

Q Investment Review & Outlook

Q1 2025

-237.92



S&P 500
-23.56

25,20
1,43



NYSE arca 26,012,000
14,652,811 14,652,811

3rd April 2025

Major Indexes	2025	2024	Commodities	2025	2024
World	-5.46%	+19.22%	Gold	+19.84%	+26.35%
USA	-4.28%	+25.00%	Oil	+4.96%	+22.7%
Switzerland	+9.99%	+7.54%	Currencies		
Asia ex. Japan	+1.12%	+11.38%	USD vs CHF	-2.54%	+7.84%
Japan	-9.95%	+21.27%	EUR vs CHF	+1.73%	+1.04%
Europe	+8.26%	+11.29%	Bitcoin vs USD	-12.05%	+115%

Welt: MSCI World Index, **USA:** S&P 500 Index, **Schweiz:** Swiss Market Index, **Asia ex. Japan:** MSCI Asia Ex. Japan Index, **Japan:** Nikkei 225, **Europa:** EURO STOXX 50, **US Treasury:** US 10 year Swap Rate, **Gold:** Golds, **Öl:** Brent Crude.

Review Q1 2025

In the first quarter of 2025, the global economy was shaped by a series of significant events, including the introduction of new tariffs by the U.S. government under President Donald Trump, ongoing conflicts in Russia and Israel, and their far-reaching economic consequences.

Since his return to the White House in January 2025, President Donald Trump has pursued an aggressive trade policy. On February 1, he announced new tariffs: 25% on imports from Canada and Mexico and 10% on Chinese products. These measures took effect on February 4, though the tariff increases for Canada and Mexico were temporarily suspended for 30 days. The U.S. government cited combating illegal drugs and uncontrolled migration as key justifications for these actions.

The abolition of the de minimis rule for imports from China, which previously allowed duty-free entry for goods valued up to \$800, further exacerbated the situation. This decision particularly affects online retail and leads to higher prices for U.S. consumers.

The impact of these tariff policies has been substantial. U.S. stock markets saw significant declines in the first quarter of 2025: the S&P 500 fell by 4.3%, the Nasdaq by 10.5%, and the Dow Jones by 1.3%. Technology stocks, including Tesla and Nvidia, were particularly affected, losing 36% and nearly 20%, respectively. Economists warn of a potential recession, as the tariffs could drive inflation and slow economic growth.

The tariffs introduced by President Trump have raised global concerns. Goldman Sachs estimates the potential global cost of the trade war at up to \$1.4 trillion and has lowered its growth forecast for the United Kingdom due to the effects of the tariffs. The European Union and other trading partners are considering countermeasures, further escalating tensions.

Swiss companies are also affected, as they generate a significant portion of their revenue in the U.S. Industries such as pharmaceuticals, machinery, and watchmaking could be particularly impacted by the U.S. import tariffs.



In parallel with trade conflicts, geopolitical tensions are straining the global economy. The ongoing war in Ukraine and uncertainties in energy markets are affecting production costs and consumer purchasing power worldwide.

Conclusion

The first quarter of 2025 was marked by U.S. protectionist measures and geopolitical conflicts, which had significant impacts on the global economy. The tariffs introduced by President Trump led to market volatility and growing...

Europe Stock Markets	2025	2024
Europe	+8.26%	+11.29%
UK	+6.79%	+9.59%
France	+6.76%	+0.29%
Germany	+11.32%	+18.85%
Spain	+14.53%	+19.41%
Italy	+11.82%	+18.93%
Sweden	+1.79%	+7.43%
Switzerland	+9.99%	+7.54%

Ergebnisse in Referenzwährung.

