

NXG Equity Risk Managed Fund



NAV: CHF 103.00

ISIN: JE00B3FGB112

July 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	103.00
Share class currency	CHF
AUM (CHF Mn)	27.1
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

July proved to be volatile as markets had to deal with a number of economic and political developments. Global equities rose strongly during the first two weeks then retreated sharply as investors worried about the scale of AI capital spending by big tech firms and the time length to make these investments profitable. This sentiment quickly reversed as the market found those investment beneficial to the chipmakers, with Nvidia rising nearly 13% during the last day July. Top tech stocks appeared to be the victims of high expectations, with Alphabet and Microsoft initially losing ground after strong second quarter earnings announcements failed to impress investors. Finally, the MSCI World dropped by -0.3% in CHF terms. Swiss equities were the best performers during the month, with the SMI gaining 2.7%, followed by the S&P 500, which rose 1.1% and finally the Euro Stoxx finishing at 0.5%. On the other hand, the Topix index lagged in July with a performance of -0.5%.

The fund lost -0.7% in July. The exposure has been reduced in late July from 92% to 58% as momentum indicators began to fade and risk indicators moved up. During the month, in Europe, we sold off LVMH and L'Oréal as they reach our stop losses, and reinforced Schneider Electric. In the US, we sold Cadence Design, the US software provider for the semiconductors industry, as it suffered from the rotation out of the artificial intelligence related stocks.

Allocation

Gross exposure	Cash 41%	Futures 3%	Equity 55.5%
Top ten concentration	Top ten 23%	Rest 77%	

Performance graph



Performance table (%)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2024	8.9	1.9	3.4	2.4	-2.7	3.5	1.0	-0.7				
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 (%)	6.1	P/E next year	19.6 15.8
Standard deviation p.a. (%)	7.8	P/B fwd 12m	5.3 2.8
Max drawdown (%)	-7.7	Return on equity	34.3 13.5
Net equity exposure (%)	59	Debt/equity	84 134
Gross equity exposure (%)	59	Number of positions	34 2 786
Equity exposure (%)	55	Avg. market cap. (CHF Bn)	548 33
Equity hedging (%)	3	ESG rating (Conser)	A C

*Index: Bloomberg World

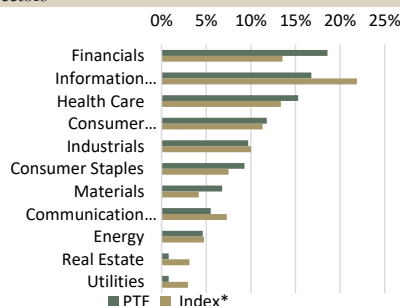
Top positions

Name	Sector	Country	Weight
1 Novartis AG	Health Care	Switzerland	3.2%
2 Alphabet Inc	Communication Services	United States	2.5%
3 Microsoft Corp	Information Technology	United States	2.4%
4 Roche Holding AG	Health Care	Switzerland	2.4%
5 ABB Ltd	Industrials	Switzerland	2.4%
6 Givaudan SA	Materials	Switzerland	2.2%
7 JPMorgan Chase & Co	Financials	United States	2.1%
8 Zurich Insurance Group AG	Financials	Switzerland	2.1%
9 Coca-Cola Co/The	Consumer Staples	United States	2.0%
10 Visa Inc	Financials	United States	2.0%

Contributors

Top contributors	Rel. Contribution	Worst contributors	Rel. contribution
Roche Holding AG	0.3%	Microsoft Corp	-0.2%
BlackRock Inc	0.1%	ASML Holding NV	-0.2%
Novartis AG	0.1%	Alphabet Inc	-0.2%
Automatic Data Processing Inc	0.1%	Novo Nordisk A/S	-0.2%
JPMorgan Chase & Co	0.1%	TotalEnergies SE	-0.2%

Sectors



Currencies

