

All data as of 31.07.2019

Portfolio & Market Environment

For the first time since the financial crisis (2008), the FED has lowered interest rates by 0.25%. The unresolved trade dispute and the turmoil around the Brexit caused markets to move sideways in July. The overall market (SPI) went up by 0.73% in the reporting period. The small caps lost 2.18% and mid caps went up by 0.25%. The large caps achieved a performance of 0.90%. The overweight of small caps in the fund meant that it lost 2.66%. It underperformed the benchmark, which tended sideways with 0.00%.

The monthly performance of the SaraSelect portfolio was significantly influenced by the following holdings. The largest positive contributions were made by Also (69 bp), Lem (25 bp) and not being invested in Adecco (22 bp) as well as Straumann (20 bp). Performance was negatively impacted by Bobst (-139 bp), Sika (-97 bp), Interroll (-92 bp), Bossard (-41 bp) and Bucher (-29 bp). Although the interest rate cut should be positive for stock markets, it will be dampened by the renewed trade war. The negative effects were already reflected in the half-year results of some companies.

Noticed... Autoneum

Autoneum is beside EMS, Daetwyler and Sika for sure the stock that suffered most from the crisis in the automotive industry. The market seems to be willing to price in an eternal setback in auto sales, even though the actually produced 92mn cars only reflect a temporary weakness, given the growth rates of the middle class in emerging markets.

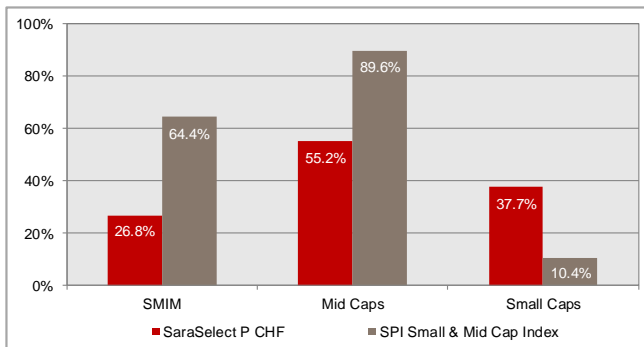
It is very important to understand that market shares and market leadership do not change in favor of upcoming competitors. Luckily, all Swiss car supplier have outgrown their markets and therefore gained market shares and should be ready to reap the fruits in a soon again growing market. The actual crisis in the automobile market has mainly 3 reasons. 1. The capacities for WLTP examinations were too little, big delays the result. 2. The politically motivated effort to ban diesel in Western Europe and 3. The insecurity concerning the speed of the uptake of "green cars" and subsequent replacement of conventional cars. All 3 points can be relativized, since time has shown that it is not meaningful nor doable only to bet on green-cars, which by the way have the need of heat and noise cancelation solutions of Autoneum as well.

Autoneum today is very attractively valued with an actual multiple of 4.6x EV/EBITDA 2020 and a P/B of 0.83x, especially taking into consideration the solid balance sheet with no goodwill and the stable industrial partners. Such a buying opportunity seems unique for someone with a 5-year horizon.

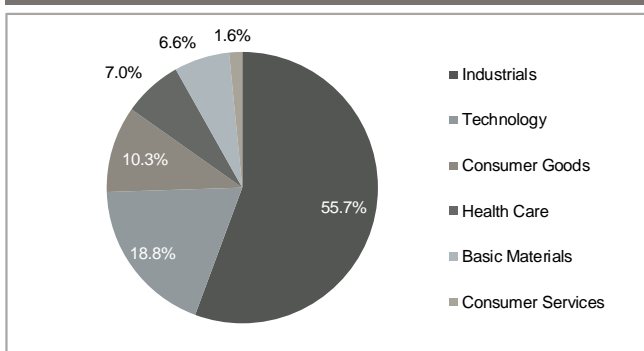
The five most expensive words in the field of investing money are: **this time everything is different**.

Sir John Tempelton

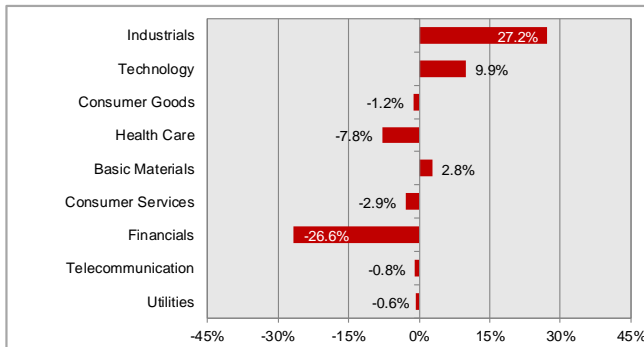
Segment Allocation



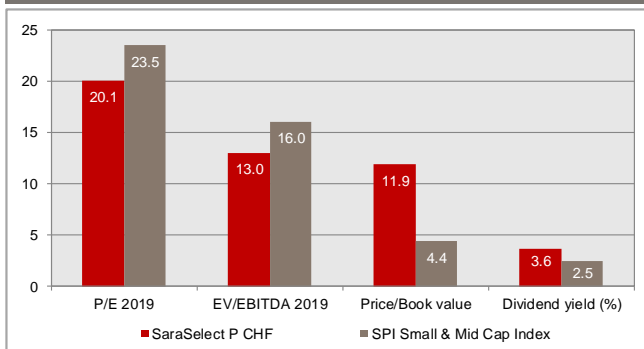
Industry Allocation



Industries relative to Benchmark




Valuations



Largest Positions

	Fund	Index
ALSO Holding AG	8.46%	0.14%
LEM Holding SA	7.11%	0.29%
Sika AG	6.21%	1.86%
Belimo Holding AG	6.15%	0.96%
Bachem Holding AG	5.14%	0.06%
Interroll Holding AG	4.86%	0.53%
Bell Food Group AG	4.76%	0.05%
Bossard Holding AG	4.45%	0.33%
Daetwyler Holding AG	4.19%	0.45%
Logitech International SA	3.91%	2.51%
Huber + Suhner AG	3.76%	0.41%
CPH Chemie & Papier Holding AG	3.56%	0.23%
Chocoladefabriken Lindt & Spru	3.42%	2.65%
Bobst Group SA	3.19%	0.20%
Bucher Industries AG	2.99%	0.84%
Total Top 15	72.17%	11.51%

