

### Investment objective and strategy

- DZ Equity Risk Managed Sustainable fund's objective is to capture a significant part of the equity markets' positive performance while reducing drawdowns during adverse market conditions with equity hedging strategies. The net equity exposure varies from 25% to 100%. The fund invests in listed global equities, bonds, and cash. The Fund is an equity fund with defensive features. The fund mostly invests in developed market equities. Consideration of Environmental, Social and Governance (ESG) factors are incorporated in the investment process. To deliver a lower volatility and avoid large market drawdowns, the Investment Manager has the discretion to apply a hedging equity policy that is rule-based depending on a proprietary model.

### Key Facts

<b>NAV (30.06)</b>	<b>109.78</b>
<b>Monthly performance</b>	<b>2.7%</b>
<b>Year-to-date</b>	<b>9.0%</b>

### Information

Currency	CHF
Assets (Mio)	43.2
Launch	January 2020
Liquidity	Daily
ISIN	JE00B3FGB112
Bloomberg	DZGLOBS JY
Telekurs	48147580
Manager	Nextgen WM
Administrator	Ocorian Fund Serv.
Fund domicile	Jersey

### Statistics

No. positions	38
Beta	0.52
Volatility	7.8%
Max. Drawdown	-5.3%
Max. monthly return	4.2%
Min. monthly return	-3.6%



Tel. +41 22 316.01.10  
www.nextgen-wm.ch

### Market & Fund Commentary

Global stocks added 2.8% in June, taking gains for the second quarter to 6.9%. Swiss equities delivered a 5% in June, for a quarterly gain of 8.1%, making it the best performing major market in the second quarter.

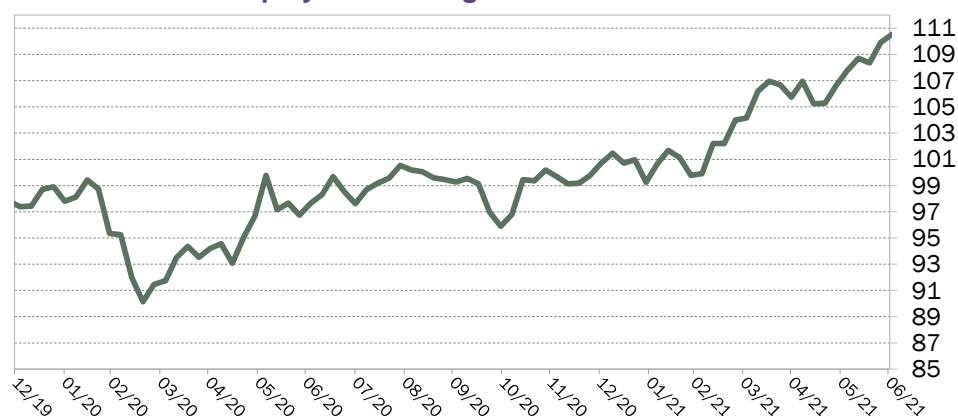
Equities hit record highs, as US yields declined and fears over inflation appeared to abate. The highlight of the month was the Federal Reserve's policy meeting, which showed officials now forecasting two rate hikes in 2023, up from zero in March. While this more hawkish message caused a brief sell-off in equities, investors were reassured by subsequent comments by top Fed officials clarifying that a tapering of bond purchases was still some way off.

Economic data globally were strong, without pointing to overheating. US nonfarm payrolls increased in May, better than in April but still below consensus expectations. In Europe, the ECB in June raised its economic growth projections to 4.6% this year and 4.7% next year, up from 4.0% and 4.1%, respectively, in March. While the economic rebound in China appears to have peaked earlier, growth remains robust.

The fund gained 2.7% in June with a full exposure to equities most of the month. Fears of Fed tapering in mid-month triggered a massive rise in volatility indices such that we covered the equity allocation to obtain a 25% net exposure for a few days. As volatility receded, we were back quickly to a 97% equity exposure. There were no notable moves in our equity selection. We still favour high quality companies that could navigate in every market environment.

