

# HOW ABSOLUTE RETURN FUND

Factsheet – June 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.

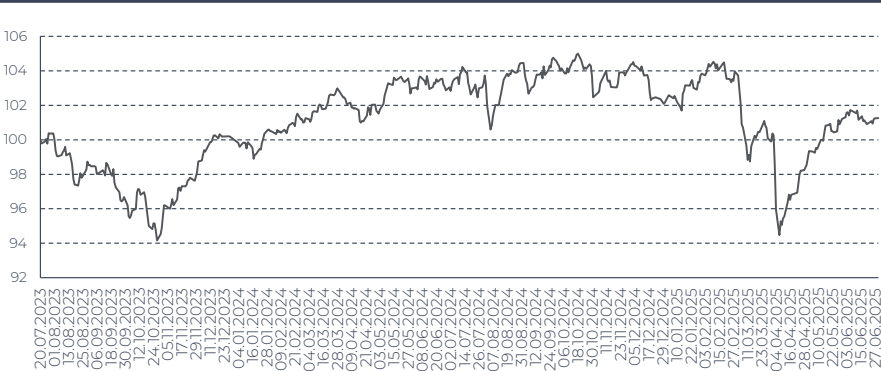
## General Information

Fund name	HOW Absolute Return Fund						
Share class	CHF I						
ISIN	LI1278249647						
Launch date	20.07.2023						
Fund size	EUR 11.7mn						
Last NAV	CHF 101.26						
Fund type	UCITS						
Investment zone	Europe and USA						
Use of proceeds	Accumulation						
SRI according to KID 06.05.2025	1	2	3	4	5	6	7

## 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	-0.92%	1.60%	0.13%	-3.91%	-1.36%	2.72%	0.04%						
2024	2.07%	0.38%	0.51%	1.95%	-1.26%	1.28%	-0.12%	0.84%	0.69%	0.10%	-1.99%	1.49%	-1.73%
2023	0.13%							0.37%	-1.81%	-1.90%	-1.87%	3.43%	2.05%

## Monthly Comment

June was characterised by persistent inflation pressures, cautious central bank policy, and renewed geopolitical tensions, all of which shaped global market sentiment. In the United States, the Federal Reserve kept rates on hold, citing stubborn inflation partly linked to new tariff measures. Economic data softened somewhat, with weaker employment growth and declining confidence indicators. As a result, market expectations for rate cuts rose slightly to around 63 bps by year-end. Europe also faced a delicate policy balance. The ECB delivered its anticipated rate cut early in June, but signaled caution over further moves, as inflation continued to slow only gradually. The Bank of England kept rates steady, with market pricing for cuts increasing modestly to about 54 bps by year-end.

Geopolitical tensions intensified mid-June, with Israeli strikes on suspected Iranian nuclear sites prompting missile retaliation and threats to close the Strait of Hormuz. Oil prices spiked sharply intraday. The situation escalated further with targeted US strikes on Iranian infrastructure before diplomatic efforts secured an uneasy ceasefire in late June, helping oil prices retreat but leaving markets alert to further risks.

Equity markets delivered mixed results. European equities were volatile: the EURO STOXX 50 fell over 4% mid-month but recovered somewhat to close down -1.18%, while the STOXX Europe 600 declined -1.33% and the Swiss SMI fell -2.50%. Energy led gains (+3.89%) on higher oil prices, while Technology, Construction and Industrials saw modest advances. Defensive and consumer sectors underperformed significantly. US equities performed strongly, supported by a softer dollar and robust earnings. The S&P 500 rose 4.96%, and the Nasdaq Composite climbed 6.57%, with Technology (+9.73%) the clear leader, alongside strong contributions from Telecoms and Energy.

Bond markets showed cautious stability. US 10-year Treasury rose 1.27% over the month, bringing year-to-date returns to around +3.1%, while European spreads widened slightly without significant stress.

Market volatility remained subdued despite the geopolitical backdrop, with the VIX Index finishing June virtually unchanged at 16.82.

In this environment, the HOW Absolute Return Fund – CHF I delivered a +0.04% return for June.

Positive contributors included the USD hedge and holdings in Airbus, Seagate Technology, Microsoft and Meta Platforms, benefiting from sector-specific resilience. Main detractors were Arthur Gallagher & Co, the S&P 500 hedge, Berkshire Hathaway, Compass Group, and the European STOXX 50 option, impacted by sector rotation and uneven performance.

Operationally, during June we renewed USD hedges, reducing net exposure to around 5%, and lowered the portfolio's beta and equity allocation to mitigate potential shocks from geopolitical tensions and trade-related risks.

