

all data as of 30.11.2017

Portfolio & Market Environment

The shares are stable at a high level. Political uncertainties, such as the failed Jamaica coalition in Germany or the renewed bomb test of North Korea could not shake the markets. Only towards the end of the month one did observe a sell-off in technology stocks. The mid caps lost 0.30% and outperformed the small caps, which lost 0.83%. The large caps won 0.91%. With a performance of 1.86% the fund was able to outperform the benchmark, which lost 0.35%.

The monthly performance of the SaraSelect portfolio was driven by the following holdings. The largest positive contributions came from LEM (133 bp), Bobst (111 bp), Bachem (35 bp), Daetwyler (35 bp), and not being invested in Sonova (50 bp) and Swiss Life (21 bp). Negative contributions stem from Bossard (-52 bp), Gurit (-25 bp) and not being invested in Barry Callebaut (-24). The global economic outlook continues to look promising, which together with the seasonality continues to be positive for the stock markets.

Noticed... active investors in LEM

The LEM share was paid up by over 20% shortly after the first week of November, this with a tripling of the average daily volumes. Totally more than 25'000 share were traded, which corresponds to 2.2% of the company and is underpinning the difficulty (or impossibility) of market timing, since often very big moves are done in a very short period of time. This is why SaraSelect has for many years a significant stake in LEM, listing the company amongst the top 3 of the fund. Together with Bobst, LEM has materially contributed to the November outperformance.

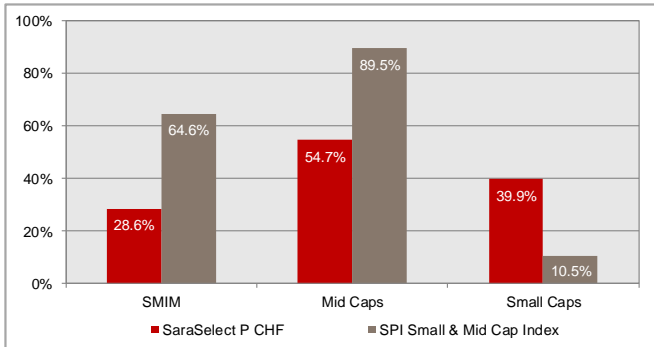
With a 2018 EV/EBITDA of 26x the valuation is for sure not cheap anymore, but comparing it to the persisting low (negative) interest rate levels and considering the still attractive 2.5% dividend yield, the structural growth rates thanks to the electrification of the world, the stock seems still a purchase candidate.

There are only few companies being managed as stringently, having such a lean but global footprint which mitigates most currency risks and is allowing the company to foster the opportunities of the evolving and nicely growing Asian (Chinese) market.

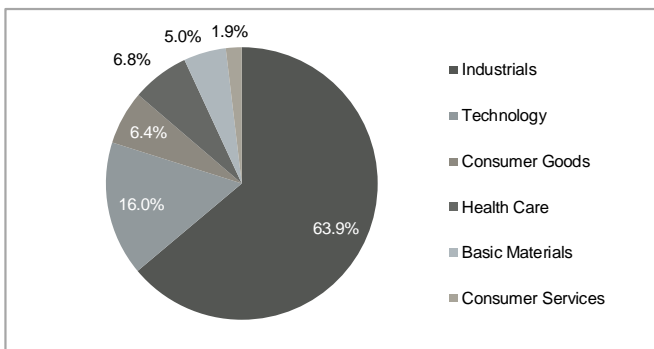
There is nothing so devastating as a rational investment behavior in an irrational world.

