Outlook 2025

Reuss Private

The Big Picture I

Structural Environment

- High indebtedness + adverse demographic developments + low productivity growth = low global trend growth. Among other things, the high level of indebtedness leads to a more unequal distribution (Gini index). This is one of the reasons for shifts in political constellations (polarization).
- Re-nationalisation of economic and social policies. Stronger focus on distributional effects within countries.
- Supply shortages in labour markets are easing only gradually.
- A de-dollarisation and possible decoupling from the West of an enlarged BRICs group seems possible, but this would result in two newly competing currency systems.
- Geopolitical tensions – especially the conflicts in the Ukraine and the Middle East – remain heightened.
- The polarisation between the "West" and the "Global South" can make it more difficult to finance Western debt in the long term – also due to the confiscation of state assets.

Economy

- Global growth is recovering slightly. Compared to the past decade, macro-economic volatility and nominal growth remain elevated for longer.
- The outlook for the US economy remains favorable amid high trend growth and a loose fiscal policy, but we see a subdued growth environment across Europe. China's weak domestic demand but growing production capacities threaten the industrial sectors in the advanced economies.
- Inflation and interest rate cycles have been synchronized globally since the pandemic but will diverge more strongly again in the future.
- Both the Fed and the ECB will likely cut rates by less than is generally expected.
- In the longer term, (government-led) investment should increase and support growth.

The Big Picture II

Influencing Factors

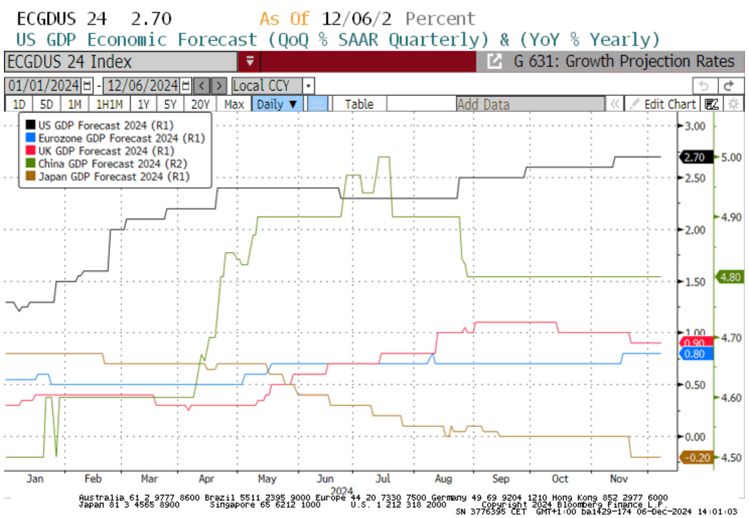
- Geopolitical risks (i.e. Ukraine, Israel, Iran, Taiwan and Turkey) have increased and will remain elevated for a prolonged period. This reinforces the deglobalization trend.
- Fiscal policy will remain expansionary, and no austerity policy is likely to be pursued.
- Political risks, with the potential for long-term very adverse outcomes, remain substantial, especially amid the ascent of EU/Euro critical parties in Europe and protectionist measures by the US government. Global risks, and thus the potential for markedly negative long-term scenarios, remain pronounced.
- An escalation of the global trade war – especially between the US and China – will have lasting consequences and will ultimately be a burden for global growth and financial markets.
- **Birth rates have fallen sharply recently. This can lead to social tensions and put additional pressure on trend growth in the longer term.**

Market Environment

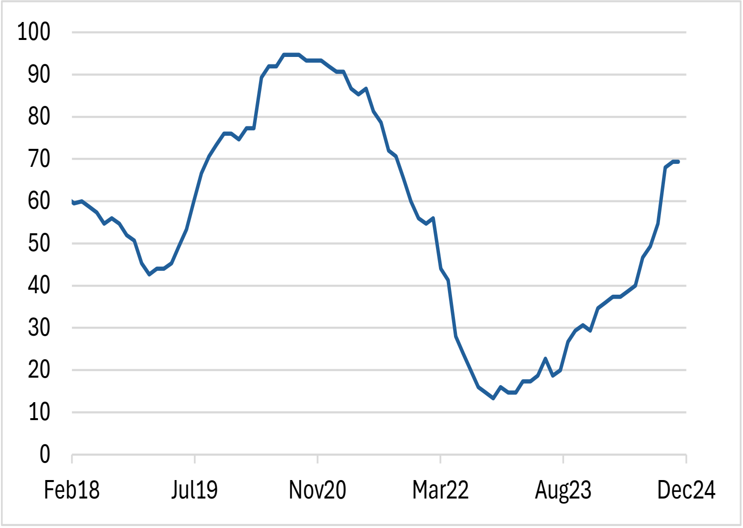
- Risk assets are attractive in the long term. However, due to diverging economic cycles, a selective allocation is advisable.
- The outlook for equities is volatile and accompanied by pronounced setbacks but remains fundamentally positive in the long term. Corporate profits can increase significantly and will be the main contributor to a positive performance.
- The trend towards sustainable investments and "green finance" will intensify across all asset classes in the coming years.
- Yields of “safe" bonds such as German Bunds and US Treasuries will trade sideways on a multi-year horizon.
- With rate cuts, spread products become more attractive. Carry and roll-down remain important for fixed income investors.
- **Positive for the US dollar. Cautious with EM currencies. Long-term downside risks for the Euro and the British pound.**
- Longer term friendly environment for precious metals.

Review 2024

Growth expectations for 2024



Share of central banks with interest rate cuts (in %)

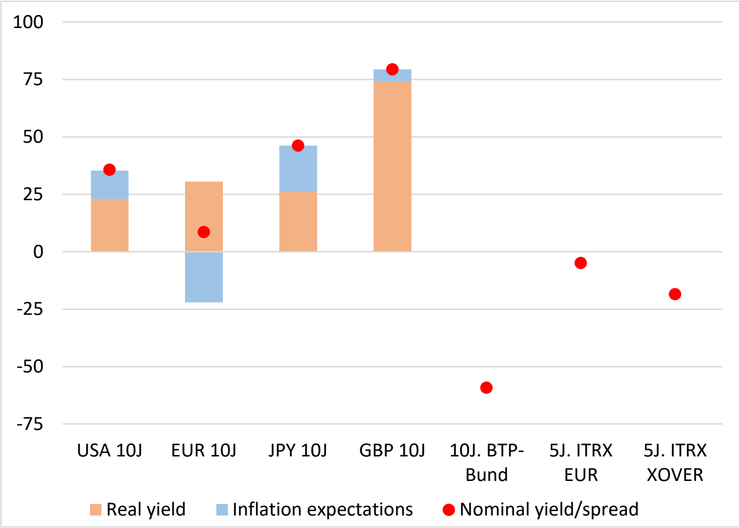


Source: Bloomberg, MacroMicro

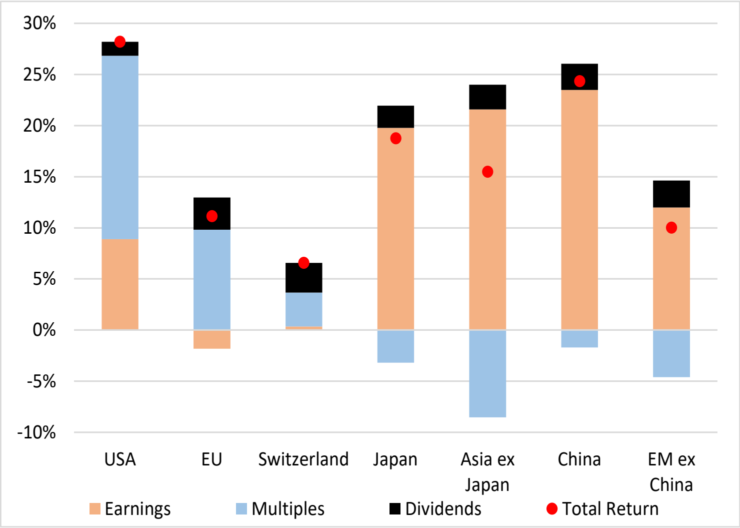
- Growth in Europe generally remained in line with low expectations. Trend growth was low due to stagnating productivity, and industrial sectors suffered from increased competition from Chinese exporters. In China, the slowdown in the property market continued, accompanied by ongoing weak domestic demand. Further fiscal and monetary easing measures were implemented, but these had only a modest positive impact on growth. In the US, the economy once again surprised on the upside, thanks to loose fiscal policy, significant real income growth and strong productivity gains. In Japan, declining real household incomes weighed on domestic demand and contributed to a disappointing performance.
- Inflation rates have fallen significantly over the past two years, thanks to the restoration of supply chains, the normalisation of energy prices and tight monetary policy. This in turn has enabled an increasing number of central banks to ease monetary policy. There has been an almost synchronised process of rate cuts around the world. Japan is an important exception. In contrast to the global rate cuts, the BoJ only started to raise interest rates in the spring of 2024.

