

zMonthly January 25

European stock markets perform strongly in January

Global equity markets had a subdued start to the year as the prospect of fewer interest rate cuts by the US Federal Reserve continued to have an impact. In addition, equity markets reacted with losses to strong labour market data and the subsequent rise in US government bond yields. The publication of slightly better US inflation figures for December marked a turning point in sentiment. European equity markets in particular began to rally. As the month progressed, attention turned to the actions of the new US President, Donald Trump. He made a dynamic start to his second term by issuing a number of executive orders, but initially refrained from introducing new tariffs, which was greeted with relief. The Chinese start-up DeepSeek caused a brief but severe shock in the technology sector. Its newly launched AI model R1 is said to have been trained at significantly lower costs and with less powerful chips compared to similar chatbots. This sent the shares of tech giant Nvidia in particular tumbling. For once, banking software specialist Temenos surprised investors with a positive profit warning, sending its share price up accordingly. Shares in cable machinery maker Komax soared after new orders came in well ahead of expectations. After laboratory equipment supplier Tecan had to lower its forecast for 2024 twice, the decline in sales was less severe than feared, which boosted the share price. The fund gained +6.0% in January (SPI Extra +6.7%).

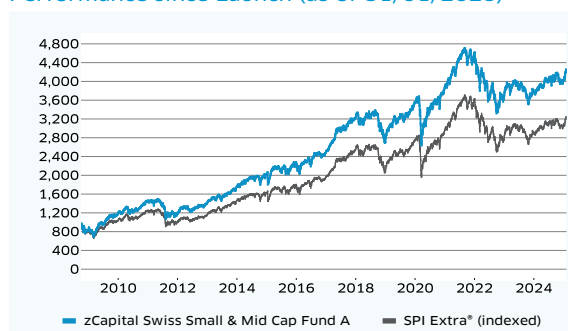
Changes to the fund

In January, we increased our holdings in Emmi, Tecan, Arbonia and SGS. By contrast, we took profits in R&S Group and Burckhardt Compression.

Trump launches a trade war

The markets had hoped that Trump was bluffing, but now he is doing it after all. The imposition of high tariffs on imports from Canada and Mexico and additional tariffs on goods from China will only create losers and could trigger a spiral of escalation. A trade war will lead to higher prices for consumers and lower economic growth. It is probably only a matter of time before tariffs are imposed on imports from Europe and Switzerland. Uncertainty still surrounds the further impact of the political changes in America. For example, it is still completely unclear what specific measures will be taken in terms of tax policy or regulatory measures. Led by a few large caps, the reporting season has already started in January. This will increasingly occupy us in the coming weeks. The start to the new trading year has been very encouraging for Swiss equities as well, exceeding our expectations. However, visibility remains low and Trump's unpredictability could still bring us some surprises.

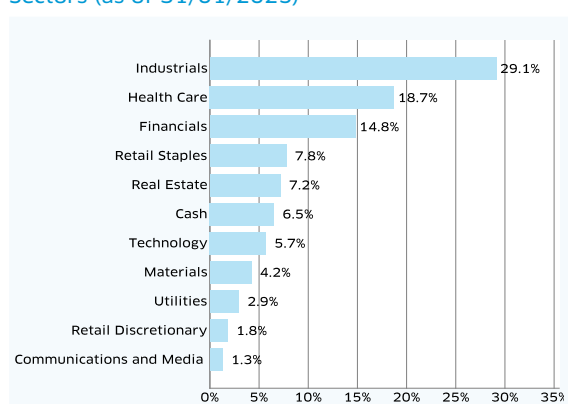
Performance since Launch (as of 31/01/2025)



Performance (as of 31/01/2025)

MTD (Fund / Benchmark)	6.0% / 6.7%
YTD	6.0% / 6.7%
1 year	11.6% / 10.7%
3 years p.a.	-0.5% / -1.0%
5 years p.a.	3.7% / 3.4%
10 years p.a.	8.4% / 7.9%
Since launch p.a.	9.4% / 7.6%

Sectors (as of 31/01/2025)



Largest Positions (as of 31/01/2025)

Rank	Company	Allocation (%)
1	Lindt & Sprüngli	5.4%
2	SGS	4.9%
3	Schindler	4.8%
4	Sandoz Group	4.1%
5	Baloise	4.1%
6	Julius Baer	3.9%
7	Straumann	3.5%
8	Roche	3.2%
9	PSP Swiss Property	3.1%
10	Temenos	3.0%
11	VAT Group	2.8%
12	Galderma Group	2.7%
13	Galenica	2.5%
14	Swiss Prime Site	2.5%
15	Belimo	2.4%

Investment Strategy

The zCapital Swiss Small & Mid Cap Fund invests in Swiss small and mid-cap stocks and measures itself against the SPI Extra® (all SPI® stocks without SMI® or without the 20 largest securities). The fund assets are invested in a broadly diversified portfolio of 50 to 70 companies. zCapital strives to consistently exceed the benchmark return with a long-term, active investment style. Investment decisions are based on fundamental company analyses, considering and assessing corporate governance and other key ESG aspects. Macroeconomic factors are also included in the decision-making process.

Portfolio Structure (as of 31/01/2025)

Net Asset Value	CHF 4,245.23 per Share A
Total Assets	CHF 1120 m
Investment Exposure	93.7%
Number of Companies	62

Statistics 3 Years (as of 31/01/2025)

Volatility Fund / Index p.a.	13.7% / 14.8%
Tracking Error	1.8%
Information Ratio	0.2

Termsheet

Fund-Name	zCapital Swiss Small & Mid Cap Fund (Class A)
Asset Manager	zCapital AG, Zug
Swiss Security Number / ISIN	4534164 / CH0045341648
Price Publications	www.zcapital.ch, www.swissfunddata.ch, www.fundinfo.com
Bloomberg / Reuters	ZCAPSWI SW Equity / 4534164.S
Benchmark	SPI Extra® (Swiss small & mid cap equities)
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
Fund Management Company / Custodian Bank	LLB Swiss Investment AG, Zürich / Bank Julius Bär & Co. AG, Zürich
Management Fee (incl. Fund Management and Custodian Fees)	1.5% p.a., of which 0.1% donated to charities which engage in "Children and Education"
Issue Fee / Redemption Fee	None / 0.25% in favour of the fund
Total Expense Ratio (TER) as of 30/11/2024	1.50%
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

Yearly Performance (as of 31/01/2025)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Fund	-14.5%*	40.2%	23.4%	-18.4%	17.8%	26.0%	15.2%	12.8%	9.3%	29.0%	-14.4%	28.7%	9.2%
SPI Extra®	-18.5%*	29.6%	20.1%	-19.1%	13.9%	27.7%	11.4%	11.0%	8.5%	29.7%	-17.2%	30.4%	8.1%

	2021	2022	2023	2024	2025
Fund	19.0%	-21.1%	5.0%	5.2%	6.0%
SPI Extra®	22.2%	-24.0%	6.5%	3.8%	6.7%

* since Launch date (6 October 2008)

Monthly Performance (as of 31/01/2025)

2025	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
Fund	6.0%												6.0%
SPI Extra®	6.7%												6.7%

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