

JUNE 2024

Marketing communication

INVESTMENT OBJECTIVE

Invests in SPI companies in which a significant part of the capital / voting rights is still owned by the founder, his descendants, a family or an entrepreneur. They are chosen according to a fundamental investment process which selects those with the best risk-opportunity profile.

PORTFOLIO REVIEW

After last month's strong rebound, and against a backdrop of political turmoil in Europe and sharp Swiss franc appreciation, the Swiss market lost some steam in June, shedding 0.5%. It nonetheless closed the first half of the year with a more than respectable performance of 9.3%. Small- and mid-caps continue, meanwhile, to lag, having gained just 4.5% over the same period.

A number of key parameters for a recovery in small- and mid-caps have been in place for several months now, but this asset class, both in Switzerland and abroad, continues to underperform the broader market. The correlation between the smallest listed companies and PMI datapoints, for instance, is significant. And even though the latter's current levels still indicate a contraction, the manufacturing situation has improved markedly over the past year, which should in theory support small- and mid-caps. Their valuation premium also stands well below the historical average, which is another important factor for future outperformance. What is more, since the lows of last October, small- and mid-caps have not even rebounded more strongly, despite a 6-year performance delta between their index (SPI Extra) and that of large caps (SMI adjusted for dividends) of more than 50% in favour of the SMI. Never before in the history of the Swiss equity market has there been such a differential in performance to the detriment of secondary stocks. Even the depreciation of the Swiss franc at the onset of this year provided no help, despite the fact that small- and mid-cap earnings are generally more sensitive to currency fluctuations. What is missing for their performance to pick up, if even two rate cuts by the SNB have had no impact? The answer would seem to lie on the other side of the Atlantic, with Swiss small- and mid-caps reacting more strongly to US interest rate moves (chart 2). As long as there are no clearer indications regarding a rate cut by the Federal Reserve (Fed), it is a safe bet that this asset class will not gain investor favour. But beware of a backlash, since expected earnings growth for this year (as well as 2025 and 2026) is much higher for the SPI Extra than for the SMI. In fact, based on 2026 earnings, both indices are trading on the same multiple (P/E of 15x), whereas small- and mid-caps typically command a premium!

The Bruellan Swiss Family Enterprises lost 1.3% in June, bringing its half-year performance to 4%. Among the fund's top monthly performers figure Roche (+8%), Belimo (+7%), Also (+6%) and Swissquote (+3%).

Conversely, the biggest performance detractors were Zehnder (-13%), Kardex (-8%), Daetwyler (-9%) and Straumann (-5%).

RISK & REWARD

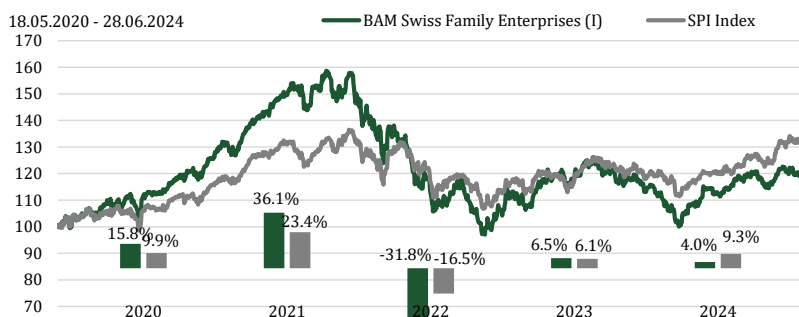


FUND FACTS

Domicile	Luxembourg (UCITS)
Inception date	18 May 2020
Currency	CHF
Lead Manager	Anick Baud
Co-Manager	Florian Marini CFA, CMT
Fund size	CHF 72 Millions
Liquidity (sub./red.)	Daily
Min. Investment	Retail: no minimum Instit.: 1 million CHF Early Bird: closed
Entry / exit fees	0.0% / 0.0%
Management fees	1.2%-0.8%-0.5%
Performance fees	20%
High Water Mark	Yes
Benchmark	SPI Index
ISIN	Retail: LU2099690849 Instit.: LU2099690336 Early Bird: LU2133135843
Bloomberg	Retail: PRSFERC LX Instit.: PRSFEIC LX Early Bird: PRSFEZC LX
NAV	Retail: 117.1 Instit.: 119.07 Early Bird: 120.39

Not all the costs are presented, further information can be found in the prospectus or equivalent.