John Maynard Keynes

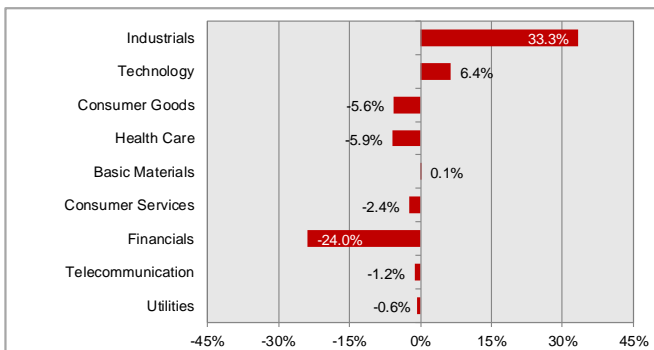
Segment Allocation



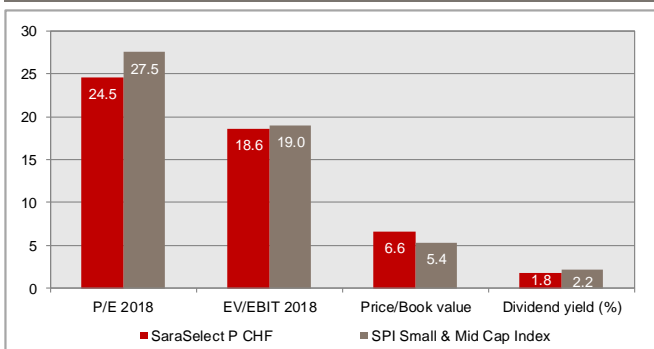
Industry Allocation



Industries relative to Benchmark



Valuation



Largest Positions

	Fund	Index
LEM Holding SA	8.21%	0.41%
Bobst Group SA	7.83%	0.38%
ALSO Holding AG	7.42%	0.33%
Bossard Holding AG	7.35%	0.48%
Sika AG	5.54%	0.00%
Daetwyler Holding AG	5.15%	0.55%
Bachem Holding AG	5.14%	0.26%
Bucher Industries AG	4.56%	1.03%
Belimo Holding AG	4.56%	0.78%
Bell Food Group AG	4.29%	0.23%
Phoenix Mecano AG	3.80%	0.15%
Interroll Holding AG	3.35%	0.36%
dormakaba Holding AG	3.05%	1.27%
Logitech International SA	2.75%	2.23%
Schaffner Holding AG	2.60%	0.07%
Total Top 15	75.58%	8.53%

Fund Profile & Key Figures

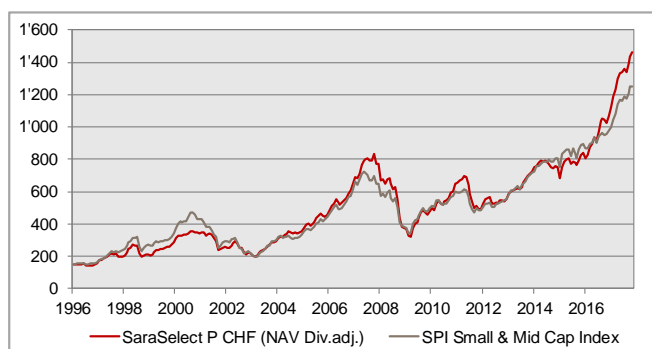
Asset Manager	VV Vermögensverwaltung AG
	Marc Possa (Deputy Thomas Buri)
Fund Mgmt. Company	J. Safra Sarasin Investmentfonds Ltd.
Custodian Bank	Bank J. Safra Sarasin Ltd.
Swiss Security No.	123406
ISIN	CH0001234068
Launch	01.02.1996
Management Fee	1.50% p.a.
Investment Style	Bottom-up stock picking
Benchmark (Index)	SPI Small & Mid Caps (SPISMC)
	
Fund Size	CHF 691.0mn
Net Asset Value per Unit	CHF 1'465.58
Hist. Volatility*	12.99% p.a.
Tracking Error*	6.63% p.a.

*Time period 3 years, monthly observation

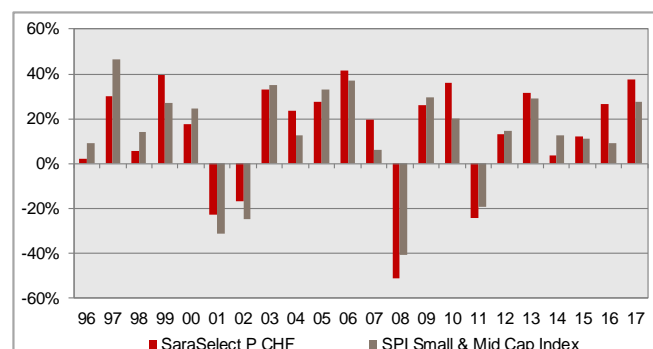
Performance Overview

	YTD	1 Month	1 Year	3 Years	5 Years	10 Years	since Launch
Fund	37.41%	1.86%	40.26%	24.41% p.a.	21.52% p.a.	5.78% p.a.	11.01% p.a.
Index	27.44%	-0.35%	31.22%	16.26% p.a.	17.95% p.a.	5.94% p.a.	10.23% p.a.

