

# NXG Equity Risk Managed Fund



NAV: CHF 99.29

ISIN: JE00B3FGB112

April 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	99.29
Share class currency	CHF
AUM (CHF Mn)	27.4
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

April was a difficult month with developed market equities down 3.7% in CHF terms. The combination of high US inflation data fuelled market fears that central banks would not ease monetary policies as quickly hoped. On the geopolitical front, a series of attacks between Israel and Iran intensified concerns about the possibility of a major direct confrontation that could threaten oil supplies.

The fund dropped by 2.7% over the month. The exposure has been reduced from 85% to 40% in mid-month as our risk indicators entered the red zone following rising Middle East tensions. We were back to full investment in late month as fears of escalating conflict in the Middle East eased and given the good start to the US earnings season. We reduced again Nestlé on disappointing first quarter sales. We added a position in Alcon, the global leader in eye care products which benefits from demand fuelled by a growing global middle class and aging population. We added a position in Partners Group, a global leader in the growing private equity business.

In the US, we sold off Accenture, as it is facing weak demand for its IT and consulting services, and reduced Apple following slowing iPhone sales. We increased our exposure in Oracle as its cloud services are gaining momentum. We added a position in Chevron to reinforce the exposure in the energy sector which profits from rising oil prices. We have also added a position in the FTSE 100, the British equity index, which should make up some of the lost ground since the Brexit in a buoyant environment for major British export companies.

## Performance graph



## Performance table (%)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2024	5.0	1.9	3.4	2.4	-2.7							
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
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
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
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

## Statistics

	PTF		PTF	Index*
Perf. since inception (%)	2.3	P/E next year	19.7	15.9
Standard deviation p.a. (%)	6.4	P/B fwd 12m	4.4	2.8
Max drawdown (%)	-5.7	Return on equity	25.6	13.8
<b>Net equity exposure (%)</b>	<b>96</b>	Debt/equity	77	129
Gross equity exposure (%)	96	Number of positions	35	2 786
Equity exposure (%)	57	Avg. market cap. (CHF Bn)	519	33
Equity hedging (%)	38	ESG rating (Conser)	A	C

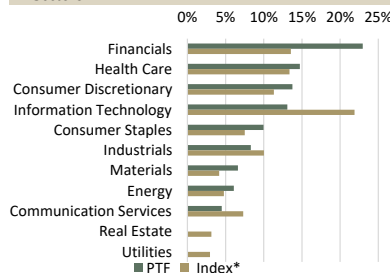
## Top positions

Name	Sector	Country	Weight
1 Novartis AG	Health Care	Switzerland	3.0%
2 Alphabet Inc	Communication Services	United States	2.6%
3 Microsoft Corp	Information Technology	United States	2.4%
4 ABB Ltd	Industrials	Switzerland	2.2%
5 Visa Inc	Financials	United States	2.2%
6 Givaudan SA	Materials	Switzerland	2.1%
7 JPMorgan Chase & Co	Financials	United States	2.0%
8 Coca-Cola Co/The	Consumer Staples	United States	2.0%
9 Zurich Insurance Group AG	Financials	Switzerland	2.0%
10 Nestle SA	Consumer Staples	Switzerland	2.0%

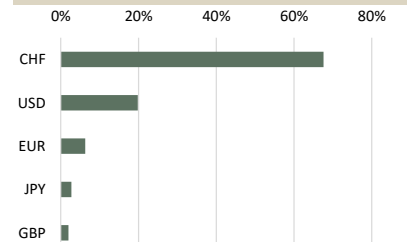
## Contributors

Top contributors	Rel. Contribution	Worst contributors	Rel. contribution
Alphabet Inc	0.2%	Home Depot Inc/The	-0.2%
TotalEnergies SE	0.2%	Microsoft Corp	-0.1%
ABB Ltd	0.1%	Cie Financiere Richemont SA	-0.1%
Novartis AG	0.1%	BlackRock Inc	-0.1%
Coca-Cola Co/The	0.1%	UBS Group AG	-0.1%

## Sectors



## Currencies



## Allocation

Gross exposure	Cash 4%	Futures 38%	Equity 57.4%
Top ten concentration	Top ten 22%	Rest 78%	