NET PERFORMANCE AND ANNUAL PERFORMANCE IN CHF



	Fund	SPI Index	+/-
1 Month	-1.3%	-0.5%	-0.9%
3 Months	-1.4%	3.1%	-4.5%
YTD	4.0%	9.3%	-5.2%
Since inception	19.1%	31.3%	-12.2%

Source: All data and graphs throughout the document from Bruellan.

Past performance may not be a reliable guide to future performance. All forms of investment involve risk.

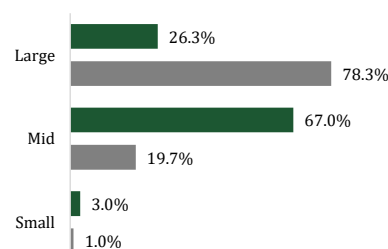
The benchmark index is the SPI Index.

Please refer to the end of the document mentioned for performance comparison purposes.

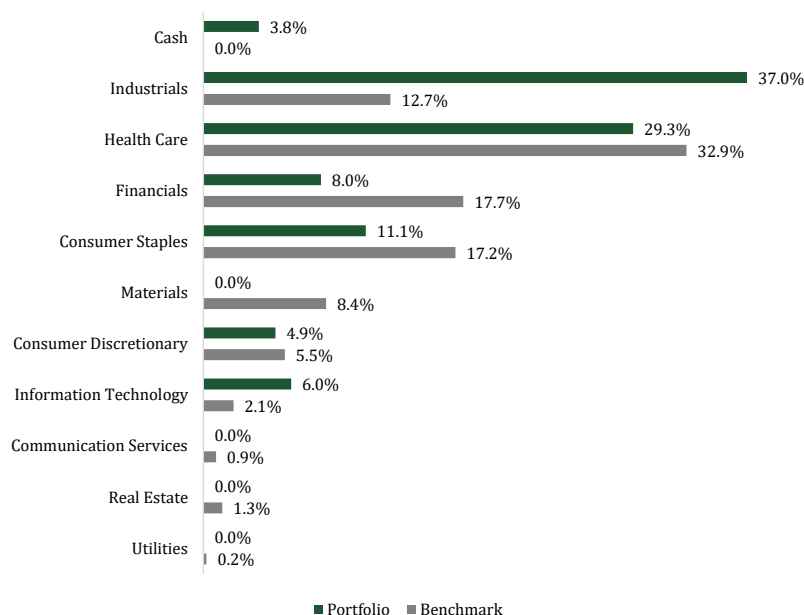
STATISTICS

	Fund	SPI Index
Leading PE	22.7	16.1
EV/EBITDA	14.2	12.1
P/Book	5.1	1.8
Dividend Yield	1.9%	2.7%
ROE	19.7%	9.7%
Debt/Equity	33.6%	57.3%
Interest Coverage	24.2	8.0
Beta	1.1	1.0
Volatility	17.3%	13.5%

ALLOCATION BY MARKET CAP



ALLOCATION BY SECTOR



FUND COMPLEMENTARY DETAILS

Administrator	Fund Partner Solutions SA
Representative in Switzerland	FundPartner Solutions (Suisse) SA
Investment Manager	Bruellan SA
Paying agent in Switzerland	Banque Pictet & Cie SA
Auditor	Deloitte Audit SARL
Custodian	Bank Pictet & Cie (Europe) AG, Succursale de Luxembourg

TOP 10 HOLDINGS

	Sector	Weight
ROCHE HOLDING AG-GENUSSCHEIN	Health Care	9.6%
CIE FINANCIERE RICHEMO-A REG	Consumer Discretionary	4.9%
BELIMO HOLDING AG-REG	Industrials	4.7%
CHOCOLADEFABRIKEN LINDT-REG	Consumer Staples	4.2%
SCHINDLER HOLDING AG-REG	Industrials	4.1%
VZ HOLDING AG	Financials	4.0%
EMMI AG-REG	Consumer Staples	4.0%
SWISSQUOTE GROUP HOLDING-REG	Financials	4.0%
MEDACTA GROUP SA	Health Care	3.9%
STRAUMANN HOLDING AG-REG	Health Care	3.9%
Total		47.4%
Total number of Holdings		27

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<https://www.pictet.com/content/dam/www/documents/legal-and-notes/fundpartner-solutions/fps-summary-of-investors-rights.pdf>. The decision to invest in the promoted fund should take into account all the characteristics or objectives of the promoted fund as described in its prospectus. Information on sustainability-related aspects provided in relation to the promoted fund could be found on the following link:

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