

Portfolio & Market Environment

The Crime crisis and Janet Yellen's first chair of the board of Governors of the Federal Reserve System lead to some hefty market turbulences. Over the course of the month, the situation stabilized and the second half resulted in nice advances of equity markets again. SaraSelect was after a disappointing February able to regain grounds with a monthly performance of +3.13%, this against a benchmark performance of +0.52%. Thanks to the good month, the first quarter ended with a YTD performance of 7.25% for SaraSelect, nicely ahead of the benchmark with 1.19%.

The biggest positive performance contributors were our portfolio heavy-weights Bobst (+19.29%), Bossard (+17.91%), Sika (+11.47%) and Bucher (+11.42%). Impressive gains were also posted by Kardex (+12.44%), ALSO (+4.25%) and Bachem (+3.46%) with full year results above expectations. A negative development showed Kaba (-3.65%), Huber+Suhner (-3.42%) and Galencia (-8.50%).

The volatility of equity markets has further increased during Q1 despite earnings releases coming mainly above expectations. Many of the growth oriented investors faced setbacks in March, so did the Nasdaq lose because of the Biotech sell-off.

Swiss small caps were able to regain the lag experienced in February. With first quarter performance of +11.15% they outpaced the other segments. The SMI (+4.37%) and the SMIM (+5.68%) are clearly lagging. Valuations (on a P/E or EV/EBITDA base) still favor small caps versus bluechips and mid caps.

Noticed...

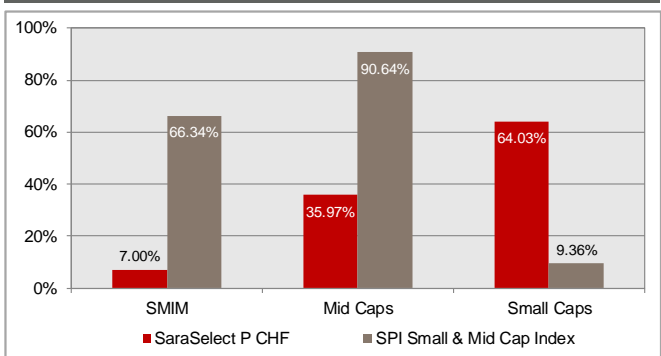
The entered digitalization strategy of Bobst is becoming more and more visible to the outside. Many existing and potential clients were confronted with the future offering at the company's DigiDays. It seems that together with Kodak, who is responsible for the ink-jet technology adaptation, the newly designed machine is able to compete with the current machines as far as speed and quality are concerned. The much higher flexibility, which is accompanied by large savings, will be tested by four beta-clients in the second half of 2014. Material revenues will only be recognized in 2016, since this raptor-technology is causing a complete redesign of Bobst clients supply chains.

The sizable opportunity of digital printing in an industrial manner seems to be captured by Bobst successfully as a first mover. The client's adoption will be decisive though. Here, some fruitful reference projects will be needed in order to bolster future sales.

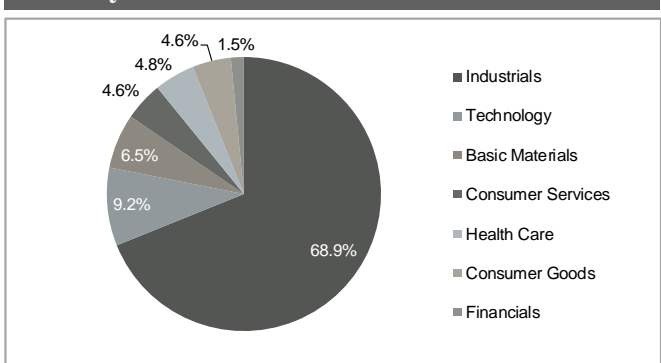
The long-term oriented investor has the opportunity to accompany the reemerging market leader in his attempt to revolutionize the printing industry.

Members of the board are like milk teeth. You don't draw them. You wait until they shed. unknown

