

zMonthly October 24

A reporting season with some surprises

The escalation in the Middle East weighed on global stock markets at the beginning of the month. Only the Chinese market continued its upward trend. However, this did not last long as investors were disappointed by the lack of details on planned stimulus measures. In the US, inflation figures for September were slightly higher than expected. Markets took it in their stride that further aggressive rate cuts of 50 basis points were likely off the table. As expected, the European Central Bank cut its key interest rate by a further 0.25%. Falling inflation is giving the ECB the leeway it needs to help the faltering economy get back on its feet. Positive impulses from the US reporting season ensured a buoyant stock market environment, with some indices reaching new all-time highs. In Switzerland, sentiment was more subdued in the light of quarterly figures. Many companies complained about sluggish demand and continued destocking by customers. Laboratory equipment supplier Tecan had to lower its outlook for the year for the second time due to a decline in new orders. Chip developer U-Blox is also operating in a difficult market environment and has revised its forecasts for the last quarter downwards. Dental implant manufacturer Straumann is currently suffering from unexpectedly weak demand in North America. As a result, the share price came under pressure. Industrial conglomerate Georg Fischer is selling its machining solutions division to focus on its piping systems business, which was well received by investors. The Fund lost 3.4% in October (SPI Extra -4.0%).

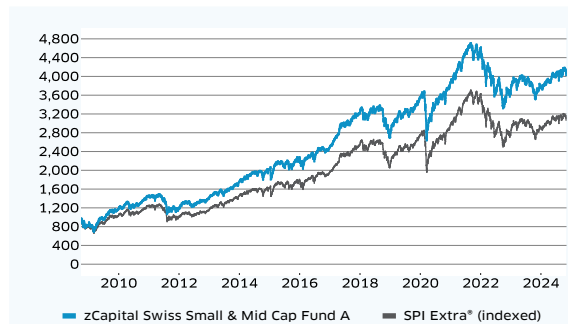
Little change in the portfolio

The portfolio, which has been defensive for some time, underwent only minor changes. We took profits on Accelleron and Comet, while slightly increasing our exposure to Lindt & Sprüngli and Arbonia.

US elections and economic environment create uncertainty

Surprisingly, the US election has had little impact on equity markets until recently. Since August, the S&P 500 index has risen steadily, outperforming the average for election years by around 10%. Although the outcome of the election is still up in the air, markets now seem to be pricing in a decision in favour of Donald Trump. This could lead to higher corporate profits, rising inflation, lower taxes and higher government debt. As a result, 10-year Treasury rates jumped 60 basis points, and gold as well as bitcoin hit new highs. However, the threat of import tariffs is a bad scenario for the rest of the world, including Switzerland. America is Switzerland's most important export market, ahead of Germany. Led by the automotive industry, the global economy has continued to cool over the past two months. This will not fail to leave its mark on Swiss companies. We will therefore remain cautiously positioned.

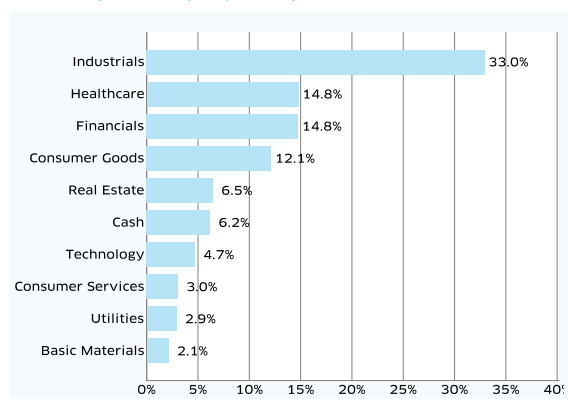
Performance since Launch (as of 31/10/2024)



Performance (as of 31/10/2024)

MTD (Fund / Benchmark)	-3.4% / -4.0%
YTD	5.8% / 4.9%
1 year	13.1% / 13.8%
3 years p.a.	-3.8% / -4.7%
5 years p.a.	3.7% / 3.6%
10 years p.a.	7.5% / 6.9%
Since launch p.a.	9.2% / 7.4%

Sectors (as of 31/10/2024)



Largest Positions (as of 31/10/2024)

1	Lindt & Sprüngli	5.9%
2	SGS	5.1%
3	Schindler	5.1%
4	Baloise	4.3%
5	Sandoz Group	3.8%
6	Julius Baer	3.6%
7	Roche	3.2%
8	VAT Group	3.1%
9	Straumann	3.0%
10	PSP Swiss Property	3.0%
11	Swatch Group	2.9%
12	Galenica	2.4%
13	Temenos	2.4%
14	Belimo	2.3%
15	BKW	2.2%

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 31/10/2024)

Net Asset Value	CHF 4,025.78 per Share A
Total Assets	CHF 1032 m
Investment Exposure	93.8%
Number of Companies	63

Statistics 3 Years (as of 31/10/2024)

Volatility Fund / Index p.a.	14.3% / 15.5%
Tracking Error	1.9%
Information Ratio	0.4

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 31/05/2024	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 31/10/2024)

	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
Fund	19.0%	-21.1%	5.0%	5.8%
SPI Extra®	22.2%	-24.0%	6.5%	4.9%

* since Launch date (6 October 2008)

Monthly Performance (as of 31/10/2024)

2024	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
Fund	-0.0%	0.3%	3.5%	-1.3%	3.4%	-1.3%	3.1%	0.7%	0.8%	-3.4%			5.8%
SPI Extra®	0.1%	0.7%	3.7%	-1.5%	3.3%	-1.8%	3.3%	0.6%	0.6%	-4.0%			4.9%

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