REFLECTIONS ON THE 4th QUARTER: JANUARY 2025

Content

Mario Becker / CEO

Mario founded Das Family Office Pte Ltd in June 2017, following an 8 year tenure as Managing Director - Head of Investment Advisory for SE Asia at Standard Chartered Private Bank managing a team of 20 investment advisors and ultra-high net worth assets.

Mario is convinced that independent advice is only possible if the client remunerates his investment advisor like a lawyer or tax advisor.

For this reason, Das Family Office is one of the few multi-family offices and independent investment advisors that completely waives commissions and kickbacks from product partners.

In this way, unlike private banks or other advisors, we can put together investment solutions completely detached from sales interests.

This approach is very rare and virtually unrivaled in the Asian wealth management market.

We want to be your partner for life!

OUR BUSINESS VALUES

Integrity

Professional and aligned with your interests, we take responsibility for our investment actions.

Transparency

Performance data and costs are properly detailed, direct and efficient.

Simplicity

Relevant information in jargon-free communication.

Performance

Delivering successful outcomes, confidence and satisfaction.

How we select our funds

Low Cost

We do not charge any up-front fees or other surcharges. In addition, our built-in ‚cost brake' eliminates all funds and ETFs with excessively high fees.

Hand Picked

We only offer solutions that we also recommend to our family and friends.

Tried & Tested

Most of the indices listed have been established for at least 20 years.

Highly Diversified

Indices with more than 1,600 individual securities offer broad diversification across countries and industries, thus minimising risk. Of course, we also offer investment solutions that are less broadly diversified, provided they are making investment sense.

Through our pre-selection of investment modules, we would like to make it easy for you to find the right solutions for your investment (time) horizon. In the selection process, we pay attention to the longevity, stability and total expense ratio of the respective investment - because we want your returns to be as high as possible. As a result, we exclude the majority of the funds and ETFs that are very popular in Private or Retail Banks, as their total expense ratio is often too high, while their risk adjusted return is too low.

We usually recommend funds from lesser-known fund companies (e.g. Threadneedle and Wellington) or globally renowned providers of index funds and ETFs (e.g. Vanguard, iShares, State Street or Dimensional Fund Advisors), as they meet our strict criteria. Vanguard, for example, is a cooperative that does not have to satisfy shareholders - in fact, efficiency gains are passed on to investors through fee reductions. That's Fairness exactly to our liking! In addition to ETFs that are currently sought after by private investors, we also strongly recommend index- and actively managed funds. The reason: We would like to offer our clients those solutions that we chose for ourselves. Nevertheless, you will most certainly have your own ideas, which is why you can access any ETFs and funds at very favourable terms through our partner banks - even if we do not recommend them.

Asset allocation according to investment time horizon

So that you can easily fill your portfolio with ETFs and mutual funds, a **FAIR**HORIZON provides information on the proportions of your portfolio that should consist of safety and return components. The safety components (blue) are bond funds and ETFs with low volatility, while return building blocks (red) are equity funds and ETFs with high return expectations.

An example:
You have chosen **FAIR**HORIZON Orange. This is made up of 20 % blue components and 80 % red components. On the following pages (11 - 30) you will find all the recommended building blocks sorted by safety (purple and blue) and return (orange and red). You need to select at least two building blocks: one for safety and one for return. Then divide your investments into 20 % and 80 % analogous to the information in the **FAIR**HORIZON Orange. The basic structure of your first quality portfolio has been established.

Congratulations, you now have set up the basic framework of your portfolio.

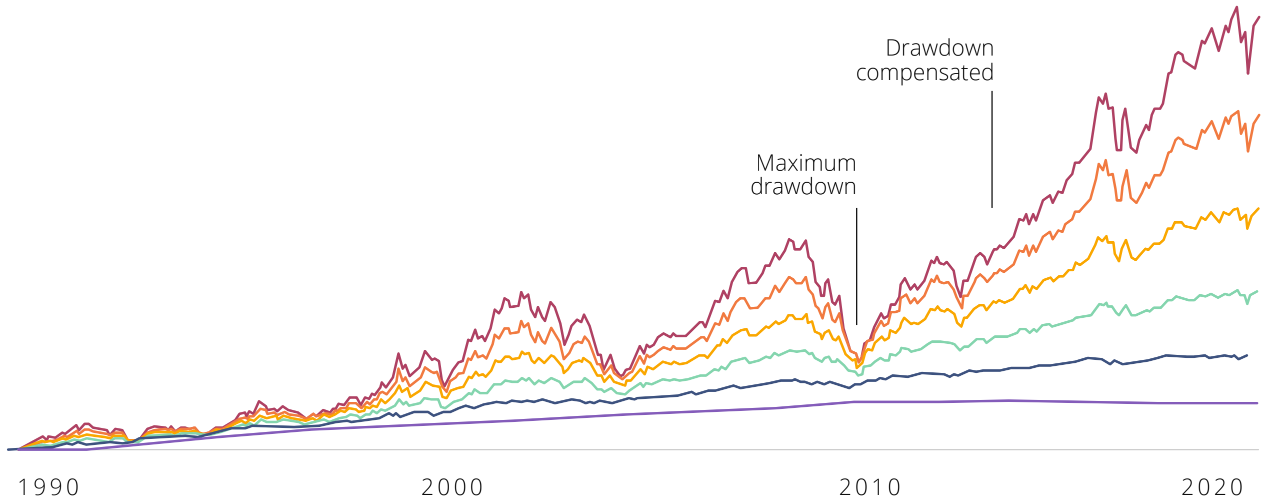
What does safety (-investment) mean?

An investment in bonds with an AAA – BBB rating provides you with a certain degree of safety. For a better understanding: these are usually bonds issued by countries and companies with very high creditworthiness (government and corporate bonds with good to very good ratings). Such investments give you the confidence that you will not suffer any, or only minor, temporary book loss. Due to the low cost of investment solutions proposed by Das Family Office you only have to pay very little for safety.

What does return (investment) mean?

Investing in equities gives you the return on investment you need to achieve your long-term goals. As a rule, DFO only considers broadly diversified portfolios of selected equities that reflect the economic strength of the world, a region or a country. Such investments give you the confidence that you will earn statistically verifiable equity risk premiums over the long term. Thanks to the low costs of investment solutions proposed by Das Family Office, the majority of these premiums remain with you.

Our **FAIR**HORIZONS



The six **FAIR**HORIZONS play an important role in our investment process. You will come across them time and again in the process as they have the function of determining the right investment solution for your respective goal. You can easily identify your **FAIR**HORIZON by answering the question, how much time you have to reach your goal.
The graph and the table on the right will help you to do this: It displays the **FAIR**HORIZONS as well as all important parameters regarding investment duration, safety and expected return. The graph shows the historical development of USD 100,000 over a period of 30 years in our six **FAIR**HORIZONS.

An example:
*Tom invests USD 100,000 in **FAIR**HORIZON Purple for 30 years. At the end of the period, Tom has approximately USD 226,540 in his portfolio.*

*Anna also invests USD 100,000 euros like Tom, but chooses **FAIR**HORIZON Red. After 30 years, her portfolio suffers during a crash as share prices fall by 30 %. Despite that, she still has USD 596,820 in her portfolio.*

With **FAIR**HORIZONS, we would like to help you build portfolios that make good sense from a risk/return perspective, and help you to achieve your financial goals with a high probability.

FAIRHORIZON PURPLE

Investment period	up to 2 years
Expected return	0 - 2 % p. a.
Expected fluctuation	0 - 3 % p. a.
Portfolio allocation	100 % Safety
Deposit value	**$ 22,654**

FAIRHORIZON BLUE

Investment period	2 to 4 years
Expected return	2 - 4 % p. a.
Expected fluctuation	3 - 5 % p. a.
Portfolio allocation	80 % S | 20 % R
Deposit value	**$ 32,699**

FAIRHORIZON GREEN

Investment period	4 to 7 years
Expected return	3 - 5 % p. a.
Expected fluctuation	5 - 7 % p. a.
Portfolio allocation	60 % S | 40 % R
Deposit value	**$ 44,958**

FAIRHORIZON YELLOW

Investment period	7 to 10 years
Expected return	5 - 7 % p. a.
Expected fluctuation	7 - 10 % p. a.
Portfolio allocation	40 % S | 60 % R
Deposit value	**$ 58,972**

FAIRHORIZON ORANGE

Investment period	10 to 15 years
Expected return	7 - 8 % p. a.
Expected fluctuation	10 - 15 % p. a.
Portfolio allocation	20 % S | 80 % R
Deposit value	**$ 72,895**

FAIRHORIZON RED

Investment period	up to 15 years
Expected return	8 - 10 % p. a.
Expected fluctuation	15 - 20 % p. a.
Portfolio allocation	100 % Return
Deposit value	**$ 85,260**

Background - Donald Trump 2.0 dominates financial markets at the end of the year!

While the third quarter was marked by the stock market crash in Japan and its global impact, the re-election of Donald Trump as U.S. president was the focus by year end.

In the run-up to the U.S. election, some of the trends of the third quarter reversed, with bond markets seeing renewed losses, which in some cases eroded the entire annual return. This is because Trump is generally seen as someone who stands for high national debt and expansive economic policy. Both are considered inflationary and are therefore negative for bonds, because rising interest rates lead to falling bond prices.

Chinese equities also saw a trend reversal and lost a large part of their third-quarter gains, as they are considered the big losers of a Trump 2.0 presidency. The same applies to many international stock markets, as companies that rely heavily on U.S. exports will have to adapt to a new American tariff policy.

By contrast, U.S. equities performed very well, as they should continue to benefit from an expansive economic policy. In addition to the reinvigorated 'Magnificent 7' (Alphabet, Amazon, Apple, Meta, Microsoft, Nvidia, Tesla), the shares of small and medium-sized U.S. companies also saw a sharp rise in prices. The same applies to the so-called crypto markets, which many market participants believe will benefit from a Trump presidency.

Even though global financial markets were a bit weaker in December, we can say that 2024 will go down in history as one of the best years for American as well as broadly diversified global equity investors.

The infamous 'Magnificent 7' and other stocks associated with 'artificial intelligence' have dominated both American and international equity indices. Those who are significantly invested in this trend and corresponding stocks will hardly believe their luck, as returns of well over 20% p.a. were achieved, which is roughly three to four times the regular return of a diversified equity investment.

Global strategies that were less invested in the Magnificent 7 ('value strategies', dividend strategies, small-cap stocks, etc.) also had a very good year and achieved quite a bit more than the usual equity returns of between 7-9% p.a.

In terms of individual equity sectors, the technology sector in particular, but also the biotechnology sector, performed very well.

Those who did not follow the above trends and sectors will have realized that some stock markets even had a very poor year, specifically France, which saw equities losing money in 2024. This shows why we highly recommended the construction of globally diversified equity portfolios!

As for regional stock markets, the American market was far ahead, even if one does not only look at the technology-heavy indices (S&P 500; Nasdaq 100).

In contrast to previous years, Asian and Emerging Market indices also performed very well in 2024.

Europe, except for the DAX 40, had a very disappointing year. The French stock market, like the stocks of many small European companies (e.g. MDAX), posted losses. This is very annoying for investors in these markets, given the boom in global technology stocks and broadly diversified indices.

As for the global money and short duration bond market, both have seen very encouraging returns without any drawdowns. Fortunately, the days of zero or negative interest rates are over, so that cautious investors are finally being rewarded for saving again.

Bonds from smaller segments such as High-Yield, Emerging Market and Tier 1 Capital were even able to post mid to high single-digit returns. Asian- and EM High Yield markets saw double digit gains.

Investment Grade (IG) bonds with short maturities showed positive returns, but didn't have a particularly good year. Intermediate and long-dated IG bonds unfortunately ended the year in negative territory, as capital market rates rose towards the end of the year. Long dated bonds had to record double digit losses. Private Credit investments saw a decent performance, like global HY bonds.

Commodity investments also had a very good year, with gold standing out with very high double-digit returns!

As for the comparison between index-based and actively managed strategies, all active bond strategies beat their benchmarks. Active equity managers who had exposure to Asia and Emerging Markets also beat their benchmarks. As for global strategies, it depends on whether the managers had significant exposure to the 'Magnificent 7'. Luckily, a large proportion of our preferred active strategies

Background - Donald Trump 2.0 dominates financial markets at the end of the year!

were able to beat corresponding benchmark ETFs or index funds.

As for the four best-known factor indices (momentum, size, value and quality), based on the performance of the MSCI index family, the so-called quality and momentum factors outperformed their benchmark, the MSCI World Index. The factors 'size' (company size) and 'value' (low book value) underperformed it.

