

All data as of 30.11.2018

Portfolio & Market Environment

In the run-up to the G-20 summit in Buenos Aires and the uncertain outcome of the US trade dispute with China, investors held back, which was again reflected in lower prices. The overall market (SPI) lost 0.89% in the reporting period. The small caps lost 4.62% and mid caps even lost 5.11%. The large caps recorded a small gain of 0.11%. The overweighting of small caps in the fund meant that it lost 5.04%. It performed a tiny little better than the benchmark, which lost 5.06%.

The monthly performance of the SaraSelect portfolio was mainly driven by the following holdings. The largest positive contributions came from not being invested in Temenos (38 bp), Straumann (35 bp), Flughafen (27 bp), Barry Callebaut (26 bp) as well as our overweight in Bachem (22 bp). The performance was negatively influenced by Lem (-55 bp), Adval Tech (-40 bp), Belimo (-39 bp), Daetwyler (-34 bp), Phoenix Mecano (-33 bp) and Bossard (-27 bp). After the USA and China have agreed on a ceasefire in which China has 90 days to make concessions and will not bear the increased customs surcharges on 1st January 2019, the market should recover significantly from its lowest levels in December.

Noticed... Bell's defensive properties

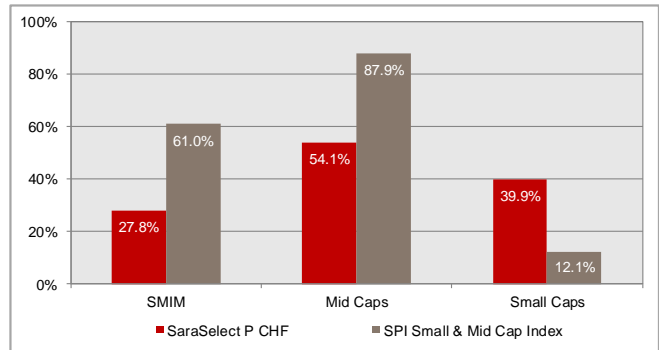
The hefty setbacks incurred after the profit warning in July were partially reversed thanks to the defensive properties of Bell's business model. Today's rapidly changing consumption habits require innovative, fast nutrition offerings and trigger the rise of convenience food approaches. A pre-requisite for success is the needed innovation power and a functioning distribution. Here, Bell's real strength become visible. Many small and meaningful acquisitions have been conducted by the management team over the course of the last 10 years. Together with the existing majority shareholder Coop (~67% of all shares) the Bell group has evolved to an inevitable convenience food supplier that sells through the Coop company Transgourmet (~CHF 8bn revenues) as far as the Ukraine and has after the completed acquisition of Hügli this summer the need portfolio breadth to be perceived as a one-stop-shop full supplier.

With its defensive properties, the company has a distinct bond character, confirmed by a 2019 EV/EBITDA of 8x and a dividend yield of 2%. This leads to the fact that the stock has to be included in every decent Swiss equity portfolio, especially because the majority shareholder is guaranteeing the needed strategic foreside and the implementation of a stringent discipline.

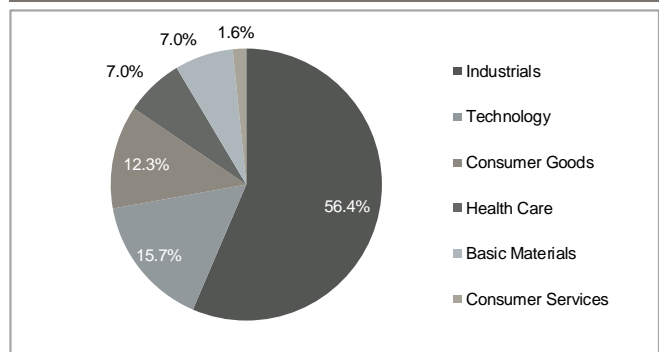
An opinion poll does not replace independent thinking.

