

All data as of 31.10.2019

Portfolio & Market Environment

After initial weakness, equity markets recovered over the course of October, ending the month in positive territory. It appears that a partial agreement can be reached in the trade conflict. In the reporting period, the overall market (SPI) went up by 0.85%. The small caps advanced by 0.82% and the mid caps by 1.30%. The large caps achieved a performance of 0.76%. The overweight of industrials in the fund lead to an increase of 4.44%. It therefore outperformed the benchmark, which advanced by 1.25%.

The monthly performance of the SaraSelect portfolio was significantly influenced by the following holdings. The largest positive contributions were made by Sika (107 bp), Belimo (65 bp), Temenos (64 bp, not invested), Bossard (61 bp), Interroll (43 bp) and Phoenix Mecano (33 bp). Performance was negatively impacted by not being invested in Straumann (-27 bp) and Kühne + Nagel (-26 bp), Schindler (-24 bp) and Adecco (-20 bp). Due to the weak economy and low inflation, the central banks will continue to be expansive, which still favours equities investments.

Noticed... Phoenix Mecano

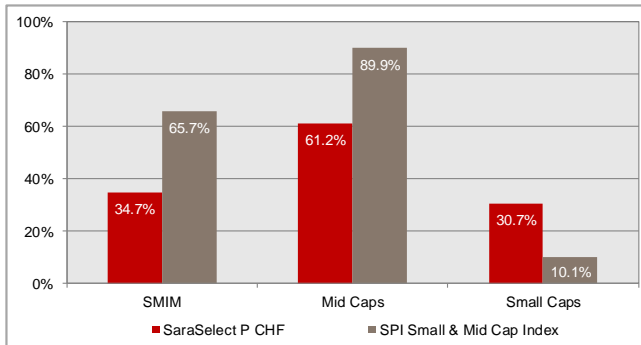
The Phoenix Mecano Group is a global player in the enclosures and industrial components segments and is a leader in many markets. Geared towards the professional and cost-effective manufacture of niche products, it helps to ensure the smooth operation of processes and connections in the machine industry and industrial electronics. Its products are used in the mechanical engineering, measurement and control technology, medical technology, aerospace technology, alternative energy and home and hospital care sectors, amongst others. Here the exposure to existing mega trends becomes impressively visible. They will further favor the company's systems and components and lead to rising revenues. The successful setup and footprint is the result of the fact, that over decades and generations, the Goldkamp family has exercised their influence on the defined strategy. The operating stability is a function of a healthy diversification and a result of the 34.6% family stake, wishing sustainable long-term capital appreciation.

An investment into the company seems very viable, given that the stock is trading at an all-time P/B and EV/sales multiple low of 1.4x and 0.9x, this especially due to the persisting uncertainties of Brexit, trade war and fears of a melt-down of the German industry. Normalizing the current economic slow-down, the stock would face an upside potential of far over 50% without implying any further structural growth. Thanks to the priority of capital preservation, only value enhancing strategic steps are guaranteed. On top, the dividend yield of almost 4% acts as a sweetener to the robust value proposition.

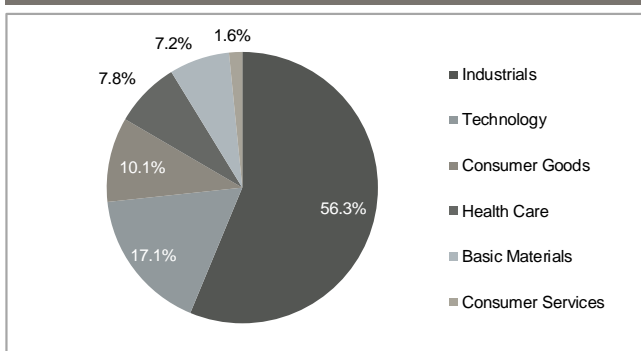
You can't teach the economy, you have to experience it yourself and survive it.

