

zMonthly January 24

Muted start to the year

The uprend that began in October came to a halt at the turn of the year, as surprisingly robust US labour market data caused government bond yields to rise. Against the backdrop of continued solid economic growth and slightly higher-than-expected US inflation in December, market hopes for interest rate cuts were dampened. This was echoed by central bank officials. Following Jerome Powell's comments at the Fed's press conference at the end of January, a rate cut in March is no longer expected. The focus has shifted to the earnings season. US technology heavyweights were boosted by a strong earnings report from Taiwanese chip giant TSMC, which helped US equity markets to new all-time highs. SGS announced the appointment of a new CEO alongside its full year results. The appointment outweighed the rather weak set of figures, which was reflected in a jump in the share price. Semiconductor supplier Inficon posted better-than-expected sales and profitability. Flavour and fragrance maker Givaudan reported solid annual results, beating investors' expectations, especially on the margin side. The Fund gained 1.1% in January (SPI +1.4%).

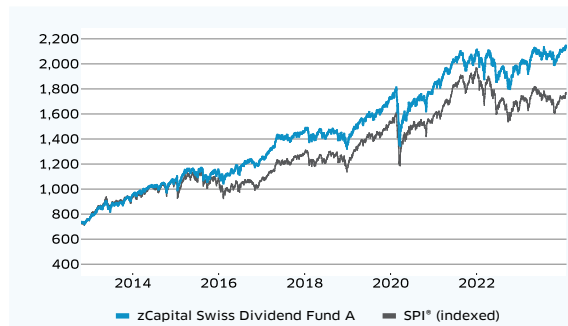
Active on the buy side

During the month we were active only on the buy side. We increased our positions in Swiss Re, SGS, Cembra Money Bank, Holcim, Roche, Galenica and Swisscom.

Potential for interest rate disappointment

Market strategists and economists at the major banks disagree on the future of the economy and interest rates. We see considerable potential for disappointment in the hope that policy rates will fall sharply. Financial conditions in both the US and Europe have improved significantly in recent weeks and are as loose as they were in the zero-interest rate phase in 2021. This reduces the pressure on central banks to cut rates quickly. We are paying particular attention to the oil price, which has risen by around 5% since the beginning of the year. If the situation in the Middle East escalates further, we can expect higher prices. This would have a negative impact on inflation. We are sceptical that a scenario of lower inflation, falling interest rates and a stable economy will materialise. Stock market volatility is likely to increase, not least as the reporting season heats up.

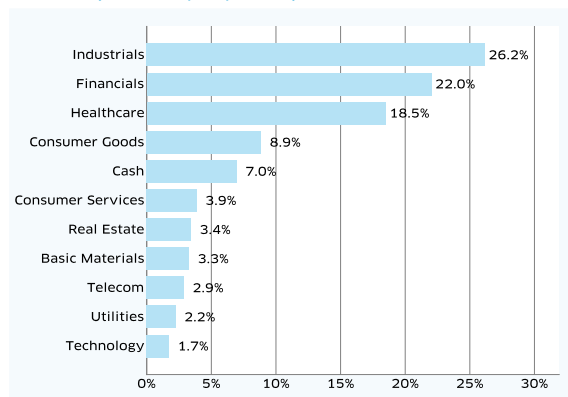
Performance since Launch (as of 31/01/2024)



Performance (as of 31/01/2024)

MTD (Fund / Benchmark)	1.1% / 1.4%
YTD	1.1% / 1.4%
1 year	5.8% / 2.0%
3 years p.a.	5.6% / 3.8%
5 years p.a.	8.2% / 7.0%
10 years p.a.	8.4% / 6.6%
Since launch p.a.	9.8% / 8.0%

Sectors (as of 31/01/2024)



Largest Positions (as of 31/01/2024)

1	Novartis	9.2%
2	Roche	9.2%
3	Nestle	8.8%
4	ABB	5.4%
5	Zurich Insurance Group	4.0%
6	Holcim	4.0%
7	Swiss Re	3.5%
8	SGS	2.9%
9	Swisscom	2.9%
10	Givaudan	2.5%
11	Accelleron	2.2%
12	DKSH	2.2%
13	Galenica	2.2%
14	Swiss Life	2.1%
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 31/01/2024)

Net Asset Value	CHF 2,131.68 per Share A
Total Assets	CHF 580 m
Investment Exposure	93.0%
Number of Companies	35

Statistics 3 Years (as of 31/01/2024)

Volatility Fund p.a.	10.9%
Beta (current)	0.8
Dividend yield of invested companies *	3.8%
Large caps in percentage of portfolio	57.2%

* 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 31/01/2024.

Termsheet

Fund-Name	zCapital Swiss Dividend Fund (Class A)
Asset Manager	zCapital AG, Zug
Swiss Security Number / ISIN	19466655 / CH0194666555
Price Publications	www.zcapital.ch, www.swissfunddata.ch, www.fundinfo.com
Bloomberg / Reuters	ZCAPDIV SW Equity / 19466655.S
Benchmark	Swiss Performance Index SPI®
Morningstar-Rating	★★★★★
Minimum Investment / Reference Currency	No minimum investment required / CHF
Fund Type / Distribution	Swiss Securities Fund / Authorized for public distribution in Switzerland and Germany
Management Fee (incl. Fund Management and Custodian Fees)	1% p.a.
Issue Fee / Redemption Fee	None
Total Expense Ratio (TER) as of 30/11/2023	1.01%
Fund Management Company / Custodian Bank	LLB Swiss Investment AG, Zürich / Bank Julius Bär & Co. AG, Zürich
Subscriptions and Redemptions	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.
Auditor	PricewaterhouseCoopers AG, Zurich

Monthly Performance (as of 31/01/2024)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2012										-0.9%*	1.6%	1.5%	2.2%*
2013	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%
2014	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%
2015	-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%
2016	-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%
2017	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%
2018	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%
2019	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%
2020	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%
2021	-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%
2022	-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%
2023	4.4%	-0.4%	1.3%	3.5%	-1.1%	0.5%	1.2%	-1.8%	-0.1%	-3.2%	3.1%	1.7%	9.2%
2024	1.1%												1.1%

* since Launch date (22 October 2012)

This document is promotion material. This document of zCapital Ltd does not constitute an offer or recommendation for the purchase or sale of investment funds. The information herein is subject to change at any time. No liability is accepted for any incorrect information. Past performance is not a reliable indicator of current or future performance. The performance figures do not include commissions and costs, which arise at subscription and redemption of units. According to Swiss law, "zCapital Swiss Dividend Fund" falls into the category of "Securities Fund". Investors are advised of the risks described in the fund prospectus. Investors have to be prepared to accept and be in a financial position to bear (possibly substantial) losses. The legal fund documents are available free of charge from zCapital Ltd, Baarerstrasse 82, 6300 Zug, Switzerland or on the website www.zcapital.ch. Ombudsman is Finanzombudsstelle Schweiz (FINOS). With respect to any sales restrictions, investors should seek independent advice on the applicable legal, financial or tax principles in the country concerned. This document is not intended for natural persons or legal entities for whom the use would breach the legal system of their state on account of their nationality or the domicile of the respective person or for other reasons. This applies in particular to persons with residence or domicile in the USA, Great Britain and Japan.