

NXG Equity Risk Managed Fund



NAV: CHF 105.40

ISIN: JE00B3FGB112

November 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 | 105.40 |
| Share class currency | CHF |
| AUM (CHF Mn) | 30.7 |
| 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

The US election was the major event of the month. The total victory for the Republican camp was greeted by the US equity markets. The S&P 500 returned 5,7%. The prospect of tax cuts on profits and income, expansionary fiscal policy and the implementation of a more nationalistic trade policy boosted US stock markets. Outside the US markets, the election results were greeted with some caution. The Euro Stoxx 50 and the Swiss Market Index were slightly negative for the month on fears of a trade war with the US and profit warnings in the automotive and consumer goods sectors.

The fund gained 2,6% in November while the Bloomberg World in CHF added 4,5%. We started the month with a 60% exposure as risk indicators were flashing red before the US election. As volatility receded, we increased the exposure to 90% using futures on US stocks. Part of the underperformance was due to the negative returns for the Swiss market. We reduced the exposure to Swiss equities from 19% to 16% partially selling Givaudan, Novartis, Richemont, Zurich. In the US, we lowered the exposure to Coca-Cola that published below estimates third-quarter revenues and increased the position in Procter & Gamble that managed to increase its margins during the last quarters. We reduced the exposure to European stocks below 10% by selling the position in TotalEnergies.

Performance graph



Performance table (%)

| Year | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|------|-------|------|------|------|------|------|------|------|------|------|------|------|
| 2024 | 11.4 | 1.9 | 3.4 | 2.4 | -2.7 | 3.5 | 1.0 | -0.7 | 0.1 | 1.0 | -1.4 | 2.6 |
| 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 (%) | 8.6 | P/E next year | 23.3 18.5 |
| Standard deviation p.a. (%) | 8.8 | P/B fwd 12m | 9.5 3.2 |
| Max drawdown (%) | -7.7 | Return on equity | 37.5 13.8 |
| Net equity exposure (%) | 88 | Debt/equity | 88 133 |
| Gross equity exposure (%) | 88 | Number of positions | 38 2 786 |
| Equity exposure (%) | 54 | Avg. market cap. (CHF Bn) | 613 33 |
| Equity hedging (%) | 34 | ESG rating (Conser) | A C |

*Index: Bloomberg World

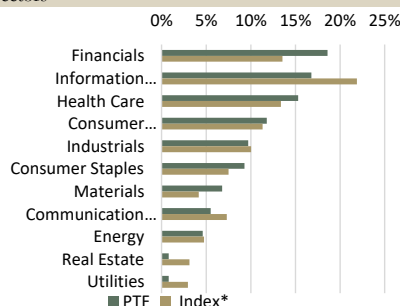
Top positions

| Name | Sector | Country | Weight |
|-----------------------|------------------------|---------------|--------|
| 1 Alphabet Inc | Communication Services | United States | 2.3% |
| 2 Microsoft Corp | Information Technology | United States | 2.3% |
| 3 JPMorgan Chase & Co | Financials | United States | 2.3% |
| 4 Amazon.com Inc | Consumer Discretionary | United States | 2.3% |
| 5 ABB Ltd | Industrials | Switzerland | 2.3% |
| 6 Visa Inc | Financials | United States | 2.2% |
| 7 Oracle Corp | Information Technology | United States | 2.0% |
| 8 Novartis AG | Health Care | Switzerland | 2.0% |
| 9 Roche Holding AG | Health Care | Switzerland | 2.0% |
| 10 Blackrock Inc | Financials | United States | 1.8% |

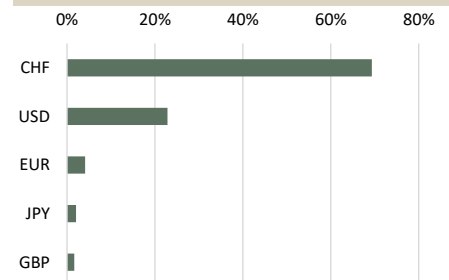
Contributors

| Top contributors | Rel. Contribution | Worst contributors | Rel. contribution |
|---------------------|-------------------|----------------------------------|-------------------|
| JPMorgan Chase & Co | 0.3% | Givaudan SA | -0.1% |
| Amazon.com Inc | 0.3% | Nestle SA | -0.1% |
| Oracle Corp | 0.2% | Roche Holding AG | -0.1% |
| Visa Inc | 0.2% | Cie Financiere Richemont SA | -0.1% |
| Ralph Lauren Corp | 0.2% | LVMH Moet Hennessy Louis Vuitton | -0.1% |

Sectors



Currencies



Allocation

| | | | | |
|-----------------------|-------------|-------------|------------|-------|
| Gross exposure | Cash 9% | Futures 34% | Equity 54% | SP 3% |
| Top ten concentration | Top ten 21% | Rest 79% | | |