

BBGI ESG Swiss Equities Indices CHF

A BBGI exclusivity since 1999

July 2021

Swiss stock market slows down slightly in July

	July	YTD
BBGI ESG Index - Core	+1.61%	+19.06%
BBGI ESG Index - Mid	+1.59%	+19.35%
BBGI ESG Index - Broad	+1.71%	+17.82%

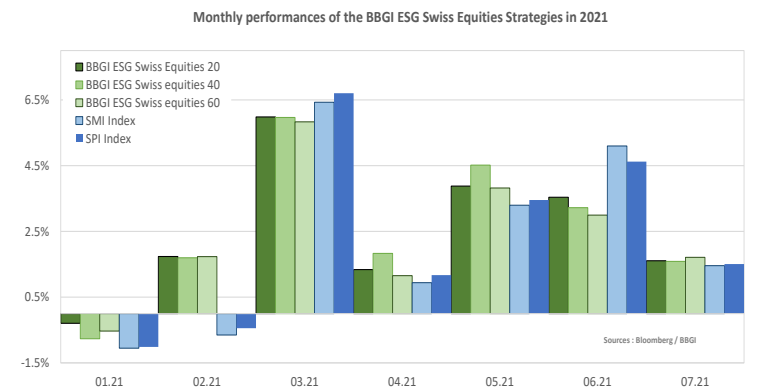
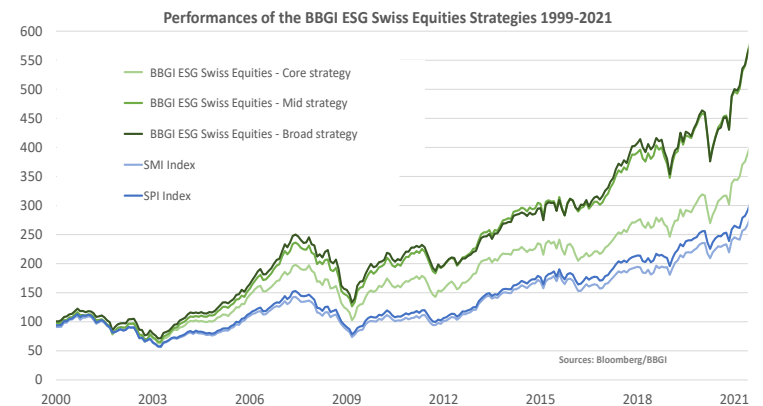
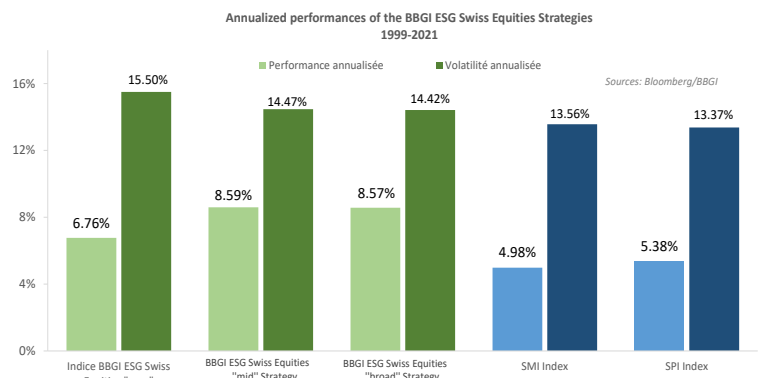
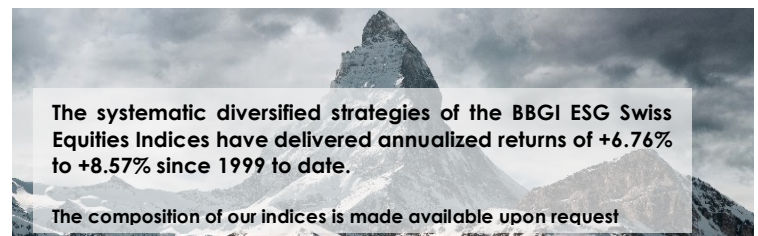
Evolution of the indices:

The Swiss economy ended July on a positive note overall. Indeed, the leading indicators are still positive. The economic barometer continues to stay at its highest levels in history despite a slight correction from 133.3 to 129.9 points. The stock market is moving horizontally but remains on its broader upward trajectory of recent months. The SMI, the index of the 20 largest Swiss market capitalizations, gained ground and rose by +1.46%. The SPI, the broader classic performance index, performed similarly, rising by +1.51%.

The PMI indicators remain at comfortable levels indicating continued growth, particularly in the manufacturing sector. The manufacturing index rose from 66.7 to 71.1 points, while its services counterpart corrected slightly from 64.4 to 60.8 points but remains very positive. The consumer price index fell slightly by -0.1% compared to last month, due in particular to the fall in the cost of air transport. The unemployment rate fell in July to 3.0%. However, the equity market is trading at more than 21x its expected earnings in 2021, well above its historical average, suggesting some caution.

The BBGI ESG Swiss Equities strategies also show a slight slowdown. The "core" category, which includes the 20 stocks of the SMI and is weighted according to their ESG rating based on our own methodology, achieved a gain of +1.61%, which was slightly better than the Swiss stock market's flagship performance index. The "mid" index, which includes the 40 largest companies in the Swiss equity market, performed slightly less than the core but followed the same trend of the last six months (+1.59%). The broader spectrum index, which is represented by the "broad" strategy, performed the best this month (+1.71%).

The three BBGI Swiss Equities ESG index categories have all achieved largely positive performances since the beginning of the year (+19.06%, +19.35% and +17.82% respectively). The Year to date gains this year outperform the Official Swiss market indices such as the SMI (+16.33%) and the SPI (+16.88%). Since the creation of our ESG approaches in 1999, the gains are also higher than traditional approaches while maintaining a controlled level of volatility similar to the standard indices.

The systematic diversified strategies of the BBGI ESG Swiss Equities Indices have delivered annualized returns of +6.76% to +8.57% since 1999 to date.

The composition of our indices is made available upon request