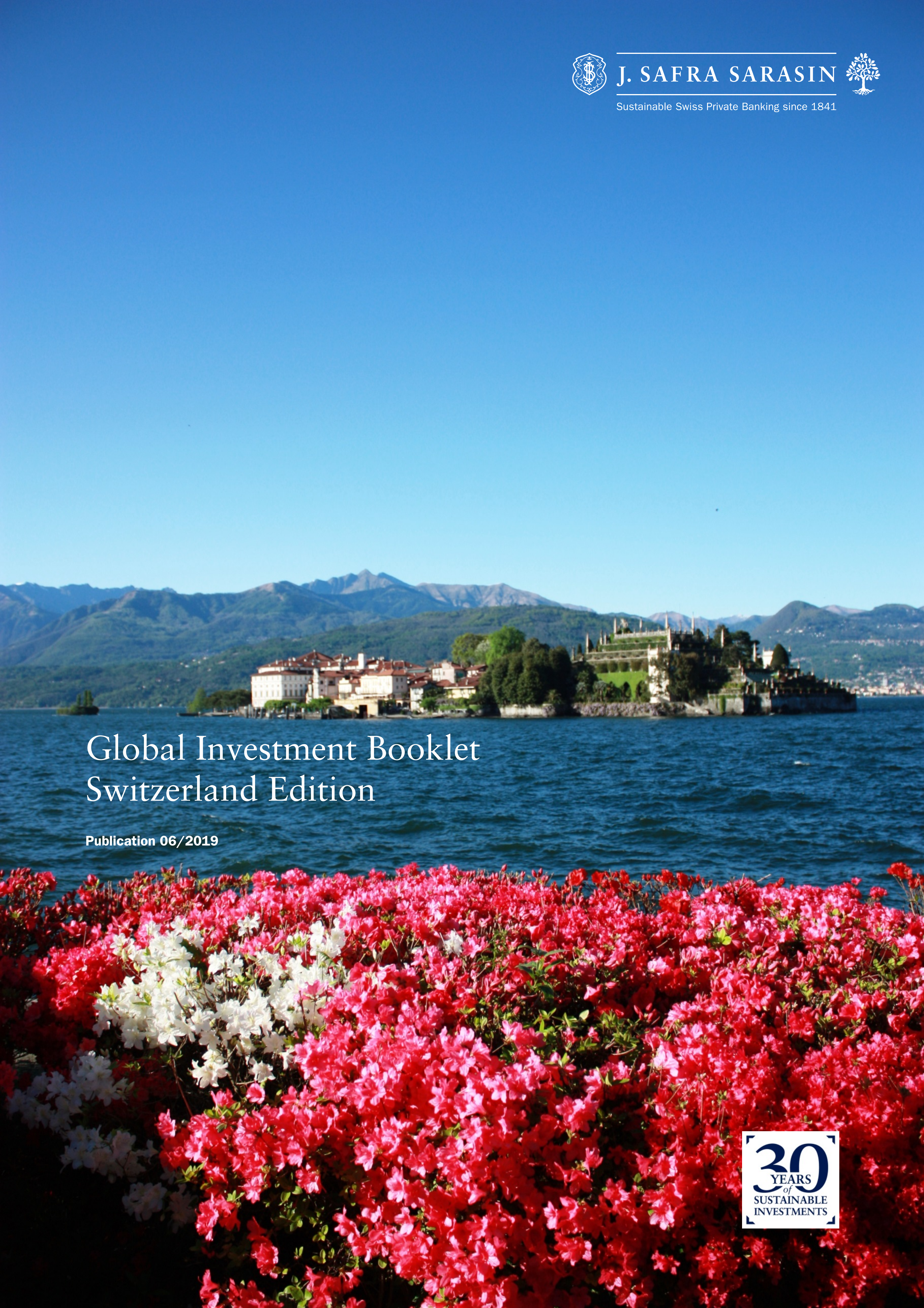
J. SAFRA SARASIN
Sustainable Swiss Private Banking since 1841



Global Investment Booklet
Switzerland Edition

Publication 06/2019

30 YEARS of SUSTAINABLE INVESTMENTS

Foreword

Dear Reader
The renewed escalation of the trade war between the USA and China has caught investors off guard and triggered a sharp setback in financial markets in May. The expected economic recovery could be delayed given the heightened levels of uncertainty, and investors will need a great deal of patience to wait until the news flow improves. We do not think the US Federal Reserve (Fed) will be quick to provide support, which could lead to further disappointments. Hence, we are sticking to our underweight allocation to equities and remain cautiously positioned in our balanced portfolios.
The total return generated in our portfolios since the start of the year is very satisfactory, and we expect the investment environment to improve again in the second half of the year.

