

All data as of 29.02.2020

Portfolio & Market Environment

The financial markets were dominated by the coronavirus in the last week of the month and stock indices plummeted worldwide. The overall market (SPI) lost 7.56% in the reporting period. Small caps fell by 6.38% and mid caps even by 8.27%. Large caps achieved a performance of -7.44%. The fund declined by 6.03%. It therefore outperformed the benchmark, which fell by 8.08%.

The monthly performance of the SaraSelect portfolio was significantly influenced by the following holdings. The largest positive contributions were made by Julius Bär (61 bp), Also (43 bp), Temenos (42 bp), Schindler (41 bp) and Baloise (31 bp). Performance was negatively impacted by Lem (-95 bp), Daetwyler (-47 bp), Belimo (-38 bp) Interroll (-34 bp) and Bachem (-31 bp). The coronavirus will have a sustained negative impact on economic growth in the first quarter of 2020. But markets will overlook this impact, which will be reflected in again higher share prices.

Noticed... Covid-19 influence

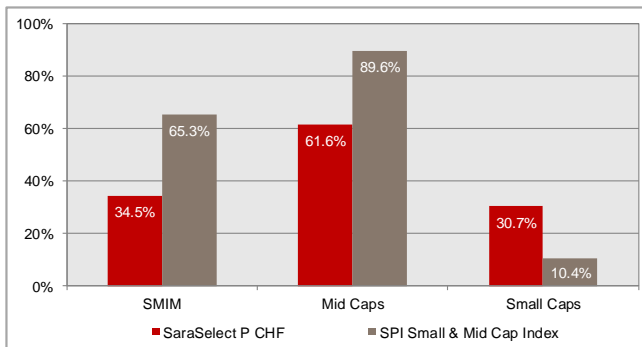
Not an hour goes by without new reports of the global spread of the corona virus. Regardless of the morbidity rate, the transmission speed or the comparison with other epidemics, the following can already be observed today: 1. The authorities, especially in Switzerland, are taking drastic measures to slow down the spread of the virus. 2. It is important to know the chains of infections in order to avoid an uncontrolled situation like in Italy. 3. In the run-up to many major events (Ice Hockey Playoffs, World Championships, European Football Championships, Olympic Games, many general assemblies etc.) it will be interesting to see how far the regulations from Bern will go. With the approximately 14-days incubation period, many things will be postponed by these 2 weeks, in the hope of then having a better basis for decision-making. Certain is that interest rates, which still are the anchor of all relative valuations in our financial system, have continued to fall and there is no evidence of an immediate increase.

In the SPI Index, the three heavyweights Nestlé, Novartis and Roche account for about 50% of the capitalization. These sectors in particular are very defensive. Consequently, price slumps of more than 15% from a medium-term perspective are more likely to be seen as entry opportunities, especially since the risk premium did recently rise to over 8% (approx. 3.5% on a long-term average). Even if many companies will report a significant sales decline in the first quarter, the megatrends will create a certain amount of pent-up demand, which should soon become apparent. The next 2 weeks should therefore be decisive; for all those who have had too little equity exposure so far, there seems to be a good entry opportunity.

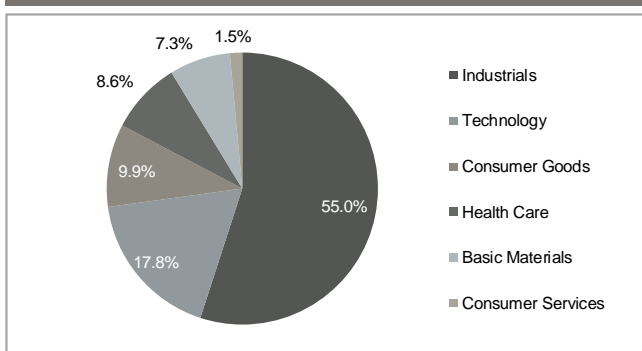
I never think about the future, it comes soon enough.

