

# Reichmuth Voralpin - S (BVG)

YTD +3.1%

## Positive Start to 2024

The first half of the year was characterized by strong stock markets, a weak CHF, and brilliantly performing precious metals. The SNB was the first central bank to lower interest rates due to declining inflation, with other central banks following suit. CHF investors also benefited from foreign currency gains, as most major currencies appreciated against the CHF due to solid economic prospects. All these factors supported the stock markets, which were buoyed by the technology sector and the investment theme of "beneficiaries of artificial intelligence."

Category	Allocation ø	Performance 2024	Contri- bution
Cash (incl Fees)	3%		-0.4%
Bonds	61%	1.3%	0.8%
Equities	12%	7.6%	0.9%
Alternative Investm.	18%	6.6%	1.2%
Real Estate	4%	-1.8%	-0.1%
Commodities	2%	13%	0.3%
Currencies			0.4%
<b>TOTAL</b>	100%		3.1%

## Stocks and Alternatives are Shining

The highest performance contribution came from alternative investments, which we continue to overweight. Stocks in the technology and infrastructure sectors, particularly those related to artificial intelligence applications (semiconductors, energy management, etc.), also performed very well. However, Swiss small-cap stocks did not meet expectations and lagged behind the overall market. Real estate performed less favorably, prompting us to position tactically at the minimum quota. We maintain an underweight position in bonds, as this asset class also failed to impress.

## Is Inflation Defeated?

We anticipate overall solid economic development with low, but positive growth in the coming months. Accordingly, corporate profits are expected to somewhat meet expectations. However, following the strong price increases in the first half of the year, a temporary consolidation over the summer months is likely, supported by historical seasonality. New stimuli are expected in the run-up to the US elections in fall. Tax cuts for businesses would likely be positively received by the market in the event of a Trump victory. Under the Democrats, it may be more challenging to stimulate the economy due to limited scope for further spending increases given the high deficits.

The need for investment in building local supply chains and energy restructuring will strain the budgets of Western states (budget deficits) and keep the demand for raw materials high. With an isolated Russia as the largest producer of raw materials and other geopolitical hotspots, the risk of future supply shortages of critical raw materials increases. As long as this situation remains unchanged, it is premature to speak of an end to the inflationary regime. Therefore, real assets like stocks remain favored. Alternative investments, precious metals, and other commodities continue to play an important role in portfolio construction. In contrast, we keep interest rate risks low in portfolios and continue to prefer short-term bonds or cash.

---

Philipp Murer, Portfoliomanager



#### Legal notice and disclaimer

**This publication is a communication addressed to investors which draws their attention to certain financial services and financial instruments and is therefore deemed to be advertising within the meaning of Art. 68 FinSA (Financial Services Act) and Art. 95 FinSO (Financial Services Ordinance).**

Only the binding documents of the investment and the third-party provider are authoritative for the assessment of the suitability and appropriateness of the described investment for the client. These generally comprise the current prospectus (or equivalent document), the applicable subscription form, the basic information sheet (or equivalent document) and other documents where applicable. Reichmuth & Co. (hereinafter referred to as the "Bank") provides these documents for the client before the investment decision is made. The fact sheet assists in assessing the suitability and appropriateness of an investment for the client. The information that it contains is for information purposes only. They do not constitute an offer or a solicitation to buy or sell products, nor a recommendation to engage in other transactions or to conclude any legal transaction. It is expressly stated that no advice is given in this fact sheet. The information is also not intended as an aid to making decisions about legal, tax, economic or other questions. Before making a decision based on the information in this fact sheet, please consult a qualified specialist at the Bank. Investments are subject to risks, including the potential loss of the invested capital. The price, value and returns of investments are subject to fluctuations, i.e. they can fall as well as rise. Investments in foreign currencies are subject to additional currency risk, i.e. the performance of such investments depends on the volatility of the foreign currency. The risks are described in detail in the current product documents, which must be read carefully before investing in products. Neither the Bank nor its contractual partners accept liability for any losses. Positive performance in the past is no guarantee of positive performance in the future. This means that there is no guarantee that the value of the fund units held will equal the originally invested capital when withdrawn. The information does not take into account either the specific or future investment objectives, the fiscal or financial situation or the individual needs of the particular recipient. It does not replace expert advice needed prior to making any investment decision, particularly in respect of all the associated risks. The information in this fact sheet is provided without any guarantee or commitment whatsoever and is made available to the recipient for informational purposes only and solely for his or her personal use. The Bank accepts no responsibility and provides no guarantee that the information in this document is error-free.