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## Allocation

Equity	39.41%
Bonds	50.60%
Cash	4.81%

## Key Data

Highest NAV (18.10.2024)	105.00	Annualised volatility	5.99%
Lowest NAV (27.10.2023)	94.16	Max drawdown	-10.03%
% positive	53.49%	Duration	4.82
Best period	1.40%	YTM	3.46%
Worst period	-2.72%		

## Top 5 equity holdings

HOW Made of Switzerland Fund	6.23%
Microsoft Corp.	2.73%
BAE Systems PLC	2.27%
Berkshire Hathaway Inc.	1.96%
Arthur J. Gallagher & Co	1.87%

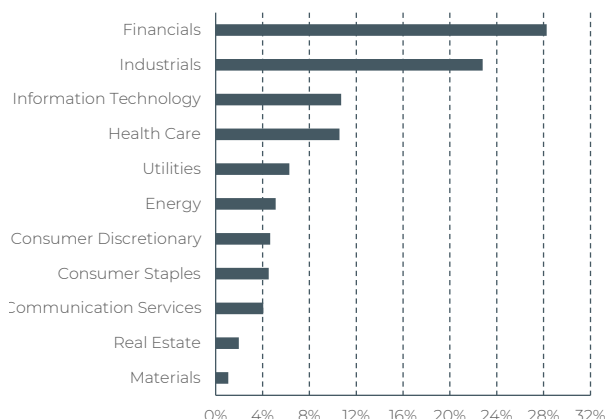
## Top 5 contributors

FX FWD USD/EUR 1.051	0.20%
Airbus SE	0.16%
Seagate Technology Plc	0.13%
Microsoft Corp.	0.13%
Meta Platforms Inc	0.12%

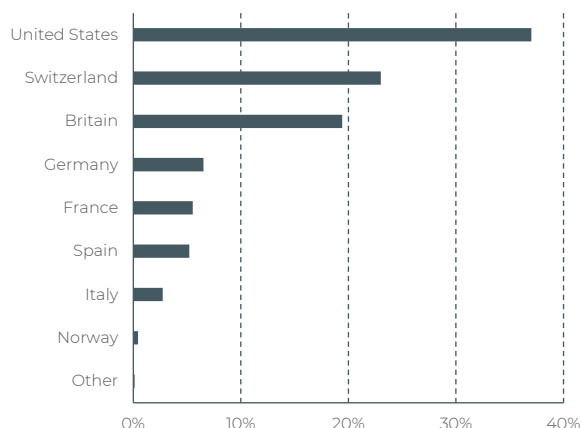
## Top 5 detractors

Arthur J. Gallagher & Co	-0.21%
Fut. E-Mini S&P 500 Sep25	-0.20%
Berkshire Hathaway Inc.	-0.05%
Compass Group Plc	-0.04%
Opt. EURO STOXX 50 P5300 Jul25	-0.03%

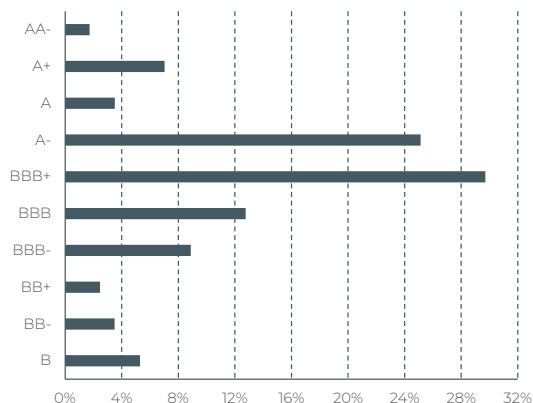
## Sector breakdown (Equities)



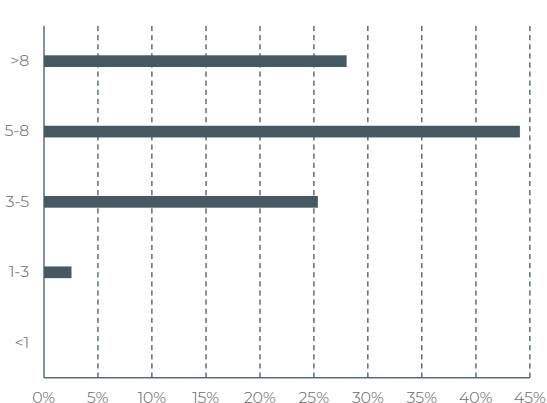
## Geographic breakdown (Equities)



## Ratings (Bonds)



## Maturities (Bonds)



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