

Monthly Commentary

As of March 28, 2024, the Net Asset Value (NAV) of the USD Institutional share class, net of fees, of the FAM US Long Only stood at USD 1,632.30. This represents an increase of 2.34% for the month.

During the month, the U.S. market continued positively on its upward trajectory, consolidating a strong performance for the first quarter of the year. Fundamentals across most sectors were resilient, enhanced by upbeat economic sentiment. Some earnings of large companies across regions were reported and exceeded expectations. The agenda of policy makers seems now readjusted to a less dovish one for the year, with fixed income markets now challenged by expectation of fewer and later interest rate cuts. The conflict between Russia and Ukraine continues, while tensions between Israel and Gaza are rather intensifying. Commodity prices overall increased, namely oil and its derivative products. Equity markets were positive, the S&P 500 TR Index gained 3.22%, while the MSCI ACWI Index was up 3.14%. Fixed income markets were slightly positive, with the Global Bond Aggregate TR Index up 0.91%. Volatility remained broadly unmutated over the month.

Last month's top contribution came from Novo Nordisk (+50bps for the portfolio). The company operates a strong pipeline with a broad product portfolio, steady increase in production capacity and solid operating profit growth. Our investment case lies on leadership in the obesity space, brand value and protein engineering capabilities of the name. We like the opportunities from the expansion into obesity treatments and oral diabetes drugs.

On the negative side, the main detractor from the performance of the portfolio was Zoetis (-17bps for the portfolio). The company is facing some headwinds from broader veterinary sector. Nevertheless, gains in pharma and diagnostics may continue despite depressed veterinary visits. Launch of Librela, a new pain relief medicine for dogs, is now a key catalyst for additional organic growth. We remain convinced of our investment case.

Investment Objective

Index outperformance through fundamental deep-dive equity research and subsequent investment in quality companies with widening business moats and earnings power. Alpha generation through time-arbitrage by taking a private buyer approach to public companies, low portfolio turnover, and average portfolio concentration to minimize drawdown. No market timing to enable stable participation in broader market returns.

Month-to-Date
March **2.34%**
(NAV: \$1,632.30)

Year to Date	8.02%
Last 3 months	8.02%
Last 12 months	24.23%
2023	20.05%
Since Inception	63.23%
Sharpe Ratio	0.72
Volatility	17.25%
Max Monthly Drawdown	-10.55%

Expected Dividend Yield p.a	1.09%
Weighted Market Cap.	328.78 Bln
Portfolio RoE	39.37%
P/E Weighted Avg.	23.1x
Gross Margin	44.7%
Alpha (ITD Annual) to S&P 500	-0.87
Beta (ITD Annual) to S&P 500	0.93

Top Equity Holdings

Novo Nordisk	6.4%
Microsoft	5.4%
Fiserv	4.3%
Motorola Solutions	4.2%
Alphabet	4.0%

Top Sectors

Information Technology	22.1%
Financials	21.7%
Health Care	17.9%
Consumer Discretionary	10.6%
Industrials	7.3%

Monthly NAV Change in % (incl. Distributions)

NAV Returns	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2024	3.65%	1.82%	2.34%										8.02%
S&P 500 TR Index	1.68%	5.34%	3.22%										10.56%
2023	3.66%	-1.36%	2.09%	3.01%	-1.38%	3.23%	3.70%	-1.07%	-4.86%	-2.32%	9.57%	4.99%	20.05%
S&P 500 TR Index	6.28%	-2.44%	3.67%	1.56%	0.43%	6.61%	3.21%	-1.59%	-4.77%	-2.10%	9.13%	4.54%	26.29%
2022	-10.55%	-0.66%	4.06%	-7.87%	-3.66%	-6.45%	7.58%	-2.94%	-7.74%	5.41%	2.64%	-0.48%	-20.35%
S&P 500 TR Index	-5.17%	-2.99%	3.71%	-8.72%	0.18%	-8.25%	9.22%	-4.08%	-9.21%	8.10%	5.59%	-5.76%	-18.32%
2021	-0.35%	0.54%	2.17%	7.36%	-0.80%	2.42%	3.11%	3.25%	-3.40%	5.74%	0.64%	2.16%	24.84%
S&P 500 TR Index	-1.01%	2.76%	4.38%	5.34%	0.70%	2.33%	2.38%	3.04%	-4.65%	7.01%	-0.69%	4.75%	29.88%
2020	-	-	-	-	5.90%	-0.54%	7.12%	7.35%	-3.78%	-0.90%	7.49%	1.98%	26.60%
S&P 500 TR Index	-	-	-	-	4.76%	1.99%	5.64%	7.19%	-3.80%	-2.66%	10.95%	3.71%	32.84%

Fund Facts

Fund Domicile	Austria
Fund Type	UCITS
Fund Manager	Fairway Asset Management AG
Fund Management Co.	1741 Fund Management AG
Custodian	Liechtensteinische Landesbank AG
Representation Switzerland	1741 Fund Solutions AG
Paying Agent	Tellco AG
Auditor	Ernst & Young
Trading Frequency	Daily
Redemption Notice	None
Share Class A (Min. USD 50,000)	AT0000A2EKM2
Share Class B (Inst. – Min. USD 500,000)	AT0000A2EKN0
Fund Assets	USD 4.0 Mln
Reference Currency	USD
Launch Date	04.05.2020

Fee Structure

Institutional (capped at 100m)

Management Fee

Institutional 0.8%; Retail 1.0%

Hurdle Rate

S&P 500 Index

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