



MSCI
ESG RATINGS



CCC B BB BBB A AA AAA

HBM LUX FUNDS

As at end of November 2023

HBM UCITS (LUX) FUNDS - HBM Global Healthcare Fund P Cap-USD

ISIN (LU1540961247)

INVESTMENT OBJECTIVE

The investment objective of HBM Global Healthcare Fund (hereafter the "Sub-Fund") is to achieve long-term capital gains, by pursuing a long/short strategy in the "healthcare" market. No guarantee can be given that the investment objective will be achieved.

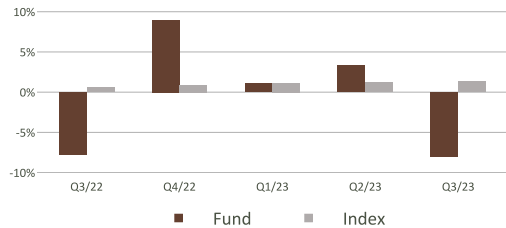
With the long/short strategy, the Sub-Fund will mainly be exposed to worldwide equities and equity-related securities (such as depositary receipts) of companies worldwide in the fields of pharmaceutical, biotechnological, and medical technologies and of companies engaged in medical services, equipment, and accessories worldwide and/or of companies whose principal activity is to hold interest positions in or finance such companies.

INDEXED PERFORMANCE



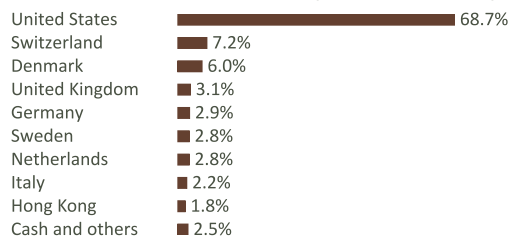
Data Source: FundPartner Solutions (Europe) S.A. – Part of Pictet Group

QUARTERLY PERFORMANCE



Data Source: FundPartner Solutions (Europe) S.A. – Part of Pictet Group

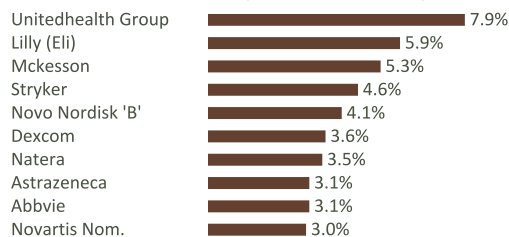
GEOGRAPHICAL BREAKDOWN (as at 30/11/2023)



Data Source: FundPartner Solutions (Europe) S.A. – Part of Pictet Group

The above breakdown information is expected to fluctuate over time.

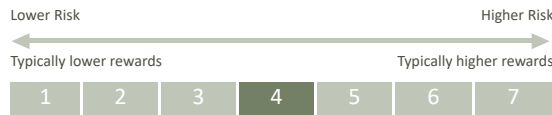
10 LARGEST HOLDINGS (as at 30/11/2023)



Data Source: FundPartner Solutions (Europe) S.A. – Part of Pictet Group

The above breakdown information is expected to fluctuate over time.

RISK LEVEL



The rating is based on historical data and may not be a reliable indication of the future risk profile.

PERFORMANCE vs Secured Overnight Fin. Rate (SOFR)

	Fund		Index	
	Cumulative	Annualised	Fund	Index
YTD	0.47%	4.62%	-	-
1 month	9.25%	0.43%	-	-
3 months	-1.90%	1.32%	-	-
1 year	-0.59%	4.97%	-0.59%	4.97%
3 years	1.19%	6.54%	0.40%	2.13%
5 years	26.85%	10.02%	4.87%	1.93%
Since inception	38.02%	12.85%	5.30%	1.96%

