

Portfolio & Market Environment

Despite the political tensions that are currently emanate from an imminent escalation of trade disputes between the USA and its trading partners, the economic environment continues to point to substantial global economic growth. Against this background, the markets developed slightly positively in June. The small caps lost 2.60% and mid caps went up by 0.66%. The large caps achieved a performance of 1.60%. The overweighting of small caps in the fund led to a set back of 2.54%. It performed worse than the benchmark, which advanced 0.31%.

The monthly performance of the SaraSelect portfolio was mainly driven by the following holdings. The largest positive contributions came from Sika (26 bp), Bachem (16 bp), CPH (15bp) and Belimo (14 bp). The performance was negatively influenced by not being invested in Straumann (-44 bp) as well as our overweighted positions in Lem (-83 bp), Bossard (-44 bp), Bobst (-33 bp), Phoenix Mecano (-26 bp) and Adval Tech (-21 bp). Continuing uncertainty should provide a difficult phase in the summer months on the stock markets. However, good half-year financial reports could stabilize the markets.

Noticed... KTM Industries AG

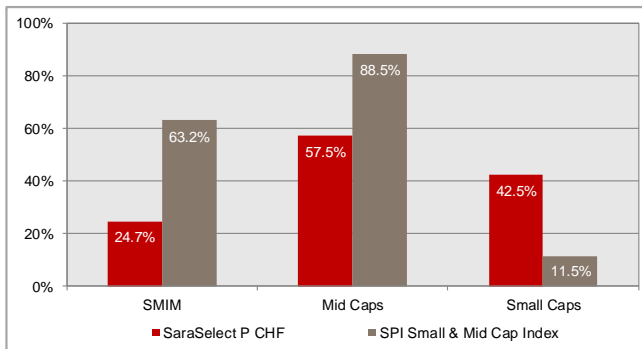
The share price of the on the global sports bike segment focused motor bike producer KTM Industries has risen nicely thanks to the announcement of good revenues figures as of end April for KTM and Husqvarna, high market share gains and the sale of Pankl Racing Systems (supplier of automotive high-tech components). The focus on the strategically relevant and on the return on capital employed (ROCE) is the main logic of ultimate value creation. The entrepreneur and majority shareholder Stefan Pierer follows a strategy of global strategic partnerships (Bajaj and PEXCO) and a perception increase thanks to the participation in the motor bike racing sport. This way, emerging markets with their enormous potential and the upcoming e-mobility segment can be tackled very early in order to preserve and allow nice market share gains.

With an eye on revenues only, no management team would have ever focused the portfolio. KTM is therefore a further example of the superiority of entrepreneurial lead approaches and with an EV/EBITDA of 12x still substantially cheaper than the broad market.

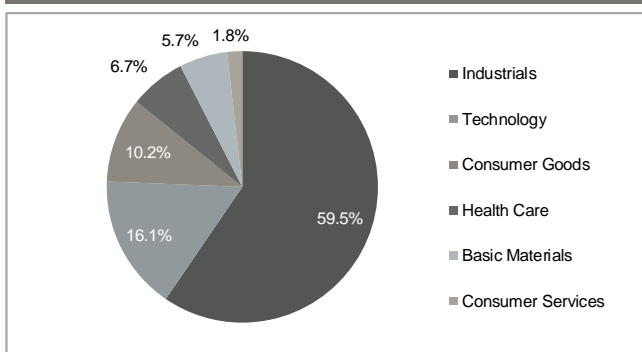
The difficulty is not to find new ideas, but to escape the old ones.

