

# Q Investment Review & Outlook

Q2 2025

+179,45

DAX 12,30  
+16,73  
NASDAQ 30.278,000  
1,14

30,278,000 15,897,64 17<sup>th</sup> July 2025

Major Indexes	2025	2024	Commodities	2025	2024
World	+9.75%	+19.22%	Gold	+25.86%	+26.35%
USA	+6.2%	+25.00%	Oil	-8.11%	+22.7%
Switzerland	+5.91%	+7.54%	Currencies		
Asia ex. Japan	+13.26%	+11.38%	USD vs CHF	-12.5%	+7.84%
Japan	+2.58%	+21.27%	EUR vs CHF	-0.19%	+1.04%
Europe	+11.68%	+11.29%	Bitcoin vs USD	+13.96%	+115%

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

## Review Q2 2025

The second quarter of 2025 was characterized by growing uncertainty in global markets, triggered by new trade policy tensions, mixed corporate earnings reports and different global developments.

Trade policy once again became the focus of economic attention as the US tightened its tariff policy and imposed new duties of up to 15% on imports from the EU, Canada and several BRICS countries. The escalating conflict in the Middle East added further significance to the quarter: a targeted Israeli airstrike on Iranian energy infrastructure in May led to considerable geopolitical tensions.

Despite these challenges, the global financial markets were relatively stable in the second quarter. The MSCI World rose by around 10.98% over the course of the quarter, driven in particular by strong price gains in the tech and energy sectors.

The metals markets, however, performed significantly weaker: copper lost around 1% over the course of the quarter. This is an indicator of falling global growth expectations. Institutions such as the OECD and the World Bank slightly lowered their global forecasts.

At the corporate level, initial signs of a slowdown also became apparent. The beginning of the reporting season revealed shrinking profit margins, particularly among export-oriented corporations. Rising costs, new tariffs and weak demand further dampened investment willingness.

The regional picture was mixed. In Switzerland, real GDP stagnated in Q2, growing by just +0.1% after a strong start to the year. In Asia, on the other hand, economic momentum remained high: India grew by 1.6% in Q2, driven by investment and consumption. The central banks acted cautiously: the ECB kept its key interest rate at 3.75% and the Fed held steady at 4.5-4.75%.



## Conclusion

The second quarter of 2025 brought little change in the structural vulnerability of the global economy to political and geopolitical disruptions. New tariffs, the escalation of the Iran conflict and weak investment momentum continued to weigh on the markets. Growth proved to be particularly weakened in Europe, while Asia emerged as an anchor of economic stability. At the same time, initial signs of potential improvement are beginning to appear: inflation rates are declining and central banks are gradually regaining

monetary policy flexibility. Diplomatic efforts to de-escalate trade and security issues also give hope for a somewhat more stable environment in the second half of the year, even if the path remains fragile.

Europe Stock Markets	2025	2024
Europe	+11.68%	+11.29%
UK	+9.45%	+9.59%
France	+6.81%	+0.29%
Germany	+11.32%	+18.85%
Spain	+23.45%	+19.41%
Italy	+19.72%	+18.93%
Sweden	+3.74%	+7.43%
Switzerland	+5.91%	+7.54%

Ergebnisse in Referenzwährung.

Europe: Euro STOXX 50 Index; UK: FTSE 100 Index; France: CAC 40 Index; Germany: DAX Index; Spain: IBEX 35 Index; Italy: FTSE MIB Index; Sweden: OMX STK 30 Index; Schweiz: SMI Index

## Asset classes and strategy implications

In a continued challenging market environment, our defensively oriented strategies have proven effective. The focus on high-dividend Swiss stocks and quality shares stabilized the portfolios and even enabled slight growth. Tactical adjustments were also made to the Global Trend Innovation Fund, which is currently outperforming the MSCI World.

Our allocation to precious metals was slightly adjusted: Silver was selectively increased, while we maintained our gold position unchanged. Gold reached a new record level in Q2, an indicator of the ongoing demand for security among many investors.

Our equity positions remained largely unchanged. The defensive basic orientation with a focus on stable cash flows and low volatility has proven effective in the current market phase.

On the currency side, we continue to favor the Swiss franc. The US dollar remains under pressure for the time being. The euro has recently shown no clear direction, weighed down by structural weaknesses in European industry.

We also remain cautious with regard to crypto assets. Bitcoin again showed a high correlation with traditional markets in the second quarter, which increasingly calls into question its role as an uncorrelated diversification tool.

## Outlook

The global economy remains exposed to a high degree of uncertainty in the second half of 2025. Political risks, in particular the ongoing escalation in the Middle East and rising protectionist tendencies in the US, are dampening confidence and leading to caution among companies and investors. A rapid easing of tensions is not in sight, but the market has become increasingly adapted to the new environment.

