

# NXG Equity Risk Managed Fund

NAV: CHF 93.00

ISIN: JE00B3FGB112

April 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	93.00
Share class currency	CHF
AUM (CHF Mn)	30.2
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

Data in April showed economic activity remained resilient in the face of mounting headwinds. Equity markets continued their rally, gaining 0.8%. They have now broadly recovered from the tumult in March. While near-term recessionary risk seems to have receded somewhat, the failure of another US financial institution, First Republic, shows that the impact of monetary tightening is beginning to be felt.

The fund added 1.5% over the month. The equity exposure remained unchanged at 65%. We bought two Swiss holdings, Sika & Sonova, to diversify our core Swiss equity exposure. Sika is a global leader in construction chemicals with strong structural growth. Sonova develops and distributes hearing care solutions. To finance these purchases, we exit UBS, that has poor visibility in the short term, and took some profits on Novartis.

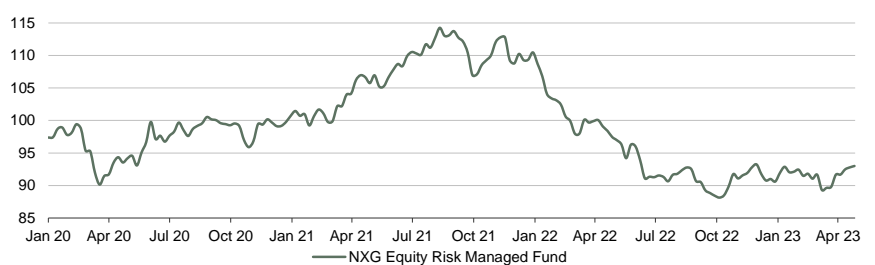
In the US, we added a 1% position in Broadcom, a quality name and the sixth-largest semiconductor company worldwide in terms of sales. Broadcom has diversified its business with infrastructure software that represent 30% of its revenues. We took some profits in Microsoft and Nike.

A combination of factors seems to be keeping risk appetite resilient for the time being. On the macro front, indicators are getting softer but not collapsing. Valuations of risky assets are not very attractive, positioning does not appear overextended, and sentiment remains cautious overall. Liquidity conditions have not been supportive too. We think that maintaining a defensive risk posture feels like the most prudent approach for now.

## Allocation

Gross exposure	Cash 27%	Equity 66%	SP 7%
Top ten concentration	Top ten 29%	Rest 71%	

## Performance graph



## Performance table (%)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
2023	2.6	1.6	-1.2	0.8	1.5								
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 (%)	-4.2	P/E fwd 12m	15.0 15.1
Standard deviation p.a. (%)	7.4	P/B fwd 12m	7.0 2.4
Max drawdown (%)	-9.4	Return on equity	30.8 14.7
<b>Net equity exposure (%)</b>	<b>66</b>	Debt/equity	92 135
Gross equity exposure (%)	66	Number of positions	37 2 786
Equity exposure (%)	66	Avg. market cap. (CHF Bn)	297 33
Equity hedging (%)		ESG rating (Conser)	A C

\*Index: Bloomberg World Index

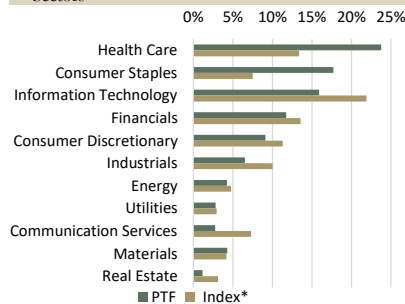
## Top positions

Name	Sector	Country	Weight
1 Roche Holding AG	Health Care	Switzerland	4.8%
2 Nestle SA	Consumer Staples	Switzerland	4.5%
3 Novartis AG	Health Care	Switzerland	4.4%
4 Visa Inc	Financials	United States	2.4%
5 Apple Inc	Information Technology	United States	2.3%
6 Microsoft Corp	Information Technology	United States	2.2%
7 Merck & Co Inc	Health Care	United States	2.1%
8 JPMorgan Chase & Co	Financials	United States	2.0%
9 Kellogg Co	Consumer Staples	United States	1.9%
10 Coca-Cola Co/The	Consumer Staples	United States	1.9%

## Contributors

Top contributors	Rel. contribution	Worst contributors	Rel. contribution
Novartis AG	0.5%	Deere & Co	-0.2%
Roche Holding AG	0.3%	ASML Holding NV	-0.2%
Nestle SA	0.2%	Bristol-Myers Squibb Co	-0.1%
Merck & Co Inc	0.1%	UBS Group AG	-0.1%
Hermes International	0.1%	Accenture PLC	-0.1%

## Sectors



## Currencies