André Kostolany

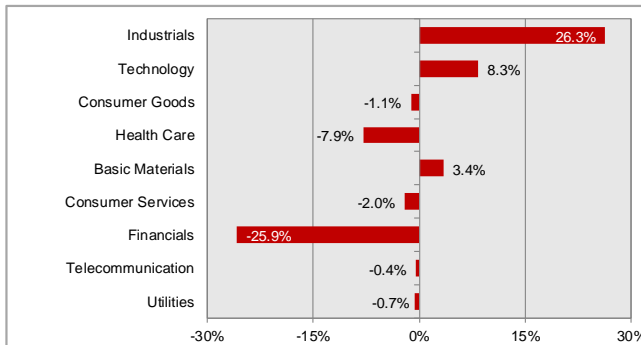
Segment Allocation



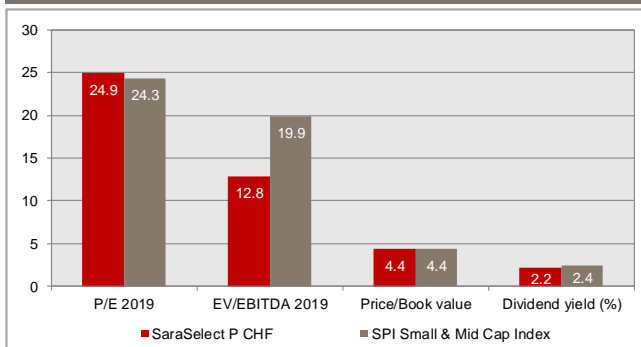
Industry Allocation



Industries relative to Benchmark




Valuations



Largest Positions

	Fund	Index
ALSO Holding AG	8.19%	0.34%
Sika AG	7.36%	0.00%
Belimo Holding AG	6.27%	1.13%
LEM Holding SA	6.07%	0.25%
Bachem Holding AG	5.88%	0.28%
Bossard Holding AG	5.09%	0.32%
Interroll Holding AG	4.94%	0.50%
Bell Food Group AG	4.88%	0.21%
Daetwyler Holding AG	4.67%	0.49%
Logitech International SA	3.85%	2.58%
Gurit Holding AG	3.48%	0.18%
CPH Chemie & Papier Holding AG	3.48%	0.08%
Chocoladefabriken Lindt & Spru	3.45%	2.88%
Bobst Group SA	3.35%	0.15%
Huber + Suhner AG	3.13%	0.38%
Total Top 15	74.09%	9.76%

Fund Profile & Key Figures

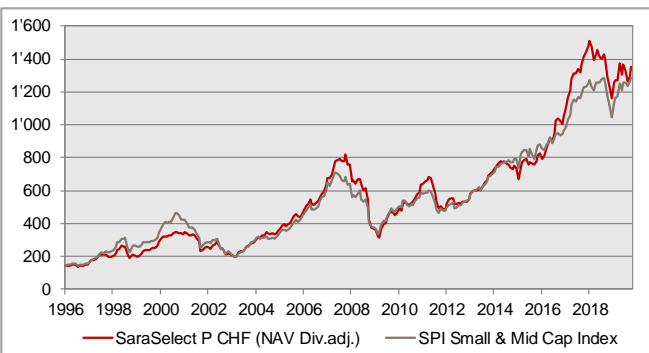
Asset Manager	VV Vermögensverwaltung AG
	Marc Possa (Deputy Thomas Buri)
Fund Mgmt. Company	J. Safra Sarasin Investmentfonds AG
Custodian	Bank J. Safra Sarasin AG
Swiss Security No.	123406
ISIN	CH0001234068
Launch	01.02.1996
Management Fee	1.50% p.a.
Investment Style	Bottom-up Stock Picking
Benchmark (Index)	SPI Small & Mid Caps (SPISMC)
	
Fund Size	CHF 691.1 mn
Net Asset Value per Unit	CHF 1'350.26
Hist. Volatility*	13.90% p.a.
Tracking Error*	6.66% p.a.

*Time period 3 years, monthly observations

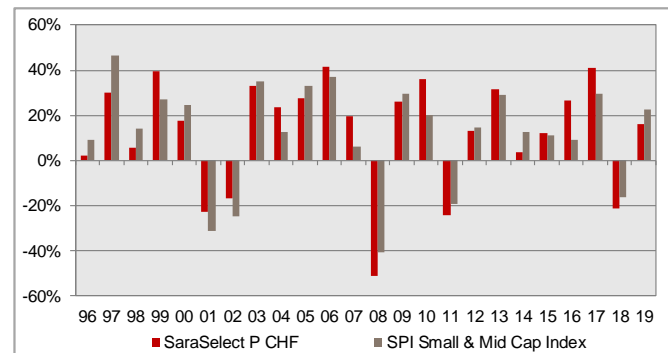
Performance Overview

	YTD	1 Month	1 Year	3 Years	5 Years	10 Years	since Launch
Fund	16.14%	4.44%	4.38%	9.53% p.a.	12.94% p.a.	11.27% p.a.	9.82% p.a.
Index	22.77%	1.25%	9.15%	11.08% p.a.	10.70% p.a.	10.54% p.a.	9.57% p.a.

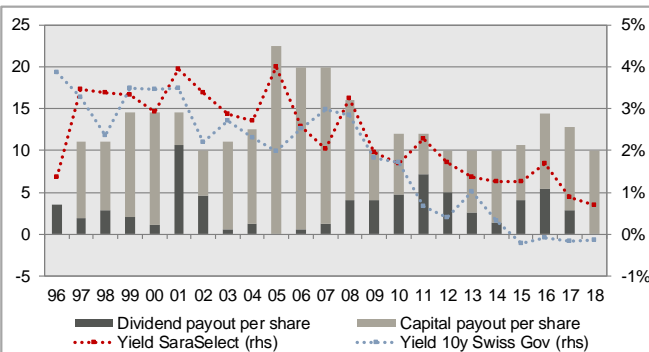
Cumulative Performance since Inception



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%	-5.15%	2.33%	4.44%			16.14%
	Index	8.77%	2.46%	1.01%	6.20%	-3.22%	4.01%	0.00%	-1.71%	2.50%	1.25%			22.77%
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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