

## zMonthly June 24

### SNB surprises markets again

In June, the focus was on the interest rate decisions of the major central banks. While the European Central Bank cut interest rates for the first time since 2019, as expected, the US Federal Reserve left its key interest rate range unchanged. Most market observers had anticipated this decision, given the continued strength of the US economy and persistent inflationary pressures. Even the Fed's indication that it expected only one more rate cut this year failed to dampen sentiment. The latest US inflation report for May, which showed a slight decline, added to optimism. Government bond yields fell and US equity markets continued their record run, widening the gap with European equity indices. The French President's announcement of early parliamentary elections was partly responsible for Europe's weaker performance. This caused nervousness in the markets. In addition, the euro weakened significantly against the Swiss franc. This and the moderate Swiss inflation rate were probably the main reasons for the Swiss National Bank's surprise interest rate cut of a further 25 basis points to 1.25%. The wire processing machine manufacturer Komax had to issue a profit warning for the current year due to a subdued order intake. The bike manufacturer Pierer Mobility, which is not represented in the portfolio, also cut its annual forecast and expects to post a substantial loss in 2024. The Fund lost 1.2% in June (SPI Extra -1.8%).

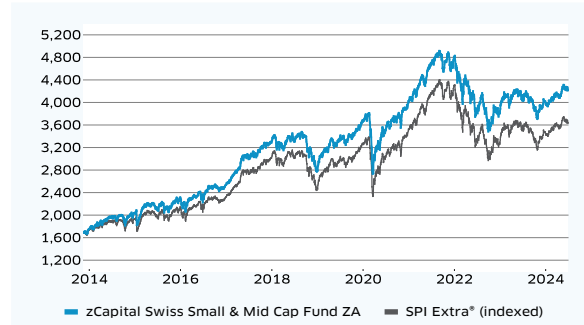
### DocMorris sold

We have completely sold DocMorris, as the high revenue expectations for e-prescriptions in Germany are unlikely to be met in the short term. We also realised gains on Lindt & Sprüngli and BKW. We were buyers in Tecan, Galderma, Straumann and Julius Baer.

### Economic hopes fading

Many companies are pinning their hopes on a recovery in demand in the second half of the year. This hope has not yet been fulfilled. On the one hand, there are signs of weakness in consumer spending in the US, and on the other hand, companies do not see a turnaround in incoming orders. Poor consumer sentiment is reflected in a less dynamic global economy. A lack of orders and a high cost base usually lead to lower margins. We expect some companies to announce cost-cutting measures or restructuring programs in their half-year reports. The share prices of some cyclical companies have already priced in a lot of negative news. However, we currently see more upside potential for defensive businesses, for example in the healthcare sector. Volumes tend to be lower during the upcoming summer holidays, so we expect the stock market to be more volatile.

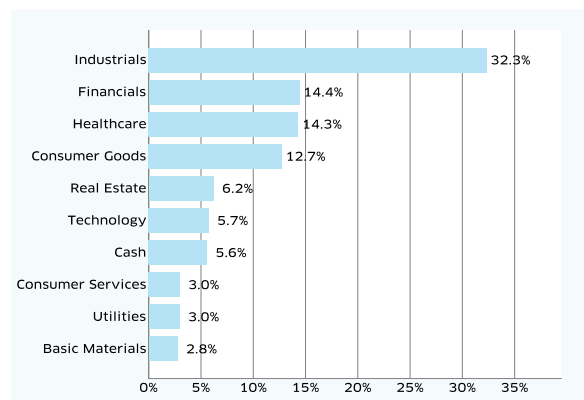
Performance since Launch (as of 28/06/2024)



Performance (as of 28/06/2024)

MTD (Fund / Benchmark)	-1.2% / -1.8%
YTD	4.9% / 4.5%
1 year	3.0% / 2.4%
3 years p.a.	-3.4% / -4.3%
5 years p.a.	4.6% / 4.0%
10 years p.a.	8.0% / 6.8%
Since launch p.a.	9.0% / 7.5%

Sectors (as of 28/06/2024)



Largest Positions (as of 28/06/2024)

1	Lindt & Sprüngli	5.6%
2	SGS	4.9%
3	Schindler	4.7%
4	Baloise	4.2%
5	VAT Group	4.1%
6	Julius Baer	3.4%
7	Sandoz Group	3.2%
8	Roche	3.2%
9	Straumann	3.1%
10	Swatch	3.1%
11	PSP Swiss Property	2.9%
12	Galenica	2.4%
13	Temenos	2.4%
14	Barry Callebaut	2.2%
15	BKW	2.1%

## 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 28/06/2024)

<b>Net Asset Value</b>	CHF 4,214.17 per Share ZA
<b>Total Assets</b>	CHF 1010 m
<b>Investment Exposure</b>	94.4%
<b>Number of Companies</b>	64

## Statistics 3 Years (as of 28/06/2024)

<b>Volatility Fund / Index p.a.</b>	14.3% / 15.4%
<b>Tracking Error</b>	1.9%
<b>Information Ratio</b>	0.4

## Termsheet

<b>Fund-Name</b>	zCapital Swiss Small & Mid Cap Fund (Class ZA)
<b>Asset Manager</b>	zCapital AG, Zug
<b>Swiss Security Number / ISIN</b>	22475680 / CH0224756806
<b>Price Publications</b>	www.swissfunddata.ch, www.fundinfo.com
<b>Bloomberg / Reuters</b>	ZCAPSZA SW Equity / 22475680.S
<b>Benchmark</b>	SPI Extra® (Swiss small & mid cap equities)
<b>Morningstar-Rating</b>	★★★★★
<b>Fund Type / Distribution</b>	Swiss Securities Fund / Authorized for public distribution in Switzerland and Germany
<b>Fund Management Company / Custodian Bank</b>	LLB Swiss Investment AG, Zürich / Bank Julius Bär & Co. AG, Zürich
<b>Management Fee (incl. Fund Management and Custodian Fees)</b>	1% p.a.
<b>Issue Fee / Redemption Fee</b>	None / 0.25% in favour of the fund
<b>Total Expense Ratio (TER) as of 31/05/2024</b>	1.00%
<b>Requirements</b>	Minimum initial subscription and minimum investment amount of CHF 5 m
<b>Subscriptions and Redemptions</b>	On each bank working day at Net Asset Value (NAV). The investor shall always notify zCapital via an e-mail sent to info@zcapital.ch, what amount or what number of fund units it wishes to subscribe to, by means of which channel. Subscriptions and redemptions which are placed with the Custodian Bank by 3.45pm 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.
<b>Auditor</b>	PricewaterhouseCoopers AG, Zurich

## Yearly Performance (as of 28/06/2024)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Fund</b>	3.3%*	16.4%	13.4%	9.8%	29.6%	-14.0%	29.4%	9.7%	19.6%	-20.7%	5.6%	4.9%
SPI Extra®	2.2%*	11.4%	11.0%	8.5%	29.7%	-17.2%	30.4%	8.1%	22.2%	-24.0%	6.5%	4.5%

\* since Launch date (15 November 2013)

## Monthly Performance (as of 28/06/2024)

2024	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
<b>Fund</b>	-0.0%	0.4%	3.5%	-1.2%	3.5%	-1.2%							4.9%
SPI Extra®	0.1%	0.7%	3.7%	-1.5%	3.3%	-1.8%							4.5%

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