

# NXG Equity Risk Managed Fund

NAV: CHF 90.96

ISIN: JE00B3FGB112

February 2023

## Investment objective

NXG Equity Risk Managed 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 Investment Manager has the discretion to apply a hedging equity policy that is rule-based depending on a proprietary model.

## Key features

- Net equity exposure varies from 25% to 100%
- Global Equity fund investing in large cap quality stocks
- Consideration of ESG factors in the investment process

## Fund data

Quote	90.96
Share class currency	CHF
AUM (CHF Mn)	29.7
Manager	NextGen Wealth Managers SA
Administrator	Ocorian Fund Serv.
ISIN	JE00B3FGB112
Valor	48147580
Benchmark	Composite
Issue date	31.12.2019
Management fees	1.50%
Administration fees	0.30%
Performance fees	20%
Quotation	Daily
Subscription/redemption	Daily (cut off 15:00 CET)
Minimum investment	1 Unit
Registration	Jersey
Domicile	Jersey
Dividend distribution	Capitalized

## Monthly comment

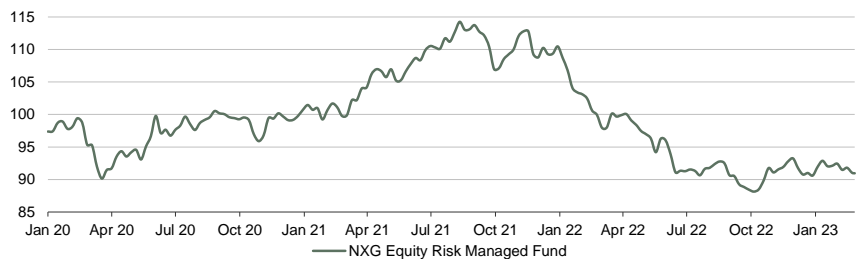
After a strong start to the year, markets were somewhat disappointed in February. The Bloomberg World Index lost 3% for the month, after a 7% performance in January. Equity mostly lost value amid renewed concerns about high inflation and central bank tightening. Strong economic releases led to a repricing of policy rate expectations of around 0.5% in major developed markets.

The fund dropped by 1.2% in February. The 60% net equity exposure did not vary much over the month. We still favour companies with solid balance sheets that generates high and sustainable cash flow yields.

Macroeconomic conditions around the world are better than expected. Employment data indicates that labour markets are resilient, stoking fears of a further rise in interest rates. Higher than expected January inflation figures in most parts of the world have reinforced these fears. Massive rate hikes in the US and Europe have so far failed to significantly dampen activity. The likelihood of recession has diminished, but the lagged impact of accumulated monetary tightening could still manifest itself in the months ahead. At the same time, leading indicators for the manufacturing sector remain in contraction territory, a sign that the global economic slowdown is ahead.

Fourth quarter results showed a year-on-year contraction in US earnings that is expected to continue in the coming quarters. An economic slowdown with high inflation remains our central scenario.

## Performance graph



## Performance table (%)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
2023	0.4	1.6	-1.2										
2022	-18.0	-6.1	-4.4	0.2	-1.9	-1.5	-5.0	0.5	-1.1	-2.4	3.8	1.6	-2.8
2021	9.7	-1.5	0.5	4.4	1.5	1.1	2.7	1.3	2.1	-5.4	2.4	-1.2	1.6
2020	3.7	0.7	-2.5	-3.2	2.0	2.6	0.4	0.6	2.7	-0.7	-3.6	4.2	0.8

## Statistics

	PTF		PTF	Index*
Perf. since inception (%)	-6.3	P/E fwd 12m	14.3	15.9
Standard deviation p.a. (%)	7.8	P/B fwd 12m	5.1	2.4
Max drawdown (%)	-13.0	Return on equity	27.8	14.7
<b>Net equity exposure (%)</b>	<b>60</b>	Debt/equity	106	134
Gross equity exposure (%)	89	Number of positions	43	2 786
Equity exposure (%)	75	Avg. market cap. (CHF Bn)	236	33
Equity hedging (%)	15	ESG rating (Conser)	A	C

\*Index: Bloomberg World Index

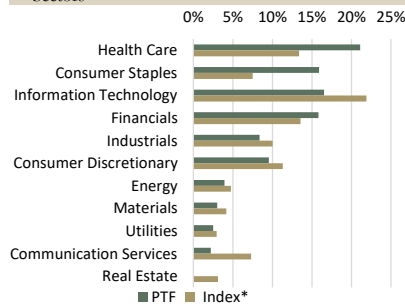
## Top positions

Name	Sector	Country	Weight
1 Novartis AG	Health Care	Switzerland	5.3%
2 Roche Holding AG	Health Care	Switzerland	4.7%
3 Nestle SA	Consumer Staples	Switzerland	4.3%
4 Merck & Co Inc	Health Care	United States	2.6%
5 Microsoft Corp	Information Technology	United States	2.6%
6 Visa Inc	Information Technology	United States	2.5%
7 JPMorgan Chase & Co	Financials	United States	2.3%
8 UBS Group AG	Financials	Switzerland	2.2%
9 BNP Paribas SA	Financials	France	2.2%
10 Apple Inc	Information Technology	United States	2.2%

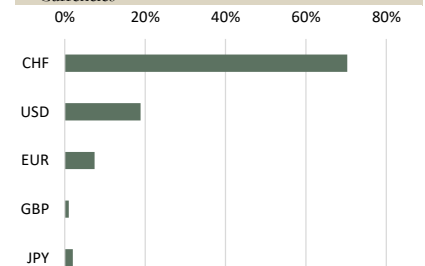
## Contributors

Top contributors	Rel. contribution	Worst contributors	Rel. contribution
UBS Group AG	0.1%	Roche Holding AG	-0.2%
BNP Paribas SA	0.1%	Nestle SA	-0.2%
Lonza Group AG	0.1%	Novartis AG	-0.2%
JPMorgan Chase & Co	0.1%	American Water Works Co Inc	-0.2%
Apple Inc	0.1%	Alphabet Inc	-0.1%

## Sectors



## Currencies



## Allocation

Gross exposure	Cash 33%	Futures 15%	Equity 75%	SP 7%
Top ten concentration	Top ten 31%	Rest 69%		