BBGI Group SA – Place de Longemalle 1 – 1204 Geneva - Switzerland
www.BBGI.ch

BBGI ESG Swiss Equities Strategies CHF

A BBGI exclusivity since 1999

September 2024

Annualized performance since 1999 from +6.27% to +7.79%

Positive signs of recovery for the Swiss economy

	Sept.	YTD
BBGI ESG Swiss Equities Core	**-0.73%**	**+17.95%**
BBGI ESG Swiss Equities Mid	**+0.07%**	**+14.47%**
BBGI ESG Swiss Equities Broad	**-0.08%**	**+14.36%**

Evolution of the indices :

Swiss markets retreat in September. Indeed, the two main indices for Swiss equities, the SPI and the SMI, posted negative performances this month, interrupting their upward trend. The two indices fell by -2.02% and -1.59% respectively. In our view, the real economy is now showing signs of a potential upturn. Indeed, indicators seem to be stabilizing in September. The PMI manufacturing index is showing signs of improvement, rising slightly (49 to 49.9 points), nearing the 50-point barrier indicating a positive outlook for the segment, and has clearly rebounded from its low point. The PMI services index, meanwhile, contracted slightly (from 52.9 to 49.8 points) to just below the 50 mark. The KOF economic barometer also rose slightly in September, to 105.5 points. This slight increase continues the momentum of the previous month's sharp rise, signaling a steady recovery in the Swiss economy. Most sector indicators show a more favorable outlook, particularly in the manufacturing sector. On the price stability front, annual inflation in Switzerland was just 0.8%, compared with market estimates and a rate of 1.1% in August. This is the lowest level since September 2021 and the first-time inflation has fallen below 1% since then. Inflation is still well under control in Switzerland, and the Swiss National Bank lowered its rate by -0.25% in September. We still anticipate substantial upside potential for Swiss equities in the medium term. Swiss equities have turned in a positive performance since the start of the year, but are lagging behind their US counterparts. We believe that the recent weakening trend of the Swiss franc should support the catch-up effect of Swiss financial markets.

BBGI ESG Swiss Equities strategies decline this month. The “core” strategy, which groups the 20 SMI stocks by weighting the components according to their BBGI ESG rating, declined by -0.73%. The “mid” strategy, which includes the 40 largest Swiss market capitalizations, rose by +0.07%. The “broad” approach, which includes the 60 largest companies, slipped by +-0.08%. Since their creation, the BBGI ESG Swiss Equities indices have delivered excellent annualized performances (+6.27% to +7.79%), outperforming the traditional performance indices (SMI & SPI +4.74% to +4.86%).