

NXG Swiss Excellence

NAV: CHF 108.39

ISIN: CH0382913793

February 2024

Investment objective

The NXG Swiss Excellence Strategy focuses on shares of Swiss companies that reflect "Swiss Excellence" worldwide as well as Swiss companies that are or are expected to become Swiss leaders. The portfolio will be rebalanced according to the global views of NextGen Wealth Managers' investment committees and daily meetings between analysts and portfolio managers.

Key features

- Concentrated portfolio of around 30 companies
- Swiss Excellence played through three thematic
- Actively managed portfolio

AMC data

Quote	108.39
Share class currency	CHF
AUM (CHF Mn)	10.0
Advisor	NextGen Wealth Managers SA
Calculation Agent	Bank Vontobel AG, Zurich
ISIN	CH0382913793
Valor	50670284
Benchmark	Swiss Leader Index (SLI)
Issue date	31.08.2021
Management fees	0.65%
Administration fees	0.30%
Performance fees	-
Quotation	Daily
Subscription/redemption	Daily/daily
Minimum investment	1 Certificate
Registration	Switzerland
Domicile	Switzerland
Dividend distribution	Capitalized

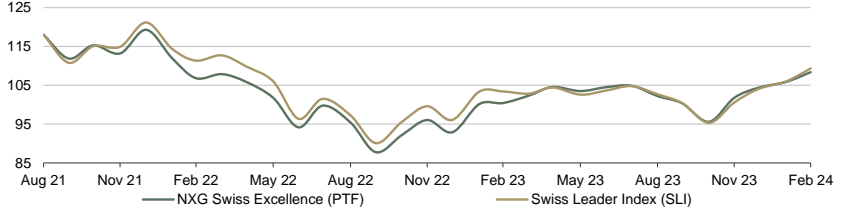
Monthly comment

In February, Swiss equities continued to appreciate but lagged once again the other major indices, both in CHF and local currencies terms. The SMI rose 0.9%, against 8.1% for the S&P 500 and 5.6% for the Eurostoxx 50, in CHF terms. Swiss mid-caps were the driver of the performance of the portfolio this month, while small-cap stalled during the month. The CHF depreciated against major currencies on inflation data showing no sign of rebounding and the data on foreign exchange holdings suggests the SNB might have intervened against an appreciation of the CHF.

The portfolio rose 2.4% versus 3.1% for the SLI in February. The monthly underperformance came from our selection of information and technology stocks. However, our selection of financials contributed positively. Top monthly contributors were Richemont (+9.0%), ABB (+11.0%) and Sulzer (+23.5%). On the flip side, Nestlé (-6.9%), Roche (-6.1%) and Also (-8.7%) were the main detractors. We initiated a position on UBS (1.5%) in February, as the outlook after the purchase of Credit Suisse became clearer, and exited Temenos after the suspicions of books manipulation came out. Our position before the news came out was relatively small at 2.3%. We increased our positions in SGS and Sika and reduced Zurich as its weigh in the portfolio grew significantly bigger after a strong performance in the last months.

The earnings season for the 2023 financial year is in full swing and most Swiss companies have already reported. The reports have been mitigated. As the SNB starts to ease its monetary policy and limit the CHF appreciation, it should bolster the Swiss exporters.

Performance graph



Performance table (%)

	Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
2024	PTF	3.8	1.4	2.4										
	SLI	5.1	1.9	3.1										
2023	PTF	12.4	7.8	0.3	1.9	2.2	-1.0	0.9	0.4	-2.6	-1.8	-4.8	6.4	2.6
	SLI	8.3	7.6	0.0	-0.5	1.5	-1.8	1.0	1.1	-2.0	-2.2	-5.1	5.5	3.5
2022	PTF	-22.1	-6.2	-4.6	1.0	-1.9	-3.9	-7.5	5.9	-4.4	-8.0	5.0	4.2	-3.3
	SLI	-20.7	-5.6	-2.6	1.2	-2.6	-3.5	-9.1	5.3	-4.2	-7.4	6.1	4.2	-3.5
2021	PTF	1.1									-5.2	3.1	-1.8	5.4
	SLI	2.7									-6.1	3.9	-0.2	5.5

Statistics

	PTF	SLI		PTF	SLI
Perf. since inception (%)	-8.2	-7.3	Dividend yield %	2.9	3.0
Standard deviation p.a. (%)	15.4	11.9	P/E fwd 12m	18.6	19.6
Max drawdown (%)	-28.6	-27.4	P/CF fwd 12m	15.2	15.5
Sharpe ratio	-0.3	19.6	P/B fwd 12m	3.8	3.3
Information ratio	-0.94		Debt/equity	66	125
Beta (ex-post)	0.95		Return on Equity	17.9	19.2
Correlation	0.95		Avg. market cap. (CHF Bn)	50	56
Number of positions	28	30			

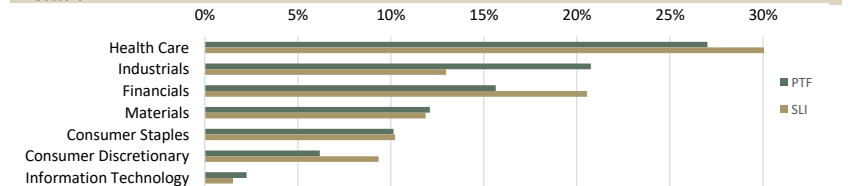
Top positions

Name	Sector	Mkt. cap.	Weight
1 Novartis AG	Health Care	Large	7.4%
2 Nestle SA	Consumer Staples	Large	7.0%
3 Roche Holding AG	Health Care	Large	6.9%
4 Cie Financiere Richemont SA	Consumer Discretionary	Large	5.8%
5 Zurich Insurance Group AG	Financials	Large	4.3%
6 ABB Ltd	Industrials	Large	4.3%
7 Sika AG	Materials	Large	3.5%
8 Partners Group Holding AG	Financials	Large	3.4%
9 Holcim AG	Materials	Large	3.3%
10 Lonza Group AG	Health Care	Large	3.2%

Contributors

Top contributors	Rel. contribution	Worst contributors	Rel. contribution
Cie Financiere Richemont SA	0.5%	Nestle SA	-0.5%
ABB Ltd	0.4%	Roche Holding AG	-0.5%
Sulzer AG	0.4%	ALSO Holding AG	-0.2%
Alcon Inc	0.4%	SIG Group AG	-0.1%
Zurich Insurance Group AG	0.3%	Sonova Holding AG	-0.1%

Sectors



Allocation

Excellence thematic	World Champions 68%	Born Specialists 16%	Tomorrow's Winners 10%
Market capitalization	Large 82%	Mid 4%	Small 8%
Top ten concentration	Top ten 49%	Rest 51%	