

## zMonthly August 23

### China weighs on markets

Global equity markets started August with losses. Rising interest rates were partly responsible for the weakness. The downgrade of the US credit rating by Fitch added uncertainty and pushed US Treasury yields to new highs for the year. Italian Prime Minister Giorgia Meloni surprised market participants by announcing the intention to impose an excess profits tax on bank interest income. After a brief selloff in European equity markets, the government backtracked and watered down the tax. In the second half of the month, fears about China's economic development came to the fore. Weak economic data was compounded by renewed problems at some major property developers. There were also fears that the property crisis could spread to the financial sector. The annual meeting of central bankers in Jackson Hole had little impact on equity markets. Very strong half-year results from chipmaker Nvidia and weaker US economic data provided positive momentum in the last days of the month. The real estate company PSP Swiss Property posted very pleasing half-year results and slightly raised its profit forecast. In contrast, telecommunications provider Mobilezone did not meet market expectations in the first half of the year. In addition, the EBIT forecast for 2023 had to be revised downwards. The Fund lost 1.8% in August (SPI -1.8%).

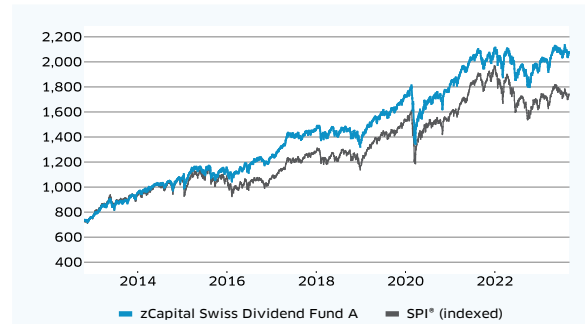
### Portfolio purchases following price corrections

Like July, August was characterised by low trading activity. We made additional purchases in Swiss Re, Mobilezone, Cembra Money Bank and Swisscom following price corrections.

### Uncertainty over interest rate policy

The half-year reporting season is largely over. In Switzerland, analysts have lowered earnings estimates for around 45% of companies, while raising them for 30%. On balance, earnings estimates for the SPI have been revised somewhat lower since the beginning of July. By contrast, the S&P 500 Index has continued to benefit from the strong US economy, which has led to a slight increase in earnings estimates in the US. In September, the focus is likely to shift to macroeconomic data. After the Jackson Hole meeting, there is no clarity on the next steps in interest rate policy. In particular, the eagerly awaited speech by Fed Chairman Jerome Powell provided few concrete clues. The fact is that inflation remains well above the 2% target in all major economies except China. The central banks' work is not yet done and markets are likely to remain nervous.

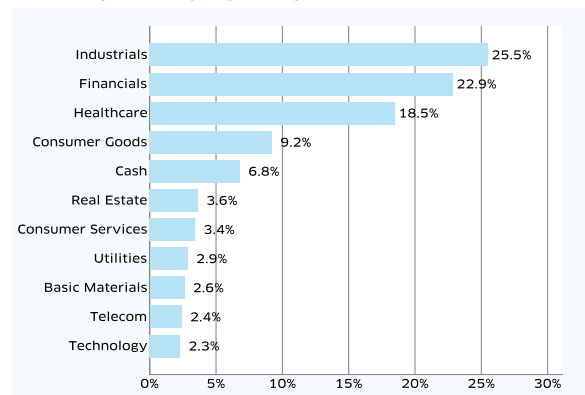
### Performance since Launch (as of 31/08/2023)



### Performance (as of 31/08/2023)

MTD (Fund / Benchmark)	-1.8% / -1.8%
YTD	7.7% / 6.8%
1 year	8.2% / 4.7%
3 years p.a.	6.7% / 5.0%
5 years p.a.	7.2% / 6.4%
10 years p.a.	9.1% / 7.1%
Since launch p.a.	10.0% / 8.2%

### Sectors (as of 31/08/2023)



### Largest Positions (as of 31/08/2023)

1	Novartis	9.3%
2	Nestle	9.2%
3	Roche	9.1%
4	ABB	5.1%
5	Zurich Insurance Group	4.2%
6	Holcim	3.4%
7	Swiss Re	3.1%
8	Julius Baer	2.7%
9	SGS	2.6%
10	Swisscom	2.4%
11	Swiss Life	2.4%
12	Logitech	2.3%
13	PSP Swiss Property	2.2%
14	BKW	2.2%
15	Inficon	2.1%

## Investment Strategy

The zCapital Swiss Dividend Fund invests in Swiss equities that pay an attractive, reliable dividend or where dividend income is expected to grow. The fund invests in 30 to 40 companies from the universe of the SPI® (Swiss Performance Index). Around half of the fund assets is invested in blue chips and the other half in second-line stocks. zCapital pursues a long-term, active investment style. The stock selection is based on a combination of fundamental company analyses with a proprietary dividend analysis tool. Key ESG aspects and macroeconomic factors are also included in the decision-making process.