Europa: Euro STOXX 50 Index; UK: FTSE 100 Index; Frankreich: CAC 40 Index; Deutschland: DAX Index; Spanien: IBEX 35 Index; Italien: FTSE MIB Index; Schweden: OMX STK 30 Index; Schweiz: SMI

Asset classes and strategy implications

The aforementioned geopolitical tensions have intensified market volatility. At the same time, uncertainty about U.S. economic policy has driven investors toward safe-haven assets like gold, which has reached a record high. We are maintaining our positions in gold and silver, as we anticipate ongoing tensions and thus a continued favorable environment.

Analysts warn of a potential global recession if trade conflicts and geopolitical crises continue to escalate. The dominance of the tech giants (Mag 7) came to an abrupt end in 2025. Our defensive strategy, with a focus on Switzerland and dividend-heavy stocks, has supported and even grown our portfolios. This has also led to a slight shift toward a more defensive stance in *the Global Trend Innovation Fund*, which is currently outperforming the MSCI World.

Interest rates are continuing to decline. However, the key question remains whether President Trump's tariff policies will have inflationary effects, which could quickly lead to a trend reversal. Bond investments, except for USD bonds, are currently unattractive. Occasionally, though, interesting opportunities arise that we can capitalize on. One such example is the new *10% Hofseth 2028 bond in CHF*. On the other hand, our bond substitute products, *RELO Fund* and *Trivium Funds*, continue to perform well, offering consistent returns with extremely low volatility.

In the currency market, we aim to favor the Swiss franc whenever possible. The USD has suffered significantly due to Trump's missteps. A medium-term recovery could be on the horizon. Europe is currently not in focus, as U.S. economic developments dominate headlines. However, structural issues remain unresolved—especially in Germany, which was once the engine of European industry but continues to struggle. The euro experienced a brief rally but is now expected to move sideways again.

Finally, *Bitcoin* also had a poor first quarter. It is increasingly evident that its correlation with traditional markets remains high.



Outlook

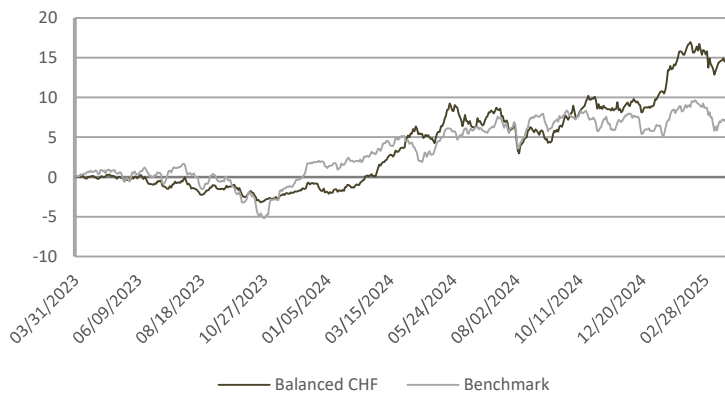
The global environment is not particularly optimistic. Too many crisis hotspots are dampening sentiment. The uncertainty is real, and it is unclear where the journey is headed. However, what we still have is an extremely expansionary monetary policy with historically low interest rates. In this environment, there are hardly any alternatives to the stock market. It is therefore a likely scenario that the current correction will soon be over and the outlook will brighten again accordingly.

What we see as a continuing trend is that the excesses in the tech markets are likely over for now. Europe and Switzerland, as well as emerging markets like India, could benefit from this shift.

We wish you a successful 2025!

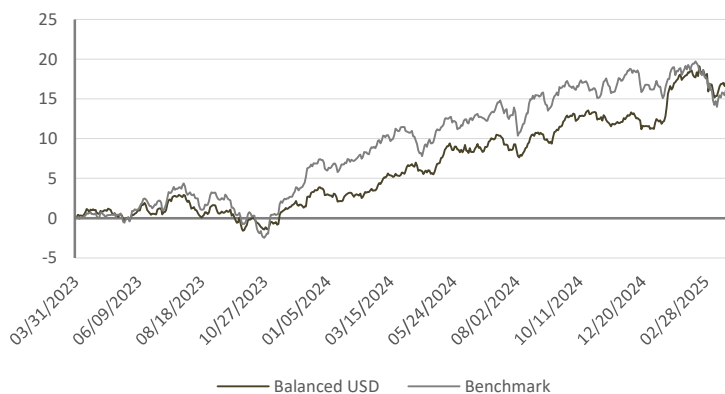
Your NOVUM Team

Modelportfolio: Balanced CHF (2 Year Return)



