

# HOW ABSOLUTE RETURN FUND

Factsheet – February 2025

## Investment objective

The investment objective of the HOW Absolute Return Fund is mainly to achieve a positive absolute return over the medium term through capital growth. In order to achieve its investment objective, the fund invests in European and American equity securities and rights as well as in fixed- or variable-interest debt securities and debt securities and/or in money market instruments of issuers worldwide. The HOW Absolute Return 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.

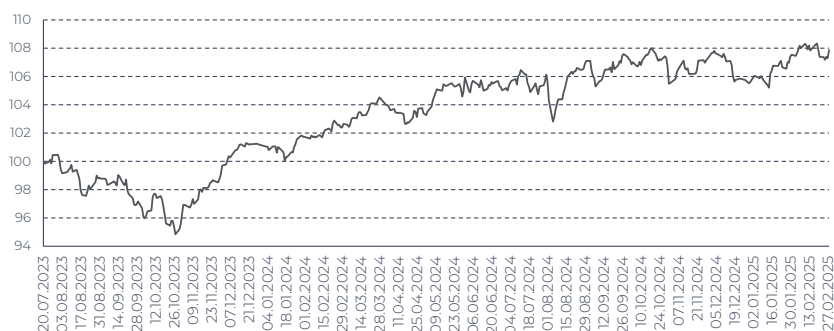
## General Information

Fund name	HOW Absolute Return Fund							
Share class	EUR I							
ISIN	LI1278249639							
Launch date	20.07.2023							
Fund size	EUR 11.9mn							
Last NAV	EUR 107.86							
Fund type	UCITS							
Investment zone	Europe and USA							
Use of proceeds	Accumulation							
SRI according to KID 07.05.2024	<table border="1"> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> <td>6</td> <td>7</td> </tr> </table>	1	2	3	4	5	6	7
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## Fees

Issue premium	none
Redemption charge	none
Management fee	max. 1.25%
Performance fee	15%
High watermark	yes
Hurdle rate	no

## Historical performance



## Monthly performances

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
2025	2.12%	1.82%	0.30%									
2024	4.39%	0.54%	0.67%	2.06%	-1.06%	1.47%	0.09%	1.06%	0.90%	0.27%	-1.77%	1.70%
2023	1.18%							0.46%	-1.60%	-1.70%	-1.65%	3.65%

## Monthly Comment

In February 2025, European and U.S. equity markets showed divergence, with Europe benefiting from renewed investor confidence while the U.S. faced policy and economic challenges.

European equities continued their strong start to the year, with the EURO STOXX 50 and STOXX Europe 600 gaining 3.34% and 3.27%, respectively, supported by optimism around fiscal stimulus, particularly in defense and infrastructure spending in Germany. In contrast, U.S. equities struggled, with the S&P 500 falling 1.42% and the Nasdaq Composite dropping 3.97%, driven by concerns over trade policies and a correction in major tech stocks, with the Magnificent 7 declining over 10% collectively since December.

Economic data raised concerns about the U.S. consumer, as January PCE declined by 0.2%, its first negative reading in nearly two years. Major retailers also issued cautious outlooks, further dampening sentiment. Trade tensions escalated after President Trump threatened a 25% tariff on EU goods and confirmed tariffs on Canadian and Mexican imports for March, fueling inflation concerns.

Meanwhile, the Federal Reserve kept rates unchanged, signaling a need for further progress on inflation before considering cuts.

In Europe, Germany's election results aligned with expectations, with a Grand Coalition likely.

The eurozone economy showed slight resilience, as the composite PMI remained at 50.2 in February, signaling modest expansion.

Market volatility surged, rising 19.5% in the U.S. and 21% in Europe, as investors navigated economic and policy uncertainties.

Bond markets experienced turbulence, with yields rising in both regions due to inflation fears and expectations of a pause in central bank rate cuts.

In terms of sector performance, U.S. consumer discretionary and communication services were the worst performers, weighed down by economic concerns and potential tariff impacts, while consumer staples outperformed due to their defensive nature.

The technology sector faced renewed pressure as investors questioned earnings sustainability.

In Europe, financials led gains, with bank stocks supported by strong earnings and shareholder return plans, while IT and healthcare underperformed.

The Absolute Return Fund – EUR I delivered a +0.30% return in February.

The fund's strongest performers, included BAE Systems PLC, benefited from increased investor confidence due to anticipated rises in European defense spending, Eli Lilly & Co, Banco Santander SA, Berkshire Hathaway Inc. On the other hand, Alphabet Inc., Microsoft Corp., Tesla Inc., Sandoz Group AG were the worst contributors.

