

**Portfolio & Market Environment**

Ahead of the vote on proposed referendum on UK membership of the European Union, the stock markets have risen on a broad basis, since it was assumed that the Britons remain in the EU. But the unimaginable occurred and the Kingdom left the EU in a narrow vote. Nonetheless the markets crashed on a worldwide basis. This has also negatively reflected in the funds, which lost 3.07%, but outperformed the benchmark, which depreciated by 3.94%.

The monthly performance of the SaraSelect portfolio was significantly influenced by the following holdings. The largest positive contributions were made by being not invested in Swiss Life (52 bp), Baloise (33 bp), Lonza (26 bp), Dufry (26 bp) and by our overweight's in Bachem (32 bp), Also (20 bp) and Lindt & Sprüngli (20 bp). Our winners of the last months have been strongly downgraded partly in June. The announced acquisition of Permier Farnell by Daetwyler was badly received by the market. The stock had a negative impact on the performance of 92 bp. Our other favorites such as Bobst (-55 bp), Bossard (-51 bp), Bell (-32 bp), Gurit (-21 bp) and Interroll (-20 bp) affected the result. In July the first half-year figures will be published which should give the Swiss equity market new impetus.

**Noticed...**

With the take-over announcement of the bigger British competitor Premier Farnell, Daetwyler surprised investors with a positive news mid June. The following facts underpin the transaction:

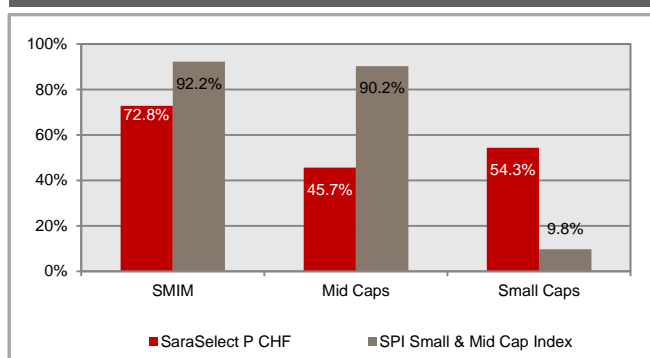
1. Premier Farnell is in a turnaround situation which Daetwyler has tackled the last 3 years.
2. TeCo's division head (Neil Harrison) came from Premier Farnell and know the company very well.
3. TeCo has mastered all the challenges and is ready for further transformational steps.
4. Size and cost-leadership are the clear success factors in this industry.
5. The pre-Brexit weakness of the British Pound offers an additional argument for the timing of the value-adding transaction. The management team around CEO Paul Haelg does not seem to enjoy investor confidence, leading to a temporary underperformance of 10% in June.

England will not go under either, the prevailing fears after Brexit seem once more to be exaggerated and offer therefore a unique opportunity to invest in a very well managed, innovative company with an excellent diverse setup.

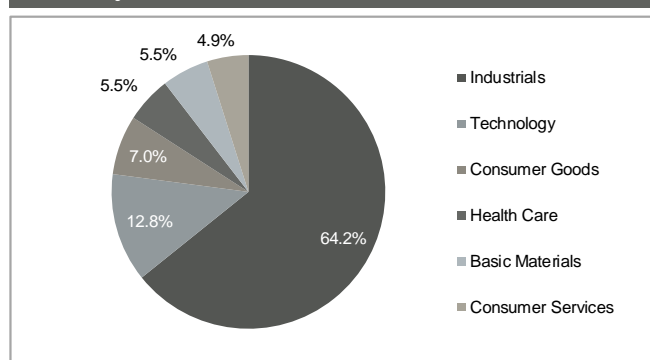
If you have stocks you fear they could fall, if you do not have stocks you fear they could rise.