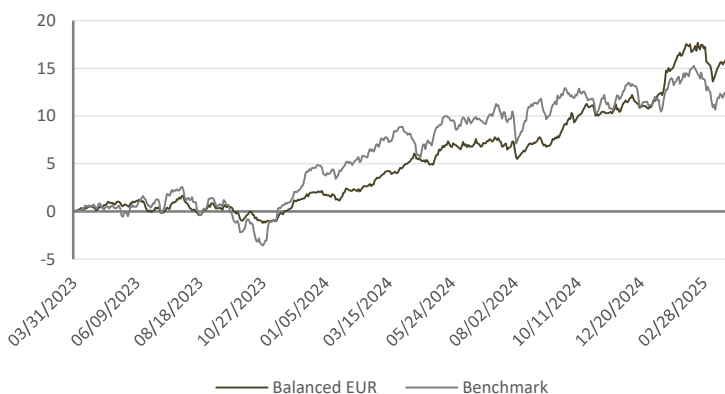
	Bal. CHF	Benchmark
2025	+5.95	+0.25
2024	+10.7	+3.7
2023	+1	+4.3
Sharpe R.	1.81	0.32
St. Dev.	7.05	7.27

Modelportfolio: Balanced USD (2 Year Return)



	Bal. USD	Benchmark
2025	5.52	-1.53
2024	+7.18	+8.24
2023	+5.8	+10.1
Sharpe R.	1.1	-0.22
St. Dev.	6.04	7.43

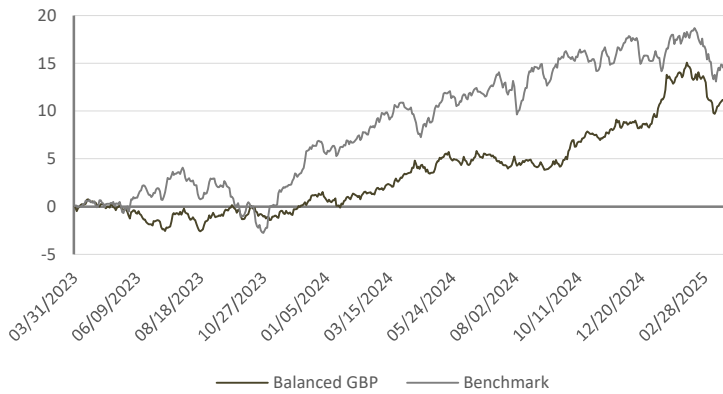
Modelportfolio: Balanced EUR (2 Year Return)



	Bal. EUR	Benchmark
2025	+4.43	-0.23
2024	+8.7	+6.0
2023	+5.0	+8.1
Sharpe R.	1.67	-0.12
St. Dev.	4.8	6.88

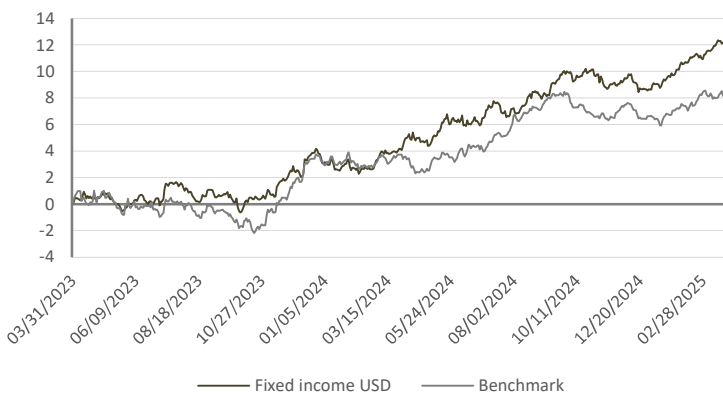


Modelportfolio: Balanced GBP (2 Year Return)