	Fund		Index	
	Yearly	November to November	Fund	Index
2022	-15.89%	1.65%	-0.59%	4.97%
2021	15.07%	0.16%	-11.31%	1.33%
2020	17.39%	0.67%	14.77%	0.17%
2019	20.82%	2.36%	16.15%	0.82%
2018	3.60%	2.35%	7.93%	2.43%

06 Sep 2017 to 31 Dec 2021, 3-months LIBOR USD

Past performance must not be considered an indicator or guarantee of future performance. All performance data are based on net performance and take no account of commissions, fees or other costs charged when units are issued and redeemed. The return of the Fund may go down as well as up due to changes in rates of exchange between currencies. Future performance is subject to taxation which depends on the personal situation of each investor and which may change in the future.

Data Source: FundPartner Solutions (Europe) S.A. – Part of Pictet Group

TECHNICAL INFORMATION* (as at 30/11/2023)

NAV	USD 233.08	Dividend	Reinvested
AuM (in mio.)	USD 41.79	Number of positions	39
Max. drawup	20.97%	Max. drawdown	-24.53%
Volatility	15.02%	Tracking error	15.03%
Sharpe ratio	-0.12	Information ratio	-0.11
Jensen alpha	-1.67%	Beta	1.41
Correlation	0.01	R-square	0.00
Net Exposure**	97.80%		

Data Source: FundPartner Solutions (Europe) S.A. – Part of Pictet Group

* Historical statistics are calculated over 3 years.

** Source: figures calculated from Bloomberg.

HBM UCITS (LUX) FUNDS - HBM Global Healthcare Fund P Cap-USD

ISIN (LU1540961247)

Overview

Global equity markets reversed a three-month losing streak in November, jumping more than 9% in November, their best monthly return in three years. The rise in equities was fueled by a combination of falling bond yields, subsiding inflation and lower oil prices. Macroeconomic data and dovish policy statements from the US Fed supported the soft-landing narratives or the so-called "Goldilocks scenario", in which inflation is finally tamed without significant job losses and in which a recession is avoided. Wall Street appeared optimistic that the Fed reached the end of its current interest-rate hike cycle. The cooling inflation signals fostered another drop in long-term Treasury yields. Indeed, market prognosticators are virtually unanimous in thinking the central bank will maintain the status quo at the next two Federal Open Market Committee (FOMC) meetings scheduled for mid-December and late January. Moreover, Wall Street analysts are leaning toward a rate cut as early as next spring, followed by further reductions in the months that follow. The rally in equity markets was broad-based, but leaned in favour of risk-on, higher beta and growth. Information technology and interest-rate-sensitive real estate sectors led, whereas energy and consumer staples lagged. The MSCI World Health Care Sector Index advanced by 5.6%, thus underperforming broader markets. Dispersion of returns within the sector was high: Life sciences tools & services and small and mid-sized biotech and medtech outperformed defensive groups such as large pharma, insurers and providers. The XBI biotech index, which represents the SMID caps, had its best month since 2020. Biopharma M&A activity remained vibrant as large pharmaceutical companies attempt to fill revenue and pipeline gaps via acquisitions of late stage development or commercial-stage companies.