A broadening of the global reopening should support growth and earnings. The US is now well advanced in reopening, Europe should catchup in coming months. Inflation worries are likely to contribute to market volatility, but central banks are poised to act very slowly as they will tolerate months of high inflation numbers. There is no upside left in terms of valuations, global equities are trading at around 19 times annual earnings versus a long term average of 15 times. The second half of the year could be less relaxing for financial markets, especially if the delta variant of the COVID 19 continues to spread fast. As usual, we will adapt our equity exposure to financial market conditions that can evolve rapidly during summer months.

### DZ Equity Risk Managed Sustainable Fund



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## Historical Performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Year
<b>2021</b>	-1.5%	0.5%	4.4%	1.5%	1.1%	2.7%							<b>9.0%</b>
<b>2020</b>	0.7%	-2.5%	-3.2%	2.0%	2.6%	0.4%	0.6%	2.7%	-0.7%	-3.6%	4.2%	0.8%	<b>3.7%</b>

## Fund Allocation (in %)

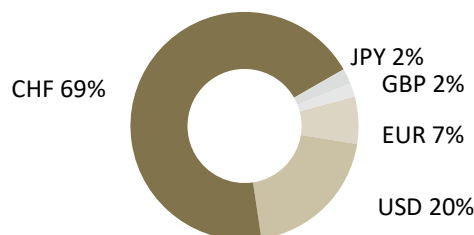
### Net Equity Exposure



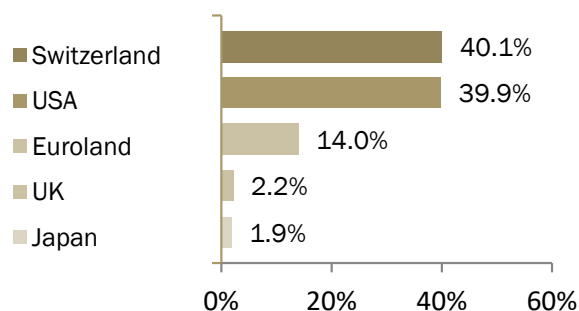
### Portfolio Breakdown

Portfolio Exposure	Exposure %
Long Equity exposure	98%
Equity Hedging:	0%
Net Equity Exposure	98%
Gross Fund exposure	98%

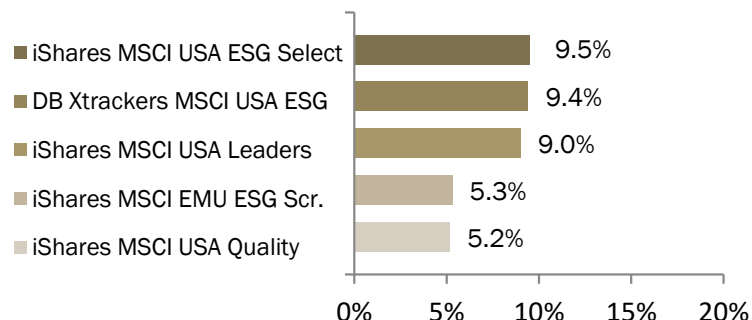
### Currency Breakdown



### Equity geographical breakdown - Net



### Top 5 positions



## Subscription Information

ISIN Code: JE00B3FGB112 Share Class Type: Accumulating Daily Subscription

Management Fee: 1.5% p.a

Performance Fee: 20% of the relative outperformance compared to its benchmark; subject to a relative high water mark. Benchmark: 30% MSCI World ex Switz. ESG; 20% MSCI Switzerland ; 10% MSCI World Hedged to CHF; 40% FTSE 3M CHF Eurodep.

### Contacts:

**P.Dziurzynski** : philippe.dziurzynski@nextgen-wm.ch

**M.Bille** : matthieu.bille@nextgen-wm.ch

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