchange Inc.

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
F	G	H	J	K	M	N	Q	U	V	X	Z

Source: Baron Capital Management Ltd.



Baron Point is generally fully exposed to the DAFI™ Strategy but can employ low risk instruments (T-Bills and cash equivalents) as a key strategic investment during times it cannot deploy its capital fully, or during periods of severe market dislocation. Baron Point may employ portfolio margin accounting for added diversification and risk reduction. Portfolio margin accounting requires a margin position that is equal to the remaining liability that exists after all offsetting positions have been netted against each other.

## Approach to Sustainability and DAFI™

At Baron Point, we are committed to **doing less harm to our communities and planet**. In alignment with our commitment, the U.S. interest-rate futures, U.S. equity index futures, commodity sectors (including energy, grains, precious metals, livestock, industrial metals and softs), and currencies held in the DAFI™ Strategy are **not tied** to any specific **source or production company** and create **zero environmental impact**.

Key sustainability considerations related to index, commodity, and currencies futures that we consider paramount:

- A well-functioning global futures market is critical to the development of the global debt and capital markets. Functioning markets are **important in a green transition**.
- Futures markets are **essential to the world's capital markets for managing risk, improving transparency, and providing liquidity**. This aligns with many sustainability principles, particularly the often underemphasized societal and governance considerations.
- Futures markets offer exposure to commodities with **zero environmental impact**:
  - As opposed to an equity or bond investment in an operating company, with futures contracts there is **no** resulting increase or decrease in production.
  - Futures **do not** create or consume the underlying commodity.



- Futures markets offer superior risk management and diversification benefits, particularly with respect to **inflation** and **deflation protection**.





## 03 Investment Process, Methodology & Senior Management Overview for the DAFI™ Strategy

For a deeper understanding of the DAFI™ Strategy Investment Process, Methodology and Senior Management Overview, please contact your Baron Point representative and inquire about a non-disclosure agreement and the most recent white paper for the DAFI™ Strategy addressing this topic by contacting our team at [info@baronpoint.com](mailto:info@baronpoint.com), or call us at +1 212 248 2733 x702.



*(This page left blank intentionally)*



## 04 Disclosure Appendix

### Disclosure Appendix

#### Regulation Analyst Certification

I, James Philip Coppola III, hereby certify that all views expressed in this report accurately reflect our personal views, which have not been influenced by considerations of the firm's business or client relationships.

Unless otherwise stated, the individuals listed on the cover page of this report are analysts in the Baron Point Capital Management Ltd. (BPCM), Baron Capital Management Ltd. (BPF), Baron Point Financial Group SPC (BPFGSPC), and Baron Point Research & Analysis Division (BPRAD) and work on assignment or are employed by, collectively known as "Baron Point".

#### Disclosures

##### 1. Basket disclosure

The ability to trade the basket(s) in this report will depend upon market conditions, including liquidity and borrow constraints at the time of trade.

##### 2. Regulatory disclosures

#### Disclosures Required by U.S. Laws & Regulations

See company-specific regulatory disclosures above for any of the following disclosures required as to companies referred to in this report: manager or co-manager in a pending transaction; 1% or other ownership; compensation for certain services; types of client relationships; managed/co-managed public offerings in prior periods; directorships; for equity securities, market making and/or specialist role. Baron Point trades or may trade as a principal in debt or equity private or public securities (or in related derivatives) of issuers discussed in this report.

The following are additional required disclosures: Ownership and material conflicts of interest: Baron Point encourages their analysts,



professionals reporting to analysts and members of their households to participate and own securities in any company in the analyst's area of coverage.

Analyst compensation: Analysts are paid in part based on the profitability of Baron Point, or the securities issued, which include investment banking revenues. Analyst as officer or director: Baron Point policy generally allows their analysts, persons reporting to analysts or members of their households to serve as an officer, director or advisor of any company in the analyst's area of coverage. Non-U.S. Analysts: Non-U.S. analysts may not be associated persons of Baron Point Capital Management Ltd., Baron Capital Management Ltd., Baron Point Financial Group SPC, Baron Point Research & Analysis Division (collectively "Baron Point") and therefore may not be subject to FINRA Rule 2241 or FINRA Rule 2242 restrictions on communications with subject company, public appearances and trading securities held by the analysts.