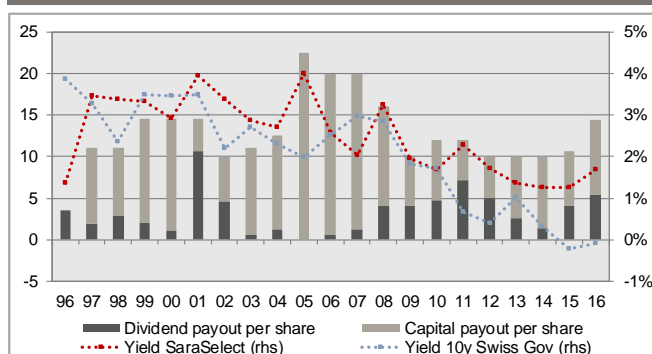
Cumulative Performance since Inception



Yearly Performance since Inception



Distributions per share



Year	Dividend	Capital Gain*	Total
2016	5.40	9.05	14.45
2015	4.00	6.70	10.70
2014	1.40	8.60	10.00
2013	2.60	7.40	10.00
2012	5.00	5.00	10.00
2011	7.20	4.80	12.00
2010	4.80	7.20	12.00
2009	4.00	6.00	10.00
2008	4.00	12.00	16.00
2007	1.20	18.80	20.00
2006	0.60	19.40	20.00

*Not subject to income tax for private investors domiciled in Switzerland

Monthly Performance

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2017	Fund	4.91%	6.25%	3.36%	5.97%	2.41%	0.26%	1.69%	-1.33%	3.82%	3.30%	1.86%		37.41%
	Index	2.11%	4.78%	2.76%	5.70%	2.91%	-0.99%	2.44%	-0.79%	2.51%	3.67%	-0.35%		27.44%
2016	Fund	-4.55%	2.84%	5.78%	2.20%	4.94%	-2.76%	6.00%	7.46%	1.47%	-1.01%	-2.12%	4.28%	26.48%
	Index	-3.63%	-0.08%	3.56%	0.75%	4.00%	-3.77%	4.08%	1.66%	1.05%	-1.52%	0.54%	2.41%	9.01%
2015	Fund	-9.53%	9.96%	4.55%	1.78%	0.80%	-3.68%	1.93%	-1.01%	-1.59%	3.14%	4.50%	1.83%	12.01%
	Index	-7.00%	10.46%	1.98%	1.29%	0.08%	-4.72%	5.96%	-3.87%	-3.08%	6.46%	3.61%	0.75%	11.01%
2014	Fund	3.41%	0.57%	3.13%	1.42%	-0.65%	0.67%	-1.44%	-0.70%	-3.27%	-0.29%	2.00%	-1.21%	3.47%
	Index	1.42%	4.05%	0.52%	1.30%	1.67%	0.63%	-0.41%	2.08%	-1.72%	-0.46%	2.91%	0.30%	12.85%
2013	Fund	6.21%	2.56%	1.10%	0.51%	1.32%	-1.09%	2.60%	4.26%	2.86%	3.48%	1.98%	2.01%	31.37%
	Index	4.68%	4.38%	0.90%	1.35%	2.36%	-3.21%	4.25%	0.97%	2.96%	4.06%	1.70%	1.83%	29.29%
2012	Fund	7.50%	5.59%	0.84%	0.59%	-6.47%	0.14%	0.91%	-0.88%	2.90%	-0.04%	-0.99%	2.84%	12.98%
	Index	4.19%	3.76%	0.73%	1.50%	-5.88%	0.98%	3.03%	0.09%	2.23%	0.58%	1.58%	1.27%	14.59%

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