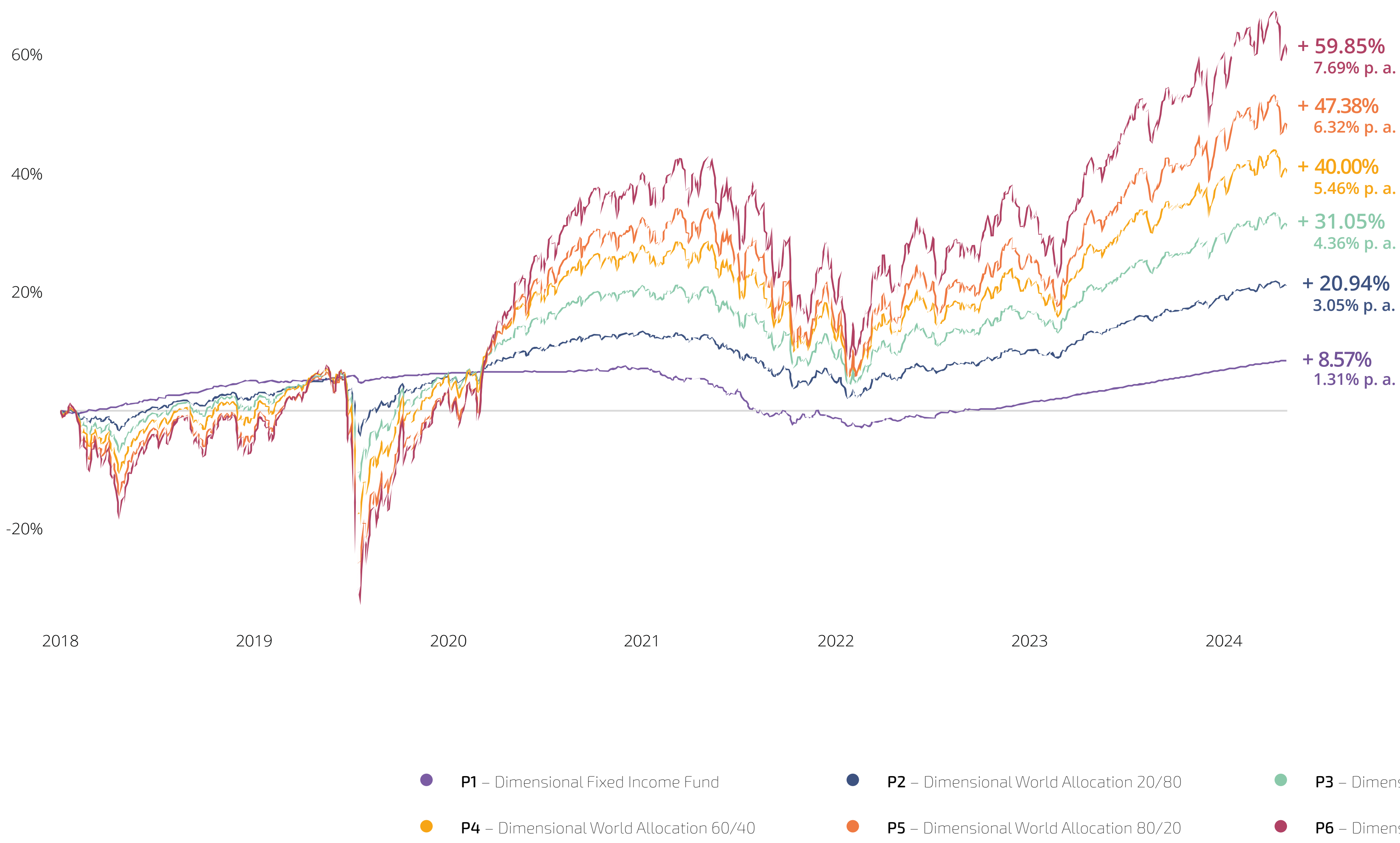
The so-called MSCI World Multi Factor Index, which weights the four factors equally, performed almost in line with the MSCI World Index.

Dividend strategies also had a good quarter but could not quite keep pace with the broader market.

After a rather weak third quarter, the U.S. dollar was able to make up for lost ground amid Trump 2.0 enthusiasm and had a very strong year overall against most world currencies.

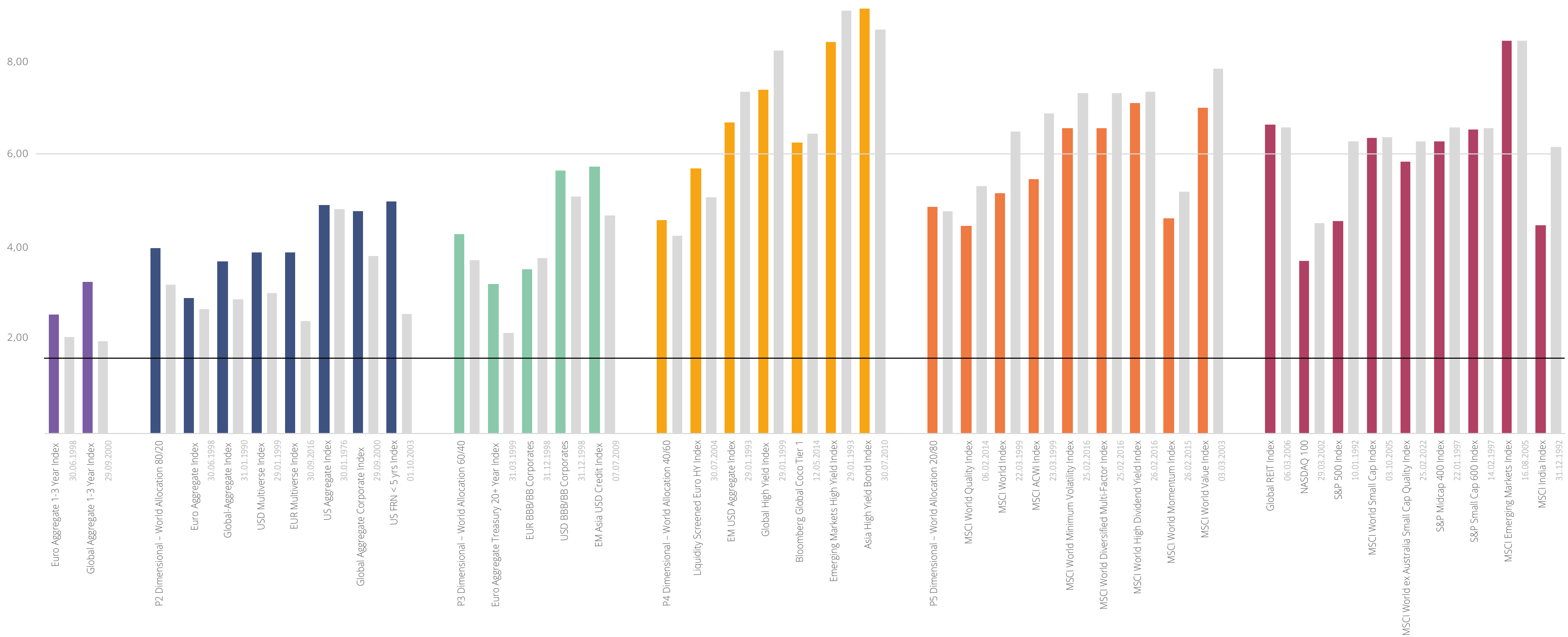
DEVELOPMENT OF THE **FAIR**HORIZONS

How did the reference portfolios perform from 01.09.2018 to 31.12.2024?



EXPECTED INVESTMENT RETURNS VERSUS INFLATION

Current Bond Yields & Equity Risk Premia



29.09.2000 Inception Date
Historical average yield

Breakeven-Inflation EU I On average 1.88 %
Breakeven-Inflation USD I On average 2.35 %

Inflation since 1950 | On average 2.38 %
30-year inflation | On average 2.00 %

Developments of our **FAIR**HORIZONS – Purple to Green & Safety Building Blocks P to G

With three interest rate cuts by the U.S. Federal Reserve since 18 September, the 2022 rate hiking cycle has clearly ended. The question until the election was whether the Fed would lower its rates quickly to counter a sharp economic slowdown, or whether it should initiate a rather slow rate-cutting process, given that the U.S. economy still looked very stable. Since Trump's election and the stubborn persistence of core inflation, it can now be assumed that there will be only small interest rate cuts, if any at all, in the foreseeable future. In addition, the U.S. yield curve has now normalized, signaling a stable economic development. Until recently, the curve was inverted, thus signaling a recession.

In any case, global bond markets have stabilized since the crash of 2022, so that they are now trending sideways in a new equilibrium. Higher interest payments compensate for small losses, which is why we have no concerns about significant bond losses or another bond crash.

Only the 'long end' of the yield curve may need to see higher interest rates to counter long-term inflation risks. This may be associated with smaller losses, like those witnessed in 2024.

(Note: bonds with a long maturity (and long duration) react most strongly to interest rate changes. When interest rates rise, they fall in price. When interest rates fall, they rise in price. The duration describes the extent to which they rise or fall. A bond with a duration of 7 years will rise or fall by about 7 percentage points).

If Trump's policies turn out to be less inflationary than expected and the Fed will be able to cut interest rates further, bond markets may see pleasant gains as current yields easily compensate for expected medium term inflation of about 2.50% p.a. Therefore, owners of long-dated bonds should hold or even expand their positions (e.g. module G1). Nevertheless, we should not get too excited about long-term interest rates of just under 5% p.a. on 30-year U.S. Treasuries.

The standard safety components (B1, B2, B5, and B13), which all track indices with a duration of seven years, posted slight losses in the fourth quarter, which were stabilized by higher interest payments.

Actively managed safety modules such as Pimco Income (B15), Vanguard Global Credit (B4), IMGP Dolan (B18) and Pinebridge Asia IG (B19) which, in contrast to their benchmark indices, can flexibly adjust their duration, held up better.

The same applies to the actively managed module for EM bonds from Vanguard (G3).

Safety modules with money market securities, variable interest rates or short maturities, which we use as 'flexible piggy banks' (P5 to P7), all show nice gains between 5.5% and 6.25% p.a. because they benefit from higher interest rates and, due to their very low duration, do not carry any significant drawdown risk.

The same applies to the portfolio modules Portfolio 1 to Portfolio 3, which we recommend as standard solutions for short to medium investment horizons (FairHorizons). They achieved gains between 5.24% p.a.; 6.68% p.a. and 8.05% p.a. over the course of the year. This is also because the portfolio building blocks Portfolio building blocks Portfolio 2 and Portfolio 3 include a small equity component in addition to bonds.

Experience shows that investors who want to beat inflation and earn attractive equity premiums over the long term should increase the equity allocation of their portfolios in line with their investment horizon.

Therefore, a certain equity component is also recommended for cautious investors!

Investment components Safety

- Use primarily for short time horizons and savings targets of 1 to 4 years
- Maximum expected return within the inflation rate
- Range of fluctuation (volatility) of no more than 2 to 4 % p. a.
- Expected temporary drawdowns of no moren than 5 % of the initial value, even if during the 'Corona Crash'& the 'Global Bond Reset of 2022' some components temporarily lost more than 10 and 15 %, respectively

Horizon Purple – **100 % Safety**

Building Block	Fund	Relevance	Return 2024 (YTD)	Return 1 year	Return 3 years p. a.	Return 5 years p. a.	Return 10 years p. a.	Expected Return p. a.	Maximum temporary drawdown	Sustainable fund	TER p. a.	Possible portfolio share
Portfolio 1 CORE	Dimensional - Global Short Fixed Income Fund IE0030982627	Standard solution for **FAIR**HORIZON Purple 100 % security	5.24%	5.24%	0.99%	0.65%	1.44%	0.0 - 2.0 %	- 9.76 % ongoing		0.25 %	100%
P1 CORE ⬡⬡⬡	Vanguard Global Short-Term Bond Index Fund IE00BH65QN23	Standard Index for Global Short term Government Bonds	4.35%	4.35%	1.56%	1.45%	1.80%	0.0 - 2.0 %	- 7.41 % ongoing		0.15 %	100%
P2 CORE ⬡⬡⬡	SPDR Bloomberg Barclays 1-3 Year U.S. Treasury Bond ETF IE00BC7GZJ81	Standard Index for short term U.S. Government Bonds	4.09%	4.09%	1.31%	1.24%	1.24%	0.0 - 2.0 %	- 8.21 % ongoing		0.15 %	100%
P3 CORE ⬡⬡⬡	Vanguard Global Short-Term Corp Bond Index Fund IE00BDFB7308	Standard Index for Global Short term Corporate Bonds	5.52%	5.52%	2.02%	2.00%	–	0.0 - 2.0 %	- 9.24 % 326 days		0.18 %	100%
P4 SATELLITE	Vanguard USD Corporate 1-3 Year Bond UCITS ETF IE00BGYWSV06	Standard Index for Global Short term Corporate Bonds	5.45%	5.45%	2.25%	2.01%	–	0.0 - 2.0 %	- 6.45 % 295 days		0.09 %	35%
P5 SATELLITE ⬡⬡⬡	iShares USD Floating Rate Bond UCITS ETF IE00BZ048462	Standard Index for USD Floating Rate Notes	6.27%	6.27%	4.82%	3.12%	–	0.0 - 2.0 %	- 5.48 % 760 days		0.10 %	35%