The DAFI™ family of strategies employed by the Investment Manager utilize trademarks and proprietary intellectual property owned by Victor Sperandeo's EAM Partners L.P. ("EAM"). EAM has no responsibilities, obligations or duties to investors in the Notes, nor is EAM the issuer or structuring any of the Notes. Neither the Investment Manager or any other investment product or vehicle discussed herein are sponsored, endorsed, sold, or promoted by EAM. EAM's only legal relationship to the Investment Manager is the licensing of certain trademarks, tradenames, and intellectual property of EAM and of the Diversified Algorithmic Income Methodology MV™ ("DAIM MV™"), Diversified Algorithmic Income Methodology MV™ ("DAIM MV™"), Diversified Algorithmic Income Methodology MVL™ ("DAIM MVL™"), Diversified Algorithmic Income Methodology RT2™ ("DAIM RT2™"), Diversified Algorithmic Income Methodology RT3™ ("DAIM RT3™"), or collectively ("DAIM") trading methodologies created, compiled, maintained and owned by EAM without regard to the Investment Manager or any investment product or vehicle utilizing DAIM. All intellectual property and other items provided by EAM or its affiliate or agent in regard to the DAIM are furnished on an "as is" basis without warranties, guarantees or other terms concerning merchantability, absence of defects, fitness or use for a particular purpose,



timeliness, accuracy, completeness, currentness, or quality. In addition, neither EAM nor its affiliates make any representations, warranties, or guarantees as to the results to be obtained in connection with the use of the DAIM or as to the advisability of investing with the Investment Manager managed indices, such as DAIM, or any other investment product or vehicle discussed herein. EAM has no obligation to take the needs of the Investment Manager or owners of the Investment Manager issued securities, or any other investment product or vehicle into consideration in determining or composing the DAIM. EAM has no obligation or liability in connection with the administration, marketing, or trading of the Investment Manager products. EAM does not provide portfolio management services or any form of investment advice. In particular, EAM does not direct client accounts or provide commodity trading advice based on or tailored to the commodity interests or cash markets exposure or any other circumstances of a particular licensee.

Diversified Algorithmic Fixed Income Alternative Strategy Family™, DAFI™, and the DAFI™ names and trademarks are owned by the Investment Manager exclusively licensed for use globally by the Investment Manager to the issuer of the Notes. Investors neither acquire any interest in the DAFI™ Strategy nor enter into any relationship of any kind whatsoever with EAM or the Investment manager upon making an investment in the Notes. Neither EAM, the Investment Manager, nor the Issuance is responsible for the level of performance of the DAFI™ Strategy. There can be no assurance that the DAFI™ Strategy will attain the objective of the Issuance. EAM's role is limited to the calculation and publication of the DAFI™ Strategy only. The Notes are/is not sponsored, endorsed, sold or promoted by EAM and EAM makes no representation regarding the advisability of the Notes or use of the DAFI™ Strategy or any data included therein. EAM or the Investment Manager shall not be liable in any way to the Issuance, Noteholders or to other third parties in respect of the use or accuracy of the DAFI™ Strategy or any data included herein.



## **Additional Disclosures Required Under the Laws & Regulations of Jurisdictions Other Than the U.S.**

The following disclosures are those required by the jurisdiction indicated, except to the extent already made above pursuant to U.S. laws and regulations.

**Australia:** Baron Point and its affiliates are not authorized deposit-taking institutions (as that term is defined in the Banking Act 1959 (C<sup>th</sup>)) in Australia and do not provide banking services, nor carry on a banking business, in Australia. This research, and any access to it, is intended only for “wholesale clients” within the meaning of the Australian Corporations Act, unless otherwise agreed by Baron Point. In producing research reports, members of Baron Point Research & Analysis Division may attend site visits and other meetings hosted by the companies and other entities which are the subject of its research reports. In some instances, the costs of such site visits or meetings may be met in part or in whole by the issuers concerned if Baron Point considers it is appropriate and reasonable in the specific circumstances relating to the site visit or meeting. To the extent that the contents of this document contain any financial product advice, it is general advice only and has been prepared by Baron Point without taking into account a client’s objectives, financial situation or needs. A client should, before acting on any such advice, consider the appropriateness of the advice having regard to the client’s own objectives, financial situation and needs. “Wholesale clients” within the meaning of the Australian Corporations Act, unless otherwise agree by Baron Point.

**Brazil:** Disclosure information in relation to CVM Resolution n. 20 is available on request. Where applicable, the Brazil-registered analyst primarily responsible for the content of this research report, as defined in Article 20 of CVM Resolution n. 20, is the first author named at the beginning of this report, unless indicated otherwise at the end of the text.

