

Zurich, in January 2021

Excellent performance of our mandates in 2020



Dear Sir/Madam,

Portas Capital AG has successfully guided its clients through the pandemic crisis. The average performance of “balanced portfolios” in CHF in 2020 was +5%, in EUR +6.5%, almost 5% better than the major asset managers in Switzerland (cf. on the right-hand side).

In February, we reduced the equity allocation to 30–35% and increased it again to 40–45% in mid-April. In our opinion, the pandemic-induced fall in the stock markets was too steep, and the company valuations offered opportunities to generate profits with slightly more risk. In mid-June we again reduced the equity allocation by 10% and realised profits. In the summer months, we anticipated a more sobering reporting season of company profits and poor macroeconomic data. In addition, a “second wave” of the pandemic would constitute a substantial risk for consumer sentiment. In mid-November we increased the allocation in equities again to 40–45%. The sector focus on technology and healthcare was helpful. Our recommended alternative investments contributed to the overall positive performance in 2020, too.

Balanced funds, so-called “strategy funds” of various peers have performed as follows in 2020:

Portas balanced mandates (45% equities): CHF +5.3%
Portas balanced mandates (45% equities): EUR +6.5%

- UBS strategy funds in CHF:+0.3%; in EUR: +2.5%
- CS portfolio funds in CHF:+2.5%; in EUR: +2.9%

Our strategies “balanced” in CHF and in EUR have performed substantially better in 2020.

We remain alert for our clients and will monitor the markets closely this year. We continue to steer them successfully through this crisis in 2021.

Beat Kunz, Portas Capital AG, January 2021