⬡⬡⬡ In our opinion, these building blocks are outstanding

Horizon Purple – **100 % Safety**

Building Block	Fund	Relevance	Return 2024 (YTD)	Return 1 year	Return 3 years p. a.	Return 5 years p. a.	Return 10 years p. a.	Expected Return p. a.	Maximum temporary drawdown	Sustainable fund	TER p. a.	Possible portfolio share
P6 SATELLITE	iShares USD Ultrashort Bond UCITS ETF IE00BGCSB447	Standard Index for ultrashort global Corporate und Government Bonds with a maturity of around 7 months	5.70%	5.70%	4.20%	2.78%	–	0.0 - 2.0 %	- 2.15 % 42 days		0.09 %	35%
P7 SATELLITE ⬡⬡⬡	Amundi Money Market Fund - Short Term LU0804424595	Money market fund, which invests in money market instruments of the two highest short-term rating levels as well as bank deposits	5.41%	5.41%	4.15%	2.64%	1.97%	0.0 - 2.0 %	- 0.10 % 53 days		0.21 %	100%

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Horizon Blue – **20 % Return | 80 % Safety**

	Building Block	Fund	Relevance	Return 2024 (YTD)	Return 1 year	Return 3 years p. a.	Return 5 years p. a.	Return 10 years p. a.	Expected Return p. a.	Maximum temporary drawdown	Sustainable fund	TER p. a.	Possible portfolio share
PORTFOLIO BLOCK	**Portfolio 2** CORE	Dimensional - World Allocation 20/80 Fund IE00BYTYTZ87	Standard solution for **FAIR**HORIZON Blue 80 % safety / 20 % return	6.68%	6.68%	2.33%	2.87%	–	2.0 - 4.0 %	- 10.10 % 309 days		0.31 %	100%
GLOBAL BONDS	**B1** CORE ⬡⬡⬡	Vanguard - Global Bond Index Fund IE00B18GCB14	Standard Index for Global Government Bonds	2.58%	2.58%	-1.49%	-0.11%	1.67%	2.0 - 4.0 %	- 17.20 % ongoing		0.15 %	100%
GLOBAL BONDS	**B2** CORE	SPDR Bloomberg Barclays Global Aggregate Bond ETF IE00BF1QPH33	Standard Index for Global Government & Corporate Bonds	3.31%	3.31%	-0.71%	0.28%	–	2.0 - 4.0 %	- 17.40 % ongoing		0.10 %	100%
GLOBAL BONDS	**B4** CORE ⬡⬡⬡	Vanguard Global Credit Bond Fund IE00BYV1RD15	Expert Fund for Global Corporate Bonds	4.46%	4.46%	-0.31%	2.07%	–	2.0 - 4.0 %	- 18.90 % ongoing		0.35 %	100%
GLOBAL BONDS	**B15** CORE ⬡⬡⬡	PIMCO Funds -Global Investors Series PLC - Income Fund IE00B87KCF77	Expert Fund for Global Government & Corporate Bonds	5.48%	5.48%	1.95%	2.97%	4.24%	2.0 - 4.0 %	- 14.90 % 98 days		0.55 %	100%
US BONDS	**B5** CORE	Vanguard - US Government Bond Index Fund IE00BFPM9Z33	Standard Index for U.S. Government Bonds	0.77%	0.77%	-2.78%	-0.67%	0.78%	2.0 - 4.0 %	- 18.70 % ongoing		0.06 %	100%

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Horizon Blue – **20 % Return | 80 % Safety**

	Building Block	Fund	Relevance	Return 2024 (YTD)	Return 1 year	Return 3 years p. a.	Return 5 years p. a.	Return 10 years p. a.	Expected Return p. a.	Maximum temporary drawdown	Sustainable fund	TER p. a.	Possible portfolio share
US BONDS	**B8** CORE	SPDR Bloomberg Barclays U.S. Treasury Bond UCITS ETF IE00B44CND37	Standard Index for U.S. Government Bonds	1.01%	1.01%	-2.97%	-0.83%	0.70%	2.0 - 4.0 %	- 23.20 % ongoing		0.15 %	100%
US BONDS	**B9** CORE	iShares US Aggregate Bond UCITS ETF IE00BYXYYM63	Standard Index for U.S. Government & Corporate Bonds	1.17%	1.17%	-2.56%	-0.60%	–	2.0 - 4.0 %	- 19.00 % ongoing		0.25 %	100%
US BONDS	**B10** CORE	Vanguard USD Treasury Bond ETF IE00BGYWFS63	Standard Index for U.S. Government Bonds	0.76%	0.76%	-2.89%	-0.76%	–	2.0 - 4.0 %	- 18.80 % ongoing		0.07 %	100%
US BONDS	**B12** CORE	SPDR Bloomberg Barclays U.S. TIPS UCITS ETF IE00BZ0G8977	Standard Index for U.S. Government Bonds	1.921%	1.91%	-2.78%	1.59%	–	2.0 - 4.0 %	- 24.40% ongoing		0.17 %	100%
US BONDS	**B13** CORE	Vanguard - US Investment Grade Credit Index Fund IE00B04GQX83	Standard Index for U.S. Corporate Bonds	2.67%	2.67%	-1.85%	0.35%	2.25%	2.0 - 4.0 %	- 20.40 % ongoing		0.12 %	100%
GLOBAL BONDS	**B3** SATELLITE	iShares Global Corp Bond UCITS ETF IE00BFM6TB42	Standard Index for Global Corporate Bonds	0.85%	0.85%	-2.63%	-0.43%	–	2.0 - 4.0 %	- 25.00 % ongoing		0.20 %	50%

In our opinion, these building blocks are outstanding

Horizon Blue – **20 % Return | 80 % Safety**

	Building Block	Fund	Relevance	Return 2024 (YTD)	Return 1 year	Return 3 years p. a.	Return 5 years p. a.	Return 10 years p. a.	Expected Return p. a.	Maximum temporary drawdown	Sustainable fund	TER p. a.	Possible portfolio share
US BONDS	**B6** SATELLITE	SPDR Bloomberg Barclays 3-7 Year U.S. Treasury Bond ETF IE00BYSZ5R67	Standard Index for U.S. Government Bonds	1.92%	1.92%	-1.33%	0.02%	–	2.0 - 4.0 %	- 17.30 % ongoing		0.15 %	50%
US BONDS	**B7** SATELLITE	SPDR Bloomberg Barclays 7-10 Year U.S. Treasury Bond ETF IE00BYSZ5T81	Standard Index for U.S. Government Bonds	-0.26%	-0.26%	-4.38%	-1.49%	–	2.0 - 4.0 %	- 28.10 % ongoing		0.15 %	50%
US BONDS	**B11** SATELLITE	SPDR Bloomberg Barclays 10+ Year U.S. Treasury Bond ETF IE00BYSZ5V04	Standard Index for U.S. Government Bonds	-5.75%	-5.75%	-11.91%	-5.38%	–	2.0 - 4.0 %	- 51.00 % ongoing		0.15 %	50%
US BONDS	**B14** SATELLITE	Vanguard USD Corporate Bond ETF IE00BGYWFK87	Standard Index for U.S. Corporate Bonds	2.69%	2.69%	-1.88%	0.37%	–	2.0 - 4.0 %	- 21.30 % ongoing		0.09 %	50%
US BONDS	**B20** SATELLITE ⬡⬡⬡	Vontobel Fund - Twentyfour Strategic Income Fund LU1717117896	U.S. Corporate Bonds	9.43%	9.43%	2.04%	3.11%	–	2.0 - 4.0 %	-19.0 % 403 days		0.61%	50%
ASIA BONDS	**B19** SATELLITE ⬡⬡⬡	PineBridge Asia Pacific Investment Grade Bond Fund IE00BYXSFX61	Asian Investment Grade Bonds	5.51%	5.51%	0.31%	1.51%	–	2.0 - 4.0 %	- 18.00 % ongoing		0.72 %	25%

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Horizon Blue – **20 % Return | 80 % Safety**

	Building Block	Fund	Relevance	Return 2024 (YTD)	Return 1 year	Return 3 years p. a.	Return 5 years p. a.	Return 10 years p. a.	Expected Return p. a.	Maximum temporary drawdown	Sustainable fund	TER p. a.	Possible portfolio share
GLOBAL BONDS	**B18** SATELLITE	iMGP-US Core Plus LU0970691233	Standard Index for Global Government & Corporate Bonds	3.66%	3.66%	1.00%	1.81%	2.21%	2.0 - 4.0 %	- 12.10 % ongoing		0.76 %	35%
GLOBAL BONDS	**B21** SATELLITE	Flossbach von Storch Bond Opportunities LU2035372049	Global Government & Corporate Bonds	3.99%	3.99%	2.13%	3.12%	–	2.0 - 4.0 %	-13.10 % 290 days		0.53%	35%

In our opinion, these building blocks are outstanding

Horizon Green – **40 % Return | 60 % Safety**

	Building Block	Fund	Relevance	Return 2024 (YTD)	Return 1 year	Return 3 years p. a.	Return 5 years p. a.	Return 10 years p. a.	Expected Return p. a.	Maximum temporary drawdown	Sustainable fund	TER p. a.	Possible portfolio share
PORTFOLIO BLOCK	**Portfolio 3** CORE ⬡⬡⬡	Dimensional - World Allocation 40/60 Fund IE00BFZ0X665	Standard solution for **FAIR**HORIZON Green 60 % safety / 40 % return	8.05%	8.05%	2.70%	4.34%	–	3.0 - 5.0 %	- 17.40 % 110 days		0.32 %	100%
LONG DURATION IG	**G1** SATELLITE	iShares USD Treasury Bond 20+yr UCITS ETF IE00BSKRJZ44	Standard Index for long dated U.S. Government Bonds	-7.72%	-7.72%	-13.07%	-6.03%	-1.67%	3.0 - 5.0 %	- 53.30 % ongoing		0.07 %	20%
	G2 SATELLITE	SPDR Bloomberg Barclays 10+ Year U.S. Corporate Bond UCITS ETF IE00BZ0G8860	Standard Index for U.S. Corporate Bonds	-1.22%	-1.22%	-6.68%	-1.82%	–	3.0 - 5.0 %	- 40.20 % ongoing		0.12 %	20%
EMERGING MARKET BONDS	**G3** CORE ⬡⬡⬡	Vanguard - Emerging Markets Bond Fund IE00BKLWXM74	Expert Fund for Emerging Market Bonds	7.19%	7.19%	2.15%	4.23%	–	3.0 - 5.0 %	- 24.20 % ongoing		0.60 %	20%
	G4 SATELLITE	Vanguard USD Emerging Markets Government Bond UCITS ETF IE00BGYWCB81	Standard Index for Emerging Market Government Bonds	6.20%	6.20%	-0.43%	0.58%	–	3.0 - 5.0 %	- 24.00 % ongoing		0.25 %	20%
	G5 SATELLITE	iShares J.P. Morgan USD Emerging Markets Bond UCITS ETF IE00B2NPKV68	Standard Index for Emerging Market Bonds	6.71%	6.71%	-1.58%	-0.32%	2.73%	3.0 - 5.0 %	- 37.40 % ongoing		0.45 %	20%

⬡⬡⬡ In our opinion, these building blocks are outstanding

Horizon Green – **40 % Return | 60 % Safety**

	Building Block	Fund	Relevance	Return 2024 (YTD)	Return 1 year	Return 3 years p. a.	Return 5 years p. a.	Return 10 years p. a.	Expected Return p. a.	Maximum temporary drawdown	Sustainable fund	TER p. a.	Possible portfolio share
EMERGING MARKET BONDS	G6 SATELLITE	iShares JP Morgan ESG USD Emerging Markets Bond ETF IE00BF553838	Standard Index for Emerging Market Bonds with ESG Filter	5.11%	5.11%	-2.15%	-0.77%	–	3.0 - 5.0 %	- 28.80 % ongoing		0.45 %	20%
EMERGING MARKET BONDS	G13 SATELLITE	Principal Global Investors - Finisterre Emerging Markets Fixed Income Fund IE00BD2ZKP80	Expert Fund for Emerging Market Bonds	7.21%	7.21%	2.48%	2.30%	–	3.0 - 5.0 %	-21.20 % ongoing		0.92 %	20%
ASIAN BONDS	G10 SATELLITE	iShares J.P. Morgan USD Asia Credit Bond Index ETF SG2D32970329	Standard Index for Asian Bonds	6.66%	6.66%	0.07%	1.05%	3.07%	3.0 - 5.0 %	- 26.50 % ongoing		0.20 %	20%
TIER 1 & CAPITAL	G14 CORE ⬡⬡⬡	Principal Global Investors - Preferred Securities Fund IE0032591004	Expert Fund for Investment Grade Preferred Securities & Tier 1 Capital	8.98%	8.98%	2.19%	2.87%	4.43%	3.0 - 5.0 %	- 54.50 % 246 days		0.43 %	20%
TIER 1 & CAPITAL	G15 CORE ⬡⬡⬡	Cohen & Steers SICAV - Global Preferred Securities Fund LU1609662207	Expert Fund for Investment Grade Preferred Securities & Tier 1 Capital	9.78%	9.78%	2.01%	3.69%	–	3.0 - 5.0 %	- 23.60 % 94 days		0.50 %	15%

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Developments of our **FAIR**HORIZONS – Yellow to Red & Return Building Blocks Y to R

As in the year, our two quality managers Threadneedle Global Focus (O11), Wellington Global Quality Growth (O12) as well as our newly added Fisher and Pinebridge Global Equity strategies were able to beat the well-known equity indices of the MSCI and FTSE Russel index families in the fourth quarter. This was mainly since they had decided to invest significantly in Nvidia. As BNY/Walter Scott (O10) and Fundsmith (O14) had opted to stay away from Nvidia, they also underperformed in Q4. This is very disappointing, but we remain convinced of the merits of their focused quality strategy and see no reason to part with them. Experience shows that they will recover quickly and should beat their benchmark indices again in the future. Currently, the two managers are particularly recommended for investors who are skeptical about the development at Nvidia and the Magnificent 7. Over the long term, all our quality managers have beaten the broad indices and are entitled to be represented in our active advisory universe.