Review 2024

Change in yields & spreads since end of 2023 (in bps)



Equity market performance in 2024 (local currency in %)



Source: Bloomberg

- Despite the increasing number of central banks which eased monetary policy as well as falling inflation, government bond yields have mostly risen. On one hand, domestic price pressures have proved more persistent than expected, limiting the potential for central banks to cut interest rates. On the other hand, the outlook for the US economy has particularly improved, contributing to upward pressure on global yields. Spreads on carry products have largely narrowed thanks to lower central bank rates and the absence of a recession.
- In equity markets, the surprisingly strong growth environment in the US, combined with falling inflation rates and the easing in monetary policy, led to significant price gains. Rising stock market valuations (price/earnings ratios) in the US and in Europe were responsible for most of the gains. The relatively weak economic performance in Europe was however reflected in comparatively moderate stock market gains. In Asia, mainly higher earnings led to a positive performance. In Japan in particular, price gains were bought at the expense of a weak exchange rate. The Swiss equity market suffered from the strong Swiss franc.

Outlook 2025: Global Environment

USA: Inflation & wage growth

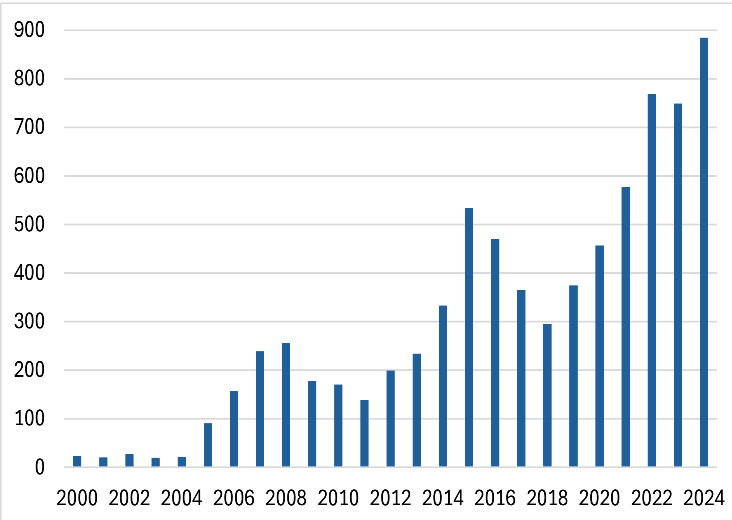
Real policy rates

Source: Bloomberg

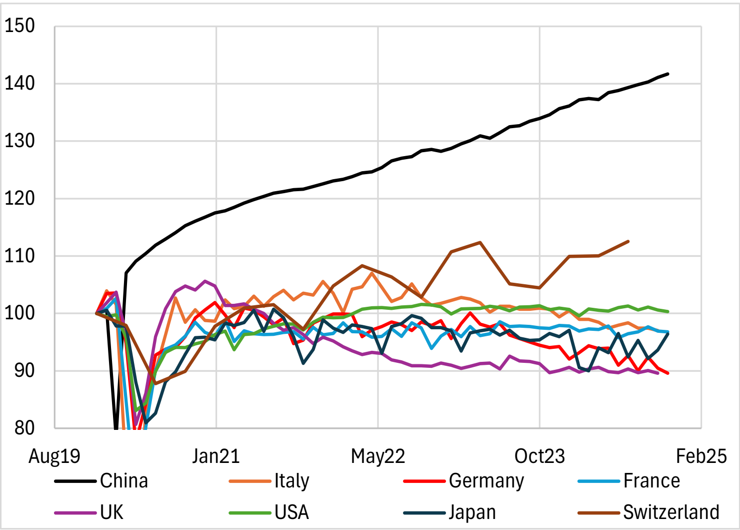
- The combination of lower inflation, with continued wage growth and globally synchronized monetary easing, should support economic momentum and be accompanied by a modest recovery in global growth. The environment for the industrial sector is mostly weak (China shock 2.0), while the environment for services is more favourable due to sustained employment growth and rising real wages. As services account for a much higher share of GDP than the industrial sector, this generally points to significant growth.
- The Inflation has fallen strongly, and real policy rates are at historically high levels. Therefore, policy rates can be lowered further. However, the current synchronized interest rate cuts should not obscure the fact that the real economic environment in important economies – especially in the US, in Europe and in China – is very different. Global factors influencing inflation, such as supply chain disruptions and sharp changes in energy prices, are becoming less important. As a result, there are signs of greater divergence in growth, inflation and monetary policy.

Outlook 2025: China Shock 2.0

Trade balance surplus in USD bn (2024 Jan - Nov)



Industrial production (Dec 2019 = 100)



Source: Bloomberg

- China has significant overcapacity due to a sharp increase in supply and weak domestic demand. This is fuelling a fierce price war with low profit margins. Chinese companies are therefore pushing even harder into global markets than before. This is reinforced by the real depreciation of the Renminbi. As a result, China's exports of goods have risen sharply in recent years, while imports have been relatively weak.
- Consequently, the market share of Chinese producers is increasing not only in the domestic market but also in global markets. At the same time, the market share of producers of other countries is declining. China is of paramount importance to the world economy. China's share of global industrial production has risen to over 35%, making it as large as the next ten economies combined. This is also the reason why rising industrial production in China has been accompanied by weak performance in most developed economies. There is currently no improvement in sight.

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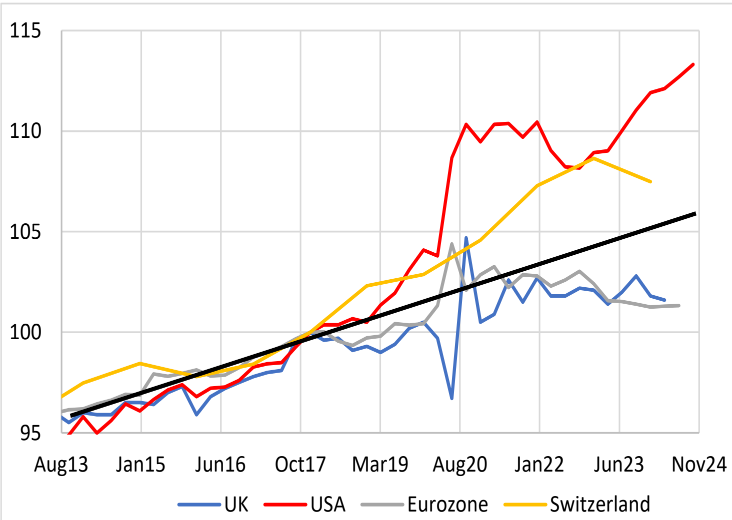
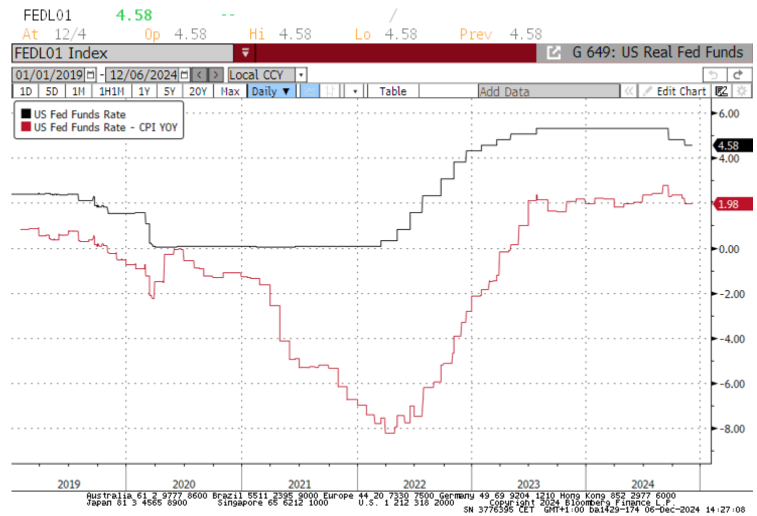
Outlook 2025: USA