John Maynard Keynes

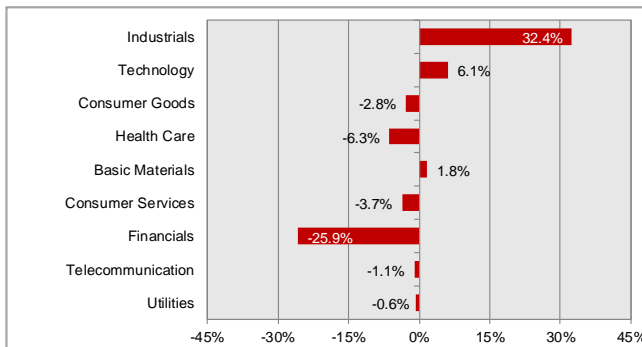
Segment Allocation



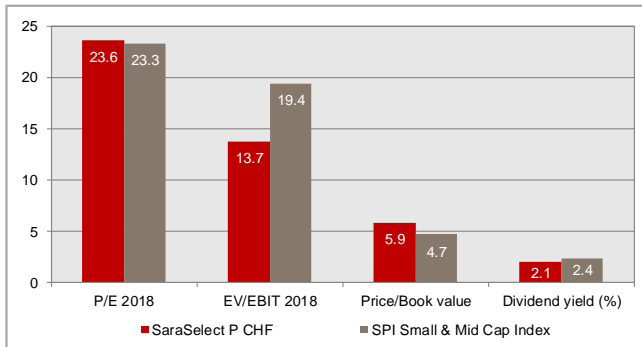
Industry Allocation



Industries relative to Benchmark




Valuations



Largest Positions

	Fund	Index
LEM Holding SA	7.44%	0.36%
ALSO Holding AG	6.38%	0.30%
Bobst Group SA	6.10%	0.32%
Bossard Holding AG	5.79%	0.42%
Sika AG	5.75%	0.00%
Bell Food Group AG	5.07%	0.27%
Daetwyler Holding AG	5.06%	0.58%
Bachem Holding AG	4.75%	0.24%
Belimo Holding AG	4.45%	0.80%
Phoenix Mecano AG	4.13%	0.17%
Interroll Holding AG	4.07%	0.43%
Logitech International SA	4.02%	2.70%
CPH Chemie & Papier Holding AG	3.56%	0.08%
Bucher Industries AG	3.25%	0.91%
Chocoladefabriken Lindt & Spru	2.92%	2.60%
Total Top 15	72.74%	10.18%

Fund Profile & Key Figures

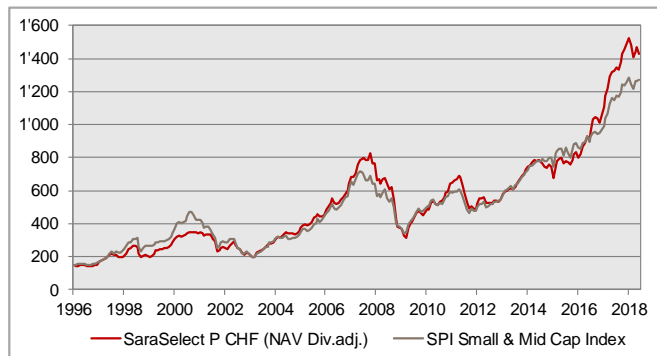
Asset Manager	VV Vermögensverwaltung AG
	Marc Possa (Deputy Thomas Buri)
Fund Mgmt. Company	J. Safra Sarasin Investmentfonds AG
Custodian	Bank J. Safra Sarasin AG
Swiss Security No.	123406
ISIN	CH0001234068
Launch	01.02.1996
Management Fee	1.50% p.a.
Investment Style	Bottom-up Stock Picking
Benchmark (Index)	SPI Small & Mid Caps (SPISMC)
 Morningstar	
Fund Size	CHF 707.8 mn
Net Asset Value per Unit	CHF 1'429.25
Hist. Volatility*	11.25% p.a.
Tracking Error*	6.90% p.a.

*Time period 3 years, monthly observations

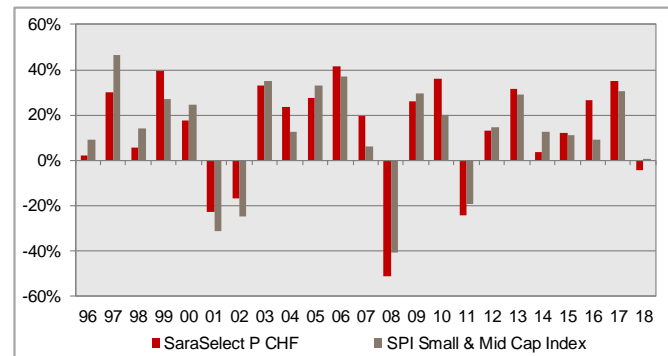
Performance Overview

	YTD	1 Month	1 Year	3 Years	5 Years	10 Years	since Launch
Fund	-4.16%	-2.54%	7.84%	23.03% p.a.	18.59% p.a.	8.31% p.a.	10.68% p.a.
Index	0.70%	0.31%	10.31%	16.02% p.a.	15.80% p.a.	8.63% p.a.	10.08% p.a.

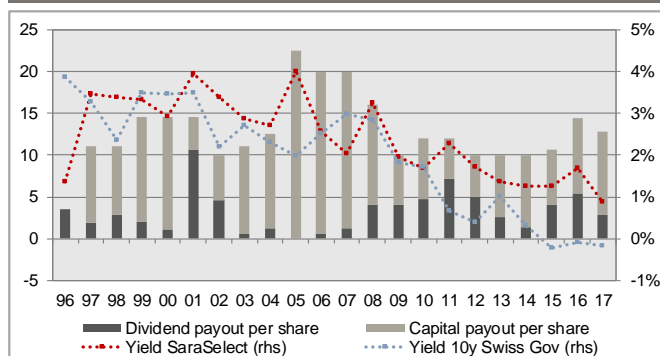
Cumulative Performance since Inception



Yearly Performance since Inception



Distribution per Share



Year	Dividend	Capital Gain*	Total
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
2007	1.20	18.80	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
2018	Fund	2.04%	-2.32%	-5.26%	2.40%	1.70%	-2.54%							-4.16%
	Index	1.81%	-3.03%	-2.03%	3.95%	-0.14%	0.31%							0.70%
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%
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%

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