In contrast to the third quarter, our quality managers, who are active in small and particularly fast-growing companies, had a poor fourth quarter and recorded losses in December (Threadneedle Global Smaller Companies (R6), Threadneedle Pan European Smaller Companies (R)).

Baillie Gifford (R42), which focuses primarily on promising growth companies and invested in Amazon, Tesla and Nvidia at a very early stage, had an excellent final quarter and closed the year with a gain of more than 27%!

As for the investment factor building blocks of the MSCI family, i.e. MSCI World Value, -Size, -Momentum and -Quality (building blocks O17-O19 and R4/R5), both the momentum and quality factor are clearly ahead at the end of the year. The 'value' and 'size' factors lagged well behind the broad market but were still able to show clearly positive returns. The so-called MSCI Multi-Factor Index, which weights all factors equally, was again on a par with the broad MSCI World Index at the end of December. Over a ten-year period, only the MSCI Momentum and MSCI Quality indices were able to beat the broadly diversified MSCI World index among the very popular and easily investable factors. This leads us to our general preference for the quality, which is closely associated with Warren Buffet (and Charly Munger), which we track using both index ETFs and our active managers. The momentum factor is quite appealing, but there are currently only a few opportunities (e.g. O17) to invest in it.

The multi-factor indices of the Dimensional family, which we use as easily investable standard portfolios (Portfolio 4 to Portfolio 6), also had a very good year and were largely able to keep up with the results of the broad standard indices. It should be noted that the Dimensional equity portfolios are very broadly diversified and include significantly more stocks than the MSCI World or FTSE All World Index (13,000 versus a maximum of 8,800 stocks). They are therefore less invested in the 'Magnificent 7' and are a good complement to our quality factor building blocks.

Each strategy (standard index, factor index, single factor index or manager) has its day in the sun and works well in the long term to achieve our client's investment goals. Therefore, the strategies should not be changed, as it is not possible to determine when which strategy might be ahead in the short term. All our high return-building blocks should be able to achieve or exceed the targeted equity risk premiums of 6 to 8% in the long term!

Private equity strategies such as Leveraged Buy Outs (LBO), Growth Equity, Venture Capital (VC) and Secondary market funds (Portfolios of LBO/VC/Growth Equity) underperformed public equity markets in 2024.

The high return modules, which are investing in specialty fixed income markets, such as High Yield Bonds (Principal Global Y1), Tier 1 Capital (Algebris Y6) and Emerging Market Bonds (Aberdeen Y7) all had a very good 2024 as we could see spread compression in all segments.

Whilst we prefer combinations of investment grade bonds with quality stocks, these high-income strategies are sought after by certain investors and can be added to well-balanced equity and IG bond portfolios.

Commodity investments, including gold, had a mixed quarter and consolidated at elevated levels.

Investment components Return

- Use for investment horizons of at least 10 to 15 years
- Expected return of roughly the inflation rate plus about 6 % p. a.
- Very high price fluctuations (volatility) of more than 15 % p. a.
- Maximum temporary price drawdown of more than 50 % on the initial value possible

Horizon Yellow – **60 % Return | 40 % Safety**

PORTFOLIO BLOCK

HIGH YIELD BONDS

Building Block	Fund	Relevance	Return 2024 (YTD)	Return 1 year	Return 3 years p. a.	Return 5 years p. a.	Return 10 years p. a.	Expected Return p. a.	Maximum temporary drawdown	Sustainable fund	TER p. a.	Possible portfolio share
Portfolio 4 CORE ⬡⬡⬡	Dimensional - World Allocation 60/40 Fund IE00BFZ0X772	Standard solution for **FAIR**HORIZON Yellow 40 % safety / 60 % return	9.31%	9.31%	2.90%	5.63%	–	5.0 - 7.0 %	- 24.70 % 155 days		0.33 %	100 %
Y1 CORE ⬡⬡⬡	Principal Global Investors Funds - High Yield Fund IE00B00JW110	Expert Fund for Global High Yield Bonds	7.61%	7.61%	2.92%	3.96%	4.95%	5.0 - 7.0 %	- 27.50 % 163 days		1.01 %	15%
Y7 SATELLITE ⬡⬡⬡	Aberdeen Standard SICAV I - Frontier Markets Bond Fund LU1003376065	Expert Fund for Emerging Market High Yield Bonds	14.49%	14.49%	4.47%	3.96%	5.90%	5.0 - 7.0 %	- 28.50 % 411 days		1.12 %	15%
Y5 Core	PIMCO GIS Capital Securities Fund IE00B6VH4D24	Preferred & Capital Securities (Tier 1 Capital)	10.45%	10.45%	2.15%	3.55%	5.06%	5.0 - 7.0 %	- 22.90 % 160 days		0.79 %	15%
Y6 Core ⬡⬡⬡	Algebris UCITS Funds plc - Algebris Financial Credit Fund IE00BK017B22	Asian Investment Grade & High Yield Bonds	10.31%	10.31%	4.67%	6.04%	–	5.0 - 7.0 %	- 21.60 % 46 days		0.58 %	15%
Y8 Core ⬡⬡⬡	Pinebridge Asian High Yield Total Return Bond Fundd IE00BMTD1B10	Asian High Yield Bonds	10.89%	10.89%	5.85%	–	–	5.0 - 7.0 %	-30.6 % ongoing		0.37%	15%

⬡⬡⬡ In our opinion, these building blocks are outstanding

Horizon Orange – 80 % Return | 20 % Safety

Building Block	Fund	Relevance	Return 2024 (YTD)	Return 1 year	Return 3 years p. a.	Return 5 years p. a.	Return 10 years p. a.	Expected Return p. a.	Maximum temporary drawdown	Sustainable fund	TER p. a.	Possible portfolio share
PORTFOLIO BLOCK: Portfolio 5 CORE ⬡⬡⬡	Dimensional - World Allocation 80/20 Fund IE00BYTYV523	Standard solution for **FAIR**HORIZON Orange 20 % safety / 80 % return	10.27%	10.27%	3.26%	6.88%	–	7.5 - 8.5 %	- 32.20 % 157 days		0.35 %	100%
GLOBAL EQUITIES: 01 CORE ⬡⬡⬡	SPDR MSCI ACWI ETF IE00B44Z5B48	Standard index for global equities including developing countries	17.32%	17.32%	5.40%	10.01%	9.14%	7.0 - 9.0 %	- 33.90 % 108 days		0.40 %	100%
02 CORE ⬡⬡⬡	Vanguard FTSE All-World ETF IE00BK5BQT80	Standard index for global equities including developing countries	17.11%	17.11%	5.45%	10.04%	–	7.0 - 9.0 %	- 33.70 % 109 days		0.22 %	100%
03 CORE ⬡⬡⬡	Vanguard Investment Series PLC - Global Stock Index Fund IE00B03HD209	Standard Index for Global Equities excluding Emerging Markets	18.93%	18.93%	6.36%	11.14%	9.85%	7.5 - 8.5 %	- 57.90 % 1024 days		0.18 %	100%
04 CORE ⬡⬡⬡	iShares Core MSCI World ETF IE00B4L5Y983	Standard index for global Equities excluding developing countries	18.69%	18.69%	6.49%	11.35%	9.95%	7.0 - 9.0 %	- 34.10 % 106 days		0.20 %	100%
05 CORE ⬡⬡⬡	Dimensional Funds PLC - World Equity Fund IE00B3V7VL84	Multi-Factor Index for Global Equities including Emerging Markets	12.03%	12.03%	4.02%	8.48%	–	7.0 - 9.0 %	- 37.70 % 158 days		0.35 %	100%

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Horizon Orange – **80 % Return | 20 % Safety**

GLOBAL EQUITIES

Building Block	Fund	Relevance	Return 2024 (YTD)	Return 1 year	Return 3 years p. a.	Return 5 years p. a.	Return 10 years p. a.	Expected Return p. a.	Maximum temporary drawdown	Sustainable fund	TER p. a.	Possible portfolio share
06 CORE ○○○	Vanguard ESG Developed World All Cap Equity Ind IE00B5O5V954	Standard Index for Global Equities excluding Emerging Markets with ESG Filter	18.41%	18.41%	4.81%	10.33%	9.31%	7.5 - 8.5 %	- 34.00 % 105 days		0.20 %	100%
07 CORE ○○○	Dimensional Global Sustainability Core Equity Fund IE00B8DMPF88	Factor Index for Global Equities excluding Emerging Markets with ESG Filter	16.62%	16.62%	5.01%	10.51%	9.51%	7.5 - 8.5 %	- 35.70 % 106 days		0.27 %	100%
08 CORE	iShares MSCI World SRI UCITS ETF IE00BDZZTM54	Standard Index for Global Equities excluding Emerging Markets with ESG Filter	11.09%	11.09%	2.99%	10.61%	–	7.5 - 8.5 %	- 32.40 % 97 days		0.20 %	100%
09 CORE ○○○	BNY Mellon Global Funds PLC - Long-Term Global Equity Fund IE00B90D9370	Expert fund for Global Equities which beat its benchmark in a credible way	9.02%	9.02%	2.39%	8.25%	9.39%	7.5 - 8.5 %	- 30.40 % 97 days		0.85 %	100%
010 CORE ○○○	BNY Mellon Global Leaders Fund IE00BYQQPN70	Expert fund for Global Equities which beat its benchmark in a credible way	7.84%	7.84%	1.02%	8.99%	–	7.5 - 8.5 %	- 32.40 % 318 days		0.63 %	100%
011 CORE ○○○	Threadneedle Lux - Global Focus LU0096363154	Expert fund for Global Equities which beat its benchmark in a credible way	23.94%	23.94%	4.69%	12.61%	–	7.5 - 8.5 %	- 47.80 % 876 days		0.85 %	100%

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Horizon Orange – **80 % Return | 20 % Safety**

GLOBAL EQUITIES

Building Block	Fund	Relevance	Return 2024 (YTD)	Return 1 year	Return 3 years p. a.	Return 5 years p. a.	Return 10 years p. a.	Expected Return p. a.	Maximum temporary drawdown	Sustainable fund	TER p. a.	Possible portfolio share
012 CORE ⬡⬡⬡	Wellington Global Quality Growth Fund LU1084870465	Expert fund for Global Equities which beat its benchmark in a credible way	22.10%	22.10%	3.62%	9.85%	11.66%	7.0 - 9.0 %	- 31.70 % 363 days		1.04 %	100%
013 CORE	Amundi Funds - Polen Capital Global Growth LU1691799990	Expert fund for Global Equities which beat its benchmark in a credible way	13.06%	13.06%	0.51%	8.12%	11.52%	7.5 - 8.5 %	- 37.10 % ongoing		1.01 %	100%
014 CORE ⬡⬡⬡	Fundsmith - Equity Fund LU0893933373	Expert fund for Global Equities which beat its benchmark in a credible way	7.78%	7.78%	-0.29%	7.41%	10.84%	7.5 - 8.5 %	- 31.50 % 361 days		1.05 %	100%
015 CORE ⬡⬡⬡	iShares MSCI World Quality Dividend ESG UCITS ETF IE00BYYHSQ67	Quality fund that identifies the most profitable companies from a subset of the MSCI World	9.78%	9.78%	6.02%	6.69%	–	7.5 - 8.5 %	- 33.10 % 245 days		0.38 %	100%
016 CORE ⬡⬡⬡	T Rowe Price Funds - Global Focused Growth Equity Fund LU0143563046	Expert fund for Global Equities which beat its benchmark in a credible way	17.11%	17.11%	1.75%	11.79%	12.80%	7.5 - 8.5 %	- 63.40 % 1249 days		0.79 %	100%
017 CORE ⬡⬡⬡	iShares Edge MSCI World Momentum Factor UCITS ETF IE00BP3QZ825	Quality fund that identifies companies with an upward price trend within the MSCI World Index.	29.91%	29.91%	6.06%	11.84%	11.73%	7.5 - 8.5 %	- 31.40 % 70 days		0.30 %	100%

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Horizon Orange – **80 % Return | 20 % Safety**