Productivity per working hour (Q4 2017 = 100)



Nominal & real Fed Funds rate



Source: Bloomberg , Eurostat, BfS

- The measures announced by the new US administration – in particular lower corporate taxes, economic deregulation and the expansion of energy production – should contribute to continued strong productivity growth. However, trend growth is unlikely to be as high as it has been recently, as tighter immigration policies could lead to a significant decline in net migration. Fiscal easing, and the unwinding of the negative effects of restrictive monetary policy, should contribute to an increased above-trend growth rate. As a result, the US economy can return to strong growth and surprise on the upside.
- However, higher growth, combined with a tighter labour market and tariffs, will eventually lead to a resurgence of inflationary pressures.
- The Fed is currently in rate-cutting mode. However, the expected policies of the new administration increase the likelihood of subsequent rate hikes. The timing will depend on the specific form and timing of policy changes.

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Outlook 2025: Eurozone

PMIs industrial & service sectors

Inflation rates (yoy in %)

Source: Bloomberg

- Employment and wages are rising. This increases purchasing power and consumption. The negative effects of restrictive monetary policy are also diminishing. In addition, there is (government-led) investment in the energy transition, securing supply chains for key goods and some military build-up. The service sectors are mostly driving the recovery, but the environment for the industrial sector is difficult. With productivity stagnating, trend growth is low and economic momentum remains subdued.
- Germany's underperformance is likely to gradually ease, especially if a new government loosens fiscal policy and implements supply-side reforms. On the other hand, the outlook for France, but also for Italy, has become more difficult in relative terms. The outlook for the Netherlands, Spain and Portugal remains favourable.
- Given the disinflationary pressures from commodities and goods as well as subdued economic momentum, the ECB will continue to lower its policy rates for the time being. However, if productivity remains weak, there is a clear risk that domestic inflationary pressures will remain elevated in the longer term, requiring a tightening of monetary policy at a later stage.

Outlook 2025: United Kingdom

GDP growth & PMIs

UK & Eurozone: policy rates & services inflation

Source: Bloomberg

- Great Britain is in an equally bad position like the Eurozone. The significant rise in real wages may lead to an increase in consumption and positive growth. However, as in the Eurozone, productivity has been stagnant for years and trend growth is therefore low. Brexit is also still a drag. As a result, Great Britain has lost direct access to the EU single market and has therefore become less attractive for direct investments. Although fiscal policy is being tightened less than originally planned, it is unlikely to support growth. The outlook for the British economy therefore remains subdued.
- Inflation in the United Kingdom has fallen to around 2%, comparable to the Euro area. However, domestic price pressures are proving to be even more persistent than in the Eurozone, as reflected in very high services inflation. The BoE therefore has been hesitant and has only cut interest rates twice. As a result, real interest rates remain very high. In 2025, the BoE will be able to cut rates slightly more than the Fed and the ECB.

Outlook 2025: Switzerland

KOF, SECO consumer confidence and GDP

Policy rate & inflation (yoy in %)

Source: Bloomberg

- The Swiss economy is in a much better position than Great Britain and the Euro area. Both high net immigration – especially of well-educated skilled workers from the EU – and sustained productivity gains are supporting trend growth. The favourable productivity trend is reflected in an increase in industrial production, bucking the European trend. Growth should once again be higher than in the Eurozone.
- Switzerland is currently threatened by a potential decline in exports due to political developments in the US and weak economic momentum in neighboring countries. The fiscal room to support the economy in the event of external shocks is available.
- Due to the high trend growth, inflation rose less sharply after the pandemic than the international average and then fell back more quickly towards the SNB target. Domestic price pressures are subdued. This is reflected in a moderate inflation of just 2% in the services sector. The SNB can further loosen its monetary policy.

Outlook 2025: Japan

Inflation & wage growth (yoy in %)

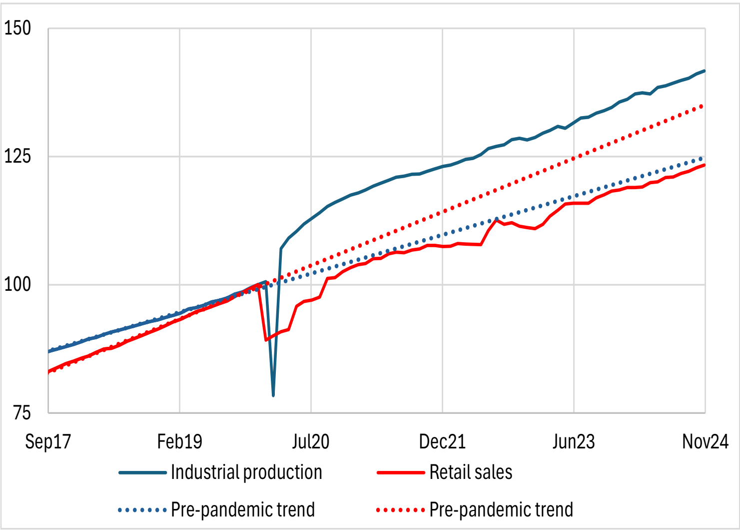
Consumption, GDP growth and land prices (yoy in %)

Source: Bloomberg

- Japanese households suffered a significant loss of purchasing power due to the energy price crisis and the weak Yen. As a result, consumer spending was also very weak, weighing on the economy as a whole. Recently, however, there have been signs of a turnaround. Wage growth has picked up and inflation has fallen slightly. Land prices are also rising, and last year saw the highest growth in 15 years. This should allow consumption to make a positive contribution to growth in 2025. Japanese exporters continue to benefit from the weak Yen, and GDP growth could pick up in the coming quarters.
- The BoJ ended its negative interest rate period in the spring with the first rate hike in 17 years. With a policy rate of 0.25%, real interest rates – i.e. inflation-adjusted interest rates – are still well into negative territory, and monetary policy is therefore accommodative. Accordingly, the BoJ is likely to tighten further, but only cautiously and with small rate hikes.

Outlook 2025: China

Industrial production & retail sales



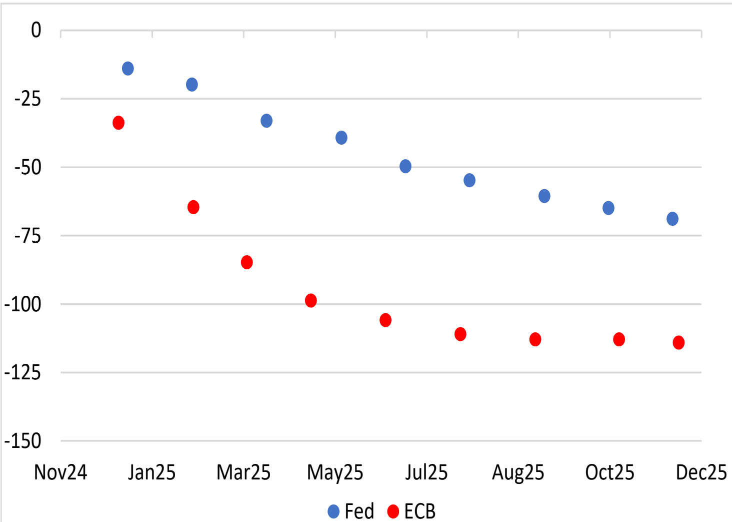
Inflation & GDP growth

Source: Bloomberg

- China is suffering from a disinflationary weakness in demand. This is due to demographics, the collapse of the property market with high vacancy rates and a policy during the pandemic that – unlike in Europe and North America – supported businesses (supply) but not households (demand). As a result, supply has grown much faster than demand, and Chinese producers are pushing even harder into global markets than before. Macro-economic policy has recently been loosened considerably. Further fiscal and monetary easing is likely to follow. While this may stabilize growth, high vacancy rates mean that a sustained recovery in the property market and hence a significant economic upswing, is unlikely.
- Structural weakness in demand remains, and the long-term outlook for China is cautious. Economic imbalances have widened. Trend growth is likely to weaken further in the coming years due to the sharp rise in debt, less favourable demographics and declining productivity growth. In addition, the structural conflict with the US could lead to a technological decoupling, putting additional pressure on trend growth.