	Bal. GBP	Benchmark
2025	+2.82	-1.54
2024	+7.18	7.9
2023	+3.37	+10.5
Sharpe R.	0.56	-0.33
St. Dev.	5.68	7.39

Modelportfolio: FI USD (2 Year Return)



	FI USD	Benchmark
2025	+3.61	1.57
2024	+4.54	4.38
2023	+5.42	+5.84
Sharpe R.	1.21	-0.12
St. Dev.	2.79	2.99

Swiss Retirement Portfolio (SRP)

The baby boomer generation is retiring. As this is the first generation to have consistently contributed to a pension fund, many retirees now have a substantial amount of savings. Additionally, there are the assets accumulated in Pillar 3a accounts. This raises an important question: Should one withdraw the savings as a lump sum or opt for an annuity?

Furthermore, conversion rates are now less attractive than they used to be, leading many to choose a capital withdrawal. This brings up the next question: *How should I invest?*

At this stage of life, it is natural to require regular payouts to cover daily expenses. Currently, the payout yield is at 4.6%, with quarterly distributions.

What else should be considered? Low volatility: Since the investment horizon may not be 30 years as it would be for a 40-year-old, this favors top-tier dividend stocks over volatile growth stocks.

"Bondsubstitute" products: These help control volatility. Bonds, however, are not suitable at the moment due to low interest rates, though they may be reconsidered if rates rise.

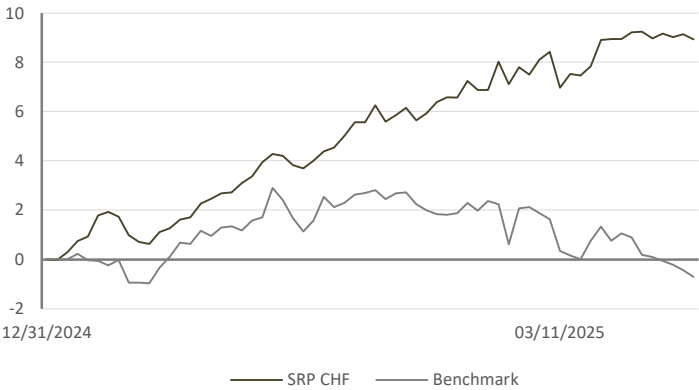
Moderate currency risk: We believe the strength of the Swiss franc will persist, as the costs and risks of government debt in the eurozone and the U.S. remain high. Thus, a significant portion of investments should be held in CHF.

Inflation protection & geopolitical hedge: A certain degree of inflation protection is essential. Gold and silver are valuable additions, providing stability during uncertain times—something we are witnessing right now.

For these reasons, we established a dedicated investment portfolio that adheres to these principles. Our goal is to make it accessible to a broad audience, including those who may not qualify as private banking clients.

Your advisor will be happy to present the specific investment opportunities available to you.

Modelportfolio: SRP (YTD)



	SRP CHF	Benchmark
2025	+8.93	-0.71
Sharpe R.	-	0.04
St. Dev.	-	9.08



DISCLAIMER SUITABILITY REPORT: This is to draw your attention that subject report incorporates the suitability study according to Art. 19 section 2 AMA by identifying the allocation specification in the additional information. The allocation specification reflects the strategy definition jointly elaborated in the Investor- & Risk-Profile. Thus, we investigate continuously the investment objectives and preferences defined by your good self. The suitability of the portfolio defined in the Asset Management Contract is given for as long as the defined allocation spreads are observed or market- or currency exchange rate induced marginal divergences occur. We further kindly ask you to contact us if you deem appropriate to introduce relevant changes to the defined Investor- and Risk-Profile.

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