

HOW GLOBAL LEADERS FUND

Factsheet – August 2024

Investment objective

The investment objective of the HOW Global Leaders Fund is mainly to achieve long-term above-average capital gains. In order to achieve its investment objective, the sub-fund invests in equities and securities (stocks, stocks with warrants, etc.) issued by companies worldwide that are traded on a stock exchange or on another regulated, publicly accessible market.

The HOW Global Leaders fund is actively managed without referencing a benchmark. The performance of the sub-fund is not coupled with any reference index, so it can make its investment decisions independently of such indices.

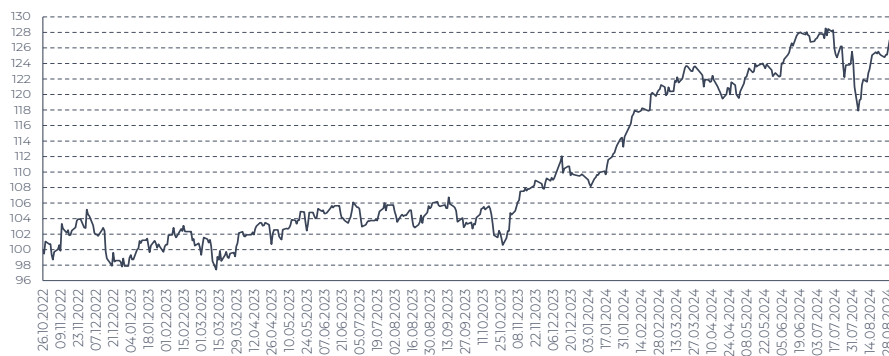
General Information

Fund name	HOW Global Leaders Fund
Share class	EUR I
ISIN	LI1206123492
Launch date	26.10.2022
Fund size	EUR 12.1mn
Last NAV	EUR 127.02
Fund type	UCITS
Investment zone	World
Use of proceeds	Accumulation
SRI according to KID 07.05.2024	<div style="display: flex; gap: 5px;"> 1 2 3 4 5 6 7 </div>

Fees

Issue premium	none
Redemption charge	none
Management fee	max. 1.5%
Performance fee	none
High watermark	none
Hurdle rate	no

Historical performance



Monthly performances

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
2024	15.76%	3.20%	6.56%	2.46%	-2.94%	2.30%	3.27%	-1.00%	1.20%			
2023	12.11%	2.60%	-0.13%	1.85%	0.38%	1.44%	2.01%	-0.34%	-0.26%	-0.88%	6.14%	0.96%
2022	-2.12%									0.73%	4.41%	-6.93%

Breakdowns

Top 5 Holdings

Microsoft Corp.	6.14%
Alphabet Inc.	4.40%
Arthur J. Gallagher & Co	3.78%
Apple Inc.	3.25%
Linde PLC	3.22%

Key figures

High reached (10.07.2024)	128.53
Low reached (13.03.2023)	97.41
Volatility p.a.	11.49%
Max drawdown	-8.27%

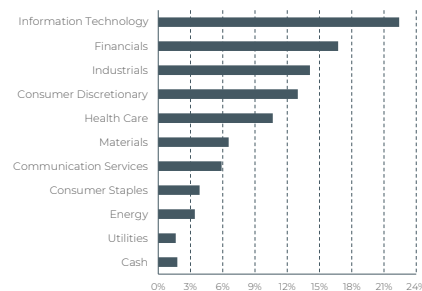
Top 5 contributors

Eli Lilly & Co.	0.33%
FWD USD/EUR	0.32%
Ferrari N.V.	0.26%
Constellation Energy Corp.	0.21%
Hermes International SA	0.21%

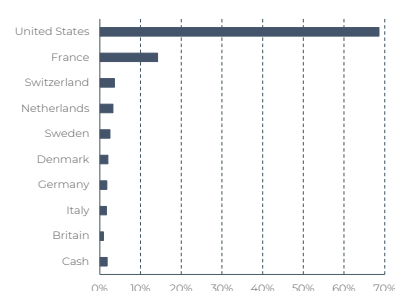
Top 5 detractors

Alphabet Inc.	-0.30%
Mckesson Corp.	-0.25%
Microsoft Corp.	-0.24%
Vulcan Materials Co	-0.12%
Ametek Inc.	-0.11%