Outlook 2025: Government Bonds

Priced Fed & ECB policy rate changes in bp



10y yields UST, Bund, JGB, Gilt and Eidgenossen

Source: Bloomberg

- Trend growth in the US is likely to remain high, and actual growth is likely to rise relative to trend as a result of fiscal easing. This means that inflationary pressures could pick up again. As a result, the Fed is likely to cut rates somewhat less than is generally expected. Growth in the Euro area is much weaker. However, with productivity stagnating, domestic inflationary pressures will remain elevated for longer. In addition, the Euro is weak. As a result, the ECB will likely cut its policy rates by less than what is already priced in.
- This creates a challenging environment for longer-dated government bonds in particular. In addition to the limited potential for rate cuts and higher nominal growth, increasing supply due to high budget deficits is likely to contribute to upward pressure in yields. From a strategic point of view, bond yields are likely to move sideways to moderately higher, especially at the longer end of the curve and led by the US.

Outlook 2025: Yields & Spreads Europe

10y corporate bond & 10y Bund yields

iTRX* indices & 10y BTP spread vs. Bund

* iTRX: Credit-Default-Index

Source: Bloomberg

- The outlook for carry products remains favourable. High nominal growth should be supportive as it makes it easier to service existing debt. In addition, the EU periphery in particular is benefiting from the Recovery and Resilience Facility and is outperforming the Eurozone core in terms of real growth. As a result, employment is rising, budget deficits are falling, and debt dynamics are improving.
- In general, spread products can remain overweight. Because growth risks for European economies have increased, it however makes sense to reduce the overweight.
- A cautious approach is recommended with regards to French bonds, high-yield bonds as well as lower credit ratings at the longer end. Over the course of the year, long-term exposure to Italy should be reduced and the focus should be on good quality/investment grade and more defensive sectors.

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Outlook 2025: EUR & USD

Real & nominal trade weighted Euro

Trade-weighted USD & 10y US real yield

Source: Bloomberg

- In the Euro area, the previously large negative terms-of-trade shock has been mitigated by falling energy prices. Inflation has fallen and purchasing power is improving. These are positive factors for the Euro. However, the structural environment for the Euro area is difficult, and the downside risks remain pronounced. Productivity growth has stalled. Combined with higher wages, this is undermining corporate competitiveness. Although the Euro has depreciated in nominal terms, it tends to be expensive in real terms. Europe also remains vulnerable to a renewed rise in energy prices and geopolitical developments. Europe risks falling further behind the US and China.
- The US dollar tends to be expensive. However, trend growth in the US is high and actual growth could rise on the back of likely fiscal and monetary easing. This is accompanied by high real interest rates by international standards, and the US dollar can appreciate on a strategic basis. Periods of weakness provide themselves as US dollar buying opportunities.

Outlook 2025: JPY, GBP & CHF

USD/JPY & 10y UST-JGB real yield spread

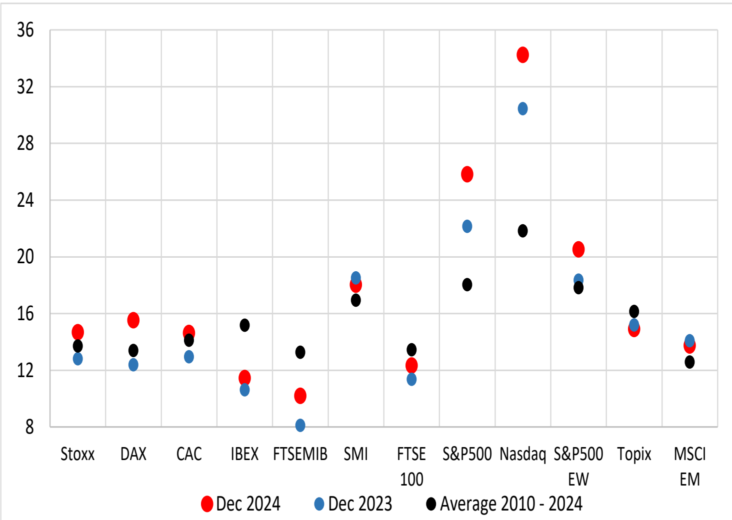
GBP & CHF: real effective exchange rates

Source: Bloomberg

- Wage pressures have increased in Japan and are accompanied by heightened medium-term price risks. The BoJ can continue to tighten monetary policy, but only very cautiously. Monetary policy in Japan is therefore currently moving in the opposite direction to that in Europe and in the US. The Yen is likely to move sideways against the US dollar, with a tendency towards Yen strength, while it can appreciate against European currencies.
- The environment for the UK economy, and therefore the Pound, is similar to that in the Eurozone. Productivity has stalled, undermining price competitiveness. The BoE will be able to cut interest rates more than the Fed and the ECB in 2025. In real terms, the Pound has appreciated significantly in recent years.
- The Swiss economy, and therefore the Franc, is in a relatively better position than the Eurozone and the Euro. The Franc is not very expensive in real terms due to low inflation. It remains attractive as a hedge against unexpected adverse developments due to its safe-haven status. However, the SNB is likely to counteract any excessive appreciation of the Franc.

Outlook 2025: Equity Markets I

P/E ratios based on estimated earnings



S&P500 P/E ratio & US financing conditions

Source: Bloomberg

- Equity market valuations have mostly risen. They are at elevated levels in the US and mostly at average levels outside the US, with the notable exception of the Eurozone periphery. In the US, valuations are distorted by the highly capitalised “FANG+” stocks. The valuation of the equally weighted S&P500 has fallen relative to the S&P500 based on market capitalization but is now also elevated.
- Many central banks are cutting interest rates. This is easing the burden of restrictive monetary policy. An environment of easing financing conditions is usually accompanied by higher market valuations (price/earnings ratios).
- Market valuations are likely to move sideways to slightly higher next year – probably slightly higher in H1 but lower in H2.

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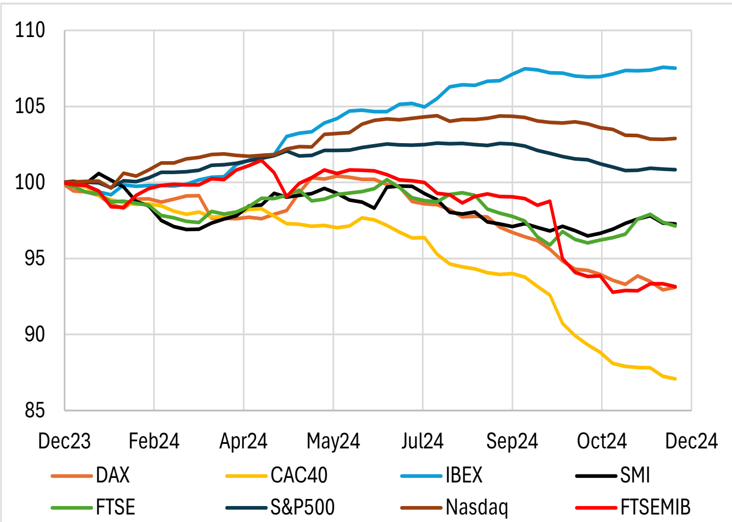
Outlook 2025: Equity Markets II

Earnings expectations (Jan 2024 = 100)



Global equity markets (Performance 2024)

Source: Bloomberg

- Global economic momentum is stabilizing, and the US is likely to avoid a recession. In addition, nominal growth will remain higher than in the past decade. As a result, higher earnings will be the main contributor to positive equity market performance in 2025.
- Although US equity markets are expensive, the prospect of stronger growth, lower corporate taxes and a wave of deregulation should lead to rising equity prices for the time being. However, the environment could become more challenging in the second half of the year, with a possible widening of credit spreads.
- We recommend an overweight of the equity market quota. Geographically, the US, the periphery of the Eurozone excluding Italy and western-oriented Asian countries can be preferred. Despite the difficult economic environment, German equities offer a positive longer-term outlook, especially if a new government changes economic policy.

