

## zMonthly November 23

### Markets in risk-on mode

The storm in fixed income markets eased noticeably at the beginning of the month. Weaker-than-expected industrial data and a cooling US labour market led to a significant decline in government bond yields, which in turn fueled equity markets. Fed Chairman Jerome Powell's statement that he was not confident that interest rates were restrictive enough to beat inflation only briefly dampened sentiment. The release of US inflation figures for October provided another strong boost to equity markets. With the data coming in slightly below expectations, many market participants concluded that interest rates had peaked. As a result, rates fell further and stock market complacency, as measured by the VIX volatility index, reached a temporary low. Following the rally, some stock indices were trading close to their highs for the year. The investor day held by semiconductor supplier Comet triggered a surge in the share price. Although the company's medium-term targets were postponed, they were slightly adjusted upwards. Comet plans to join the Science Based Target initiative in the near future. U-Blox presented a strategic realignment at its investor day. The company will now focus more on its highly profitable positioning business. However, shares came under pressure due to a cautious outlook for 2024. The Fund was up 5.6% in November.

### Bachem replaces Ypsomed

We made some changes to the portfolio in November. We exited Ypsomed and took an initial position in Bachem. We also sold our entire holdings in Vontobel shares. Other purchases included Swisscom and Roche.

### Conflicting market signals

Weaker-than-expected US economic data and a falling US dollar confirm our baseline scenario of a US recession in the course of next year. Many market participants are currently betting on a soft landing with several interest rate cuts in 2024. However, given the rise in consumers' longer-term inflation expectations and the Fed's mandate to bring inflation down to its target corridor of below 2%, this is likely to be a rather unrealistic scenario. Such aggressive rate cuts are only conceivable in the event of a significant economic slowdown. However, markets would then enter a phase of falling earnings estimates, which in the past has usually led to lower share prices. We do not expect any major swings until the end of the year and therefore maintain our positioning.

### Performance since Launch (as of 30/11/2023)



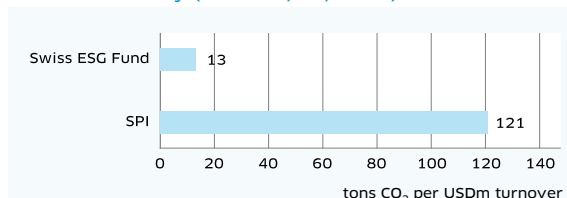
### Performance (as of 30/11/2023)

MTD	5.6%
YTD	7.5%
1 year	5.8%
Since launch p.a.	2.0%

### ESG Key Figures (as of 30/11/2023)

MSCI ESG Rating	AA
RepRisk Rating	AA
zRating (Fund / SPI)	69 / 68
Estimated global warming Fund	<1.5°C
Companies which contribute positively to the UN SDGs (Fund / SPI)	80% / 59%

### Carbon Intensity (as of 30/11/2023)



### Largest Positions (as of 30/11/2023)

1	Roche	9.4%
2	ABB	5.9%
3	Givaudan	4.8%
4	Zurich Insurance Group	4.7%
5	Swiss Re	4.1%
6	Schindler	3.6%
7	Galenica	3.2%
8	Tecan	3.0%
9	Swisscom	3.0%
10	SGS	3.0%

## 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.

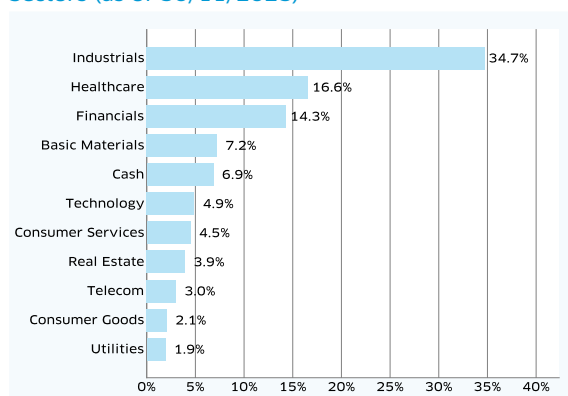
## Impact of zCapital

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 30/11/2023)

<b>Net Asset Value</b>	CHF 1,044.89 per Share A
<b>Total Assets</b>	CHF 23 m
<b>Investment Exposure</b>	93.1%
<b>Number of Companies</b>	32

## Sectors (as of 30/11/2023)



## 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) 31/05/2023</b>	1.43%
<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 30/11/2023)

	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%	-0.9%	0.1%	1.0%	-1.1%	-1.5%	-4.0%	5.6%		7.5%

\* since Launch date (29 January 2021)

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