

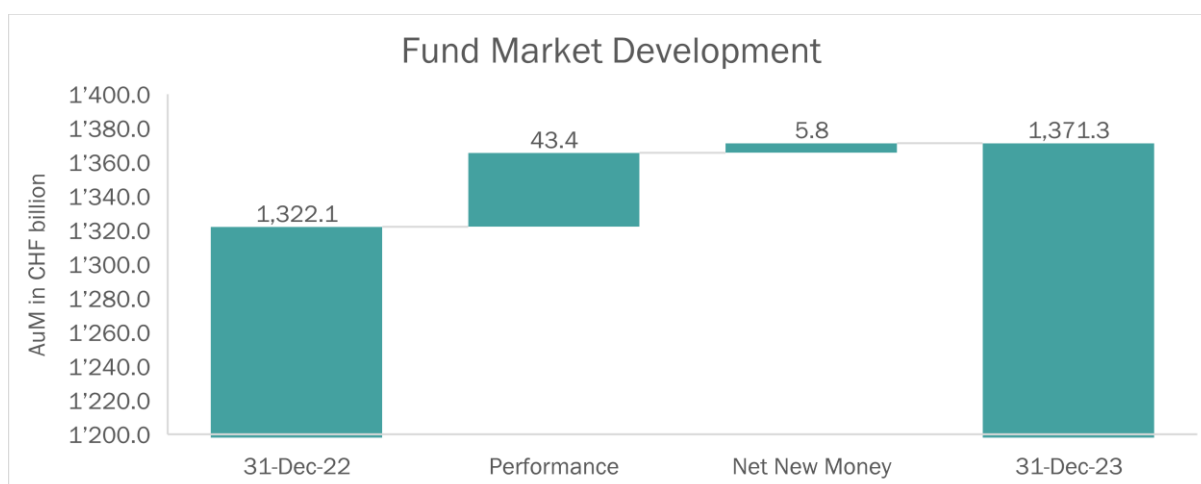
Fund market balance of 2023 and outlook

Swiss Asset Management back on growth track

Basel, 29 January 2024 - Assets under management in Swiss asset management rose in 2023. Net new money increasingly flowed into sustainability funds again. However, investors remained risk-averse, as was reported at the Asset Management Association Switzerland (AMAS) media conference on Monday. AMAS President Iwan Deplazes presented positions to the media on how Switzerland could become more competitive as an asset management centre. AMAS also supports the BVG reform.

A strong final quarter on the stock markets led to a positive result for the Swiss fund and asset management market for 2023. Thanks to performance gains and, to a lesser extent, net new money, the volume of the Swiss fund market rose by 3.7% to CHF 1,371 billion. AMAS expects assets under management for the entire Swiss asset management market (including discretionary mandates) to increase by around 5% to CHF 3,020 billion (previous year: CHF 2,878 billion).

This is the second-highest figure in history. Iwan Deplazes, President of the Asset Management Association Switzerland (AMAS), said at the annual media conference on Monday: "Asset management is a cornerstone of the Swiss financial centre. Switzerland's rise to 3rd place in Europe as a centre for asset management is proof of this. AMAS is also committed to strengthening the competitiveness of Swiss asset management in 2024. To this end, the association takes clear positions on current regulatory and location issues in the areas of sustainable finance and technology, as well as on expanding international market access."



In the Swiss fund market, assets under management rose by CHF 49,227 million to CHF 1,371,280 million by the end of 2023. Despite a strong start to the year and a year-end rally, most investors remained risk-averse in 2023. CHF 43.3 billion or 3.3% of the increase in assets under management in the Swiss fund market was due to market performance.

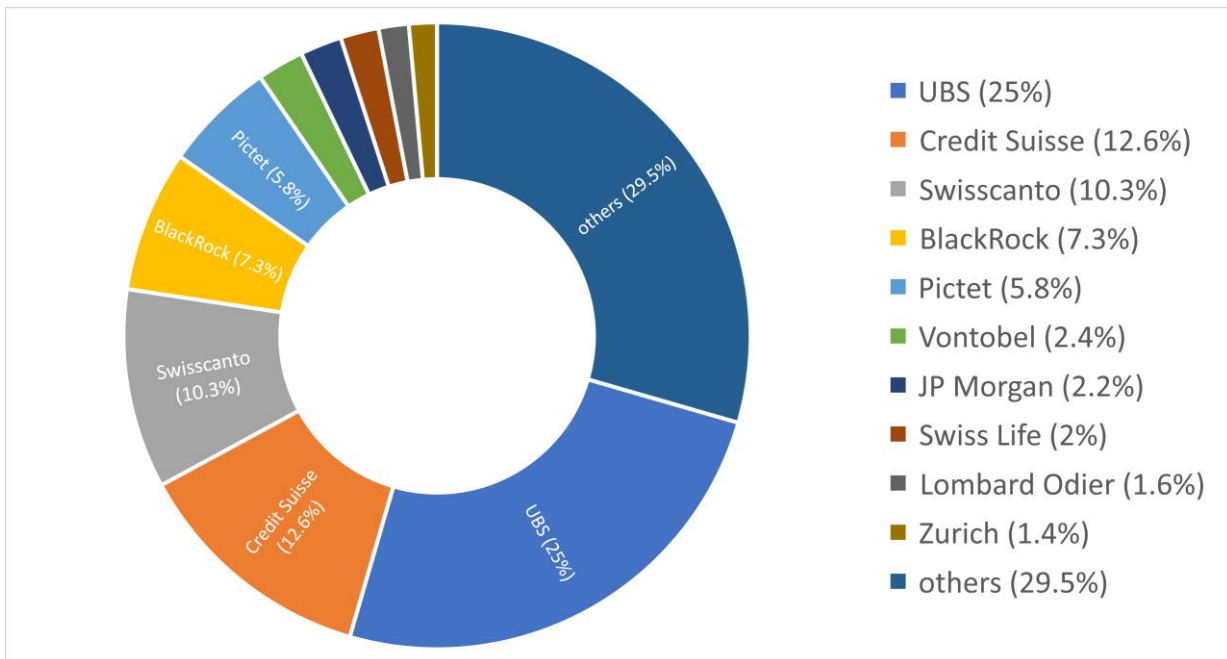
The growth in net new assets of CHF 5.8 billion achieved at the end of the year was primarily due to continued inflows into money market funds totalling CHF 15.8 billion. "Both 2022 and 2023 must be described as years of money market funds," said AMAS CEO Adrian Schatzmann. "With net new money of over CHF 34 billion since the first quarter of 2022, money market funds represent a welcome alternative for risk-averse investors."