Warren Buffet

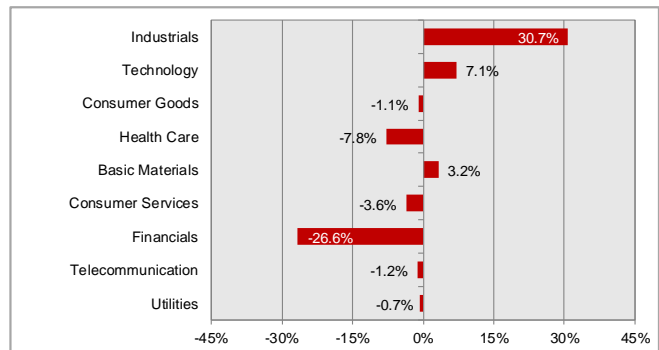
Segment Allocation



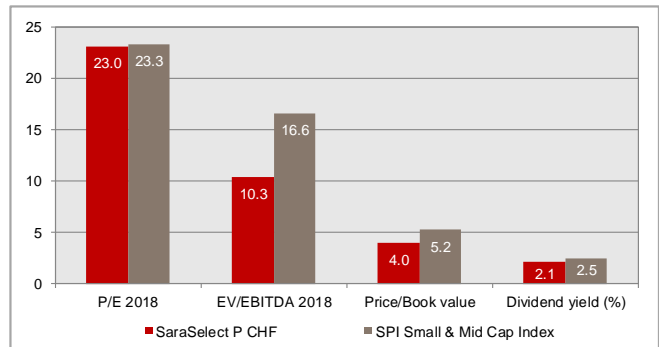
Industry Allocation



Industries relative to Benchmark




Valuations



Largest Positions

	Fund	Index
ALSO Holding AG	6.11%	0.29%
Bell Food Group AG	5.59%	0.27%
LEM Holding SA	5.38%	0.27%
Sika AG	5.27%	0.00%
Bossard Holding AG	4.98%	0.37%
Bachem Holding AG	4.57%	0.23%
Bobst Group SA	4.54%	0.24%
Belimo Holding AG	4.23%	0.91%
Interroll Holding AG	4.21%	0.50%
Daetwyler Holding AG	3.78%	0.48%
CPH Chemie & Papier Holding AG	3.58%	0.09%
Phoenix Mecano AG	3.16%	0.14%
Chocoladefabriken Lindt & Spru	3.15%	3.01%
Logitech International SA	3.15%	2.61%
Huber + Suhner AG	2.86%	0.38%
Total Top 15	64.55%	9.78%

Fund Profile & Key Figures

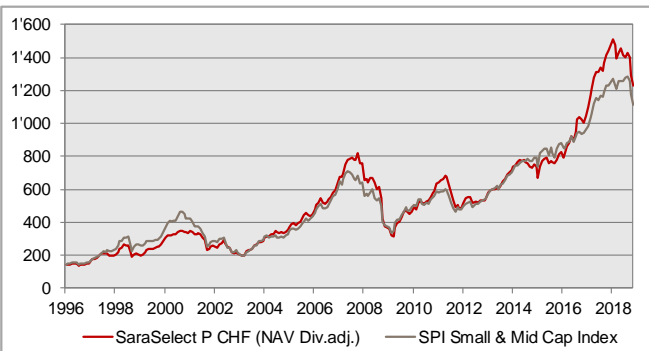
Asset Manager	VV Vermögensverwaltung AG
	Marc Possa (Deputy Thomas Buri)
Fund Mgmt. Company	J. Safra Sarasin Investmentfonds AG
Custodian	Bank J. Safra Sarasin AG
Swiss Security No.	123406
ISIN	CH0001234068
Launch	01.02.1996
Management Fee	1.50% p.a.
Investment Style	Bottom-up Stock Picking
Benchmark (Index)	SPI Small & Mid Caps (SPISMC)
	
Fund Size	CHF 639.7 mn
Net Asset Value per Unit	CHF 1'238.24
Hist. Volatility*	12.64% p.a.
Tracking Error*	6.27% p.a.

*Time period 3 years, monthly observations

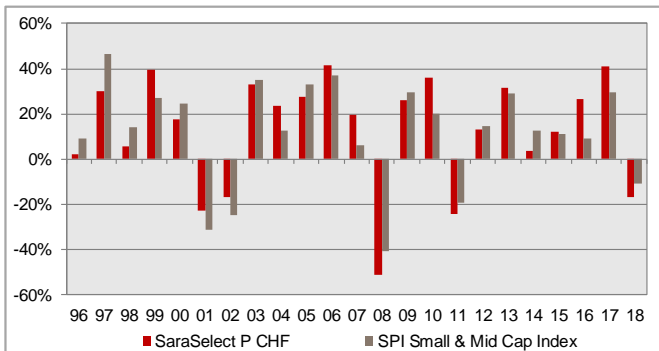
Performance Overview

	YTD	1 Month	1 Year	3 Years	5 Years	10 Years	since Launch
Fund	-16.97%	-5.04%	-14.77%	14.67% p.a.	11.85% p.a.	12.50% p.a.	9.78% p.a.
Index	-10.73%	-5.06%	-9.13%	8.34% p.a.	9.99% p.a.	11.20% p.a.	9.30% p.a.

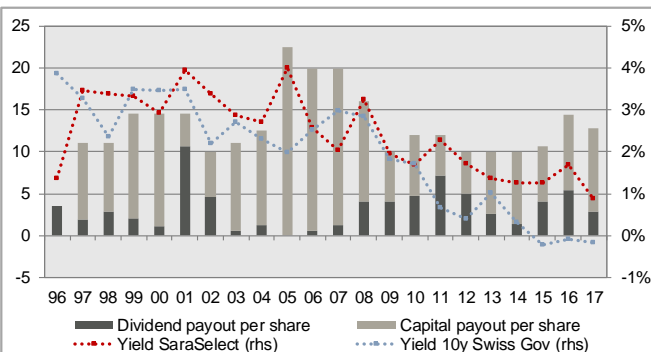
Cumulative Performance since Inception



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%	-1.02%	1.94%	-2.22%	-7.52%	-5.04%		-16.97%
	Index	1.81%	-3.03%	-2.03%	3.95%	-0.14%	0.31%	1.79%	0.60%	-2.29%	-6.67%	-5.06%		-10.73%
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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