Albert Einstein

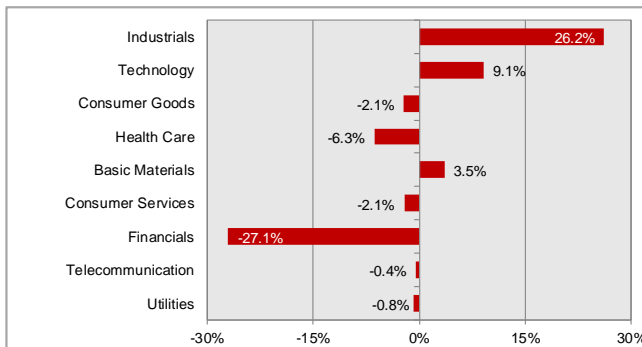
Segment Allocation



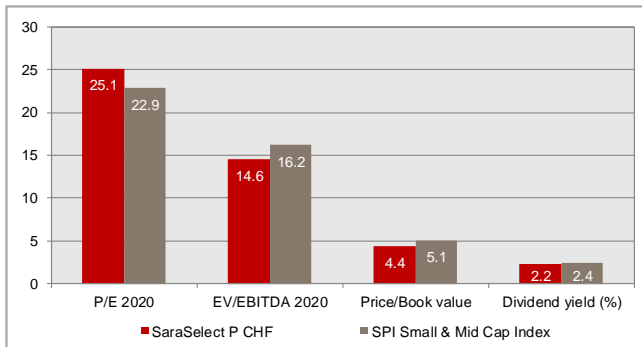
Industry Allocation



Industries relative to Benchmark




Valuations



Largest Positions

ALSO Holding AG	9.53%	0.34%
Sika AG	7.66%	0.00%
LEM Holding SA	6.74%	0.29%
Bachem Holding AG	6.63%	0.30%
Belimo Holding AG	6.57%	1.16%
Bell Food Group AG	4.62%	0.18%
Bossard Holding AG	4.41%	0.27%
Daetwyler Holding AG	4.35%	0.47%
Interroll Holding AG	4.30%	0.43%
Chocoladefabriken Lindt & Spru	3.65%	3.01%
Logitech International SA	3.64%	2.60%
Gurit Holding AG	3.64%	0.18%
CPH Chemie & Papier Holding AG	3.44%	0.07%
Huber + Suhner AG	3.16%	0.39%
Bucher Industries AG	3.12%	0.74%
Total Top 15	75.46%	10.45%

Fund Profile & Key Figures

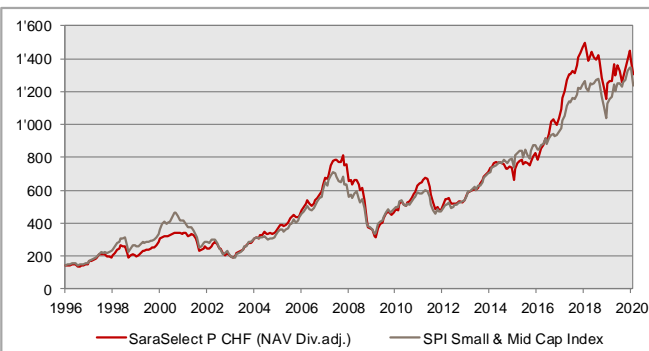
Asset Manager	VV Vermögensverwaltung AG
	Marc Possa (Deputy Thomas Buri)
Fund Mgmt. Company	J. Safra Sarasin Investmentfonds AG
Custodian	Bank J. Safra Sarasin AG
Swiss Security No.	123406
ISIN	CH0001234068
Launch	01.02.1996
Management Fee	1.50% p.a.
Investment Style	Bottom-up Stock Picking
Benchmark (Index)	SPI Small & Mid Caps (SPISMC)
	
Fund Size	CHF 671.3 mn
Net Asset Value per Unit	CHF 1'303.79
Hist. Volatility*	14.40% p.a.
Tracking Error*	6.33% p.a.

*Time period 3 years, monthly observations

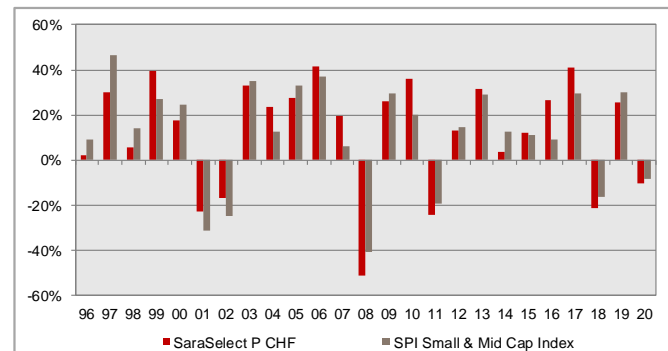
Performance Overview

	YTD	1 Month	1 Year	3 Years	5 Years	10 Years	since Launch
Fund	-10.17%	-6.03%	3.25%	3.92% p.a.	12.24% p.a.	10.58% p.a.	9.55% p.a.
Index	-8.29%	-8.08%	6.94%	6.50% p.a.	8.77% p.a.	9.55% p.a.	9.30% p.a.

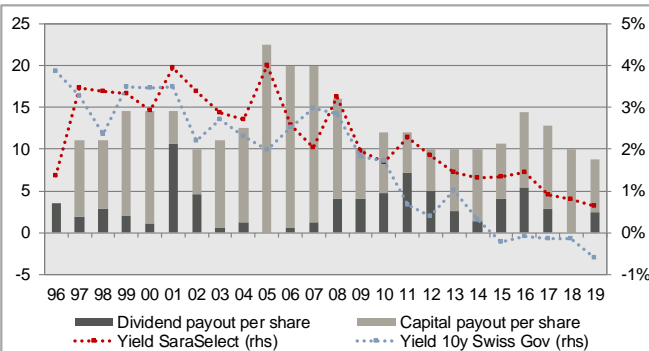
Cumulative Performance since Inception



Yearly Performance since Inception



Distribution per Share



Year	Dividend	Capital Gain*	Total
2019	2.40	6.40	8.80
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

*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
2020	Fund	-4.40%	-6.03%											-10.17%
	Index	-0.22%	-8.08%											-8.29%
2019	Fund	8.17%	1.05%	0.21%	7.86%	-5.07%	4.94%	-2.66%	-5.15%	2.33%	4.44%	4.06%	3.96%	25.63%
	Index	8.77%	2.46%	1.01%	6.20%	-3.22%	4.01%	0.00%	-1.71%	2.50%	1.25%	4.22%	1.57%	29.96%
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%

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