On a positive note, the monetary policy backdrop is supportive: Interest rates remain low and the first easing steps by central banks are opening up moderate monetary policy flexibility. In this environment, equity investments remain one of the few remaining sources of returns despite the recent turbulence.



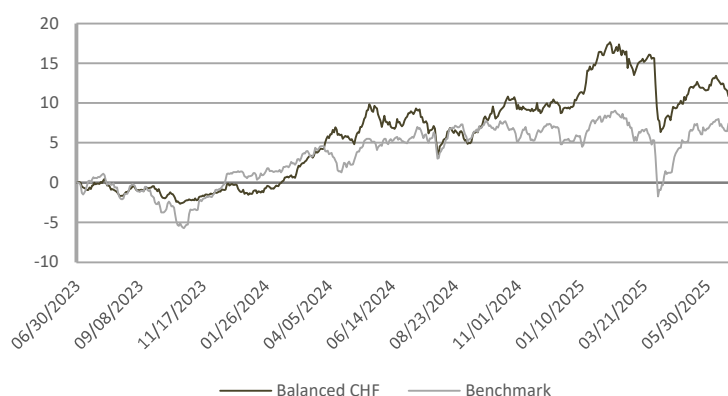
We expect the current heightened market volatility to gradually decrease, provided there are no further escalations in geopolitical or trade-related tensions.

Our investment focus remains defensively positioned, with a clear preference for stable business models, strong dividends and regional diversification.

We wish you a successful 2025!

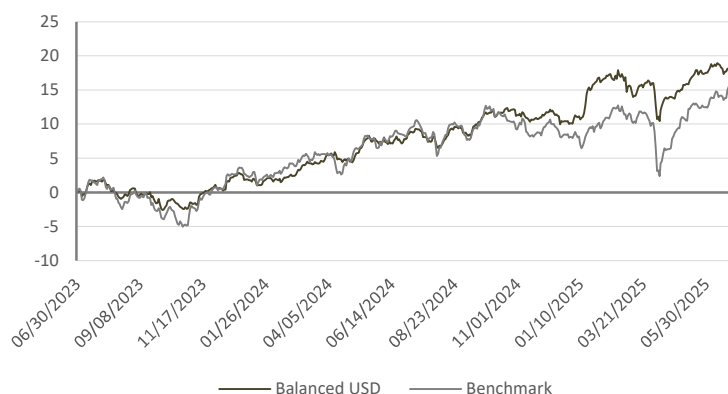
Your NOVUM Team

### Modellportfolio: Balanced CHF (2 Year Return)



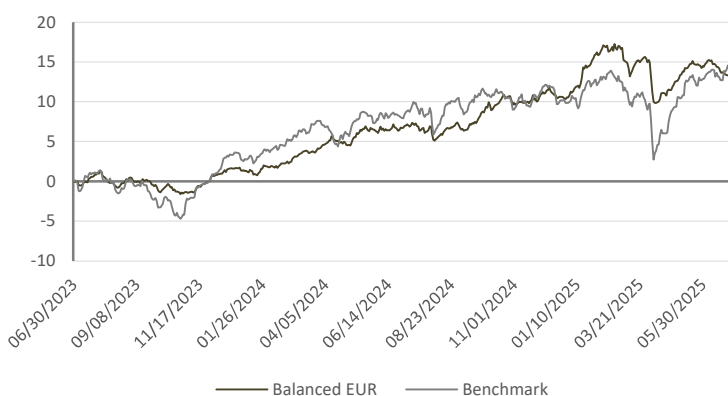
	Bal. CHF	Benchmark
2025	+0.76	+2.62
2024	+10.7	+3.7
2023	+1	+4.3
Sharpe R.	0.43	0.40
St. Dev.	9.18	8.97

### Modellportfolio: Balanced USD (2 Year Return)



	Bal. USD	Benchmark
2025	7.56	7.61
2024	+7.18	+8.24
2023	+5.8	+10.1
Sharpe R.	0.77	0.38
St. Dev.	6.75	9.39

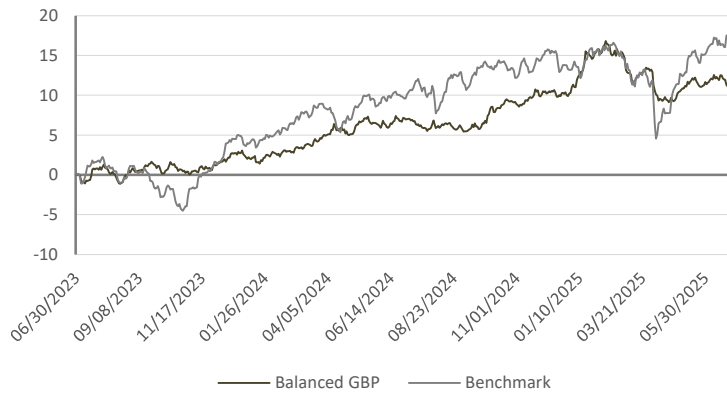
### Modellportfolio: Balanced EUR (2 Year Return)