Portfolio Performance

In November, the NAV of the main share class (A Cap USD) increased by 9.2%, outperforming the broader healthcare index by 3.6%. The fund's overweight to growth stocks with the healthcare market and favorable stock selection contributed to the strong result. By far the best performing stock was ImmunoGen (+97.5%) following AbbVie's announced acquisition of the company for \$10.1 billion. This is yet another significant deal in the antibody-drug conjugates (ADCs) space, following Pfizer's imminent closing of the Seagen acquisition (\$43 billion, announced in March 2023). Dexcom (+30%), Intuitive Surgical (+19%) and Medtronic (+12%) were the largest positive contributors to fund NAV in the month. Most medical device company stocks recovered from their subdued performance over the recent months amid the "GLP1 hype". November brought some welcome recalibration of expectations regarding the impact GLP1 drugs could have on medical devices businesses following the presentation of the eagerly awaited full dataset for the SELECT study of Novo Nordisk's Wegovy. The full data on cardiovascular outcomes benefits was in-line with expectations and this was sufficient to trigger the medical device relief rally given how beaten down the stocks had become. In addition, the CEOs of major companies such as Abbott (+10%), Stryker (+10%), Medtronic and Insulet have made statements clarifying the expected impact of weight-loss drugs on the markets they serve. These are in clear contrast to the concerns of investors. Market favourite, Eli Lilly (+7%) had a reasonable month as both regulators in the US and UK approved its GLP-1 weight-loss injection Zepbound (tirzepatide). Moreover, the drugmaker's Q3 revenue increased by an impressive 37 percent, driven by the growth of its GLP-1 diabetes treatment Mounjaro and breast cancer drug Verzenio. Natera (+42%) and Thermo Fisher (+12%), our core positions in diagnostics and tools were also positive contributors to performance. Shares of both companies were beneficiaries from the overall risk-on sentiment, and a growing view that bioprocessing demand had reached a floor. Among the smaller weighted holdings, Neogenomics (+30%), Rocket Pharma (+29%) and Sino Biopharm (+26%) traded higher amid the favorable market environment, without any news. The only noteworthy negative performer in the portfolio was Stevanato (-6%), a drug containment and delivery system manufacturer. The shares retreated on no news after the strong YTD rally.

Portfolio Changes

We made incremental changes to the portfolio in November. We increased the exposure to high quality growth and more cyclical areas of the market where we see considerable upside potential vis a vis attractive valuation level. We continue to carefully research and make well informed investment decisions to focus the portfolio into a smaller number of our highest conviction stocks where we see the greatest opportunity for value creation.

Fund Outlook

The market's rally has broadened of late. The enthusiasm appears to be fueled by rising expectations that inflation is under control and the US Fed will soon be able to reverse course and begin cutting interest rates. Market prognosticators believe there is a greater than 50% chance of a rate cut at the FOMC March 2024 meeting. However, this speculation runs contrary to some recent statements made by Fed officials, particularly those of Fed Chair Powell, which have suggested that further rate increases have not been ruled out. December's market whipsaw opening shows investors may be concerned November's rally went too far, too fast in anticipating a near-perfect "soft landing" for the economy. Upcoming FOMC meetings will be key to market direction into the end of the year. Until the path of the US economy becomes clearer, we expect market volatility to stay elevated, especially in higher-beta parts of the market. For us to predict what happens next at a macro level seems fool hardy. However, despite the macroeconomic challenges and geopolitical events, we believe the outlook for many healthcare subsectors and companies remains positive. After outperforming in 2022, the healthcare sector has acted as a source of funds for investors chasing the tech rally for most of 2023. As a result, the healthcare sector trades at a discount to the broader equity market and roughly in line with its own long-term average. That is comparatively better than other traditionally defensive sectors, which as of the end of the month traded at premiums to their historical valuations. While the fundamental backdrop for the healthcare sector is far from straightforward we believe there are plenty attractive investment opportunities, driven by dramatic advancements in science and technology, ageing populations and global market demand. For that reason, we continue to remain optimistic on the prospects for positive returns for the sector and the fund as we enter a new year.

GENERAL INFORMATION

Fund manager	HBM Partners AG
Custodian Bank	Pictet & Cie (Europe) S.A.
Legal status	UCITS V Luxembourg Sicav
Country of registration	AT, CH, DE, FR, GB, LI, LU
Inception Date	6 September 2017
Multiclass	A Cap-USD, A Cap-EUR, P Cap-USD
NAV valuation	Daily, "forward pricing"
Order Deadline	T-1 day / 16:00 CET
Management fee	1.20% p.a.
Performance fee	15 % with HWM
TER	1.82% p.a.
Max. subscription fee	3.00% to the benefit of the intermediaries
Max. redemption fee	0.00% to the benefit of the intermediaries
ISIN	LU1540961247
Bloomberg	HBMHPCU LX
Publication media	www.fundinfo.com
Management Company	FundPartner Solutions (Europe) S.A. – Part of Pictet Group
Domicile	Luxembourg
Base Currency	USD