Fund Profile & Key Figures

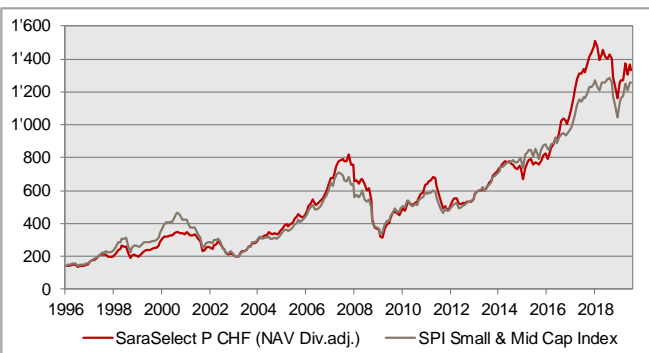
Asset Manager	VV Vermögensverwaltung AG
	Marc Possa (Deputy Thomas Buri)
Fund Mgmt. Company	J. Safra Sarasin Investmentfonds AG
Custodian	Bank J. Safra Sarasin AG
Swiss Security No.	123406
ISIN	CH0001234068
Launch	01.02.1996
Management Fee	1.50% p.a.
Investment Style	Bottom-up Stock Picking
Benchmark (Index)	SPI Small & Mid Caps (SPISMC)
	
Fund Size	CHF 695.9 mn
Net Asset Value per Unit	CHF 1'332.05
Hist. Volatility*	13.70% p.a.
Tracking Error*	6.26% p.a.

*Time period 3 years, monthly observations

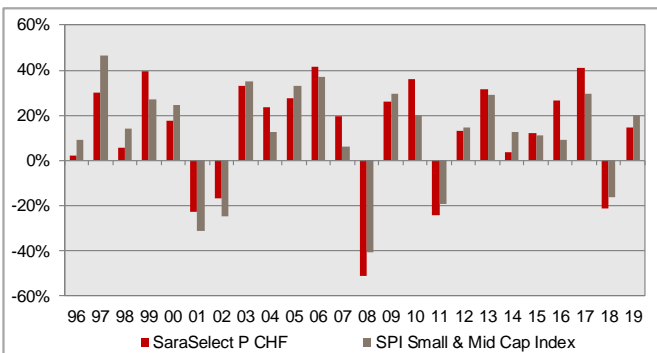
Performance Overview

	YTD	1 Month	1 Year	3 Years	5 Years	10 Years	since Launch
Fund	14.57%	-2.66%	-5.09%	11.85% p.a.	11.66% p.a.	11.89% p.a.	9.84% p.a.
Index	20.35%	0.00%	-1.84%	10.78% p.a.	10.23% p.a.	10.99% p.a.	9.47% p.a.

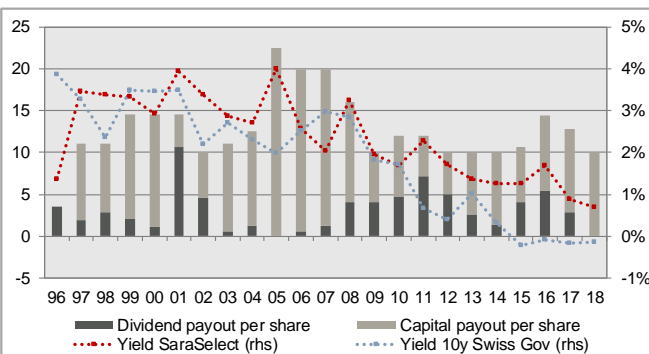
Cumulative Performance since Inception



Yearly Performance since Inception



Distribution per Share



Year	Dividend	Capital Gain*	Total
2018	0.00	10.00	10.00
2017	2.80	10.00	12.80
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

*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
2019	Fund	8.17%	1.05%	0.21%	7.86%	-5.07%	4.94%	-2.66%						14.57%
	Index	8.77%	2.46%	1.01%	6.20%	-3.22%	4.01%	0.00%						20.35%
2018	Fund	2.04%	-2.32%	-5.26%	2.40%	1.70%	-2.54%	-1.02%	1.94%	-2.22%	-7.52%	-5.04%	-5.35%	-21.42%
	Index	1.81%	-3.03%	-2.03%	3.95%	-0.14%	0.31%	1.79%	0.60%	-2.29%	-6.67%	-5.06%	-6.36%	-16.40%
2017	Fund	4.91%	6.25%	3.36%	5.97%	2.41%	0.26%	1.69%	-1.33%	3.82%	3.30%	1.86%	2.66%	41.06%
	Index	2.11%	4.78%	2.76%	5.70%	2.91%	-0.99%	2.44%	-0.79%	2.51%	3.67%	-0.35%	1.78%	29.71%
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%

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