

## zMonthly April 23

### Improved sentiment

After the collapse of four banks in just a few days in March, sentiment in financial markets improved surprisingly quickly in April. Investors saw the failures as isolated events rather than the start of a widespread banking crisis. Even the slight increase in core inflation rates in the US and the eurozone was unable to dampen optimism in the equity markets. Several European stock indices reached new highs for the year during the reporting month. Encouraging economic data, lower energy prices, a progressing easing of supply chains and a satisfactory reporting season so far provided tailwinds. In Switzerland, large caps outperformed small caps thanks to the outperformance of the index heavyweights. ABB surprised investors with strong results, which boosted the stock. The group is one of the few companies that not only publishes financial figures but also key sustainability data on a quarterly basis. Romande Energie reported solid figures for last year. It also reaffirmed its ambition to play a leading role in the decarbonisation of French-speaking Switzerland and to invest around CHF 1.4 billion by 2026, mainly in the expansion of renewable energy capacity. The Fund gained 2.8% in April.

### Gurit new in the fund

As a manufacturer of core materials for the wind energy market, Gurit is well positioned to benefit from the accelerated expansion of renewable energies in Europe and the US. We have therefore taken an initial position. We slightly increased our exposure to Schindler, Komax and Comet and realised some gains on Emmi and Sonova.

### Core inflation is the central banks' problem

The economy is performing better than expected in America and to some extent in Europe. Strong interim reports from US companies point to continued robust private consumption. This is not surprising at a time of full employment and skilled labour shortages. In many countries there are more job vacancies than unemployed, and wages are rising to compensate for inflation. Companies in turn have to raise prices to compensate for higher costs. The wage-price spiral is already reflected in persistent core inflation, which was 5.7% in Europe and 5.6% in the US in March. Both figures were above economists' expectations. For the Fed and the ECB, these core inflation rates are unacceptable. We therefore believe that interest rates will continue to rise until either unemployment rises sharply or the financial markets correct significantly. We regard expectations of the first interest rate cuts in the US in the second half of 2023 as too optimistic. SNB President Thomas Jordan has clearly signaled that price stability is the top priority. Interest rates in Switzerland are therefore also likely to rise.

### Performance since Launch (as of 28/04/2023)



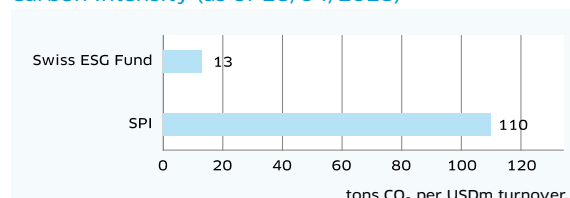
### Performance (as of 28/04/2023)

MTD	2.8%
YTD	8.6%
1 year	-1.6%
Since launch p.a.	3.0%

### ESG Key Figures (as of 28/04/2023)

MSCI ESG Rating	AA
RepRisk Rating	AA
zRating (Fund / SPI)	68 / 67
Estimated global warming Fund	<1.5°C
Companies which contribute positively to the UN SDGs (Fund / SPI)	78% / 56%

### Carbon Intensity (as of 28/04/2023)



### Largest Positions (as of 28/04/2023)

1	Roche	9.6%
2	ABB	5.5%
3	Zurich Insurance Group	4.5%
4	Givaudan	4.1%
5	Sonova	3.7%
6	Swiss Re	3.4%
7	Schindler	3.1%
8	Swisscom	3.1%
9	Galenica	3.0%
10	Temenos	2.9%

## Investment Strategy

The zCapital Swiss ESG Fund invests in Swiss equities which zCapital believes qualify as sustainable companies and have an attractive risk and return profile. The fund's assets are invested in a concentrated portfolio of 25 to 35 stocks from the SPI (Swiss Performance Index) universe. In addition to ESG integration, companies which violate social and environmental criteria are excluded. The sustainability of companies is also promoted through engagement and voting. zCapital invests with a long-term horizon and pursues an active selection process.

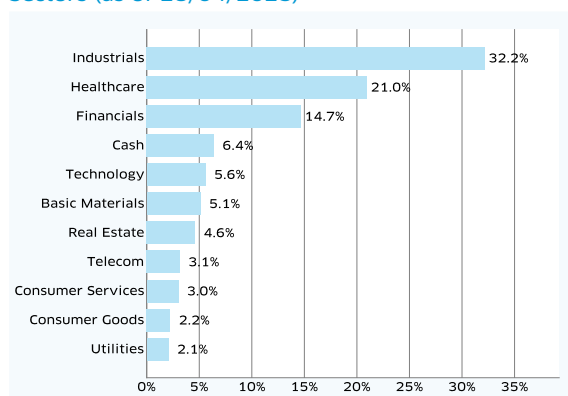
## Impact of zCapital

zCapital plants each year 100 trees for every million Swiss francs of assets under management in the zCapital Swiss ESG Fund. In cooperation with myclimate, it is ensured that the trees are cared for in the long term. The project combines nature and climate protection with the creation of new sources of income for small farmers.

## Portfolio Structure (as of 28/04/2023)

<b>Net Asset Value</b>	CHF 1,055.50 per Share A
<b>Total Assets</b>	CHF 20 m
<b>Investment Exposure</b>	93.6%
<b>Number of Companies</b>	33

## Sectors (as of 28/04/2023)



## Termsheet

<b>Fund-Name</b>	Swiss ESG Fund (Class A)
<b>Asset Manager</b>	zCapital AG, Zug
<b>Swiss Security Number / ISIN</b>	59273267 / CH0592732678
<b>Price Publications</b>	www.zcapital.ch, www.swissfunddata.ch, www.fundinfo.com
<b>Bloomberg / Reuters</b>	ZCAPESG SW Equity / 59273267.S
<b>Minimum Investment / Reference Currency</b>	No minimum investment required / CHF
<b>Fund Type / Distribution</b>	Swiss Securities Fund / Authorized for public distribution in Switzerland and Germany
<b>Management Fee (incl. Fund Management and Custodian Fees)</b>	1.25%
<b>Issue Fee / Redemption Fee</b>	none
<b>Total Expense Ratio (TER) 30/11/2022</b>	1.42%
<b>Fund Management Company / Custodian Bank</b>	LLB Swiss Investment AG, Zurich / Bank Julius Baer & Co. Ltd., Zurich
<b>Subscriptions and Redemptions</b>	On each bank working day at Net Asset Value (NAV). Subscription and redemption orders received by the custodian bank by 3.45 p.m. CET at the latest on a given bank business day (order day, T) will be settled on the next bank business day (valuation date) on the basis of the net asset value calculated on that date. The net asset value used to settle the order is therefore not known when the order is placed (forward pricing). The net asset value is calculated on the valuation date on the basis of the closing prices on the order day.
<b>Auditor</b>	PricewaterhouseCoopers AG, Zurich

## Monthly Performance (as of 28/04/2023)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
<b>2021</b>		-0.9%	6.4%	1.2%	3.6%	4.2%	3.2%	2.0%	-6.1%	1.5%	-0.3%	4.5%	20.6%*
<b>2022</b>	-6.5%	-3.4%	1.6%	-1.1%	-3.8%	-6.9%	4.4%	-3.5%	-5.9%	4.4%	3.0%	-1.6%	-18.5%
<b>2023</b>	5.7%	-0.3%	0.2%	2.8%									8.6%

\* since Launch date (29 January 2021)

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