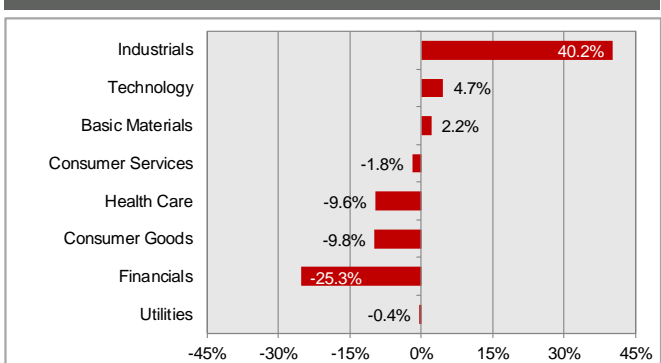
Segment Allocation



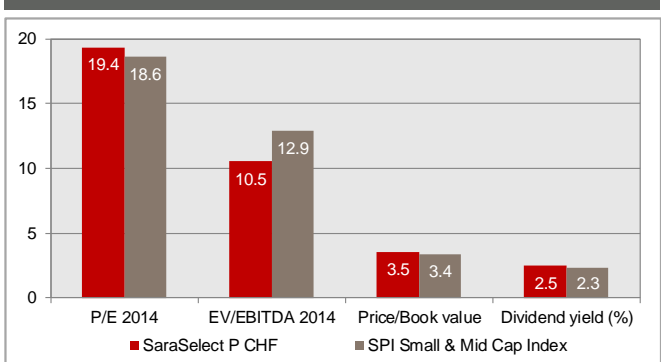
Industry Allocation



Industries relative to Benchmark



Valuation



Largest Positions

	Fund	Index
LEM Holding SA	8.48%	0.23%
Bossard Holding AG	8.40%	0.35%
Daetwyler Holding AG	8.27%	0.48%
Interroll Holding AG	6.16%	0.18%
Bucher Industries AG	5.18%	1.01%
Belimo Holding AG	5.13%	0.57%
Phoenix Mecano AG	5.11%	0.18%
Sika AG	6.16%	0.18%
Bachem Holding AG	4.80%	0.10%
Bobst Group AG	4.49%	0.16%
Bell AG	4.42%	0.17%
Kaba Holding AG	3.93%	0.82%
Huber & Suhner AG	3.61%	0.35%
CPH Chemie & Papier Holding AG	3.37%	0.08%
ALSO Holding AG	2.98%	0.07%
Total Top 15	79.18%	8.71%

Fund Profile & Key Figures

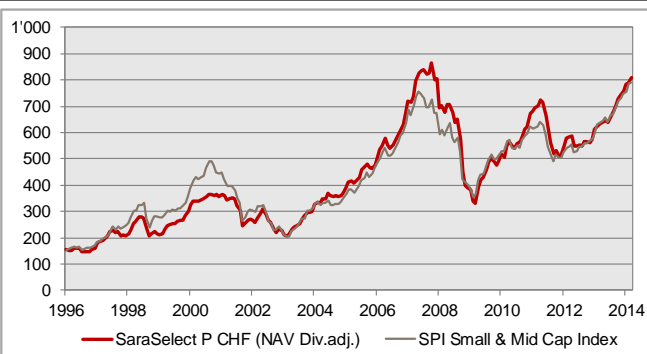
Asset Manager	VV Vermögensverwaltung AG
	Marc Possa (Dep. Peter Lehner)
Fund Mgmt Company	Sarasin Investmentfonds Ltd
Custodian Bank	Bank J. Safra Sarasin Ltd
Swiss Security No.	123406
ISIN	CH0001234068
Launch	01.02.1996
Management Fee	1.50% p.a.
Investment Style	Bottom-up stock picking
Benchmark (Index)	SPI Small & Mid Caps (SPISMC)
Fund Size	CHF 671.1mn
Net Asset Value per Unit	CHF 811.67
Hist. Volatility*	13.53% p.a.
Tracking Error*	5.94% p.a.

*Time period 3 years, monthly observation

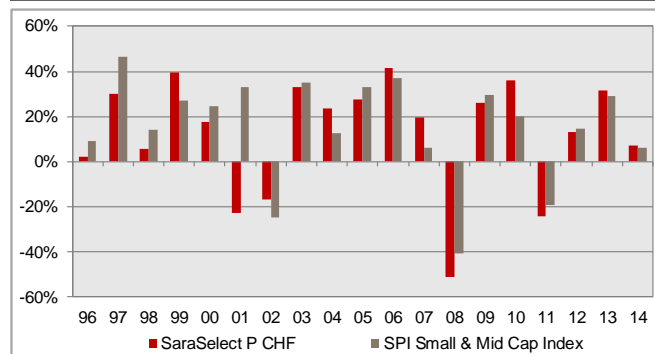
Performance Overview

	YTD	1 Month	1 Year	3 Years	5 Years	10 Years	since Launch
Fund	7.25%	3.13%	27.95%	4.95% p.a.	19.54% p.a.	9.41% p.a.	9.57% p.a.
Index	6.07%	0.52%	24.39%	8.28% p.a.	16.67% p.a.	9.25% p.a.	9.40% p.a.

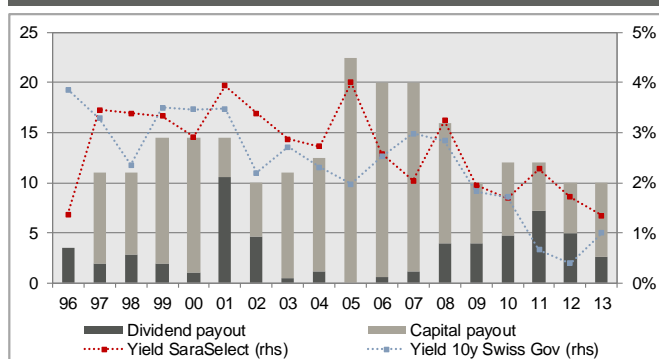
Cumulative Performance since Inception



Yearly Performance since Inception



Distributions



Year	Dividend	Capital Gain*	Total
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
2005	0.00	22.50	22.50
2004	1.20	11.30	12.50

*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
2014	Fund	3.41%	0.57%	3.13%										7.25%
	Index	1.42%	4.05%	0.52%										6.07%
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%	35.45%
	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%	31.13%
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%
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%
	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%
2010	Fund	4.61%	-1.94%	8.48%	2.83%	-3.34%	-1.12%	3.16%	1.29%	3.59%	5.02%	1.26%	8.02%	35.99%
	Index	2.57%	-0.63%	7.71%	0.50%	-4.95%	-1.19%	2.40%	-1.10%	4.81%	3.19%	1.27%	4.45%	20.06%
2009	Fund	-2.24%	-11.31%	-2.41%	18.43%	7.13%	1.61%	6.81%	6.58%	2.73%	-2.06%	-2.88%	3.79%	25.93%
	Index	-2.89%	-8.32%	2.74%	14.33%	5.06%	1.12%	5.46%	5.56%	4.62%	-3.81%	0.50%	3.65%	29.65%

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