

## zMonthly May 24

### Optimistic stock markets

The losses suffered by global stock markets since the end of March were already recovered in the month under review. Some markets even reached new highs. The Dow Jones index, for example, broke through the 40,000 mark for the first time in its history. The continued recovery in equity markets was driven by positive corporate results and weaker US economic data. A larger-than-expected rise in initial jobless claims signalled a weakening in the currently robust labour market. This led to a fall in bond yields and revived hopes of an imminent cut in key interest rates. However, the release of the Fed's latest meeting minutes dampened these hopes, as further rate hikes to combat high inflation were not ruled out. US chip designer Nvidia once again proved that the artificial intelligence wave is here to stay with very strong quarterly figures. Hearing aid manufacturer Sonova reported results in line with expectations for the past financial year, but the outlook was a positive surprise. This led to a significant rise in the share price. Greenhouse gas emissions were reduced by 12% last year. Geberit impressed investors with strong profitability in the first quarter. The company has been applying the eco-design principle in product development since 2007. New products should be ecologically better than their predecessors. The fund gained 4.8% in May.

### Novartis and Tecan added to the portfolio

We increased our positions in Novartis and Tecan during the month. On the other hand, we took profits in Schindler, ABB and Comet. A small position in Mobilezone was exited.

### Monetary policy in focus

Markets expect the ECB to announce its first interest rate cut at its June meeting, while the Fed is likely to keep rates on hold for now. For the rest of the year, investors in the US now expect only one rate cut, in line with the "higher for longer" narrative. In Switzerland, we do not expect the SNB to cut rates further in June, due to the weakening of the franc and the rise in inflation to 1.4% in April. The picture for longer-term interest rates is somewhat more mixed. In the US in particular, the government has high financing needs due to massive new deficits totalling 6% of GDP. Recent auctions of longer-dated bonds have been correspondingly slow. The increasing supply could only be absorbed at higher interest rates. Sooner or later, rising financing costs are likely to become a negative factor not only for highly indebted countries but also for equity markets.

### Performance since Launch (as of 31/05/2024)



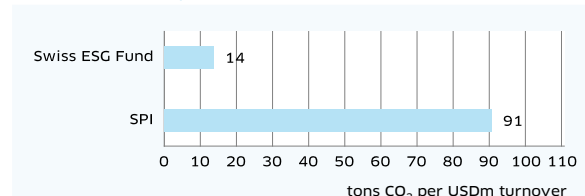
### Performance (as of 31/05/2024)

<b>MTD</b>	4.8%
<b>YTD</b>	7.3%
<b>1 year</b>	11.1%
<b>3 years p.a.</b>	2.0%
<b>Since launch p.a.</b>	5.0%

### ESG Key Figures (as of 31/05/2024)

<b>MSCI ESG Rating</b>	AA
<b>RepRisk Rating</b>	A
<b>zRating (Fund / SPI)</b>	70 / 68
<b>Estimated global warming Fund</b>	<1.5°C
<b>Companies which contribute positively to the UN SDGs (Fund / SPI)</b>	82% / 59%

### Carbon Intensity (as of 31/05/2024)



### Largest Positions (as of 31/05/2024)

<b>1</b>	Roche	8.7%
<b>2</b>	ABB	6.3%
<b>3</b>	Novartis	5.1%
<b>4</b>	Zurich Insurance Group	4.8%
<b>5</b>	Swiss Re	4.2%
<b>6</b>	Sika	4.1%
<b>7</b>	Lonza	3.8%
<b>8</b>	Givaudan	3.5%
<b>9</b>	Sonova	3.3%
<b>10</b>	SGS	3.3%

## 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.

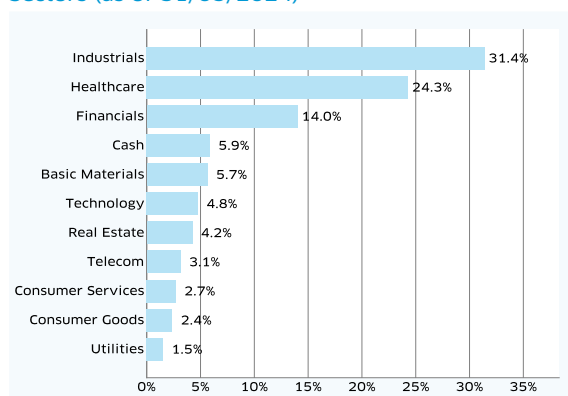
## Impact of zCapital

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 31/05/2024)

<b>Net Asset Value</b>	CHF 1,153.39 per Share A
<b>Total Assets</b>	CHF 27 m
<b>Investment Exposure</b>	94.1%
<b>Number of Companies</b>	32

## Sectors (as of 31/05/2024)



## 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>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>	1.25%
<b>Issue Fee / Redemption Fee</b>	none
<b>Total Expense Ratio (TER) 30/11/2023</b>	1.39%
<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 31/05/2024)

	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%	3.6%	11.4%
<b>2024</b>	-1.0%	2.1%	4.3%	-2.9%	4.8%								7.3%

\* since Launch date (29 January 2021)

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