GLOBAL EQUITIES

Building Block	Fund	Relevance	Return 2024 (YTD)	Return 1 year	Return 3 years p. a.	Return 5 years p. a.	Return 10 years p. a.	Expected Return p. a.	Maximum temporary drawdown	Sustainable fund	TER p. a.	Possible portfolio share
018 CORE	iShares Edge MSCI World Value Factor UCITS ETF IE00BP3QZB59	Standard Index focusing on global equities that are undervalued relative to their fundamentals	4.61%	4.61%	4.09%	5.46%	5.38%	7.0 - 9.0 %	- 39.30 % 227 days		0.30 %	100%
019 CORE ⬡⬡⬡	iShares Edge MSCI World Quality Factor UCITS ETF IE00BP3QZ601	Standard Index for global equities with a focus on equities with strong and stable earnings	16.71%	16.71%	5.85%	11.01%	10.31%	7.5 - 8.5 %	- 32.70 % 105 days		0.30 %	100%
020 CORE ⬡⬡⬡	Fisher Investments Institutional Global Equity ESG Fund IE00BZ4SV347	Expert fund for Global Equities which beat its benchmark in a credible way	21.80%	21.80%	7.89%	12.83%	–	7.5 - 8.5 %	-38.3 % 111 days		1.00%	100%
021 CORE ⬡⬡⬡	Fisher Investments Institutional Global Developed Equity Fund IE00BZ4STG33	Expert fund for Global Equities which beat its benchmark in a credible way	21.73%	21.73%	6.31%	14.85%	–	7.5 - 8.5 %	-40.8 % 111 days		1.10%	100%
022 CORE ⬡⬡⬡	iShares Edge MSCI World Multifactor UCITS ETF IE00BZ0PKT83	Standard Index for global equities with a focus on the multifactor.	16.50%	16.50%	4.37%	8.65%	–	7.5 - 8.5 %	26.2 % 160 days		0.30%	100%
023 CORE ⬡⬡⬡	PineBridge Global Focus Equity Fund IE0004896431	Expert fund for Global Equities which beat its benchmark in a credible way	20.31%	20.31%	8.24%	14.42%	10.72%	7.5 - 8.5 %	-35.0 % 91 days		1.11%	100%

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Horizon Orange – **80 % Return | 20 % Safety**

Building Block	Fund	Relevance	Return 2024 (YTD)	Return 1 year	Return 3 years p. a.	Return 5 years p. a.	Return 10 years p. a.	Expected Return p. a.	Maximum temporary drawdown	Sustainable fund	TER p. a.	Possible portfolio share
024 CORE ⬡⬡⬡	T Rowe Price Funds SICAV - Global Focused Growth Equity Fund LU0143563046	Expert fund for Growth Stocks which beat its benchmark in a credible way	17.11%	17.11%	1.75%	11.79%	12.80%	7.5 - 8.5 %	-39.1 % 431 days		0.79%	100%

⬡⬡⬡ In our opinion, these building blocks are outstanding

Horizon Red – **100 % Return**

Building Block	Fund	Relevance	Return 2024 (YTD)	Return 1 year	Return 3 years p. a.	Return 5 years p. a.	Return 10 years p. a.	Expected Return p. a.	Maximum temporary drawdown	Sustainable fund	TER p. a.	Possible portfolio share
Portfolio 6 CORE ⬡⬡⬡	Dimensional - World Equity Fund IE00B3V7VL84	Standard solution for **FAIR**HORIZON Red 100 % return	12.03%	12.03%	4.02%	8.48%	–	7.0 - 9.0 %	- 37.70 % 158 days		0.35 %	100%
R22 SATELLITE ⬡⬡⬡	Morgan Stanley Investment Funds - Global Opportunity Fund LU0834154790	Expert fund for Global Equities which beat its benchmark in a credible way	26.47%	26.47%	3.64%	11.76%	14.84%	7.5 - 8.5 %	- 51.80 % ongoing		0.94 %	20%
R42 SATELLITE ⬡⬡⬡	Baillie Gifford World-wide Long Term Global Growth Fund IE00BYQG5606	Expert fund for Global Equities which beat its benchmark in a credible way	27.22%	27.22%	-2.25%	13.92%	–	7.5 - 8.5 %	- 56.90 % ongoing		0.68 %	20%
R1 SATELLITE	Vanguard Emerging Markets Stock Index Fund / Ireland IE0031787223	Standard Index for Emerging Market Equities	7.89%	7.89%	-2.08%	1.47%	3.41%	9.0 - 10.0 %	- 39.30 % ongoing		0.23 %	20%
R2 SATELLITE	iShares Core MSCI Emerging Markets ETF IE00BKM4GZ66	Standard Index for Emerging Market Equities including Small Company Stocks	6.95%	6.95%	-1.56%	2.40%	3.74%	9.0 - 10.0 %	- 38.50% 160 days		0.18 %	20%
R3 SATELLITE	iShares MSCI Emerging Markets SRI ETF IE00BYVJRP78	Standard Index for Emerging Market Equities with SRI Filter	4.64%	4.64%	-4.74%	0.36%	–	7.0 - 9.0 %	- 40.00 % 154 days	🍃	0.25 %	20%

PORTFOLIO BLOCK — GLOBAL EQUITIES — EMERGING MARKETS

⬡⬡⬡ In our opinion, these building blocks are outstanding

Horizon Red – **100 % Return**

	Building Block	Fund	Relevance	Return 2024 (YTD)	Return 1 year	Return 3 years p. a.	Return 5 years p. a.	Return 10 years p. a.	Expected Return p. a.	Maximum temporary drawdown	Sustainable fund	TER p. a.	Possible portfolio share
EMERGING MARKETS	R32 SATELLITE ○○○	Goldman Sachs - Emerging Markets Eq LU0234572450	Expert Fund for Emerging Market Equities	9.70%	9.70%	-6.23%	1.06%	4.77%	7.0 - 9.0 %	- 66.50 % 2085 days		0.96 %	20%
SMALL CAPS	R4 SATELLITE ○○○	Vanguard Investment Series PLC - Global Small-Cap Index Fund IE00B42LF923	Standard Index for Global Smaller Company Stocks excluding Emerging Markets	7.82%	7.82%	0.47%	6.30%	7.23%	7.0 - 9.0 %	- 40.80 % 164 days		0.29 %	20%
SMALL CAPS	R5 SATELLITE ○○○	SPDR MSCI World Small Cap ETF IE00BCBJG560	Standard Index for Global Smaller Company Stocks excluding Emerging Markets	6.73%	6.73%	0.42%	6.17%	7.09%	7.0 - 8.0 %	- 41.10 % 160 days		0.45 %	20%
SMALL CAPS	R6 SATELLITE ○○○	Threadneedle Lux - Global Smaller Companies LU0757429088	Expert Fund for Global Smaller Company Stocks	0.81%	0.81%	-6.68%	5.45%	9.26%	7.0 - 8.0 %	- 45.10 % ongoing		0.9 %	20%
EUROPE	R7 SATELLITE	Vanguard Investment Series PLC - European Stock Index Fund IE0002639551	Standard Index for European Equities	1.75%	1.75%	1.37%	5.11%	5.13%	7.0 - 9.0 %	- 63.00 % 1277 days		0.12 %	20%
EUROPE	R34 SATELLITE	Jupiter Global Fund - Jupiter European Growth LU0966590910	Expert Fund for European Equities	1.88%	1.88%	1.08%	5.77%	9.64%	7.0 - 9.0 %	- 33.60 % 223 days		0.95 %	20%

○○○ In our opinion, these building blocks are outstanding

Horizon Red – **100 % Return**

Region	Building Block	Fund	Relevance	Return 2024 (YTD)	Return 1 year	Return 3 years p. a.	Return 5 years p. a.	Return 10 years p. a.	Expected Return p. a.	Maximum temporary drawdown	Sustainable fund	TER p. a.	Possible portfolio share
UNITED KINGDOM	R16 SATELLITE	Vanguard FTSE 100 UCITS ETF IE00B810Q511	Standard Index for British Large Company Stocks	10.02%	10.02%	4.42%	3.86%	3.70%	7.0 - 8.0 %	- 36.80 % ongoing		0.09 %	15%
UNITED KINGDOM	R17 SATELLITE	Vanguard FTSE 250 UCITS ETF IE00BKX55Q28	Standard Index British Medium Sized Company Stocks	7.43%	7.43%	-4.20%	-0.21%	2.72%	8.0 - 9.0 %	- 41.70 % 274 days		0.10 %	10%
GERMANY	R15 SATELLITE	Xtrackers DAX UCITS ETF LU0274211480	Standard Index for German Large Company Stocks	11.03%	11.03%	4.25%	6.32%	5.18%	7.0 - 9.0 %	- 54.90 % 1062 days		0.09 %	5%
GERMANY	R14 SATELLITE	iShares MDAX UCITS ETF DE0005933923	Standard Index for German Medium Sized Company Stocks	-12.15%	-12.15%	-13.08%	-4.11%	1.93%	7.0 - 9.0 %	- 63.80 % 964 days		0.51 %	5%
USA	R9 SATELLITE	Vanguard S&P 500 UCITS ETF IE00B3XXRP09	Standard Index for U.S. Large Company Stocks	25.44%	25.44%	8.73%	14.36%	12.62%	8.0 - 9.0 %	- 25.60 % 114 days		0.07 %	35%
USA	R10 SATELLITE	SPDR S&P 400 U.S. Mid Cap UCITS ETF IE00B4YBJ215	Standard Index for U.S. Medium Size Company Stocks	11.87%	11.87%	4.21%	9.67%	8.88%	8.0 - 10.0 %	- 42.00 % 164 days		0.30 %	20%

Horizon Red – **100 % Return**

Building Block	Fund	Relevance	Return 2024 (YTD)	Return 1 year	Return 3 years p. a.	Return 5 years p. a.	Return 10 years p. a.	Expected Return p. a.	Maximum temporary drawdown	Sustainable fund	TER p. a.	Possible portfolio share
R13 SATELLITE	iShares S&P 600 Small Cap UCITS ETF IE00B2QWCY14	Standard Index for U.S. Small Company Stocks	7.06%	7.06%	1.29%	7.74%	8.22%	8.0 - 9.0 %	- 53.40 % 433 days		0.40 %	20%
R11 SATELLITE	iShares NASDAQ 100 UCITS ETF IE00B53SZB19	Standard Index for U.S. Technology and Internet Stocks	25.83%	25.83%	9.34%	19.89%	17.91%	7.0 - 8.0 %	- 35.20 % 273 days		0.33 %	35%
R12 SATELLITE	Invesco EQQQ Nasdaq-100 UCITS ETF IE0032077012	Standard Index for U.S. Technology and Internet Stocks	25.30%	25.30%	9.37%	19.93%	–	8.5 - 9.5 %	- 35.00 % 222 days		0.30 %	35%
R52 SATELLITE	Invesco S&P 500 Quality ETF US46137V2410	Standard Index for U.S. Quality Technology and Internet Stocks	24.22%	24.22%	9.73%	14.70%	13.05%	7.0 - 9.0 %	-32.0 % 95 days		0.15%	35%
R53 SATELLITE	Fisher Investments Institutional US Equity ESG Fund IE00BYVJ8M18	Selected U.S. Large Company Stocks	28.31%	28.31%	9.23%	17.84%	–	7.0 - 9.0 %	-34.8 % 320 days		0.80%	35%
R54 SATELLITE	Fisher Investments Institutional US Small and Mid-Cap Core Equity Fund IE00BD9BSS80	Selected U.S. Small and Mic-Cap Company Stocks	5.98%	5.98%	1.76%	13.78%	–	7.0 - 9.0 %	-44.7% 111 days		1.10%	35%

USA

Horizon Red – **100 % Return**

	Building Block	Fund	Relevance	Return 2024 (YTD)	Return 1 year	Return 3 years p. a.	Return 5 years p. a.	Return 10 years p. a.	Expected Return p. a.	Maximum temporary drawdown	Sustainable fund	TER p. a.	Possible portfolio share
USA	R55 SATELLITE	Invesco S&P MidCap Quality ETF US46137V4721	U.S. Mid-Cap Quality Company Stocks	11.18%	11.18%	9.87%	15.22%	11.42%	7.0 - 9.0 %	-37.2 % 92 days		0.25%	35%
USA	R56 SATELLITE	SPDR MSCI USA Small Cap Value Weighted UCITS ETF IE00BSPLC413	Standard Index for U.S. Technology and Internet Stocks	7.39%	7.39%	5.92%	11.80%	–	7.0 - 9.0 %	-48.9 % 171 days		0.30%	35%
REAL ESTATE	R26 SATELLITE	Cohen & Steers - Global Real Estate Securities Fund LU0254610701	Expert Fund for REITs	2.55%	2.55%	-5.96%	0.62%	0.15%	7.0 - 8.0 %	- 72.90 % ongoing		1.05 %	15%
REAL ESTATE	R27 SATELLITE	Principal Global Investors Funds - Global Property Securities Fund IE00B62LQD71	Expert Fund for REITs	0.51%	0.51%	-6.94%	-1.26%	2.35%	8.0 - 9.0 %	- 41.70 % 293 days		0.86 %	15%
REAL ESTATE	R28 SATELLITE	AMUNDI FTSE EPRA NAREIT Global ETF LU1437018838	Standard Index for REITs	-0.01%	-0.01%	-6.26%	-1.06%	–	7.0 - 8.0 %	- 42.90 % 415 days		0.24%	15%