Equity funds also saw an inflow of new money of CHF +3.7 billion in 2023. All other asset classes lost money totalling CHF -13.7 billion. Investment strategy and bond funds also suffered outflows, although these asset classes posted positive performances of +3.5% and +1.4% respectively.

| Fund Category | Volume December 2023 | Percentage | Volume December 2022 | Performance YTD | Net inflows and outflows YTD |
|---------------------------|----------------------|---------------|----------------------|-----------------|------------------------------|
| Equity funds | 607,889 | 44.3% | 565,691 | +6.8% | +3,687 |
| Bond funds | 374,235 | 27.3% | 372,198 | +1.4% | -3,296 |
| Mixed-asset funds | 165,514 | 12.1% | 165,290 | +3.5% | -5,547 |
| Money market funds | 134,917 | 9.8% | 122,863 | -3.1% | +15,817 |
| Real estate funds | 49,202 | 3.6% | 51,021 | -2.2% | -,680 |
| Commodity funds | 26,985 | 2.0% | 29,224 | -1.4% | -1,817 |
| Alternative investments | 10,600 | 0.8% | 12,761 | -2.7% | -1,814 |
| Others | 1,937 | 0.1% | 3,006 | -17.5% | -,544 |
| Total Swiss market | 1371,280 | 100.0% | 1322,053 | +3.3% | +5,805 |

"Investors favoured safety over returns in 2023," said AMAS CEO Adrian Schatzmann. "Inflows into equity and bond funds were largely concentrated in Swiss investments. This increased home bias is typically an expression of a cautious attitude among investors."

With the takeover of Credit Suisse by UBS, Swiss asset management also experienced a turning point, which was reflected in changes to the market structure. At the top of the list of the largest Swiss asset managers is UBS with a market share of 25%. Credit Suisse is in second place with 12.6%. The statistics continue to show Credit Suisse separately as long as the funds are named accordingly. Both institutions have lost market share over the course of the year, which has been absorbed by both larger asset managers and smaller ones.



In the outlook and on the positions of AMAS, President Iwan Deplazes addressed the planned greenwashing regulation. "The AMAS self-regulation on sustainability, which came into force last September, provides the industry with an effective and flexible instrument for preventing greenwashing and ensuring quality. This is applied by AMAS members on a binding basis. If a regulation is really needed, it must be designed without Swiss Finish and must not contain any standards that differ from those in the EU." Deplazes also pointed out the pioneering nature of the financial services agreement between Switzerland and the UK and the signal effect regarding the planned negotiations and regulatory dialogue with the EU. "Despite restrictions, the export share in Swiss asset management is over 30%. Strengthening this export capability is essential for the continued growth of our industry," said Deplazes.

Michel Bossong, senior pensions expert at AMAS, explained the association's position on the upcoming referendum on the BVG reform to the media. This would now also give low-income earners and part-time employees access to capital market income and thus the 3rd contributor, which would significantly strengthen the savings process. "The 3rd contributor is an essential component of the BVG occupational pension scheme, and its reform is an important step," said Bossong. AMAS will continue to work to ensure that pension funds can consistently utilise the return potential, considering their individual risk capacity.

Performance of selected indexes and currencies up to the end of the year 2023: Dow Jones +13.7%, S&P 500 +24.23%, EURO STOXX 50 +19.19% and SMI +3.81%, SBI +7.36% and Bloomberg Barclays US Aggregate Bond Index +5.53%. The EUR lost against the CHF 6.12% while the USD lost 8.09% against the CHF.

The statistics compiled by Swiss Fund Data AG and Morningstar are based on the FINMA approvals list and cover all funds under Swiss law as well as all foreign funds approved for public sale in Switzerland, including their institutional unit classes. Foreign funds restricted exclusively to qualified investors are not covered by the statistics because they are only placed privately and cannot receive FINMA approval.

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The Asset Management Association Switzerland is the representative association of the Swiss asset management industry. It aims to strengthen Switzerland's position as a leading center for asset management with high standards of quality, performance, and sustainability. To this end, it supports its members in developing the Swiss asset management industry and adding value for investors over the long term. The Asset Management Association Switzerland is an active member of the European Fund and Asset Management Association (EFAMA) and the International Investment Funds Association (IIFA). Founded in Basel in 1992, the Asset Management Association Switzerland currently has almost 200 members. For further information, please see www.am-switzerland.ch