**Canada:** This information is being provided to you for information purposes only and is not, and under no circumstances should be construed as, an advertisement, offering or solicitation by Baron Point for purchasers of securities in Canada to trade in any Canadian security. Baron Point is not registered as a dealer in any



jurisdiction in Canada under applicable Canadian securities laws and generally is not permitted to trade in Canadian securities and may be prohibited from selling certain securities and products in certain jurisdictions in Canada.

**Korea:** This research, and any access to it, is intended only for “professional investors” within the meaning of the Financial Services and Capital Markets Act, unless otherwise agreed by Baron Point.

**New Zealand:** Baron Point and its affiliates are neither “registered banks” nor “deposit takers” (as defined in the Reserve Bank of New Zealand Act 1989) in New Zealand. This research, and any access to it, is intended for “wholesale clients” (as defined in the Financial Advisers Act 2008) unless otherwise agreed by Baron Point.

**Russia:** Research reports distributed in the Russian Federation are not advertising as defined in the Russian legislation but are information and analysis not having product promotion as their main purpose and do not provide appraisal within the meaning of the Russian legislation on appraisal activity. Research reports do not constitute a personalized investment recommendation as defined in Russian laws and regulations, are not addressed to a specific client, and are prepared without analyzing the financial circumstances, investment profiles or risk profiles of clients. Baron Point assumes no responsibility for any investment decisions that may be taken by a client or any other person based on this research report.

**Taiwan:** This material is for reference only and must not be reprinted without permission. Investors should carefully consider their own investment risk. Investment results are the responsibility of the individual investor.

**United Kingdom:** Persons who would be categorized as retail clients in the United Kingdom, as such term is defined in the rules of the Financial Conduct Authority, should read this research in conjunction with prior Baron Point research on the covered companies referred to herein and should refer to the risk warnings that have been sent to them by Baron Point.





**European Union and United Kingdom:** Disclosure information in relation to Article 6 (2) of the European Commission Delegated Regulation (EU) (2016/958) supplementing Regulation (EU) No 596/2014 of the European Parliament and of the Council (including as that Delegated Regulation is implemented into United Kingdom domestic law and regulation following the United Kingdom's departure from the European Union and the European Economic Area) with regard to regulatory technical standards for the technical arrangements for objective presentation of investment recommendations or other information recommending or suggesting an investment strategy and for disclosure of particular interests or indications of conflicts of interest is available on request, which documentation states the European Policy for Managing Conflicts of Interest in Connection with Investment Research.

**Cambodia:** Each of the initial purchasers of any securities offered by Baron Point has represented and agreed that it has not offered or sold, and will not offer or sell, an offering of securities to persons in Cambodia other than under circumstances which do not constitute an offer for sale of an offering of securities to the public for the purposes of the Prakas on debt securities offerings to qualified investors statement of exempt debt offerings from the office of the securities and exchange commission of Cambodia.

**Thailand:** Each of the initial purchasers of any securities offered by Baron Point has represented and agreed that it has not offered or sold, and will not offer or sell, an offering of securities to persons in Thailand other than under circumstances which do not constitute an offer for sale of an offering of securities to the public for the purposes of the securities and exchange act of 1992 of Thailand/or require approval from the office of the securities and exchange commission of Thailand.

**Singapore:** This document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this document and any other document or material in connection with and offer or sale, or invitation for subscription or purchase, of any securities offered by Baron Point, nor may the securities be offered or sold, or be made the subject of any invitation for





subscription or purchase, whether directly or indirectly, to the public or any person in Singapore other than in circumstances where the registration of a prospectus is not required under the securities and futures act (Cap. 289) of Singapore (SFA) in connection therewith and then only (i) to an institutional investor specified in section 274 of the SFA; (ii) to an accredited investor or such other relevant person as defined in section 275 of the SFA and in accordance with the conditions specified therein; (iii) to a person who acquires the securities as principal if the offer is on terms that the securities may only be acquired at no less than the minimum consideration prescribed under and such offer is in accordance with the other conditions prescribed in section 275(1a) of the SFA; or (iv) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA. Any subsequent sale of securities within 6 months from a purchase made under (i), (ii) or (iii) above must be confined to institutional investors, relevant persons as defined in section 275(2) of the SFA, or persons to whom an offer is made pursuant to section 275(1a) of the SFA.

