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Apex Capital has filed an amendment to its Form ADV as required under the updated SEC guidelines released in June 2022. The filing highlights a material shift in the firm's leverage strategy, implemented during the second and third quarters of FY2022.

Specifically, the fund transitioned from a reliance on short-term debt instruments to longer-duration derivatives, including interest rate swaps and credit default options. The adjustment is intended to improve duration matching and reduce the fund's rollover risk exposure.

This move reflects a broader change in the firm's macro outlook, particularly expectations of rate normalization by the U.S. Federal Reserve and the ECB.

Apex's internal analysis indicates the new strategy should maintain net exposure levels while reducing short-term market dependency. Existing clients were notified via direct communication, and a webinar covering the changes was held in October 2022.