Horizon Red – **100 % Return**

Building Block	Fund	Relevance	Return 2024 (YTD)	Return 1 year	Return 3 years p. a.	Return 5 years p. a.	Return 10 years p. a.	Expected Return p. a.	Maximum temporary drawdown	Sustainable fund	TER p. a.	Possible portfolio share
R18 SATELLITE ⬡⬡⬡	Fidelity Funds - Asia Pacific Opportunities Fund LU0345362361	Expert Fund for Asia Pacific Company Stocks	0.93%	0.93%	-4.83%	4.58%	8.54%	7.0 - 9.0 %	- 53.40% 468 days		1.06 %	20%
R38 SATELLITE ⬡⬡⬡	First Sentier - FSSA Indian Sub-continent Fund IE00B6Y13T06	Expert Fund for Indian Stocks	16.35%	16.35%	11.72%	13.32%	10.68%	7.0 - 8.0 %	- 39.20. % 181 days		1.12 %	15%
R20 SATELLITE ⬡⬡⬡	Morgan Stanley - Asia Opportunity Fund LU1378878869	Expert Fund for Asian Stocks	21.15%	21.15%	-4.21%	1.21%	–	7.0 - 9.0 %	- 61.20 % ongoing		0.99 %	20%
R40 SATELLITE	Dragon Capital Develo-ping Markets Strategies - Vietnam Equity IE00BD5HPH84	Expert Fund for Vietnamese Equities	16.06%	16.06%	-6.17%	8.10%	10.53%	7.0 - 9.0 %	- 49.60 % ongoing		2.40 %	5%
R37 SATELLITE ⬡⬡⬡	Goldman Sachs - India Equity Portfolio LU0333811072	Expert Fund for Indian Stocks	20.79%	20.79%	8.87%	16.13%	11.37%	7.0 - 9.0 %	- 65.30. % 346 days		1.00 %	15%
R21 SATELLITE ⬡⬡⬡	JPMorgan - Asia Pacific Equity Fund LU0441854584	Expert Fund for Asian Stocks	9.12%	9.12%	-0.63%	3.88%	6.16%	7.0 - 9.0 %	- 41.40 % ongoing		0.96 %	20%

ASIA

⬡⬡⬡ In our opinion, these building blocks are outstanding

Horizon Red – **100 % Return**

DIVIDENDS

Building Block	Fund	Relevance	Return 2024 (YTD)	Return 1 year	Return 3 years p. a.	Return 5 years p. a.	Return 10 years p. a.	Expected Return p. a.	Maximum temporary drawdown	Sustainable fund	TER p. a.	Possible portfolio share
R31 SATELLITE	SPDR S&P US Dividend Aristocrats UCITS ETF IE00B6YX5D40	Standard Index for U.S. Dividend Equities	8.08%	8.08%	2.94%	6.59%	8.17%	7.0 - 9.0 %	- 36.90 % 202 days		0.35 %	25%
R33 SATELLITE	Fidelity Funds - Global Dividend Fund LU0731783048	Expert Fund for Dividend Equities	10.61%	10.61%	3.73%	5.99%	6.50%	8.0 - 9.0 %	- 29.70 % 172 days		1.88 %	25%
R44 SATELLITE ⬡⬡⬡	Hamilton Lane Global Private Assets Fund LU2008199189	Expert Fund for Private Equity	5.47%	5.47%	–	–	–	8.0 - 9.0 %	- 4.76 % 3 days		2.06 %	15%
R48 SATELLITE	iShares Listed Private Equity UCITS ETF IE00B1TXHL60	Expert Fund for Private Equity	19.41%	19.41%	7.11%	12.77%	12.01%	8.0 - 9.0 %	-44.5 % 265 days		0.75%	15%
R49 SATELLITE	Xtrackers LPX Private Equity Swap UCITS ETF LU0322250712	Expert Fund for Private Equity	23.77%	23.77%	–	–	–	8.0 - 9.0 %	-48.2 % 224 days		0.70%	15%
R50 SATELLITE	HgCapital Trust Fund GB00BJ0LT190	Expert Fund for Private Equity	20.35%	20.35%	7.25%	16.43%	17.82%	8.0 - 9.0 %	-43.1 % 107 days		1.00%	15%

⬡⬡⬡ In our opinion, these building blocks are outstanding

Horizon Red – **100 % Return**

Building Block	Fund	Relevance	Return 2024 (YTD)	Return 1 year	Return 3 years p. a.	Return 5 years p. a.	Return 10 years p. a.	Expected Return p. a.	Maximum temporary drawdown	Sustainable fund	TER p. a.	Possible portfolio share
R51 SATELLITE	HarbourVest Global Private Equity Ltd GG00BR30MJ80	Expert Fund for Private Equity	7.66%	7.66%	-5.84%	6.33%	10.07%	8.0 - 9.0 %	-50.7 % 190 days		0.67%	15%
R29 SATELLITE	SPDR MSCI World Technology UCITS ETF IE00BYTRRD19	Standard Index for Global Technology Stocks	33.29%	33.29%	12.23%	21.47%	–	7.0 - 9.0 %	- 36.00 % 281 days		0.30 %	35%
R30 SATELLITE	Franklin Templeton Investment Funds - Technology Fund LU0626261944	Expert Fund for Global Technology Stocks	28.30%	28.30%	3.56%	17.58%	18.11%	7.0 - 9.0 %	- 51.00 % ongoing		0.85 %	25%
R45 SATELLITE	CT Lux Global Technology LU0957808578	Expert Fund for Global Technology Stocks	29.40%	29.40%	8.57%	20.63%	19.78%	7.0 - 9.0 %	- 37.60 % 308 days		1.00 %	25%
R46 SATELLITE	Polar Capital Funds PLC Biotechnology Fund IE00B42Z4531	Expert Fund for Global Technology Stocks	9.47%	9.47%	5.60%	11.66%	11.58%	7.0 - 9.0 %	- 35.40 % 375 days		1.12 %	10%
R47 SATELLITE	AB SICAV I - International Health Care Portfolio LU0097089360	Expert Fund for Health Care Stocks	-1.78%	-1.78%	-0.72%	7.73%	9.24%	7.0 - 9.0 %	- 41.40 % 966 days		1.13%	10%

DIVIDENDS

TECHNOLOGY

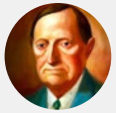
Horizon Red – **100 % Return**

COMMODITIES

Building Block	Fund	Relevance	Return 2024 (YTD)	Return 1 year	Return 3 years p. a.	Return 5 years p. a.	Return 10 years p. a.	Expected Return p. a.	Maximum temporary drawdown	Sustainable fund	TER p. a.	Possible portfolio share
S1 SATELLITE	iShares Bloomberg Enhanced Roll Yield Commodity Swap ETF IE00BZ1NCS44	Reference Index for Global Commodities	4.59%	4.59%	5.35%	9.01%	–	7.0 - 8.0 %	- 28.40 % 219 days		0.28 %	15%
S2 SATELLITE	Wellington Commodities Fund LU0277042718	Expert Fund for Global Commodities	7.40%	7.40%	6.56%	9.77%	3.60%	7.0 - 8.0 %	- 62.30 % Ongoing		0.75 %	15%

PORTFOLIOS TO CATER TO YOUR DIFFERENT NEEDS

Our combinations of high return and safety building blocks, which we provide as model portfolios and which are based on the proven strategies of Jack Bogle (buy the haystack at a low price), Fama/French (optimize the haystack at a low price) and Warren Buffet /Charly Munger (focus on the flowers in the haystack), all performed very well in 2024.
The Warren Buffet strategy was just ahead and was therefore the winner of the year, if you only look at the results of CT Global Focus (011), Wellington Global Quality Growth (012) as well as the newly added Fisher and Pinebrige building blocks. But if you look at portfolio 05, which contains a total of 6 managers and invests also in small companies and emerging markets, the result is slightly behind that of a simple index strategy from Jack Bogle.
The multi-factor strategy, which we associate with Fama/French, compares very well when we look at the multi-factor building block of iShares (0), but lags somewhat behind the other strategies when we focus on Dimensional.
This is because Dimensional has the broadest equity strategy and is therefore least dependent on the performance of individual stocks, for better or for worse...



PORTFOLIO STRATEGY BOGLE

Buy the haystack

Explanation

Jack Bogle’s “haystack strategy” essentially describes his philosophy of passive investing through index funds. Instead of trying to pick the best stocks through active management, as many fund managers do, Bogle advocated investing in the entire market.

He believed that it is very difficult and costly to consistently identify winning stocks. Most active managers fail to outperform the market in the long term, and their high fees further reduce returns. Bogle therefore recommended investing in low-cost index funds that track the entire market. This way, investors automatically benefit from the market’s long-term gains without incurring high fees or the risk of poor investment choices.

This strategy focuses on broad diversification and long-term growth without the need to constantly search for the best investments. It is a simple yet effective method that provides access to stable, long-term returns.

RETURNS

Asset class	Portfolio allocation	Return 2024 (YTD)	Return 1 year	Return 3 years p. a.	Return 5 years p. a.	Return 10 years p. a.	Expected long-term return p. a.
FAIRHORIZONT LILA	100 % Safety	5.24%	5.24%	0.99%	0.65%	1.44%	0 – 2 %
FAIRHORIZONT BLAU	80 % Safety 20 % Return	5.53%	5.53%	-0.11%	1.91%	3.16%	2 – 4 %
FAIRHORIZONT GRÜN	60 % Safety 40 % Return	8.48%	8.48%	1.27%	3.94%	4.66%	3 – 5 %
FAIRHORIZONT GELB	40 % Safety 60 % Return	11.42%	11.42%	2.64%	5.96%	6.15%	5 – 7 %
FAIRHORIZONT ORANGE	20 % Safety 80 % Return	14.37%	14.37%	4.02%	7.99%	7.65%	7 – 8 %
FAIRHORIZONT ROT	100 % Return	17.32%	17.32%	5.40%	10.01%	9.14%	8 – 10 %

Return

• 01	SPDR MSCI ACWI ETF	100 %	IE00B44Z5B48

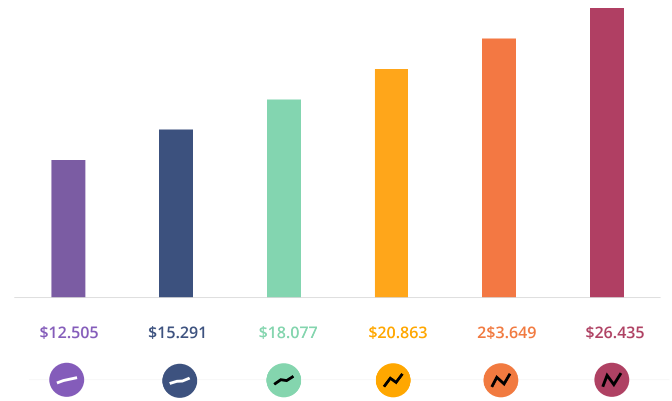
Safety

• B1	Vanguard Global Bond Index Fund	100 %	IE00B18GCB14
• P1*	Dimensional Global Ultra Short Fixed Income	100 %	IE0030982627

For Fairhorizont Purple, we recommend P1 or our money market funds L6, L7, or L8. The building block P1 for Fairhorizont Lila is shown both graphically and in table format.

PERFORMANCE IN $

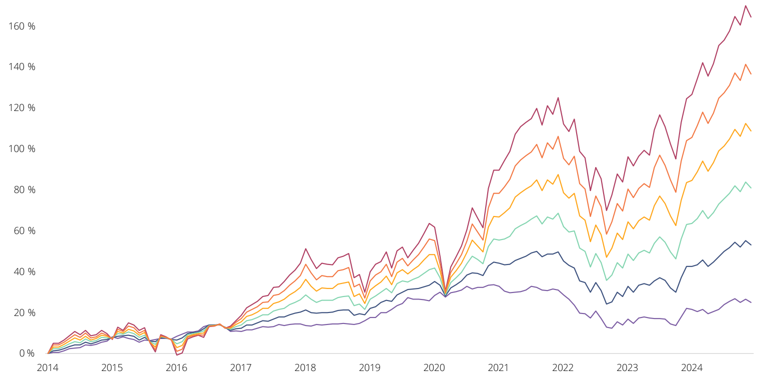
SINCE 01/2014

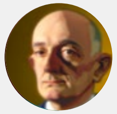


The diagram shows how $10,000 would have performed across all six FAIRHORIZONS.

PERFORMANCE IN %

SINCE 01/2014





PORTFOLIO STRATEGY FAMA

Sort the straws of the haystack by size

Explanation

Dimensional's wealth management portfolios are accessible to clients of Fairmögensberatung as straightforward and cost-effective solutions. These portfolios are tailored to match investment horizons by balancing return and security, eliminating the need for investors to worry about portfolio imbalances or rebalancing. As such, they are particularly suitable for retirees and those drawing down their savings who wish to invest larger sums of money in a way that provides predictable, regular income while consistently withdrawing equal portions of their portfolio.

The Dimensional approach demonstrates that a healthy mix of return and risk can make market crashes more bearable. The Dimensional strategy has proven successful for years, surpassing traditional wealth management solutions offered by private banks and web-based platforms (Robo-Advisors).