Yours sincerely
Philipp E. Bärtschi, CFA
Chief Investment Officer

Dear Reader
5G is a topic that has been brought up often in the news these past months, both in Switzerland and abroad. While the debate on its health risks is ongoing, this ground-breaking network technology will improve the transmit speed of data dramatically.
5G networks are capable of transferring more data (100x) with a lower latency (50x lower) to a much larger number of devices (100x) compared to current technology. In the era of the "Internet of Things", where devices are expected to communicate with each other in real-time, 5G represents the infrastructure upon which the future can be built.
But 5G is just one of the innovations that are set to reshape the world. Identifying the winners of tomorrow, the companies that develop new technologies and those that benefit from their implementation, lies at the heart of our Tech Disruptors strategy. Read about these fascinating topics in this month's spotlight!

Yours sincerely
Martin Fenner
Head of Global Investment Marketing

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Market Developments

		Last Pricing	Performances in %				
		31.05.2019	YTD	2018	2017	2016	2015
World Equity Markets							
MSCI World	USD	2'046	-6.1	-10.4	20.1	5.3	-2.7
S&P 500	USD	2'752	9.8	-6.2	19.4	9.5	-0.7
DJ Euro Stoxx 50	EUR	3'280	9.3	-14.3	6.5	0.7	3.8
SMI	CHF	9'524	13.0	-10.2	14.1	-6.8	-1.8
MSCI UK	GBP	2'062	6.0	-12.6	7.2	14.2	-5.9
DAX	EUR	11'727	11.1	-18.3	12.5	6.9	9.6
TOPIX	JPY	1'512	1.2	-17.8	19.7	-1.9	9.9
MSCI Emerging FREE	USD	998	3.3	-16.6	34.3	8.6	-17.0
Currencies							
CHF-based	USD	1.0010	2.0	0.7	-4.3	1.6	0.8
	EUR	1.1209	-0.5	-3.7	9.2	-1.4	-9.6
	GBP	1.2678	1.0	-4.8	5.0	-14.9	-4.8
	JPY	0.9240	3.3	3.6	-0.7	4.4	0.3
EUR-based	USD	1.1144	2.6	5.0	-12.2	3.0	11.4
	CHF	1.1209	0.5	3.8	-8.4	1.4	10.6
	GBP	0.8841	1.5	-1.1	-3.8	-13.7	5.3
	JPY	120.9906	3.7	7.9	-9.1	6.2	11.0
USD-based	EUR	1.1169	-2.6	-4.4	14.1	-3.2	-10.2
	CHF	1.0009	-1.9	-0.7	4.5	-1.6	-0.8
	GBP	1.2633	-1.0	-5.6	9.5	-16.3	-5.4
	JPY	108.2778	1.2	2.8	3.7	2.9	-0.5
Bond Indices							
Switzerland	2 years	61.3	-1.2	-3.3	-3.7	-3.5	-3.2
	3 years	76.0	-0.9	-2.1	-3.0	-2.9	-1.9
	5 years	90.9	-1.1	-2.8	-2.3	-2.0	0.1
	7 years	123.0	1.1	-0.3	-1.6	-1.4	2.5
	10 years	148.2	1.1	-1.3	-2.3	0.3	2.9
Germany	2 years	99.5	-0.1	-0.7	-2.3	-1.2	-0.3
	3 years	99.4	0.2	-0.1	-2.9	-0.4	-0.9
	5 years	127.0	1.5	0.9	-2.5	1.1	-0.3
	7 years	124.6	2.5	1.1	-2.3	1.7	-0.6
	10 years	159.4	4.8	2.9	-0.6	5.0	-0.5
	30 years	228.9	11.6	10.0	-6.0	12.2	-2.7
United States	2 years	124.2	0.8	-0.9	-1.1	-0.0	-0.2
	3 years	131.2	1.5	-1.3	-1.1	0.1	-0.1
	5 years	149.0	2.5	-1.6	-1.3	-0.5	-0.2
	7 years	166.7	3.6	-1.9	-0.3	-0.0	-0.3
	10 years	151.7	4.8	-2.9	-0.2	-0.8	-1.1
	30 years	177.6	9.9	-6.8	8.4	-1.7	-6.0
Corporates							
United States	Investment grade	3'046.4	7.1	-2.2	6.5	6.0	-0.6
	Non investment grade	1'326.4	7.5	-2.3	7.5	17.5	-4.6
Euroland	Investment grade	286.8	3.8	-1.1	2.4	4.7	-0.4
	Non investment grade	396.9	6.9	-2.1	1.5	10.0	9.2
Commodities							
Bloomberg Commodity Index (USD)		163.4	2.3	-11.2	1.7	11.8	-24.7
Oil WTI (USD / barrel)		53.5	18.5	-25.3	12.5	44.8	-30.5
Gold (USD / ounce)		1'300.1	1.5	-1.7	12.6	9.0	-10.5

Source: Bank J. Safra Sarasin Ltd, Datastream as of 31.05.2019.