**United Arab Emirates:** It is possible that some of the investment strategies discussed in this research could be described as “relatively high risk” or even “high risk”. Often the decrease in value of certain investments described herein will be balanced by the increase in value of other investments in a client’s portfolio. However, this will not always be the case. If there is an overall decrease in the value of the client’s portfolio of investments, this could substantially affect the value of the client’s overall portfolio value.

### **Global Product; Distributing Entities**

Baron Point Research & Analysis Division produces and distributes research products for clients on a global basis. Analysts based in Baron Point offices around the world produce research on industries and companies, and research on macroeconomics, currencies, commodities and portfolio strategy.



## General Disclosures

This research is for our clients only. Other than disclosures relating to Baron Point, this research is based on current public information that we consider reliable, but we do not represent whether it is accurate or complete, and it should not be relied on as such. The information, opinions, estimates and forecasts contained herein are as of the date hereof and are subject to change without prior notification. We seek to update our research as appropriate, but various regulations may prevent us from doing so. Other than certain industry reports published on a periodic basis, the large majority of reports are published at irregular intervals as appropriate in the analyst's judgment.

Baron Point conducts full-service, investment banking, asset management, alternative investment, and private placement businesses.

Our salespeople, traders, and other professionals may provide oral or written market commentary or trading strategies to our clients and principal trading desks that reflect opinions that are contrary to the opinions expressed in this research. Our asset management area, principal trading desks and investing businesses may make investment decisions that are inconsistent with the recommendations or views expressed in this research.

We and our affiliates, officers, directors, and employees will from time to time have long or short positions in, act as principal in, and buy or sell, the securities or derivatives, if any, referred to in this research, unless otherwise prohibited by regulation or Baron Point policy.

The views attributed to third party presenters at Baron Point arranged conferences, or by Baron Point at third-party conferences, including individuals from other parts of Baron Point, do not necessarily reflect those of Baron Point Research & Analysis Division and are not an official view of Baron Point.

Any third party referenced herein, including any salespeople, traders, Fund managers, and other professionals or members of their household, may have positions in the products mentioned that



are inconsistent with the views expressed by analysts named in this report.

This research is focused on investment themes across markets, industries and sectors. It does not attempt to distinguish between the prospects or performance of, or provide analysis of, individual companies within any industry or sector we describe.

Any trading recommendation in this research relating to equity or credit security or securities within an industry or sector is reflective of the investment theme being discussed and is not a recommendation of any such security in isolation.

This research is not an offer to sell or the solicitation of an offer to buy any security in any jurisdiction where such an offer or solicitation would be illegal. It does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. Clients should consider whether any advice or recommendation in this research is suitable for their particular circumstances and, if appropriate, seek professional advice, including tax advice. The price and value of investments referred to in this research and the income from them may fluctuate. Past performance is not a guide to future performance, future returns are not guaranteed, and a loss of original capital may occur.

Fluctuations in exchange rates could have adverse effects on the value or price of, or income derived from, certain investments.

Certain transactions, including those involving futures, options, and other derivatives, give rise to substantial risk and are not suitable for all investors.



### **Differing Levels of Service Provided by Baron Point Research & Analysis Division:**

The level and types of services provided to you by Baron Point Research & Analysis Division may vary as compared to that provided to internal and other external clients of Baron Point, depending on various factors including your individual preferences as to the frequency and manner of receiving communication, your risk profile and investment focus and perspective (e.g., market wide, sector specific, long term, short term), the size and scope of your overall client relationship with Baron Point, and legal and regulatory constraints.

Investing in alternative investments and derivatives carries substantial risk. Investors could lose their entire investment. Past performance is not a guarantee of future performance. This informational brochure is not an offer to buy or sell securities. Offer of securities by Prospectus only. Please read all Offering Materials carefully before investing. Strategies may have track records in other vehicles implementing those strategies at Baron Point or otherwise.

---

©2007 - 2025 Baron Point Capital Management Ltd., Baron Capital Management Ltd., Baron Point Financial Group SPC, Baron Point Research & Analysis Division (collectively "Baron Point). All Rights Reserved.

The Diversified Algorithmic Fixed Income Alternative Strategy Family™ (DAFI™) Institutional Markets Report is issued on June 2, 2025, no part of this material may be (i) copied, photocopied or duplicated in any form by any means or (ii) redistributed without the prior written consent of Baron Point.









**Baron Point Financial LLC**

10 East End Avenue  
New York, New York 10075  
United States of America

Tel +1 212 248 2733  
Fax +1 212 504 3101  
[research@baronpoint.com](mailto:research@baronpoint.com)  
[www.baronpoint.com](http://www.baronpoint.com)