

## zMonthly October 24

### Central banks boost markets

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. Novartis beat market expectations with its third-quarter results and slightly raised its outlook. Nevertheless, the share price came under pressure. Sonova shares jumped on the news that some Costco stores - an important distribution channel in the US - had resumed selling Sonova hearing aids. U-Blox issued a disappointing outlook for the fourth quarter due to weak demand in the automotive sector. The strategic review of the loss-making Connect division is ongoing. Tecan issued its second profit warning within a few months, which weighed heavily on the share price of the laboratory equipment supplier. The Fund lost 4.1% in October.

### Significant reduction in Tecan

During the month, we continued to add to our position in Huber+Suhner. In contrast, we took profits in Sonova and significantly reduced our position in Tecan.

### 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.

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



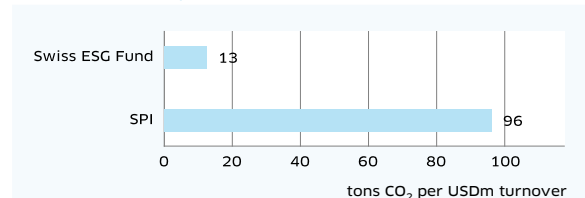
### Performance (as of 31/10/2024)

MTD	-4.1%
YTD	6.7%
1 year	16.9%
3 years p.a.	0.6%
Since launch p.a.	4.5%

### ESG Key Figures (as of 31/10/2024)

MSCI ESG Rating	AA
RepRisk Rating	A
zRating (Fund / SPI)	69 / 67
Estimated global warming Fund	<1.5°C
Companies which contribute positively to the UN SDGs (Fund / SPI)	80% / 63%

### Carbon Intensity (as of 31/10/2024)



### Largest Positions (as of 31/10/2024)

1	Roche	8.9%
2	Novartis	6.8%
3	Zurich Insurance Group	6.6%
4	ABB	5.9%
5	Lonza	4.4%
6	Temenos	3.4%
7	SGS	3.3%
8	Geberit	3.3%
9	Swisscom	3.1%
10	Swiss Re	3.1%

## 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.

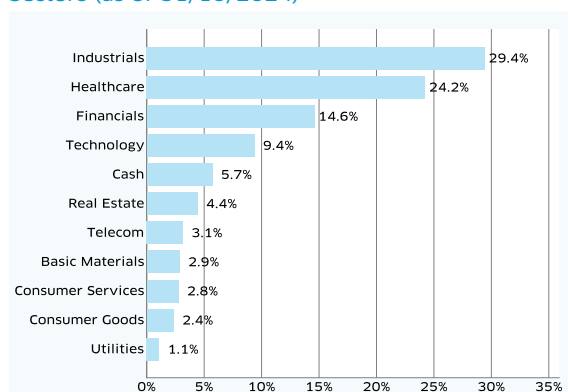
## Impact of zCapital

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 31/10/2024)

<b>Net Asset Value</b>	CHF 1,165.83 per Share ZA
<b>Total Assets</b>	CHF 28 m
<b>Investment Exposure</b>	94.3%
<b>Number of Companies</b>	34

## Sectors (as of 31/10/2024)



## Termsheet

<b>Fund-Name</b>	Swiss ESG Fund (Class ZA)
<b>Asset Manager</b>	zCapital AG, Zug
<b>Swiss Security Number / ISIN</b>	59273268 / CH0592732686
<b>Price Publications</b>	www.zcapital.ch, www.swissfunddata.ch, www.fundinfo.com
<b>Bloomberg / Reuters</b>	ZCESGZA SW Equity / 59273268.S
<b>Morningstar-Rating</b>	★★★★
<b>Minimum Investment / Reference Currency</b>	CHF 3 Mio. / 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>	0.90%
<b>Issue Fee / Redemption Fee</b>	none
<b>Total Expense Ratio (TER) 31/05/2024</b>	1.03%
<b>Requirements</b>	The minimum subscription and minimum investment amount per investor or per asset manager is CHF 3m. Moreover, a written agreement has to be signed with zCapital prior to the investment.
<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 31/10/2024)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
<b>2021</b>		-0.9%	6.4%	1.2%	3.7%	4.3%	3.3%	2.1%	-6.1%	1.5%	-0.3%	4.6%	21.0%*
<b>2022</b>	-6.5%	-3.3%	1.6%	-1.1%	-3.7%	-6.9%	4.4%	-3.5%	-5.8%	4.4%	3.0%	-1.6%	-18.2%
<b>2023</b>	5.7%	-0.2%	0.2%	2.8%	-0.9%	0.2%	1.0%	-1.1%	-1.5%	-3.9%	5.6%	3.7%	11.8%
<b>2024</b>	-1.0%	2.2%	4.3%	-2.9%	4.9%	-0.3%	3.6%	-0.2%	0.3%	-4.1%			6.7%

\* since Launch date (29 January 2021)

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