Data Source: FundPartner Solutions (Europe) S.A. – Part of Pictet Group

HBM UCITS (LUX) FUNDS - HBM Global Healthcare Fund P Cap-USD

ISIN (LU1540961247)

MSCI:

Source and Copyright: MSCI ESG Rating: Produced by MSCI ESG, Research as of May 31, 2023

Morningstar:

© 2015 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. This fund is not licensed for offering or distribution within all locations.

Swiss representation agent: FundPartner Solutions (Suisse) SA, route des Acacias 60, CH-1211 Geneva / Swiss paying agent: Banque Pictet & Cie SA, Route des Acacias 60, CH-1211 Geneva 73 / Paying and information Agent in Austria: Erste Bank der oesterreichischen Sparkassen AG, Am Belvedere 1, 1100 Wien, Österreich / Paying and information agent in Germany: Deutsche Bank Aktiengesellschaft, Taunusanlage 12, 60325 Frankfurt am Main, Federal Republic of Germany / Paying and information agent in Liechtenstein: LLB Fund Services AG, Aulestrasse 80, P. O. Box 1238, 9490 Vaduz, Liechtenstein / Centralising agent in France: BNP Paribas Securities Services Paris, 9 rue du Débarcadère, 93500 Pantin / Facilities Agent in the United Kingdom: 42 Brook Street, W1K5DB London.

The fund mentioned in the present document (hereinafter the "Fund") does not guarantee that the data contained in this report (hereinafter the "Data") are complete, accurate, or free of errors or omissions. The Fund is not liable for this report under any circumstances. This marketing communication is distributed by the Fund or authorised distribution agencies for information purposes only and does not constitute an offer to subscribe for shares of the Fund. Subscriptions of the Fund, an investment fund under Luxembourg law (SICAV), should in any event be made solely on the basis of the current offering prospectus, the Key Information Document ("KID"), the articles of incorporation and the most recent annual or semi-annual report and after seeking the advice of an independent finance, legal, accounting and tax specialist. Interested parties may obtain the abovementioned documents free of charge from the local entity mentioned above and from the offices of the Fund at 15, avenue John F. Kennedy, L-1855 Luxembourg. You can obtain a summary of investors rights to the following link : <https://www.group.pictet/media/sd/176b100ab205a6e6aef82b0250138f889675b903>. The evaluation of the securities and other instruments in this report is based on rates taken from the customary sources of financial information (hereinafter the "Data Providers") and may be updated without notice. The Data Providers do not guarantee the adequacy, accuracy, timeliness or completeness of their data and information (hereinafter the "Third Party Data"). The Data Providers do not make any representation regarding the advisability of any investment and do not sponsor, promote, issue, sell or otherwise recommend or endorse any investment. An investment in a sub-fund of the Fund carries various risks which are explained in the offering prospectus.

The Third Party Data used for the present report is provided on an "as is" basis and all warranties, including without limitation, the implied warranties of merchantability and fitness for a particular purpose are excluded by the Data Providers. In no event shall the Data Providers, and any of its affiliates or any other person involved in or related to compiling, computing or creating the Third Party Data be liable for any damages relating to the Third Party Data, including, without limitation, damages resulting from any use of or reliance on the Third Party Data.

The Data can only be read and/or used by the person to whom they are addressed. The Fund is not liable for the use, transmission or exploitation of the Data. Therefore, any form of reproduction, copying, disclosure, modification and/or publication of the Data is under the sole liability of the addressee of this report, and no liability whatsoever will be incurred by the Fund. The addressee of this report agrees to comply with the applicable laws and regulations in the jurisdictions where they use the Data.