

NXG Equity Risk Managed Fund



NAV: CHF 99.68

ISIN: JE00B3FGB112

February 2024

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	99.68
Share class currency	CHF
AUM (CHF Mn)	27.8
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

Global equities have posted solid gains in February, supported by resilient economic data and relatively strong earnings reports. The Bloomberg World hedged in CHF added 4.2% (the SMI gained 0.9%, the Eurostoxx 50 +4.9% and the S&P 500 +5.7%, in local currencies). The equity rally gained momentum spurred by enthusiasm over the speedy commercialization of artificial intelligence. The broad strength of US earnings helped the S&P 500 to close the month at a record high with megacap tech companies continuing to lead the gains. The rally came despite greater caution over the course of the month concerning the expected pace of rate cuts from the Federal Reserve, particularly following higher-than-expected US inflation in January.

The fund gained 3.4% in February. We kept the equity exposure close to 85%. We increased our bets on cybersecurity by buying Palo Alto, the sector leader, and on cloud computing/IT infrastructure with Oracle. We took some of the profits on Apple with the stock trading below its 200-day moving average close to a major support at \$180. We also cut our position in Cheniere Energy. After two excellent years, the stock has been less buoyant since the start of the year, due to the fall in gas prices. We also took profits on Vertex Pharmaceuticals on strong performances and Nvidia, which exhibited a stellar return of 51% since November. We bought Deutsche Post as the stock pulled back on its 200d moving average. We think that freight should bounce back following the rebound in the US Purchasing Managers' Index. We also bought Dassault Systèmes on a pullback towards its 200-day moving average. The investors' meeting was positive, especially for the automotive sector, which should benefit from the acceleration in electrification in 2024.

Allocation

Gross exposure	Cash 16%	Futures 20%	Equity 64.4%
Top ten concentration	Top ten 25%		Rest 75%

Performance graph



Performance table (%)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
2024	5.4	1.9	3.4										
2023	4.4	1.6	-1.2	0.8	1.5	-0.6	1.2	-0.5	-1.1	-1.9	-1.3	4.0	2.1
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 (%)	2.7	P/E fwd 12m	16.5	18.0
Standard deviation p.a. (%)	6.1	P/B fwd 12m	6.0	2.8
Max drawdown (%)	-5.7	Return on equity	30.7	13.9
Net equity exposure (%)	84	Debt/equity	176	121
Gross equity exposure (%)	84	Number of positions	38	2 786
Equity exposure (%)	64	Avg. market cap. (CHF Bn)	443	33
Equity hedging (%)	20	ESG rating (Conser)	A	C

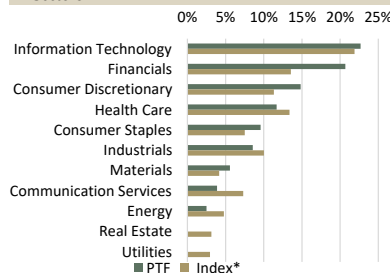
Top positions

Name	Sector	Country	Weight
1 Microsoft Corp	Information Technology	United States	3.2%
2 Novartis AG	Health Care	Switzerland	3.0%
3 JPMorgan Chase & Co	Financials	United States	2.9%
4 Nestle SA	Consumer Staples	Switzerland	2.6%
5 Accenture PLC	Information Technology	Ireland	2.6%
6 Alphabet Inc	Communication Services	United States	2.5%
7 Visa Inc	Financials	United States	2.2%
8 Zurich Insurance Group AG	Financials	Switzerland	2.1%
9 ABB Ltd	Industrials	Switzerland	2.0%
10 Apple Inc	Information Technology	United States	2.0%

Contributors

Top contributors	Rel. Contribution	Worst contributors	Rel. contribution
Schneider Electric SE	0.3%	Roche Holding AG	-0.2%
NVIDIA Corp	0.3%	Nestle SA	-0.2%
JPMorgan Chase & Co	0.3%	Cheniere Energy Inc	0.0%
Microsoft Corp	0.2%	Sonova Holding AG	0.0%
ABB Ltd	0.2%	Dassault Systemes SE	0.0%

Sectors



Currencies

