

Objective of the certificate

The Equity Opportunities Basket Certificate Tracker comprises a selection of at least 5 stocks or ETFs on stocks but no more than 40, and cash components. The Certificate is of the "Open-End" type, which means that it has no final fixing date. MGF decides on the basket composition and on the weighting of each component. Components of the basket are stocks included in the Stoxx Europe 600, Bloomberg European 500, SPI, S&P 500, Russell 3000, Nasdaq Composite and ETFs.

Keys data

Domicile	Switzerland
Issuer	Banque Cantonale Vaudoise (AA)
Investment Manager	Multi Group Finance SA
ISIN	CH0301665276
Reference currency	USD
Issuance date	November 4, 2015
Rebalance frequency	Weekly
Minimum denomination	USD 1,000
Management style	Dynamic
Maximum weight of a bond	10%
Minimum issue volume of a bond	500 M
Entry Fee / Exit Fee	No
Performance Fee	10%
No value	30166527
Replication method	Full replication
Use of coupons	Accumulation
Benchmark	Stoxx Europe 50
Maturity	Open end
Volatility p.a.	17.58%

Comment of the month May 2023

Aggressive monetary tightening by the US Federal Reserve and other major central banks has triggered turbulence in parts of the banking sector, inviting comparisons with the global credit crunch that rocked financial markets 15 years ago. Fears of a 2008-like financial crisis are exaggerated. Nevertheless, the economic convulsions resulting from bank closures in the US and the state takeover of Credit Suisse in Europe will soon become apparent: global GDP growth will be slower and below its long-term potential for the rest of the year. Despite all this, investors seem to be getting ahead of themselves by expecting the Fed to start cutting interest rates as early as July. Like other central banks, the Fed's hands are tied - high inflation will prevent it from providing monetary stimulus in the coming months, even if it sees fit to introduce further short-term measures to ease stress in the banking system. Our expectation of further economic weakness means that we remain defensive in equities. Not only will equity price-earnings multiples struggle to rise, but corporate earnings are also likely to stagnate as trade conditions deteriorate. One bright spot in the global economy is emerging markets, where growth is expected to accelerate to 3.2% this year, led by China, which is enjoying a strong rebound from its post-Covid reopening. In terms of earnings forecasts, the model implies near-zero growth in global corporate profits in 2023. However, markets are already looking at 2024, which could benefit from future rate cuts and an economic recovery. For now, emerging markets remain the most dynamic region. Here, we expect corporate profits to grow by more than 10% this year, which is much more optimistic than the consensus view, which predicts a slight contraction.



	Fund	Index	+/-
1 month	+4.85	+5.22	+0.37
3 month	+4.87	+5.44	+0.57
YTD	+12.43	+13.22	+0.79
Since launch	+20.55	+24.82	+4.27

Main positions %

NOVO NORDIC A/S	4.12	Danmark	USD
Shell	3.90	United Kingdom	USD
LVMH	3.87	USA	USD
Swiss Life	3.49	Switzerland	CHF
Microsoft	3.41	USA	USD
McDonald's	3.14	USA	USD

Sector allocation %

Pharma	20.08
Finance	15.66
Energy	15.17
Information technology	11.25
Consumer discretionary	10.98
Non-cyclical consumption	10.55
Industry	9.59
Communication equipment	6.72

Country allocation %

USA	56.89
Switzerland	19.88
Scandinavia	9.25
France	8.49
Cash	5.49

Currency allocation %

USD	54.99
EUR	25.13
CHF	19.88

Past performance is not an indication of future results. This product is not a collective investment within the meaning of the Swiss Federal Investment Fund Act (LPCC) and is not subject to the authorization or supervision of the Swiss Financial Market Supervisory Authority (FINMA). Investors are also exposed to the risk of insolvency of the issuer (AA). This Certificate is actively managed on a discretionary basis and has a dynamic structure.