

Swiss Opportunity Fund

FACT SHEET December 2020 / PERFORMANCE 3.81%

After November's dazzling performance we asked ourselves what could possibly lead stock markets higher in the near term. After all, a great deal of positive news was already priced in. News of highly effective vaccines had given the market a boost, as did the outcome of the presidential election in the US. Even central banks' full-throttled support of the economy has been largely priced into stocks at the current levels and news flow from this corner hardly triggers much of a response on markets anymore. For example, the ECB's recent announcement that it was ramping up its quantitative easing was met with a figurative shrug. The Swiss market hovered around its November closing until the middle of December, following the lead of major indices worldwide, and then started heading north when Republican and Democratic leaders in Congress finally reached a deal on a COVID-19 stimulus package. Markets also rose after the Federal Reserve promised to maintain its ultra-loose monetary policy stance. However, the main catalyst for rising stock prices was clearly the good news that regulators had approved a coronavirus vaccine, followed by the unexpectedly quick start of vaccination campaigns in many countries. That helped to shift investor focus from the still dire situation on the pandemic front (virus mutations). Against this backdrop, the Swiss stock market (SPI TR) advanced another 2.5%. The mid- and small-cap segment (SPIEX TR) also advanced and ended the month 3.1% higher. The Swiss Opportunity Fund had no trouble keeping up with its relevant benchmark and showed a monthly return of 3.81%, ending the year on

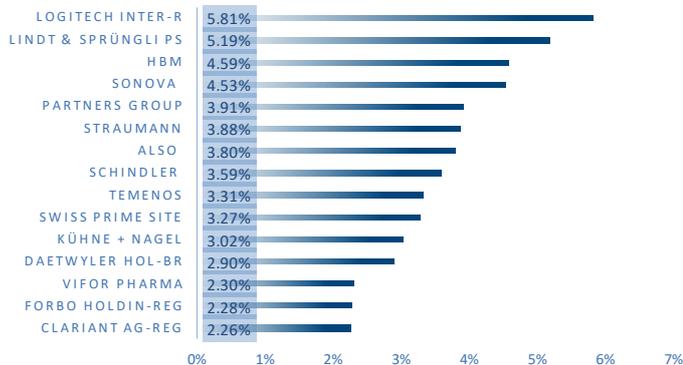
conciliatory note. The fund's excess performance for 2020 amounted to 2.81% and this led to a significant improvement in its 3-year performance. Unlike in November, when the cyclical stocks in the fund had the biggest impact on performance, in December it was portfolio diversification and relative weightings that made a difference: So-called Covid-19 shares such as HBM advanced 6.88%, Logitech was up 6.86% and Software One 12.82%. At the same time some (expected) positive surprises from cyclical companies also helped the fund's performance. Zehnder ended the month with a gain of 19.18%, Georg Fischer was up 7.86%, Bucher 6.27%. Also worth mentioning are the "long-distance runners" (based on the concept behind the Swiss Opportunity Fund) such as Lindt (+10.1%). What's our forecast for the near term? Stock markets obviously have a sizzling run behind them, especially considering developments on the pandemic front. Nevertheless, our mid-term stance on stocks is still positive thanks to the promising highly effective coronavirus vaccines. We assume that economic activity and overall social life will gradually normalize as spring sets in and that the economic recovery will shift into a higher gear by mid-year at the latest. Of course, one can take a different view on the grounds that stocks have already anticipated much of this positive scenario and that future gains on stock markets will be slim in comparison. We basically agree. But these comparatively modest stock-market returns together with high dividend yields are still much better than the paltry returns that bond markets offer.

NET-PERFORMANCE SINCE 30.06.2017 (VS SPIEX)



Swiss Opportunity Fund

LARGEST POSITIONS

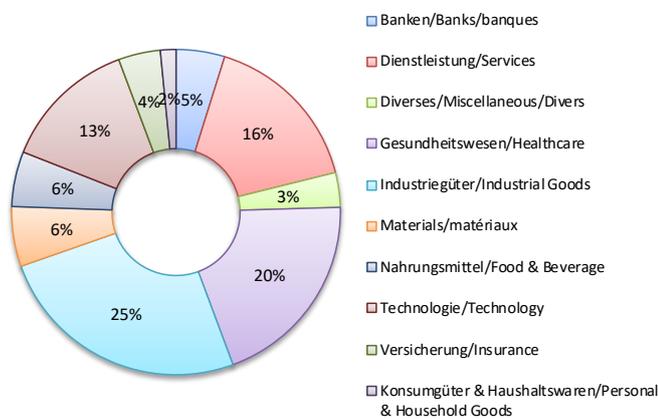


PERFORMANCE

Performance	SOF	SPIEX	Difference
December	3.81%	3.10%	0.71%
2020 YTD	10.88%	8.07%	2.81%
2019	30.07%	30.42%	-0.35%
2018	-18.01%	-17.23%	-0.78%
2017	26.40%	29.73%	-3.33%
2016	6.56%	8.50%	-1.94%

Performance	SOF	SPIEX	Difference
12 months	10.88%	8.07%	2.81%
3 yrs p.a.	5.75%	5.27%	0.48%
5 yrs p.a.	9.75%	10.45%	-0.70%

ALLOCATION BY SECTORS



STATISTICS

over 3 years	SOF	SPIEX
Risk Ratio p.a.	18.87	19.51
Tracking Error	2.10	
Information ratio	0.20	
Alpha	0.65	
Sharpe Ratio	0.32	0.29

FUND FACTS

Fund Domicile	Switzerland
Investment Manager	Santro Invest SA, Pfäffikon/SZ
Custodian Bank	Bank J. Safra Sarasin AG, Basle
Administrator	LLB Swiss Investment AG, Zurich
Date of Inception	July 1, 2005
Fund Currency	CHF
Reporting Period	Calendar Year
Issuance / Redemption	Daily
Swiss Sec. Number / ISIN	2.177.802 / CH0021778029

COSTS

Management Fee	1.25% p.a
Performance Fee	10% of the OP vs SPIEX
Redemption Fee	None
Total Expense Ratio (TER)	1.42% p.a. (as per 31.12.2019)

Total Net Asset Value	CHF mn	66.51
Degree of Investment		94.91%
Net Asset Value per share	CHF	299.59
Last dividend payout	12.03.13	gross 0.92
	18.03.15	gross 1.6
	21.03.18	gross 1.2

FUND DESCRIPTION

The Swiss Opportunity Fund is an actively managed Swiss equity fund. It invests primarily in the shares of small and mid-cap companies whose main office and/or core business activities are in Switzerland. Investing in the fund gives investors exposure to the Swiss stock market. The Swiss Opportunity Fund's investment objective is to achieve an excess performance versus its benchmark, the SPI Extra TR stock index. Its portfolio structure can diverge significantly from the benchmark's, depending on the current and prospective opportunities associated with specific company developments, stock valuations or the macroeconomic cycle. If we are anticipating a downturn in economic activity, the fund's investments will include stocks with a defensive profile. In an environment of favorable economic conditions, the fund invests primarily in small and mid-cap stocks with the potential to outperform defensive blue chips due to their growth, dynamic qualities and flexibility. When selecting individual investments, we prefer companies with a consistently strong track record in regard to senior management, balance sheet structure and market position. The strategy is long-term in nature and geared towards steady value appreciation.

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