Dimensional employs a multifactor strategy, which combines several proven factors such as Value, Momentum, Quality, Size, and Low Volatility to achieve long-term stable returns while minimizing risks. Rather than relying on a single factor, this combination enhances diversification and stability.

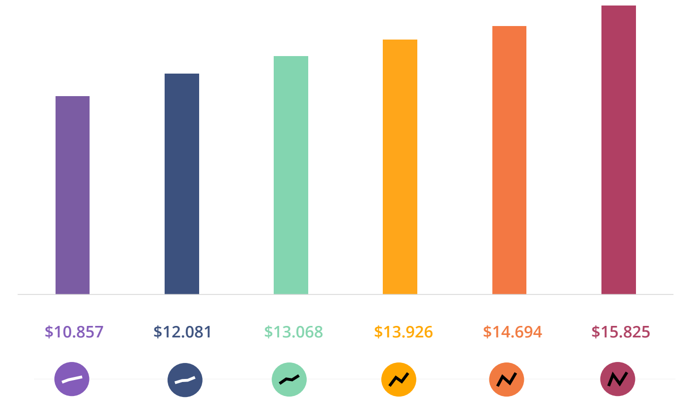
RETURNS

Asset class	Portfolio allocation	Return 2024 (YTD)	Return 1 year	Return 3 years p. a.	Return 5 years p. a.	Expected long-term return p. a.
FAIRHORIZONT LILA	100 % Safety	5.24%	5.24%	0.99%	0.65%	0 – 2 %
FAIRHORIZONT BLAU	80 % Safety 20 % Return	6.68%	6.68%	2.33%	2.87%	2 – 4 %
FAIRHORIZONT GRÜN	60 % Safety 40 % Return	8.05%	8.05%	2.70%	4.34%	3 – 5 %
FAIRHORIZONT GELB	40 % Safety 60 % Return	9.31%	9.31%	2.90%	5.63%	5 – 7 %
FAIRHORIZONT ORANGE	20 % Safety 80 % Return	10.27%	10.27%	3.26%	6.88%	7 – 8 %
FAIRHORIZONT ROT	100 % Return	12.03%	12.03%	4.02%	8.48%	8 – 10 %

P1	Dimensional Global Ultra Short Fixed Income	100 %	IE0030982627
P2	Dimensional World Allocation 20/80	100 %	IE00BYTYTZ87
P3	Dimensional World Allocation 40/60	100 %	IE00BFZ0X665
P4	Dimensional World Allocation 60/40	100 %	IE00BFZ0X772
P5	Dimensional World Allocation 80/20	100 %	IE00BYTYV523
P6	Dimensional World Equity Fund	100 %	IE00B3V7VL84

PERFORMANCE IN $

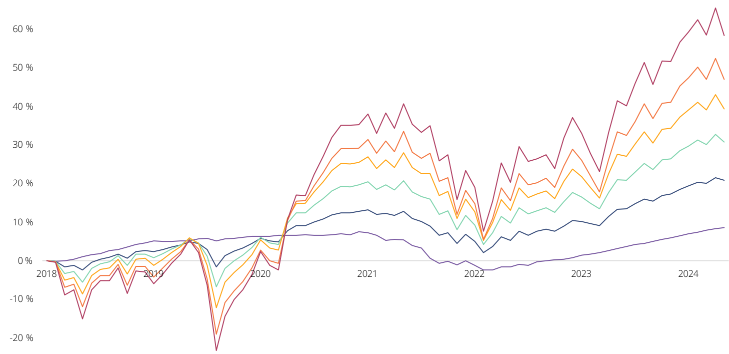
SINCE 08/2018



The diagram shows how $10,000 would have performed across all six FAIRHORIZONS.

PERFORMANCE IN %

SINCE 08/2018



PORTFOLIO STRATEGY

BUFFETT - PASSIVE

Pick only the flowers from the haystack

Explanation

Buffett is known for his active investment strategy, where he specifically seeks out companies he believes are undervalued and have significant long-term growth potential. In this sense, Buffett actively looks for companies with the "Quality Factor." In the "haystack" metaphor, Buffett would be someone trying to find the needle but in a very deliberate and disciplined way. He does not invest in a broad range of stocks or the entire market but focuses on a small selection of companies that he has thoroughly analyzed and believes possess the "Quality Factor."

In this specific portfolio, however, the focus remains on index funds and ETFs. The building block O15 replicates the performance of the MSCI World Quality Factor Index, which includes only companies that meet the "Quality Factor" criteria.

RETURNS

Asset class	Portfolio allocation	Return 2024 (YTD)	Return 1 year	Return 3 years p. a.	Return 5 years p. a.	Return 10 years p. a.	Expected long-term return p. a.
FAIRHORIZONT LILA	100 % Safety	5.24%	5.24%	0.99%	0.65%	1.44%	0 – 2 %
FAIRHORIZONT BLAU	80 % Safety 20 % Return	5.41%	5.41%	-0.02%	2.11%	3.40%	2 – 4 %
FAIRHORIZONT GRÜN	60 % Safety 40 % Return	8.23%	8.23%	1.45%	4.34%	5.13%	3 – 5 %
FAIRHORIZONT GELB	40 % Safety 60 % Return	11.06%	11.06%	2.91%	6.56%	6.85%	5 – 7 %
FAIRHORIZONT ORANGE	20 % Safety 80 % Return	13.88%	13.88%	4.38%	8.79%	8.58%	7 – 8 %
FAIRHORIZONT ROT	100 % Return	16.71%	16.71%	5.85%	11.01%	10.31%	8 – 10 %

Return

- O19 iShares MSCI World Quality Factor ETF 100 % IE00BP3QZ601

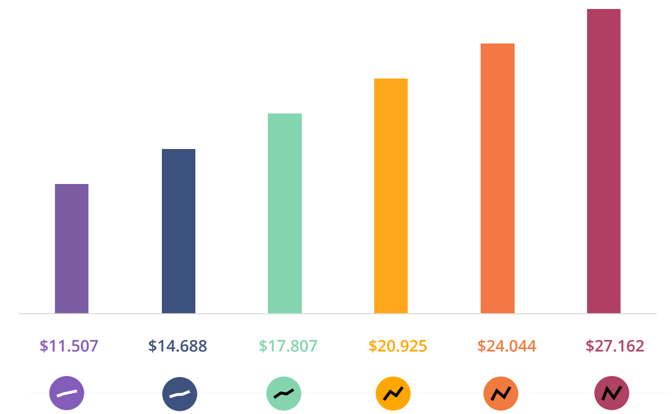
Safety

- B1 Vanguard Global Bond Index Fund 100 % IE00B18GCB14
- P1* Dimensional Global Ultra Short Fixed Income 100 % IE0030982627

For Fairhorizont Purple, we recommend P1 or our money market funds L6, L7, or L8. The building block P1 for Fairhorizont Lila is shown both graphically and in table format.

PERFORMANCE IN $

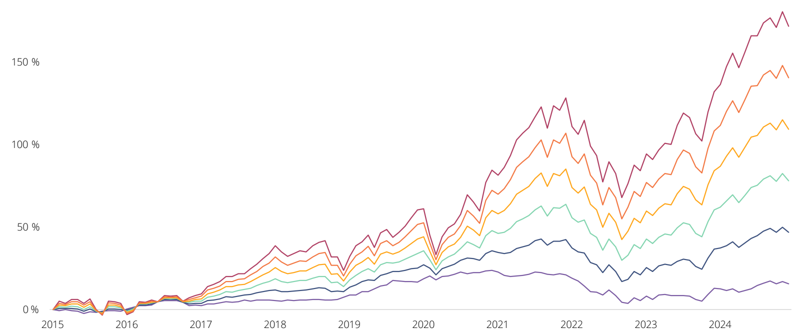
SINCE 01/2015



The diagram shows how $10,000 would have performed across all six FAIRHORIZONS.

PERFORMANCE IN %

SINCE 01/2015



PORTFOLIO STRATEGY

BUFFETT - ACTIVE

Pick only the flowers from the haystack

Explanation

Buffett is known for his active investment strategy, where he specifically seeks out companies he considers undervalued and believes have significant long-term growth potential. In doing so, Buffett deliberately targets companies with the "Quality Factor." In the "haystack" metaphor, Buffett would be someone trying to find the needle, but in a very deliberate and disciplined manner. He does not invest in a wide array of stocks or the entire market but focuses on a small selection of companies that he thoroughly analyzes and believes exhibit the "Quality Factor."

In contrast to Buffett's first portfolio, this portfolio consists of actively managed building blocks. The goal is to achieve long-term outperformance.

RETURNS

Asset class	Portfolio allocation	Return 2024 (YTD)	Return 1 year	Return 3 years p. a.	Return 5 years p. a.	Expected long-term return p. a.
FAIRHORIZONT LILA	100 % Safety	5.24%	5.24%	0.99%	0.65%	0 – 2 %
FAIRHORIZONT BLAU	80 % Safety 20 % Return	9.17%	9.17%	2.50%	4.90%	2 – 4 %
FAIRHORIZONT GRÜN	60 % Safety 40 % Return	12.86%	12.86%	3.05%	6.83%	3 – 5 %
FAIRHORIZONT GELB	40 % Safety 60 % Return	16.56%	16.56%	3.59%	8.75%	5 – 7 %
FAIRHORIZONT ORANGE	20 % Safety 80 % Return	20.25%	20.25%	4.14%	10.68%	7 – 8 %
FAIRHORIZONT ROT	100 % Return	23.94%	23.94%	4.69%	12.61%	8 – 10 %

Return

- O11 Threadneedle Global Focus Fund 100 % LU0096363154

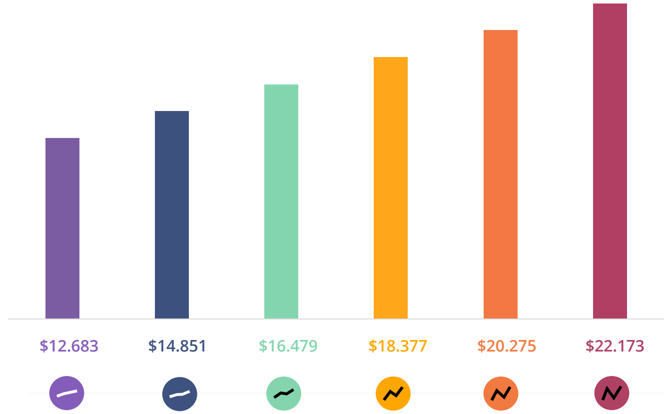
Safety

- B15 Pimco Income Fund 100 % IE00B87KCF77
- P1* Dimensional Global Ultra Short Fixed Income 100 % IE00BKX45X63

For Fairhorizont Purple, we recommend P1 or our money market funds L6, L7, or L8. The building block P1 for Fairhorizont Lila is shown both graphically and in table format.

PERFORMANCE IN $

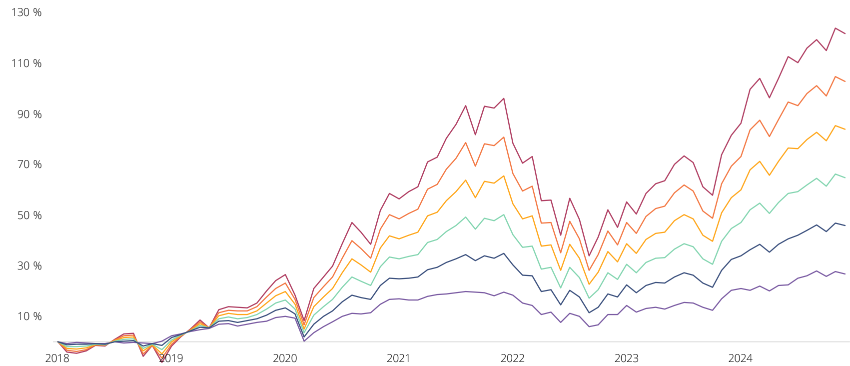
SINCE 01/2018



The diagram shows how $10,000 would have performed across all six FAIRHORIZONS.

PERFORMANCE IN %

SINCE 01/2018



Outlook

Since the fourth quarter also yielded very good investment returns, it is advisable to pause for a moment and consider the extent to which your current portfolio holdings reflect your financial objectives or whether there is a need for adjustment. That is especially true if your portfolio consists primarily of components that significantly overweight the Magnificent 7 and corresponding components such as the Nasdaq 100-, the MSCI World Momentum- and the MSCI World Quality Index.

The valuations of these stocks are currently very high as expressed by their risk premiums of 4-5% p.a., which is far lower than the usually expected 6-8% p.a. To make up for this difference, the profits of these 'overvalued' companies will have to grow much faster than the broad market for several years.

This may well be possible but let us not forget that both the Nasdaq 100 and the S&P 500 consistently posted losses in the following decade because of the high valuations in 2000. The Nasdaq 100 did not reach its 2000 peak again until 2014. Since current valuations are 'ambitious' but not 'crazy', as was the case in 2000, I do not expect a repeat of that development.

Nevertheless, good securities perform better if they are also purchased at an acceptable or even low price. The correlation between good long-term returns and entry prices that are not excessive is very high and should not be forgotten, no matter how excited we are about the profits in 2023 and 2024!