## Portfolio Structure (as of 31/08/2023)

<b>Net Asset Value</b>	CHF 2,077.59 per Share A
<b>Total Assets</b>	CHF 539 m
<b>Investment Exposure</b>	93.2%
<b>Number of Companies</b>	35

## Statistics 3 Years (as of 31/08/2023)

<b>Volatility Fund p.a.</b>	11.3%
<b>Beta (current)</b>	0.8
<b>Dividend yield of invested companies *</b>	3.8%
<b>Large caps in percentage of portfolio</b>	56.0%

\* This figure includes the weighted future dividend yields from the companies invested in, as estimated by zCapital. It does not provide any indication of the final level of dividend that will be paid out by the "zCapital Swiss Dividend Fund". As of 31/08/2023.

## Termsheet

<b>Fund-Name</b>	zCapital Swiss Dividend Fund (Class A)
<b>Asset Manager</b>	zCapital AG, Zug
<b>Swiss Security Number / ISIN</b>	19466655 / CH0194666555
<b>Price Publications</b>	www.zcapital.ch, www.swissfunddata.ch, www.fundinfo.com
<b>Bloomberg / Reuters</b>	ZCAPDIV SW Equity / 19466655.S
<b>Benchmark</b>	Swiss Performance Index SPI®
<b>Morningstar-Rating</b>	★★★★★
<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% p.a.
<b>Issue Fee / Redemption Fee</b>	None
<b>Total Expense Ratio (TER) as of 31/05/2023</b>	1.01%
<b>Fund Management Company / Custodian Bank</b>	LLB Swiss Investment AG, Zürich / Bank Julius Bär & Co. AG, Zürich
<b>Subscriptions and Redemptions</b>	On each bank working day at Net Asset Value (NAV). Subscriptions and redemptions which are placed with the Custodian Bank by 3.45 pm CET on a bank business day (Order Day), are processed on the next bank working day (Valuation Day) based on the Order Day's closing price.
<b>Auditor</b>	PricewaterhouseCoopers AG, Zurich

## Monthly Performance (as of 31/08/2023)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
<b>2012</b>										-0.9%*	1.6%	1.5%	2.2%*
<b>2013</b>	4.9%	4.3%	3.2%	2.2%	0.2%	-2.1%	1.9%	-0.3%	2.8%	3.4%	1.2%	1.7%	25.8%
<b>2014</b>	0.5%	2.7%	1.5%	1.0%	1.6%	-0.5%	0.1%	1.6%	0.8%	-0.1%	2.9%	-0.1%	12.7%
<b>2015</b>	-3.0%	6.9%	2.3%	0.8%	0.6%	-4.2%	5.2%	-4.8%	-2.7%	4.6%	2.2%	-0.2%	7.3%
<b>2016</b>	-2.8%	-1.6%	1.8%	1.8%	3.9%	-1.1%	2.0%	1.9%	0.7%	-2.0%	-0.3%	3.5%	7.8%
<b>2017</b>	0.8%	3.3%	3.0%	3.7%	3.3%	-1.5%	1.4%	-1.8%	2.4%	0.9%	0.6%	0.3%	17.5%
<b>2018</b>	0.4%	-3.0%	-0.0%	2.9%	-3.3%	0.9%	3.1%	-0.1%	-0.3%	-1.3%	-0.8%	-5.5%	-7.0%
<b>2019</b>	6.2%	3.4%	1.5%	3.7%	-1.3%	3.1%	0.4%	0.4%	2.0%	1.3%	1.9%	1.8%	27.1%
<b>2020</b>	0.7%	-6.9%	-6.4%	5.2%	3.0%	2.3%	-0.5%	2.9%	0.2%	-5.1%	8.5%	2.8%	5.7%
<b>2021</b>	-0.3%	-0.1%	6.2%	0.4%	2.5%	2.3%	1.3%	1.5%	-5.4%	2.4%	-0.8%	4.9%	15.3%
<b>2022</b>	-2.7%	-1.8%	2.9%	1.3%	-3.5%	-6.1%	3.8%	-2.1%	-5.0%	4.7%	3.2%	-2.0%	-7.9%
<b>2023</b>	4.4%	-0.4%	1.3%	3.5%	-1.1%	0.5%	1.2%	-1.8%					7.7%

\* since Launch date (22 October 2012)

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