Sectors



Countries



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Fund Comment

In August, global equities managed to achieve gains, but the month began on a turbulent note. Despite early challenges, the STOXX Europe 600 rose by 1.33%, while the EURO STOXX 50 performed even better, climbing by 1.75%. Investors, much like in July, continued to gravitate toward defensive sectors, seeking stability in Telecoms, Healthcare, Insurance, and Real Estate. This trend reflected a cautious approach, with market participants prioritizing resilience over risk, signaling that uncertainty still loomed over broader equity markets.

Across the Atlantic, the same pattern unfolded in the United States. Investors, wary of potential volatility, began to pivot toward defensive sectors, pulling capital away from tech stocks—particularly Semiconductors, which had previously been market darlings. Despite this sectoral rotation, the major indices managed to eke out gains. The Nasdaq edged up by 0.65%, the S&P 500 saw a more robust rise of 2.28%, and the Dow Jones climbed by 1.76%, all continuing the strong momentum observed in July.

Meanwhile, in the UK, market performance was more mixed. The FTSE 100 managed a modest increase of 0.10%, while the FTSE 250 saw a more substantial decline, dropping by 2.38%. This pullback was largely driven by profit-taking after a solid July. Defensive sectors such as Healthcare, Consumer Staples, and Industrials performed well, but Energy, Basic Materials, and Financials struggled to gain traction.

August was a turbulent month in terms of volatility, we saw Vix spike to 38.60 at the beginning of the month, only to quickly drop back to around 16 by the end of the month.

In the US, signs of a cooling labor market began to emerge, although initial jobless claims pointed toward a gradual slowdown rather than a sharp drop-off. The non-farm payrolls report for July revealed an increase of just 114,000 jobs, falling short of the 175,000 anticipated, while the unemployment rate ticked up to 4.3%. Additionally, the ISM manufacturing report for July showed further contraction, with a reading of 46.8 compared to June's 48.5. The Federal Reserve, now more confident that inflation is returning toward its target, has shifted its focus to downside risks. Chair Jerome Powell hinted at a potential rate cut in September, while leaving open the question of the pace and timing of any future cuts.

In Europe, the eurozone's purchasing managers' index (PMI) improved, climbing to 51.2 in August from 50.2 in July, driven primarily by growth in the services sector. However, manufacturing remained in contraction, with a reading below 50. Within the eurozone, Germany lagged behind, while Spain showed some leadership. France received a boost from its services sector, buoyed by the approaching Olympics. Inflation in the eurozone fell from 2.6% in July to 2.2% in August, fueling expectations that the European Central Bank (ECB) may cut rates again in September, following a 25-basis-point reduction in July.

For the HOW Global Leaders Fund – EUR I, August closed with a positive performance of 1.20%.

Defensive sectors once again outperformed, with Healthcare, Insurance, and other low-beta sectors leading the way, mirroring last month's performance. Technology, particularly Semiconductors, and Energy remained the weakest performers, with the latter closely tied to oil prices.

Among individual stocks, the top contributors to the fund's performance were Eli Lilly, which benefited from the potential to capture market share from its key competitor, and Ferrari, which received a lift following an analyst upgrade. Constellation Energy and Hermes, recovering from a negative July, also provided a positive boost. Additionally, the fund's US dollar hedge proved beneficial, as the dollar depreciated against the euro, further enhancing performance.

However, the detractors were led by Alphabet and Microsoft, as the ongoing sectoral rotation continued to weigh heavily on tech stocks. Mckesson and Vulcan Materials also underperformed, as their quarterly reports fell short of analysts' expectations, particularly regarding future outlooks.

In terms of trading, there were no significant moves during the month—only minor adjustments to positions based on individual stock performance.

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