Investors who have so far held back from the stock markets and are now looking with envy and a little greed at the gains of 2024 should be very careful and only invest in a very broad range of assets.

Jumping on the bandwagon now and buying technology stocks that are probably overpriced could backfire and put you off the stock market.

So please be very careful and fall back on the three tried and tested strategies mentioned above!

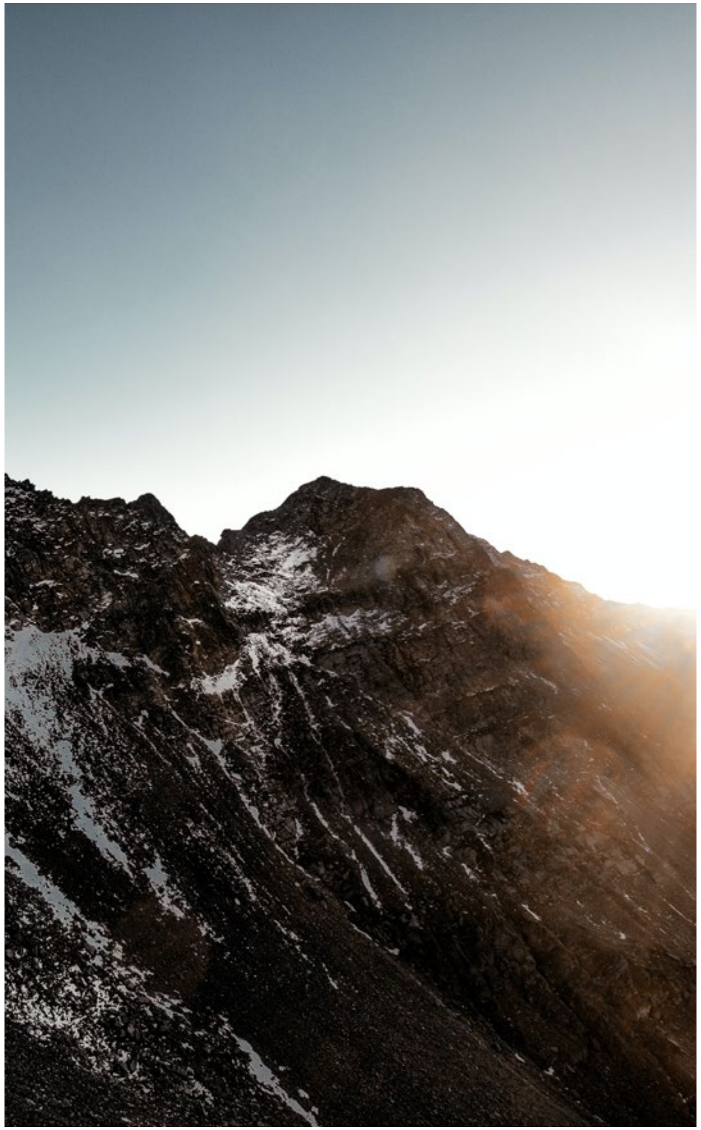
Apart from the Magnificent 7, it should be noted that global equities based on the MSCI AC World Index are at the upper end of the valuation range and tend to show a 6% rather than an 8% risk premium p.a. Nevertheless, we still consider investments to be justifiable here, as long-term investors should be able to outperform bonds even at such valuations.

The equity segments of small to medium-sized companies and so-called value stocks based on the MSCI World Value Factor Index appear rather cheap with risk premiums of well over 7% p.a. The same applies to equities of large companies outside the United States, as well as real estate and dividend stocks, as well as equities in developing countries.

Global bonds appear normal or rather cheap relative to the expected medium-term inflation rate of just over 2.5% p.a. After a decade of zero and negative interest rates, some bond segments even look very interesting compared to equities.

It should therefore pay off to remain invested and to invest a little in the market segments that have been left behind or were outright losers in 2024.

As we have stated repeatedly, we consider Chinese equities not to be investable in the current political situation and don't think that investors can expect to earn the usual equity risk premiums of 6-8% p.a. in Chinese equity markets. We have therefore removed all China specific



Outlook

investment components from our advisory universe. Ultimately, we only want to recommend investment components that enable our clients to achieve their investment goals in the long term.

As far as Indian equities are concerned, it seems that there is finally a consolidation happening in view of the very high valuations. We may be tempted to step into that market once valuations have come down even further. Those investors who are already well in the black should simply hold on to their holdings as Indian equities have proven long term winners in recent decades. We don't expect this to change.

The same applies to holdings in our building blocks in which the Magnificent 7 are heavily weighted. Simply hold onto these but postpone meaningful new investments until opportunities arise such as those on 5 August 2024.

Private equity investments (LBO, VC) currently look quite attractive from a valuation standpoint, and may do better in 2025 than in 2024. We are currently looking at several attractive ideas.

A very encouraging aspect of the developments of the last two years is the fact that investors can enjoy interest rates well above the expected rate of inflation in both the short- and medium-term bond markets.

We have not seen a situation like this since 2007, and it is particularly pleasing for those investors who, due to zero or negative interest rates, were forced to take risks that they would not have taken in a normal interest rate environment. They can now wait patiently and earn more than 5% p.a. in money market securities or short-dated bonds.

It should also be noted that the yield curves in America and Europe are no longer inverted, thus signal a normal economic development rather than a recession. This is encouraging, even if investors should start the new year with moderate expectations after two very good years on the stock market. If long-term equity returns of 7-9% p.a. is normal, markets cannot go up by double digits every year!

It is important to align a long-term portfolio in such a way that it considers the investor's personal situation, their income and investment horizon.

We have therefore developed the FairHorizon concept to offer investors a simple way to create portfolios that can beat inflation and generate attractive risk premiums. We would therefore recommend the following strategy for the coming quarters as part of the FairHorizon concept:

FAIRHORIZON PURPLE

Invest funds that will be needed in a maximum of one year in money market components P5 to P7.

FAIRHORIZON BLUE

Invest funds that will not be needed for up to 4 years in portfolio component Portfolio 2 or combine components B1 and O1 in an 80/20 ratio.

FAIRHORIZON GREEN

Funds that will not be needed for up to seven years should be invested in portfolio module Portfolio 3 or combined with modules B1 and O1 in a ratio of 60/40.

FAIRHORIZON YELLOW

Funds that will not be needed for up to ten years should be invested in portfolio modules Portfolio 4 and Portfolio 5 or combined with modules B1 and O1 in a ratio of 40/60.

FAIRHORIZON ORANGE & **FAIR**HORIZON RED

Funds that will not be needed for more than 10 years should be invested in portfolio module Portfolio 6 or our various portfolio strategies.

Please take a good look at these portfolio solutions on pages , as they present timeless and sensible investment ideas from experts such as Warren Buffet/Charly Munger, Eugene Fama and Jack Bogle. With the combined knowledge and experience of these capital market giants, combined with our FairHorizons, not much can go wrong. All you must do is think clearly about your projected cash flows and investment goals, then create a portfolio based on that. Our colour system shows the way! In times of higher interest rates, be sure not to take on excessive credit obligations. Loans with interest rates well above 7% p.a. should always be repaid before savings plans are initiated. Otherwise, you will end up on the hamster wheel of negative compound interest!

Please contact us if you have any questions or concerns. We are always here for you!

Best wishes for a happy and healthy 2025!

Yours sincerely,

Learn more

The most important buzzwords of the financial industry explained

Accumulating/distributing · An accumulating ETF/fund retains all coupon payments or dividends and reinvests them. While distributing investment vehicles offer a steady income, accumulating investment vehicles are suitable for wealth accumulation. Whenever distributions are made by distributing funds, the price of the respective fund falls. This often leads to misunderstandings among investors, because they think their investment has lost value. However, if you count the equivalent of the distributions towards the value of your fund units, you'll find there's nothing to worry about. Provided that you do not require regular distributions, we recommend accumulating funds.

Annualised return · The annualised return indicates the average annual return on an investment based on a certain time period.

Bond · When you invest in bonds, you are a lender to a government or company. You usually receive fixed interest for your money, usually paid annually. When the bond matures, you can expect your money back. The yield of a bond depends on the credit rating of the borrower: the worse the latter's credit rating, the higher the yield, and vice versa. Most bonds are issued by governments and are therefore very safe. Bonds are rated by rating agencies in categories ranging from AAA to CCC. AAA bonds are the safest, while CCC bonds are only recommended to investors who have higher risk appetite. Since bonds are a part of the security component for us, we generally only work with correspondingly secure variants as a supplement to shares.

Cut-off/Duration · The cut-off time (also known as the order acceptance deadline) indicates the acceptance deadline for the execution of a transaction on the same day. The duration or „order value date after purchase" indicates the time required to execute the order.

Diversification · "Don't put all your eggs in one basket", an old stock market saying, illustrates the importance of diversification—assets should be spread across different sectors, countries and companies. The broader a portfolio is set up (the higher the number of securities), the lower the overall risk of the portfolio, since fluctuations of individual securities are best offset in this way.

ETF (Exchange Traded Fund) · An ETF works like an index fund. However, it does not always physically replicate an index 1:1, but may sometimes use synthetic replication, which is an exchange transaction with a financial institution. We generally do not recommend synthetic ETFs unless they are clearly declared. An ETF can be traded on the stock exchange all day, whereas traditional funds can usually be purchased once a day via the fund provider at the net asset value (NAV). To save costs, we generally prefer index funds for long-term savers. ETFs have higher costs due to supply and demand.

Expected fluctuation (volatility) · The financial market is subject to frequent fluctuations; regular fluctuations of 10 % – 20 % occur frequently. The above value indicates the annual fluctuation to be expected. Those who invest long-term and hold shares for at least 10 years will reap attractive returns in the long run.

Expected long-term return · The expected long-term return indicates the average annual return that is most likely to be expected in the future. The estimate is based on actual historical values.

Fund · Figuratively speaking, a fund consists of a collection of various products (e.g. shares or bonds) for investment. The mixture is intended to prevent major fluctuations. A distinction is made between actively managed funds and index funds (funds that track an index). The former are managed by fund managers (involved in the selection and exchange of individual components), who are well versed in the financial markets. Compared to index funds and ETFs, actively managed funds are slighly more expensive, but when well-selected, can achieve better results Money that is invested in a fund counts as investment fund assets and is separated from the capital of the investment company. This means it is protected even if the fund provider/asset manager goes bankrupt.

ISIN/WKN · Both the Securities Identification Number (WKN) and the International Securities Identification Number (ISIN) are used to uniquely identify mainly exchange-traded securities.

Index · An index like the DAX tracks the development of a market (the 30 largest listed companies in Germany). The figures are released by professional data providers. Indices are increasingly difficult to beat by active fund managers. We only recommend active fund managers if there is a realistic chance that they can significantly outperform the benchmark index in the long term.

Index fund · The composition of an index fund replicates that of an index. It makes an index "tradable" so that investors can participate in its performance. Units in index funds can normally be purchased once a day at net asset value with no hidden costs. We therefore prefer them to ETFs, especially for long-term savers.

Maximum historical book loss (Maximum Drawdown · The maximum historical book loss shows how high the maximum loss in value of an asset has been within a certain time period. It represents the worst conceivable result of an investment within the range under consideration. We only recommend globally and broadly diversified investments that have been able to make up for all (book) losses in the past.

NAV (Net Asset Value) · The NAV provides information about the value of a company. It is calculated by subtracting liabilities and provisions from the tangible and intangible assets of the company.

Period of recovery · The period of recovery is the time that a security needs to recover after a crash.

Return component/Yield Investment · We see equities as a return component that you need to achieve your long-term financial goals. We usually recommend broadly diversified portfolios of selected stocks of very successful companies. Such investments give you the confidence to achieve statistically proven long-term returns. Thanks to the low cost of our investment solutions, the majority of the return remains in your portfolio.

Return since inception · The return since inception of an index/fund is a measure of how the value of the investment has performed since its inception (day 1).

Security component/Security investment · We see bonds with ratings of AAA to BBB as the building block you need to provide your portfolio with the security you need for your investment horizon. AAA to BBB bonds are usually debt securities issued by countries and companies with very high credit ratings. Due to our strict selection process, you receive relatively high security at a small price.

Share · Shares refer to the shares of a stock corporation (company). When you purchase a share, you acquire shares in a company and become its partial owner. If it increases its profit, part of it is distributed to you as a dividend. However, less successful companies can also cause their shareholders to incur (total) losses. We delegate the responsibility of the continuous selection of the most attractive companies to successful index providers or fund managers. As a result, you can expect high long-term returns of 7 %, 8% or more per annum.

TER (Total Expense Ratio) · The TER of funds provides information on what costs are incurred annually in addition to the front-end load. They include fees for fund and portfolio management. Note: despite the name "total expense ratio", it does not include the purchase and sale costs of funds. The TER of traditional equity funds is usually 2 % - 2.5 % p. a., while for bond funds it is 1.2 % - 2 % p. a. We consider both to be too expensive and recommend only low-cost index funds or „clean" investment classes of traditional funds, which do not include distribution fees.

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Source for all data used: Bloomberg

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