Outlook 2025: Emerging Markets

US financing conditions & MSCI EM

Bond spreads & EM FX

Source: Bloomberg

- A recovery in the global economy should also support emerging market assets. However, negative factors have been intensifying. Valuations have risen, particularly in bond markets, as reflected in the much lower spreads on emerging market bonds. This means that they now offer less of a buffer against adverse developments. Hence, they could come under pressure from potential US tariffs and the China shock 2.0. A potentially stronger US dollar is also a negative factor. A selective approach to emerging market assets is therefore advisable. India, Indonesia, Vietnam and Taiwan, among others, remain attractive.
- Risks for this asset class remain significantly higher due to potentially adverse political developments.

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Outlook 2025: Commodities, Precious Metals & Cryptos

Oil, agriculture & industrial metals

Gold, silver & Bitcoin

Source: Bloomberg

- Commodities are going through a difficult period due to weak demand from China and the global industry. With further monetary easing and a slow recovery in global economic momentum, they may stabilize in the medium term. Oil is showing signs of a sideways trend with a slight downward bias. The US is already the largest oil producer and is likely to increase production. OPEC+ will continue to try to prevent significantly lower oil prices by reducing oil production.
- Gold in particular has been supported by geopolitical developments, with central bank holdings rising sharply since the outbreak of the war in the Ukraine. However, high US real interest rates and a strong US dollar are negative factors. The outlook for precious metals – especially gold – remains favourable in the long term, although there are signs that the upward trend is slowing somewhat.
- The approval of ETFs on Bitcoin and Ethereum in the US is attracting more investment capital into cryptocurrencies. The new US administration is likely to take a “crypto-friendly “ approach. Cryptos remain very volatile and accompanied by major setbacks.

Outlook 2025: Real Estate Markets

Nominal house prices (2005 = 100)

House price/income ratios (Q1 2000 = 100)

Source: Bloomberg

- The outlook for property markets has brightened. Demand should pick up somewhat as mortgage rates have fallen in response to monetary easing. In addition, employment remains high and real incomes are rising. The fact that property market valuations have generally become much more favourable in recent years also helps. With the notable exception of the US, house prices have been flat or even falling. At the same time, however, general price levels, wages and rents have risen significantly. Vacancy rates are often low, and construction activity is also relatively weak. As a result, supply is constrained, while demand may tend to increase. The outlook for property markets is therefore broadly positive. Prices are expected to rise moderately during the course of the year.
- China is an exception. China has overbuilt in recent years, and vacancy rates are still very high. This means that there are still no signs of a sustained fundamental turnaround in the Chinese property market.

Investment Ideas 2024 – Review I

Reuss Private

Product Report — **+4.40 % (YTD)**

Actively Managed Certificate - Bond Opportunities CHF Index — CH1272476693

Date as of 17 December 2024 (Tuesday)

Strategy Description

Medium-term capital growth by investing in CHF-denominated bonds. Instruments in other currencies (mainly EUR / USD / GBP) can be opportunistically mixed in to have the possibility to hedge against arising currency risks.

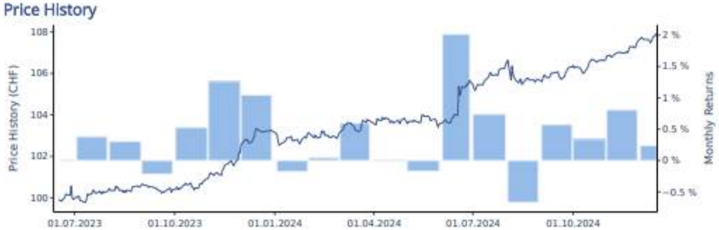
Product Details

ISIN	CH1272476693
Valoren	127247669
Currency	CHF
Number of components	45
Underlying Index	Bond Opportunities CHF Index
SSPA Classification	TrackerCertificate1300
Initial Fixing Date	09 June 2023
Final Fixing Date	Open End
Multiplier	1.0
Issuer	Maverix Securities AG
Calculation Agent	Maverix Securities AG
Index Sponsor	Maverix Securities AG

Key Measures

MTD	+0.24 %
YTD	+4.40 %
Since Inception	+7.89 %
Last Price	107.79 CHF
Issue Price	100.00 CHF
Volatility	2.28 %
52 Weeks High	107.89 CHF
52 Weeks Low	102.54 CHF
VaR (95%, 10d)	-0.55 %

Price History



Bond Opportunities CHF – characteristics:

- New portfolio, adapted to current market conditions, which invests primarily in CHF issuers. A small proportion can also be held hedged in foreign currencies.
- Focus on good credit ratings in the investment grade range (government bonds, government-related and public sector borrowers, Supras, top corporate issuers) supplemented with a small exposure in the sub-investment grade range.
- Average rating in the IG range, min. BBB-.
- Investments are spread across the entire yield curve segments.
- Daily subscriptions and redemptions (t+2).
- In order to reduce the issuer's credit risk and protect investors' interests, all liabilities are collateralized during the product life cycle. Under this agreement, the collateral is held at SIX SIS Ltd. Triparty Collateral Management (TCM).

Investment Ideas 2024 – Review II

Monatsbericht | 31. Oktober 2024

Twelve Cat Bond Fund I USD

DIES IST EIN MARKETINGDOKUMENT, DAS NUR AUSGEWÄHLTE HAUPTMERKMALE DES PRODUKTS BERÜCKSICHTIGT. BITTE STELLEN SIE SICHER, DASS SIE DEN ENTSPRECHENDEN PROSPEKT, DAS BASISINFORMATIONSBLATT (KID) SOWIE JEDES ANDERE RELEVANTE FONDSDOKUMENT LESEN, BEVOR SIE EINE ANLAGEENTSCHEIDUNG TREFFEN.

Kommentar

Der Fonds erzielte im Oktober eine positive Wertentwicklung, obwohl Hurrikan Milton als Sturm der Kategorie 3 Florida traf. Befürchtungen, dass die ILS Branche erhebliche Verluste erleiden könnte, erwiesen sich als unbegründet und derzeit sind keine wesentlichen Auswirkungen auf das Portfolio zu erwarten. Die Volatilität im Fonds war innerhalb des Monats im Vergleich zum breiteren Markt geringer. Mit Blick auf die Zukunft wird erwartet, dass sich die Aktivität auf dem Primärmarkt im November wie üblich beschleunigt. Es wird mit einer Verengung der Spreads gerechnet, da die Auswirkungen von Hurrikan Milton weniger schwer waren als ursprünglich erwartet und auch da die Nachfrage der Anleger nach Cat Bonds gestiegen ist.

Historisch gesehen sind die Spreads von Cat Bonds nach wie vor hoch, und es wird erwartet, dass sie auch im Jahr 2025 einen positiven Wertbeitrag liefern.

