J. Safra Sarasin

JSS Sust. Equity - Next-Gen Consumer P USD dist

Fund Overview

Net asset value per share	124.16
Fund size in millions	66.03
Investment company	J. Safra Sarasin Fund Management (Luxembourg) S.A.
Depositary	RBC Investor Services Bank S.A., Luxembourg
Portfolio management	AM Equities, Bank J. Safra Sarasin Ltd
Portfolio Manager	Jean-Charles Belvo Kaisa Paavilainen
Domicile of fund	Luxembourg
ISIN code	LU1752454725
Swiss Sec.-No.	39 891 488
Launch date	31 May 2018
End of fiscal year	June
Ongoing charges	2.04%
Management fee	1.60%
Accounting currency	USD
Dividend payment 2022	USD 0.00
Last dividend payment	October
Sales fee	max. 3.00%
Exit charge	0.0%
Legal Structure	SICAV
Issue/Redemption	daily
Benchmark (BM)	no representative benchmark available
SFDR Classification	Article 8

Statistical Ratios	Fund
Volatility	20.92%
Beta	n.a.
Sharpe Ratio	0.19
Information Ratio	n.a.
Tracking Error	n.a.

The statistical ratios are calculated on the basis of the previous months (36 months, basis USD). Risk-free interest rate: 1.42%

Risk and reward profile

lower risk ← → higher risk

typically lower rewards — typically higher rewards

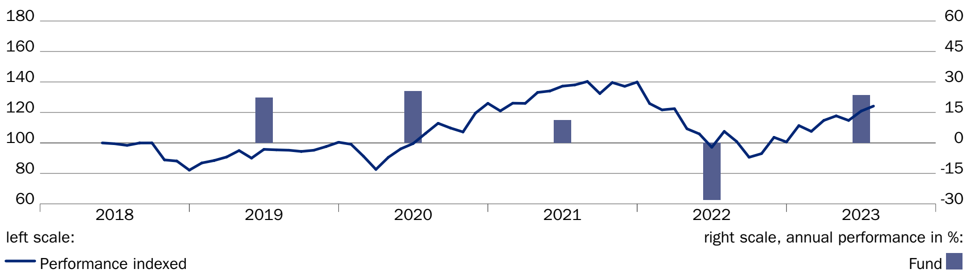
1	2	3	**4**	5	6	7

The risk and reward category shown is based on historical data and can not be used as a reliable indicator of the future risk profile of the fund. The classification of the fund may change over time and is not a guarantee.

Fund Portrait

The JSS Sustainable Equity - Next-Gen Consumer aims to deliver long-term capital growth. To achieve its objective, the fund invests globally, mainly in the equity of companies that target Next-Gen trends, mainly in, but not limited to, the consumer and media sectors. It will also systematically integrate financially-material ESG aspects throughout the entire investment process, in order to avoid controversial exposures, mitigate ESG risks and harness opportunities. Next-Gen consumers are defined as those born after 1980 i.e. generations Y, Z and alpha.

Net Performance (in USD) as of 31.07.2023



	1 Month	3 Months	YTD	1 year	3 years p.a.	5 years p.a.
Fund	2.74%	5.45%	23.41%	15.44%	5.31%	4.76%
BM	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

	2022	2021	2020	2019	2018	Since Inception
Fund	-28.10%	11.08%	25.43%	22.27%	n.a.	24.16%
BM	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

Past performance does not guarantee future returns. The performance shown does not take account of any commissions and costs charged when subscribing and redeeming units.

Top Ten Holdings	
LVMH Moet Hennessy Louis Vuitton	6.05%
Amazon Com	5.73%
CIE Financiere Richmont	4.94%
Electronic Arts	4.38%
Chipotle Mexican Grill Inc.	3.68%
Microsoft	3.63%
Mastercard Inc.-A-	3.42%
Nike -B-	3.04%
Hermès International S.A.	2.96%
Alphabet Inc	2.94%

Country Allocation

44.33%	USA
15.95%	France
7.66%	Switzerland
5.36%	Germany
4.74%	The Netherlands
4.38%	United Kingdom
4.08%	Italy
1.83%	China
1.16%	Hong Kong
10.50%	Other

Sector Allocation

44.50%	Consumer Discretionary
16.62%	Communication Services
11.64%	Consumer Staples
8.99%	Inform.Technology
4.56%	Health Care
3.42%	Financials
10.27%	Other

Review

July was a stellar month for equities. The US market in particular was supported by falling inflation and robust economic data, which raised hopes of a less aggressive monetary policy and the potential for a near-term end to US rate hikes. However, uncertainty regarding the strength of economic activity in H2 2023 is high as the effect of higher interest rates remains to be seen. In a strong market for cyclical consumer stocks, the Next-Gen Consumer fund performed in line with the broader group of peer consumer funds. The fund benefited from a highly positive performance across next-gen themes such as gaming, live events, online advertising, travel, smart mobility and sportswear. On the other hand, the fund suffered from profit-taking across luxury names, with Q2 results proving slightly disappointing compared to high expectations. In the fast casual dining segment, Chipotle also suffered from relatively underwhelming Q3 guidance after its strong pre-publication performance. We see no major change to our investment assumptions and view the weakness as an opportunity.

Outlook

The macro situation has been better than expected in 2023, mainly thanks to household savings and a de-synchronized vs synchronized global economic cycle. This has been primarily reflected by robust services versus weaker manufacturing, and has led to deviations in sector performance. We consider growth expectations to be crucial for equities going forward and are maintaining a balanced portfolio, investing in companies in structurally growing areas and with fundamentally attractive investment cases. The portfolio strategy is unchanged. Consumer priorities are changing at a fast pace, a transformation driven by the specific consumption choices of next-gen consumers. We have positioned the portfolio to benefit from this transformation with a concentrated selection of quality companies well exposed to next-gen consumer preferences across 12 subthemes. The quality bias is clear: the average ROE of companies in the portfolio currently sits close to 25%, with modest leverage.