	Bal. EUR	Benchmark
2025	+2.54	+4.31
2024	+8.7	+6.0
2023	+5.0	+8.1
Sharpe R.	+0.54	+0.37
St. Dev.	6.33	8.69

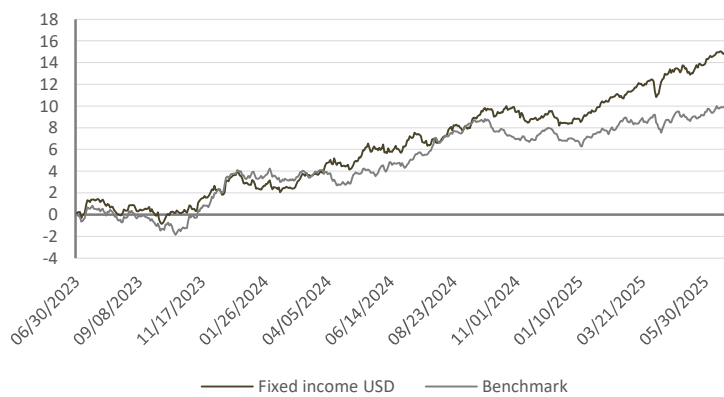


### Modellportfolio: Balanced GBP (2 Year Return)



	Bal. GBP	Benchmark
<b>2025</b>	<b>+0.8</b>	4.72
<b>2024</b>	<b>+7.18</b>	7.9
<b>2023</b>	<b>+3.37</b>	+10.5
<b>Sharpe R.</b>	<b>-0.27</b>	0.28
<b>St. Dev.</b>	<b>6.26</b>	9.36

### Modellportfolio: FI USD (2 Year Return)



	FI USD	Benchmark
<b>2025</b>	<b>+6.24</b>	3.39
<b>2024</b>	<b>+4.54</b>	4.38
<b>2023</b>	<b>+5.42</b>	+5.84
<b>Sharpe R.</b>	<b>1.32</b>	0.29
<b>St. Dev.</b>	<b>2.91</b>	3.38

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.

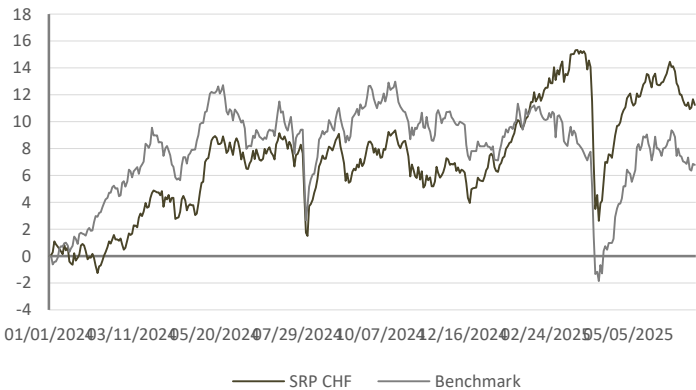
Moderate currency risk: We believe the strength of the Swiss franc will persist, as the costs and risks of government debt in the eurozone and the U.S. remain high. Thus, a significant portion of investments should be held in CHF.

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.

Modellportfolio: SRP (YTD)



	SRP CHF	Benchmark
2025	+5.36	-1.28
Sharpe R.	0.47	-0.03
St. Dev.	11.83	11.42



**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.

**DISCLAIMER:** This publication is intended for information purposes only and does not constitute an offer, a recommendation, an invitation or any advisory by, or on behalf of, Novum Asset Management Limited. to buy or sell any securities, products or related financial instruments or to participate in any particular trading strategy in any jurisdiction. This document is for distribution solely and does not consist of any advisory to persons or companies permitted to receive it and to persons or companies in jurisdictions who may receive it without breaching applicable legal or regulatory requirements. The information and opinions given have been obtained from or based on general public available sources believed to be reliable. This document does not identify all the risks (direct or indirect) or other considerations which might be material to private individuals or companies. All prices are indicative only and dependent upon market conditions. Past performance is not indicative of future results. Novum Asset Management Limited accepts no liability whatsoever for any direct, indirect consequential loss arising from or in connection with any use of, or reliance on this document.