Wichtige Fondsdaten

ISIN	IE00BD2B9264
Nettoinventarwert/Anteil	USD 148,10
Fondsvolumen	USD 3'160'652'775
Währung der Anteilsklasse	USD
Ausschüttungsart	thesaurierend
Mindestanlage	USD 1'000'000
Handelsfrequenz	wöchentlich
Währungen der Anteilsklassen	USD, EUR, CHF, GBP, AUD
Verwaltungsgebühr p. a.	0,90%
Gesamtkostenquote (TER)	1,06%
Stichtag TER	30.06.2024
Ausgabeaufschlag / Rücknahmeaufschlag	Keine

Risiko- & Ertragsprofil[2]

1	**2**	3	4	5	6	7

Niedrigeres Risiko
Generell niedrigere Ertragserwartung

Höheres Risiko
Generell höhere Ertragserwartung

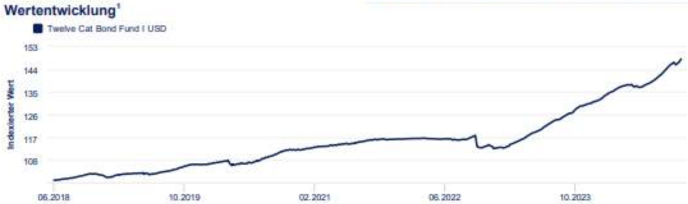
Renditekennzahlen[1]

Berichtsmonat	1,14%	Bester Monat	2,17%
Seit Jahresbeginn	12,42%	Schlechtester Monat	-2,87%
1 Jahr	14,32%	Positive Monate	84,42%
3 Jahre p. a.	8,47%	Maximaler Drawdown	-4,45%
5 Jahre p. a.	6,86%	Volatilität p. a.[3]	2,38%
Seit Auflegung insgesamt	48,10%	Sharpe Ratio	1,64
Seit Auflegung p. a.	6,31%		

Rollierende Rendite[1]

	10.2019 10.2020	10.2020 10.2021	10.2021 10.2022	10.2022 10.2023	10.2023 10.2024
Anteilsklasse	5,54%	3,47%	-2,31%	14,27%	14,32%

Wertentwicklung[1]



Monatliche Renditen[1]

	Jan	Feb	Mär	Apr	Mai	Jun	Jul	Aug	Sep	Okt	Nov	Dez	Jahr
2019	0,91%	0,34%	0,13%	0,22%	-0,48%	0,51%	0,65%	0,62%	1,11%	0,78%	-0,03%	0,27%	**5,14%**
2020	0,47%	0,51%	-1,11%	0,38%	0,28%	0,74%	1,04%	0,85%	1,41%	0,62%	0,07%	0,32%	**5,69%**
2021	0,46%	0,24%	0,46%	0,30%	0,32%	0,24%	0,52%	0,43%	0,18%	-0,12%	0,17%	0,07%	**3,32%**
2022	0,13%	0,03%	-0,06%	-0,13%	0,06%	-0,42%	0,05%	0,55%	-2,87%	0,12%	-0,77%	0,45%	**-2,86%**
2023	1,02%	1,05%	1,45%	1,53%	1,33%	1,82%	1,17%	1,55%	1,39%	1,45%	0,74%	0,95%	**16,58%**
2024	1,89%	1,30%	1,01%	0,42%	-0,78%	1,01%	1,54%	2,11%	2,17%	1,14%			**12,42%**

Monatsbericht | 31. Oktober 2024

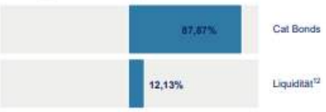
Twelve Cat Bond Fund I USD

Dieses Dokument ist nur für Marketingzwecke geeignet.

Portfoliocharakteristika

Bruttorendite in Währung der Anteilsklasse[4]	11,44%
Durchschnittliche Kuponrendite	10,96%
Discount Margin	7,35%
Erwarteter Verlust bei Emission[5]	2,05%
Risikoadjustierter Spread[6]	5,29%
Durchschnittlicher Anleihekurs	101,78
Durchschnittliche Restlaufzeit (Jahre)	1,56
Modifizierte Duration	0,10
Investitionsgrad	87,87%
Anzahl Positionen	262

Vermögensaufteilung



P&L Überschreitung[7]

95% TVaR	16,57%
99% TVaR	34,20%
95% VaR	0,72%
99% VaR	28,33%
99.5% VaR	33,54%
P<0	5,27%

Erwartete Verlustbandbreite[8]

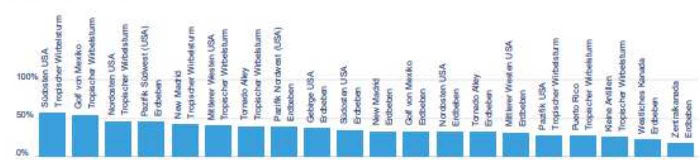
Erwarteter Verlust	
0-1%	15,09%
1-2%	27,41%
2-3%	21,84%
3-5%	17,97%
5-10%	5,57%

Erwarteter Verlustbeitrag[9]

Historische Drawdown Simulationen[10]

Trigger Typ[11]

Risikokategorie



Investment Ideas 2024 – Review III

This document is intended for Investors and Investment Professionals.
This is a marketing communication. Please refer to the prospectus of the fund and to the key investor information document before making any final investment decisions.

30 November 2024 Fact Sheet

ETF | Index | Equity

ETF (UCITS compliant)

L&G Artificial Intelligence UCITS ETF

USD Accumulating ETF Class

Fund aim

The L&G Artificial Intelligence UCITS ETF (the "ETF") aims to track the performance of the ROBO Global® Artificial Intelligence Index TR (the "Index"). More information on the Index can be found on page 2 of this document.

Who is this fund for?

- This ETF is designed for investors looking to grow their money in an investment which can form part of their existing savings portfolio.
- Although investors can take their money out at any time, this ETF may not be appropriate for those who plan to withdraw their money within five years.
- This fund is not designed for investors who cannot afford more than a minimal loss of their investment.
- If you do not understand the information in this document, the key information document or the prospectus, we recommend that you seek additional information or advice to help you decide if this ETF is suitable for you.

Fund snapshot

- **Long-term allocation**
  Long-term megatrend that we believe is radically transforming the way we live and work.
- **High growth potential**
  Aims to capture the outsized growth potential of the global artificial intelligence technology industry.
- **Leveraging industry expertise**
  An index tracking investment strategy that is supported by a team of artificial intelligence technology experts.
- **Does it promote sustainability characteristics?**
  The Fund promotes a range of environmental and social characteristics which are met by tracking the Index. Further information on how such characteristics are met by the Fund can be found in the Fund Supplement.

Fund facts

Fund size	$778.6m
Listing date	2 Jul 2019
Base currency	USD
Domicile	Ireland

Index
ROBO Global® Artificial Intelligence Index TR

Index ticker
THNQTR

Replication method
Physical - full replication

Ongoing charge 0.49%

Performance (%) USD Accumulating class

	1 month	6 months	1 year	3 years	5 years
NAV	9.76	18.56	31.49	13.48	117.80
Index	9.80	18.87	32.18	14.81	122.35
Relative	-0.04	-0.31	-0.69	-1.33	-4.55

Rolling 12-month performance

To 30 September	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
NAV	36.23	34.36	-40.38	32.74	49.85	-	-	-	-	-
Index	36.95	34.75	-40.17	33.37	50.54	-	-	-	-	-
Relative	-0.72	-0.39	-0.21	-0.63	-0.69	-	-	-	-	-

Performance for the USD Accumulating ETF class, listed on 2 July 2019. Source: Lipper. Performance assumes all ETF charges have been taken and that all income generated by the investments, after deduction of tax, remains in the ETF.

Past performance is not a guide to the future.

LGIM

Index breakdown

The breakdowns below relate to the Index. The ETF's portfolio may deviate from the below. All data source LGIM unless otherwise stated. Totals may not sum to 100% due to rounding.

