

NXG Equity Risk Managed Fund



NAV: CHF 102.73

ISIN: JE00B3FGB112

October 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	102.73
Share class currency	CHF
AUM (CHF Mn)	29.9
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

October was a volatile month for equity markets, with major indexes experiencing declines after a strong rally in the first nine months of the year. The Bloomberg World index fell 2,3% in USD terms over the month. The third-quarter earnings season got off to a good start but forecasts were mixed for technology companies, especially regarding demand for semiconductors. In consumer discretionary, quarterly updates from several of the carmakers as well as some luxury goods companies disappointed the market. Investors took also profits ahead of the US elections.

The fund dropped by 1,4% over the month. The equity exposure has been reduced from 90% to 60% in early days of the month due to a new risk aversion episode. It was raised back to 75% in mid-month following better oriented risk indicators and cut to 60% again the last day of the month. We sold Chevron in early October as the stock suffered from lower crude oil prices than expected despite geopolitical tensions. We used the proceeds to add exposure to Apple and Nvidia. We reduced the exposure in Sika, the Swiss materials' company, to 1% as the momentum was fading and initiated a 1% in Holcim. The latter offer a blend of market leadership in building materials, strong financials and a commitment to innovation and sustainability.

Performance graph



Performance table (%)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2024	8.6	1.9	3.4	2.4	-2.7	3.5	1.0	-0.7	0.1	1.0	-1.4	
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
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 (%)	5.8	P/E next year	22.2
Standard deviation p.a. (%)	8.5	P/B fwd 12m	8.7
Max drawdown (%)	-7.7	Return on equity	36.8
Net equity exposure (%)	58	Debt/equity	90
Gross equity exposure (%)	58	Number of positions	38
Equity exposure (%)	55	Avg. market cap. (CHF Bn)	590
Equity hedging (%)	3	ESG rating (Conser)	A
		*Index: Bloomberg World	C

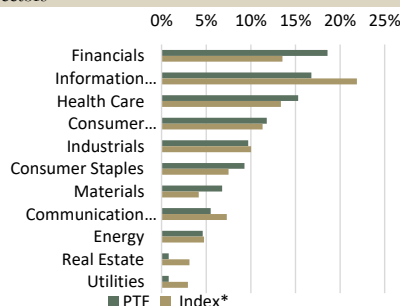
Top positions

Name	Sector	Country	Weight
1 Novartis AG	Health Care	Switzerland	2.9%
2 Alphabet Inc	Communication Services	United States	2.4%
3 Microsoft Corp	Information Technology	United States	2.2%
4 ABB Ltd	Industrials	Switzerland	2.2%
5 Roche Holding AG	Health Care	Switzerland	2.1%
6 Zurich Insurance Group AG	Financials	Switzerland	2.1%
7 Visa Inc	Financials	United States	2.0%
8 JPMorgan Chase & Co	Financials	United States	2.0%
9 Amazon.com Inc	Consumer Discretionary	United States	2.0%
10 Givaudan SA	Materials	Switzerland	2.0%

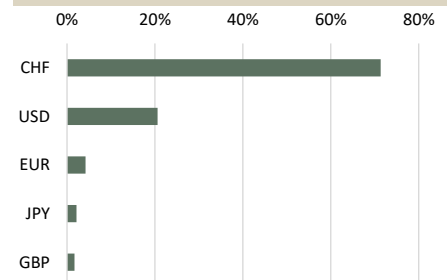
Contributors

Top contributors	Rel. Contribution	Worst contributors	Rel. contribution
JPMorgan Chase & Co	0.2%	Givaudan SA	-0.3%
Visa Inc	0.2%	Sika AG	-0.2%
NVIDIA Corp	0.1%	ASML Holding NV	-0.2%
Alphabet Inc	0.1%	LVMH Moët Hennessy Louis Vuitton	-0.2%
SAP SE	0.1%	Coca-Cola Co/The	-0.1%

Sectors



Currencies



Allocation

Gross exposure	Cash 37%	Futures 3%	Equity 55%	SP 3%
Top ten concentration	Top ten 22%	Rest 78%		