

zMonthly March 24

New highs again

The chase for records continued unabated in March on stock markets around the world. Asset classes such as gold and bitcoin also hit new highs. The positive sentiment was reflected in a significant fall in the volatility or "fear index" VIX. Even surprisingly high US inflation figures and rising bond yields failed to impress investors. Both the European and US central banks were reluctant to change interest rates. ECB chief Christine Lagarde held out the prospect of a rate cut in June, while the US Federal Reserve hinted at the possibility of three rate cuts by the end of the year. Markets welcomed these announcements. The Swiss National Bank caused a stir with a surprise cut in its policy rate of 25 basis points to 1.5%. SNB President Thomas Jordan cited inflation, which had been within the target range for some time, as the main reason for the move. As a result, the Swiss franc weakened against the US dollar and the euro. Swisscom shares rose after the company announced the takeover of Vodafone Italia. Pharmaceutical supplier Lonza acquired a production facility from Roche and raised its medium-term growth prospects. Investors responded positively to this investment. U-blox reported solid results for the year and a cautious outlook for the first quarter of 2024. The company set new sustainability targets, including a 20% reduction in greenhouse gas emissions by 2025. The Fund gained 4.3% in March.

Hiag new in the portfolio

We added Hiag to the portfolio. Despite attractive development potential, the shares of the real estate company are trading at a large discount to book value. Hiag's sustainability profile has continuously improved thanks to specific measures such as the expansion of solar energy. In contrast, the Zug Estates position was sold and gains were realised in Comet, Swiss Re and Lonza.

US monetary policy under pressure from Washington?

Fed Chairman Jerome Powell has been holding out the prospect of interest rate cuts to the markets for several months now, despite many data points to the contrary. In contrast to Switzerland, inflation in the US is running at 3.2%, well above the target. The US economy will grow faster than the eurozone this year and the labour market is at full employment with wage growth of 4-5%. Financing conditions are as favourable as they were in the boom year of 2021. House prices remain high, which has an overall positive effect on wealth and supports consumption. The US economy seems to be coping better than expected with the higher interest rate environment. The overall impression is that the Fed is under strong political pressure to cut rates too early. As a result, the strong momentum in equity markets could continue for some time, in the spirit of "never fight the Fed."

Performance since Launch (as of 28/03/2024)



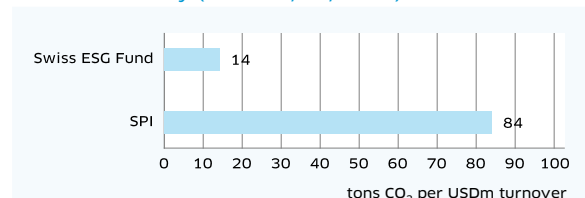
Performance (as of 28/03/2024)

MTD	4.3%
YTD	5.4%
1 year	14.6%
3 years p.a.	3.2%
Since launch p.a.	4.7%

ESG Key Figures (as of 28/03/2024)

MSCI ESG Rating	AA
RepRisk Rating	A
zRating (Fund / SPI)	70 / 67
Estimated global warming Fund	<1.5°C
Companies which contribute positively to the UN SDGs (Fund / SPI)	81% / 60%

Carbon Intensity (as of 28/03/2024)



Largest Positions (as of 28/03/2024)

1	Roche	9.0%
2	ABB	6.4%
3	Zurich Insurance Group	5.1%
4	Lonza	4.4%
5	Swiss Re	4.4%
6	Sika	4.2%
7	Schindler	3.8%
8	Givaudan	3.8%
9	Swisscom	3.6%
10	SGS	3.5%

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.

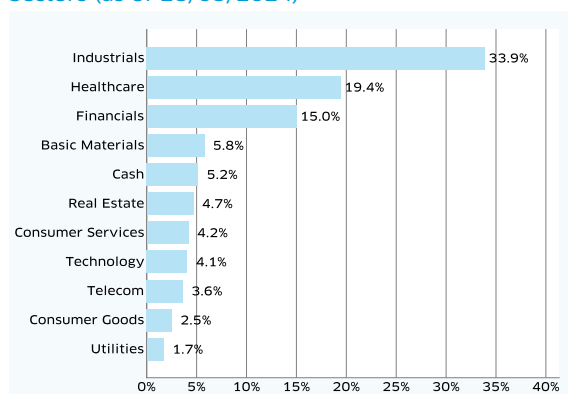
Impact of zCapital

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 28/03/2024)

Net Asset Value	CHF 1,133.14 per Share A
Total Assets	CHF 26 m
Investment Exposure	94.8%
Number of Companies	32

Sectors (as of 28/03/2024)



Termsheet

Fund-Name	Swiss ESG Fund (Class A)
Asset Manager	zCapital AG, Zug
Swiss Security Number / ISIN	59273267 / CH0592732678
Price Publications	www.zcapital.ch, www.swissfunddata.ch, www.fundinfo.com
Bloomberg / Reuters	ZCAPESG SW Equity / 59273267.S
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)	1.25%
Issue Fee / Redemption Fee	none
Total Expense Ratio (TER) 30/11/2023	1.39%
Fund Management Company / Custodian Bank	LLB Swiss Investment AG, Zurich / Bank Julius Baer & Co. Ltd., Zurich
Subscriptions and Redemptions	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.
Auditor	PricewaterhouseCoopers AG, Zurich

Monthly Performance (as of 28/03/2024)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2021		-0.9%	6.4%	1.2%	3.6%	4.2%	3.2%	2.0%	-6.1%	1.5%	-0.3%	4.5%	20.6%*
2022	-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%
2023	5.7%	-0.3%	0.2%	2.8%	-0.9%	0.1%	1.0%	-1.1%	-1.5%	-4.0%	5.6%	3.6%	11.4%
2024	-1.0%	2.1%	4.3%										5.4%

* since Launch date (29 January 2021)

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