Currency (%)

USD	92.2
TWD	5.1
EUR	2.6

Sector (%)

Information Technology	71.3
Consumer Discretionary	11.1
Health Care	6.6
Communication Services	5.5
Materials	1.5
Industrials	1.4
Financials	1.3
Real Estate	1.3

Top 10 constituents (%)

Shopify	2.7
NVIDIA	2.7
Ambarella	2.6
Snowflake Inc.	2.5
Cloudflare	2.5
Datadog	2.4
Crowdstrike Holdings	2.4
HubSpot	2.3
Palo Alto Networks	2.3
Samsara	2.2

Country (%)

United States	79.2
Taiwan	5.1
China	4.1
Israel	3.3
Canada	2.7
Netherlands	1.6
Germany	1.4
Brazil	1.4
France	1.2

Investment Themes 2025

Technology	▪ Artificial Intelligence ▪ Security ▪ Big Data/Quantum computing ▪ Automation/Robotics
«Green Technology»	▪ Energy efficiency and storage ▪ Electric and hydrgen-powered cars/mobility ▪ Infrastructure management
Blockchain	▪ Web 3.0 ▪ Cryptos ▪ Metaverse
Value/Dividends	▪ Utilities ▪ Telecomunication companies ▪ Insurance companies
Alternative Investments	▪ Bridge Finance ▪ Cat Bonds

Asset Allocation

EUR							USD					
Income		Balanced		Growth			Income		Balanced		Growth	
strategic	tactical	strategic	tactical	strategic	tactical		strategic	tactical	strategic	tactical	strategic	tactical
10.0	2.5	5.0	2.5	0	2.5	Cash <12m	10.0	2.5	5.0	2.5	0	2.5
50.0	52.5	35.0	35.0	20.0	17.5	Bonds	50.0	52.5	35.0	35.0	20.0	17.5
30.0	35.0	50.0	55.0	70.0	75.0	Equities	30.0	35.0	50.0	55.0	70.0	75.0
10.0	10.0	10.0	7.5	10.0	5.0	Alternatives	10.0	10.0	10.0	7.5	10.0	5.0

CHF							GBP					
Income		Balanced		Growth			Income		Balanced		Growth	
strategic	tactical	strategic	tactical	strategic	tactical		strategic	tactical	strategic	tactical	strategic	tactical
10.0	2.5	5.0	2.5	0	2.5	Cash <12m	10.0	2.5	5.0	2.5	0	2.5
50.0	52.5	35.0	35.0	20.0	17.5	Bonds	50.0	52.5	35.0	35.0	20.0	17.5
30.0	35.0	50.0	55.0	70.0	75.0	Equities	30.0	35.0	50.0	55.0	70.0	75.0
10.0	10.0	10.0	7.5	10.0	5.0	Alternatives	10.0	10.0	10.0	7.5	10.0	5.0

Positioning

Asset Class	What we like	What we underweight
Liquidity		
Bonds	▪ Short term to medium term investment grade assets (funds) ▪ Corporate bonds	▪ Long-term segment
Equities	▪ Solide dividend stocks ▪ Sektors: Utilities, Technology, Materials (Focus Gold) ▪ EM: India, Indonesia und Vietnam	
Alternative investments	▪ Edelmetalle, Kupfer sowie Uran (alles physisch) ▪ Fokus auf Krypto Anlagen ▪ Bridge Financing & Cat Bonds	
Currencies	▪ CHF ▪ JPY ▪ USD	

Investment Ideas 2025 – Artificial Intelligence-Infrastructure

Luzerner Kantonalbank

Amended and restated as of 12.12.2024, 08.34 h
Final Terms
Tel.: +41 44 206 99 55 / structuredproducts.lukb.ch

LUKB Actively Managed Tracker Certificate on the AI-Infrastructure Basket

These Products are derivative financial instruments and do not qualify as units of a collective investment scheme according to the relevant provisions of the Swiss Federal Act on Collective Investment Schemes ("CISA") and are not registered thereunder. Therefore, the products are not subject to authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA ("FINMA"). Accordingly, Investors do not have the benefit of the specific investor protection provided under the CISA. Investors bear the Issuer Risk.

Capitalized terms used in this Document shall have the meaning assigned to them in the Base Prospectus.

Summary

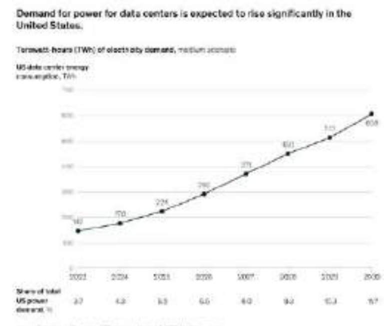
Note to Investors	This Summary is an introduction to the final terms (the "Final Terms" or "this Document") for the financial instruments referred in this Document (the "Products") and must be read together with the Base Prospectus. Any investment decision in relation to the Product should not be made based only on this Summary but on the information contained in the Base Prospectus and these Final Terms. Investors should, in particular, read the section "Risk Factors" in the Base Prospectus and the section "3. Significant Risks for the Investors" in this Document. **Any liability for information contained in this Summary is limited to cases where the information contained herein is misleading, inaccurate or inconsistent when read together with the Base Prospectus and the other parts of Final Terms.**
Issuer	Luzerner Kantonalbank AG (Rating: Standard & Poor's AA+)
Investment Advisor	Reuss Private AG
Product Type	LUKB Actively Managed Tracker Certificate
SSPA Product Category / Type	Participation / Tracker Certificate (1300), according to the Swiss Derivative Map provided by the Swiss Structured Products Association
Underlying	the AI-Infrastructure Basket
Underlying composition	Dynamic and discretionary
Valor / ISIN / SIX Symbol	135260888 / CH1352608884 / -
Issue Price	USD 100.00 (100.00% of the Initial Basket Level)
Initial Basket Level	USD 100.00
Management Style	Fund Style: secondary market activities in the Product change the weighting of the Cash Position compared to the other Basket Components.
Income treatment	Allocation of any net dividends, net coupons resp. net distributions distributed by the Basket Components to the Cash Position
Minimum Investment Amount / Minimum Trading Lot	1 Product or a multiple thereof
Product Currency	USD
Settlement Type	Cash

TACTICAL POSITIONING

McKINSEY & COMPANY DATA CENTER POWER DEMAND

GLOBAL STRATEGIC CAPITAL

"The growth of data centers and the adoption of AI rely on the availability of electric power. Opportunities for investors in power infrastructure are quickly emerging"



TACTICAL POSITIONING

S&P GLOBAL DATACENTER TRENDS

Trend #1	AI could drive exponential datacenter demand
Trend #2	Datacenter demand related to AI may conflict with sustainability goals
Trend #3	Sustainability plus AI could create a catalyst liquid cooling adoption

Reuss Private

Investment Ideas 2025 – Valvest Steady Income Fund

VALVEST

VALVEST STEADY INCOME FUND

Marketing Material – November 2024

Share Class A USD

FUND PROFILE

The fund is designed for professional investors and provides access to U.S. bridge loans with floating interest rates. Investments are made exclusively in first-lien senior mortgage loans for properties at prime class locations with institutional borrowers. Each of the investment decisions is based on a high degree of risk awareness and the objective of preserving the investor's capital while generating stable and steady returns.

PERFORMANCE	
YTD 2024	8.91%
1 Month	0.69%
12 Months	9.74%
Since Inception p.a. [2]	7.34%
Volatility	0.58%

TRACK RECORD

Valvest's investment approach has proven to be very successful. Since the launch of its first fund in July 2016, 45 bridge loans with a volume of USD 613.2 million have been granted.