*André Kostolany*

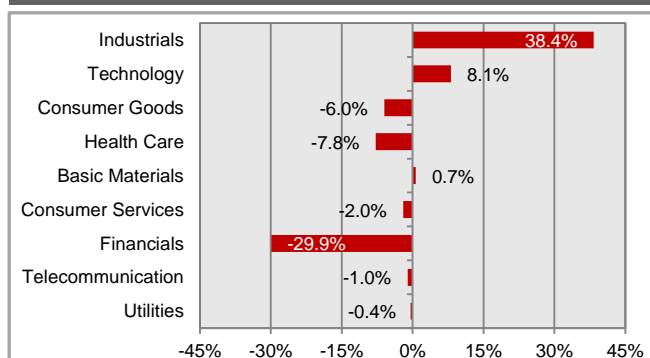
**Segment Allocation**



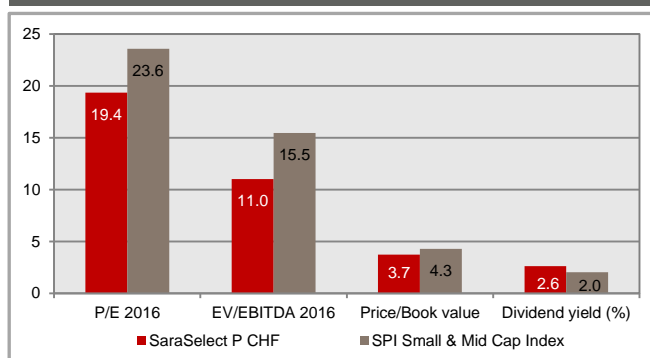
**Industry Allocation**



**Industries relative to Benchmark**



**Valuation**



### Largest Positions

	Fund	Index
LEM HOLDING SA-REG	8.64%	0.28%
BOSSARD HOLDING AG-REG A	6.86%	0.28%
BELL AG - REG	6.53%	0.24%
ALSO HOLDING AG-REG	6.30%	0.11%
DAETWYLER HOLDING AG-BR	5.95%	0.50%
BOBST GROUP SA-REG	5.33%	0.18%
BACHEM HOLDING AG-REG B	5.28%	0.19%
BELIMO HOLDING AG-REG	5.22%	0.11%
PHOENIX MECANO AG-BR	4.87%	0.15%
SIKA AG-BR	4.66%	4.30%
BUCHER INDUSTRIES AG-REG	4.54%	0.74%
DORMA+KABA HOLDING AG-REG B	3.89%	1.14%
INTERROLL HOLDING AG-REG	3.88%	0.30%
HUBER + SUHNER AG-REG	3.66%	0.38%
ADVAL TECH HOLDING AG-REG	2.86%	0.02%
<b>Total Top 15</b>	<b>76.78%</b>	<b>8.79%</b>

### Fund Profile & Key Figures

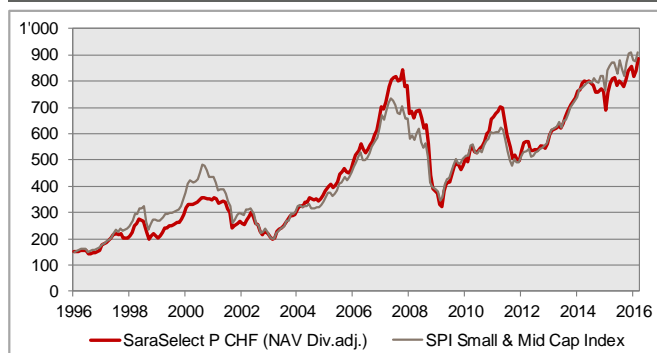
Asset Manager	VV Vermögensverwaltung AG
Fund Mgmt Company	Marc Possa (Deputy Thomas Buri)
Custodian Bank	J. Safra Sarasin Investmentfonds Ltd. Bank J. Safra Sarasin Ltd.
Swiss Security No.	123406
ISIN	CH0001234068
Launch	01.02.1996
Management Fee	1.50% p.a.
Investment Style	Bottom-up stock picking
Benchmark (Index)	SPI Small & Mid Caps (SPISMC)
Fund Size	CHF 445.7mn
Net Asset Value per Unit	CHF 926.18
Hist. Volatility*	11.43% p.a.
Tracking Error*	6.67% p.a.

\*Time period 3 years, monthly observation

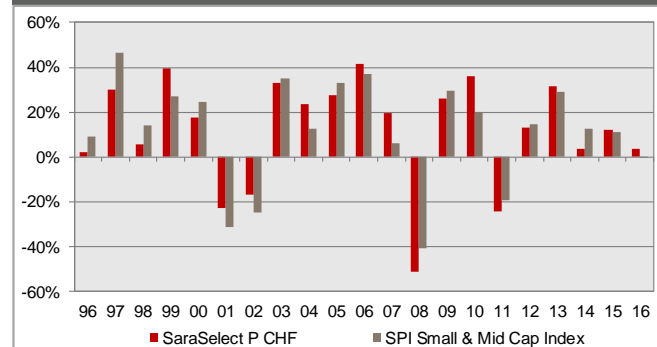
### Performance Overview

	YTD	1 Month	1 Year	3 Years	5 Years	10 Years	since Launch
Fund	8.30%	-2.76%	18.03%	14.11% p.a.	7.37% p.a.	5.79% p.a.	9.27% p.a.
Index	0.55%	-3.77%	10.31%	13.72% p.a.	9.62% p.a.	6.27% p.a.	9.24% p.a.

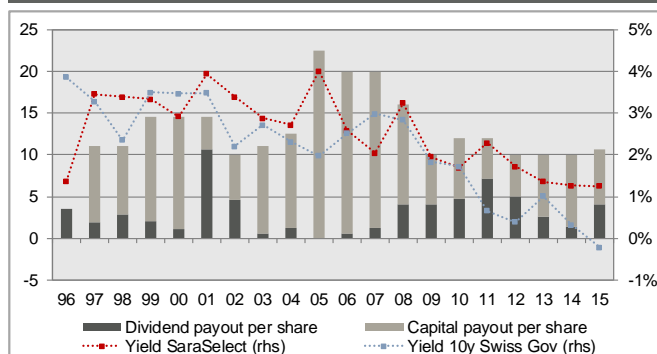
### Cumulative Performance since Inception



### Yearly Performance since Inception



### Distributions per share



Year	Dividend	Capital Gain*	Total
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
2016	Fund	-4.55%	2.84%	5.78%	2.20%	4.94%	-2.76%							8.30%
2016	Index	-3.63%	-0.08%	3.56%	4.00%	4.00%	-3.77%							0.55%
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%
2015	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%
2014	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%
2013	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%
2012	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%
2011	Fund	1.51%	1.54%	1.25%	2.91%	-1.08%	-6.91%	-8.06%	-8.32%	-7.45%	2.80%	-3.49%	-0.99%	-24.21%
2011	Index	-1.08%	0.91%	0.28%	2.53%	-1.49%	-5.70%	-7.56%	-6.66%	-4.36%	5.73%	-2.87%	0.12%	-19.11%

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