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## Allocation

Equity	57.90%
Bonds	45.03%
Cash	0.85%

## Key Data

Highest NAV (19.02.2024)	108.33	Annualised volatility	5.11%
Lowest NAV (27.10.2023)	94.85	Max drawdown	-5.58%
% positive	55.19%	Duration	5.53
Best period	1.42%	YTM	3.74%
Worst period	-1.40%		

## Top 5 equity holdings

HOW Made of Switzerland Fund	6.10%
Microsoft Corp.	3.69%
BAE Systems PLC	2.14%
Berkshire Hathaway Inc.	2.07%
STOXX Europe 600 Telecom	1.72%

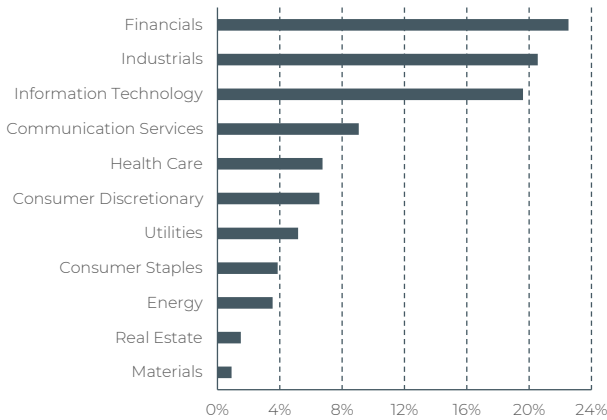
## Top 5 contributors

BAE Systems PLC	0.23%
Eli Lilly & Co	0.20%
Banco Santander SA	0.18%
Berkshire Hathaway Inc.	0.18%
Arthur J.Gallagher & Co	0.16%

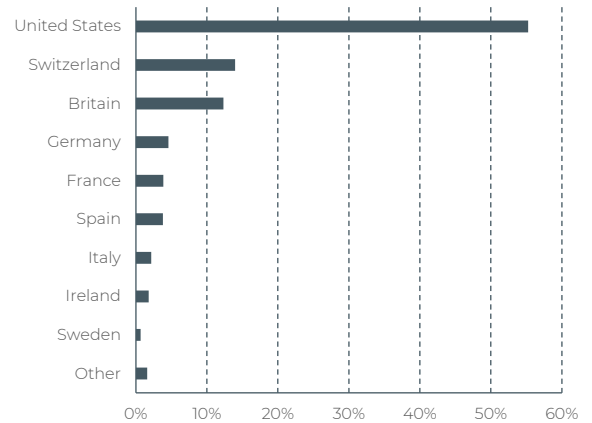
## Top 5 detractors

Alphabet Inc	-0.23%
Microsoft Corp.	-0.19%
Tesla Inc	-0.18%
Sandoz Group AG	-0.15%
Option SXXP Put Feb25	-0.10%

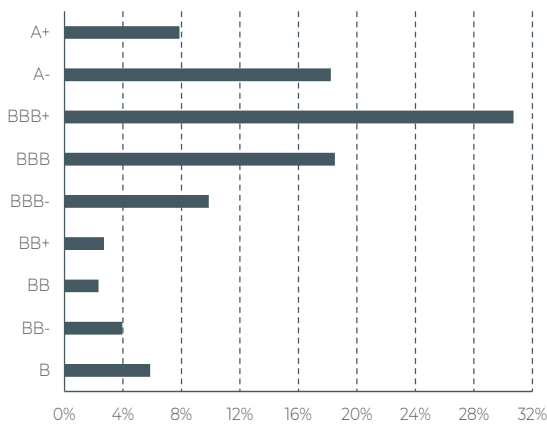
## Sector breakdown (Equities)



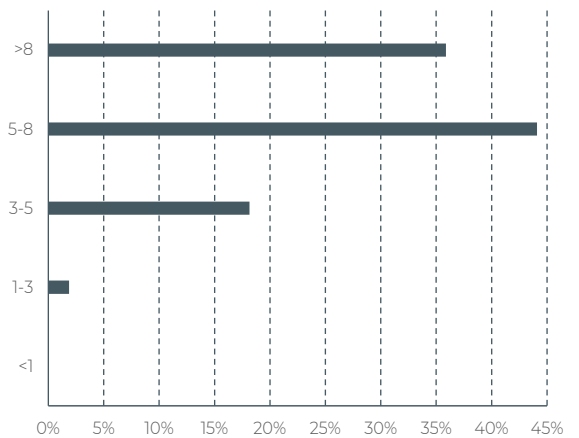
## Geographic breakdown (Equities)



## Ratings (Bonds)



## Maturities (Bonds)



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