KEY INVESTMENT FEATURES

- **Income oriented return** from interest payments on mortgage loans
- **High security** through the collateral of a senior mortgages on a prime commercial real estate asset
- **No duration risk**: Bridge loans in the fund are structured as floaters and benefit from rising interest rates
- **Structural credit enhancement** provided by the equity cushion of the borrowers
- **High diversification potential** in the overall portfolio due to low correlation with other asset classes
- **Skin in the Game**: Originator is co-invested in each loan and subordinated to the fund

MASTER DATA	
NAV	USD 137.82
Strategy Assets[1]	USD 280m
Inception [2]	July 2016
Fund Structure	SICAV AIF
Asset Manager	Valvest Advisors AG
Auditor	Grant Thornton AG
Custodian	Bank Frick & Co. AG
AIFM	Ahead Wealth Solutions AG
Bloomberg / ISIN	VAVSIAU:LE / LI0504218533

MONTHLY PERFORMANCE [2]

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2024	0.81%	0.75%	0.83%	0.80%	0.83%	0.80%	0.81%	0.80%	0.73%	0.71%	0.69%		**8.91%**
2023	0.69%	0.61%	0.61%	0.67%	0.72%	0.72%	0.72%	0.73%	0.72%	0.74%	0.73%	0.76%	**8.77%**
2022	0.30%	0.28%	0.33%	0.34%	0.41%	0.43%	0.52%	0.50%	0.49%	0.57%	0.63%	0.68%	**5.64%**
2021	0.36%	0.25%	0.27%	0.34%	0.34%	0.36%	0.40%	0.32%	0.36%	0.36%	0.27%	0.36%	**4.06%**
2020	0.47%	0.51%	1.08%	0.49%	0.44%	0.54%	0.47%	0.43%	0.36%	0.31%	0.43%	0.28%	**5.98%**
2019	0.55%	0.51%	0.48%	0.56%	0.63%	0.53%	0.51%	0.72%	0.36%	0.43%	0.48%	0.62%	**6.56%**
2018	0.61%	0.49%	0.53%	0.51%	0.63%	0.57%	0.53%	0.58%	0.63%	0.33%	0.48%	0.49%	**6.56%**
2017	0.68%	1.13%	0.66%	0.63%	0.88%	0.84%	0.65%	0.64%	0.63%	0.64%	0.60%	0.66%	**8.99%**
2016							0.68%	0.82%	0.61%	1.26%	0.69%	2.08%	**6.30%**

FIRST LIEN MORTGAGES OF VALVEST

Flexibility
Short Term Mortgages
Ø 2 years

Security
Pledged Asset

Stable Income
Regular Interest Income

No Duration
Variable Interest Rates

Diversification
No correlation to traditional asset classes

Lucern University – Study on behalf of UBS, 21. August 2023

Mortgages are primarily attractive to investors due to their security, stable income and low volatility. A majority of investors also state that mortgages are more attractive than government bonds.

FINANCING OF FIRST-CLASS PROPERTIES

12 Popeyes Assets, Florida


5 East 59 Street, New York


Miami Beach, Florida


Meat Packing, New York


Moreno Valley, California


Greenwich Village, New York


Union City, California


Bronx, New York

Reuss Private

Investment Ideas 2025 – Icosa Cat Bond Fund

ICOSA INVESTMENTS

Icosa Cat Bond Fund I - USD Acc

Data as of 13 December 2024 - Marketing Communication

Description

The fund invests its assets in a broad portfolio of Cat Bonds or other Insurance Linked Securities ("ILS"). For liquidity management purposes, the sub-fund may also use cash, short-term government bonds, money market funds or other appropriate instruments. The fund seeks to minimize risk through diversification of investments and careful selection of Cat Bonds. Investments are mainly made in assets denominated in US dollars (USD) or euros (EUR). In addition, the sub-fund may also invest in assets denominated in another currency. The fund endeavors to hedge the resulting currency risk through the use of hedging instruments. The sub-fund is also permitted to use derivative financial instruments on insurance-linked securities for hedging and investment purposes for the efficient management of the fund. The subfund is actively managed without reference to a benchmark.

AIFM or Management Company	VP Fund Solutions (Liechtenstein) AG, 9490 Vaduz, LIECHTENSTEIN (LI)
Custodian	VP Bank AG, 9490 Vaduz, LIECHTENSTEIN (LI)
Portfolio Manager	MRB Fund Partners AG, 8001 Zürich, SCHWEIZ (CH)
Domicile	Liechtenstein
Fund type	Undertaking for collective investment in transferable securities (UCITS)
Total assets	USD 300.87 million
Valuation interval	weekly

Fund currency	USD
Registration	CH, DE, LI
Tax transparency	CH, DE, LI
NAV*	USD 1'108.08
ISIN	LI1288551529
WKN	A3EXDX
Securities number	128855152
Bloomberg ticker	ICBFIUA LE
Distribution	Accumulating
Accepted deadline for subscription	5 business days prior to the trading day 12:00 o'clock
Accepted deadline for redemption	5 business days prior to the trading day 12:00 o'clock
Value date subscriptions	5 business days after the trading day
Value date redemptions	5 business days after the trading day
Inception at	05.01.2024

All-In fee	1.18%
Subscription fee (max.)**	0.00%
Redemption commission (max.)**	0.00%
Redemption commission in favour of fund	0.00%

Number of positions	141

United States 24 0%	3.5%
10.735919% SP Group Trsy 27 Var	3.0%
Queen Str 2023 25 Var	2.5%
Atlas Cap 27 Var	2.2%
13.988512% Titania Re 27 Var	2.1%
Kilimanjr II Re 28 Var	1.9%
United States 25 0%	1.7%
Galileo Re 28 Var	1.7%
Alamo Re 27 Var	1.6%
Cape Look 27 Var	1.6%

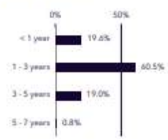
Price history

In accordance with the EU's "MiFID" (Markets in Financial Instruments Directive) as well as its application in national law, information on the fund's performance and the resulting risk analysis can only be provided once the fund has been in existence for at least 12 months.

Asset allocation (as of 30/11/2024)

Asset distribution

Maturity distribution



Contact details

Telephone	+423 235 67 67
E-Mail	vpfundsolutions@vpbank.com
Website	www.vpfundsolutions.li
Address	Aeulestrasse, 9490 Vaduz, Liechtenstein

Abbildung 1: Angekündigte Neuemissionen im Vergleich zu den Vorjahren

Quelle: HUBBLE by Icosa Investments, 30. November 2024

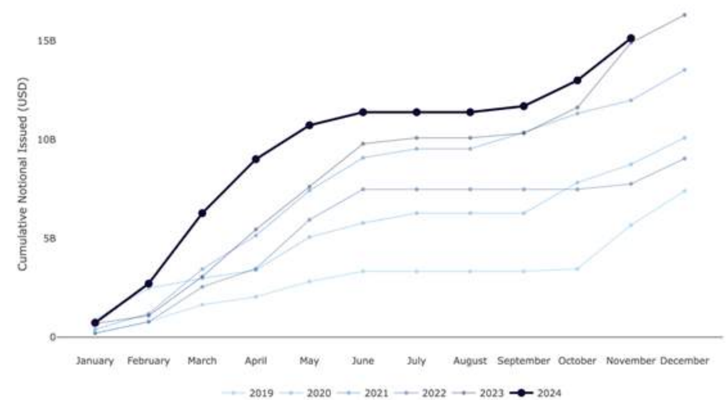
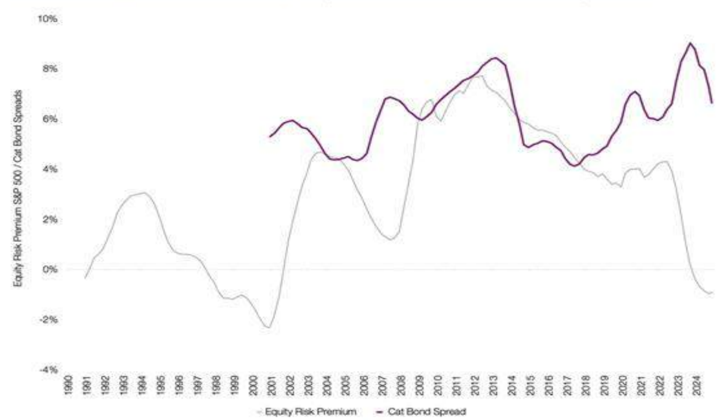


Abbildung 3: Cat-Bond-Spreads im Vergleich zum Equity Risk Premium

Source: Bloomberg, Icosa Investments as per 13 Nov 2024. Equity market risk premium is calculated as the inverse forward PE-ratio of the S&P 500 minus the Fed Fund Rate. Past performance is no reliable indicator of future performance.



Reuss Private

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