Trade Dispute Creates Uncertainty

Bonds

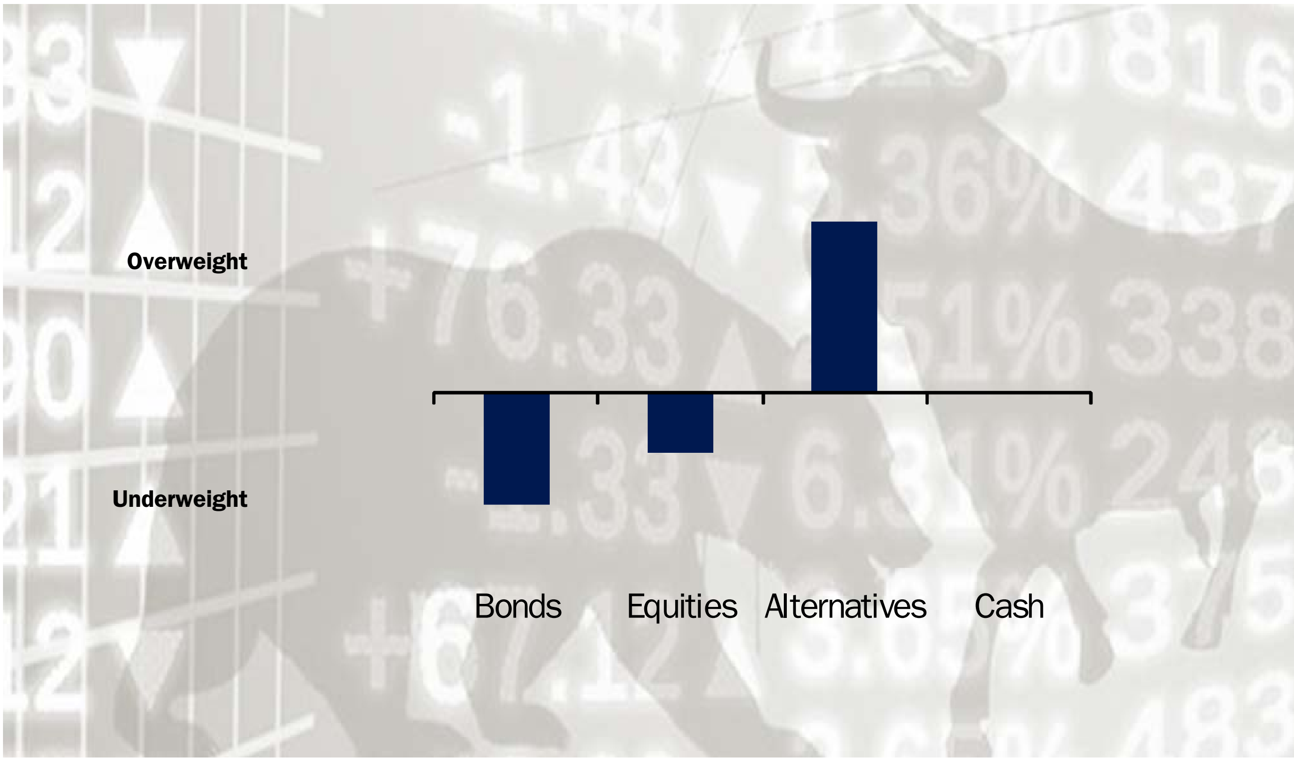
We expect global growth to stabilize in H2 2019, leading bond yields moderately higher from here. However, accommodative monetary policy limits upside potential. The low interest rate environment and attractive carry are supportive for Emerging Markets and High-Yield.

Equities

Mixed economic data and a further trade war escalation are the main factors of uncertainty. Environment remains challenging for risky assets, and we therefore keep a defensive allocation.

Alternatives

We prefer uncorrelated assets and view commodities as an inflation hedge.



Source: Bank J. Safra Sarasin Ltd, as of 04.06.2019; graph for illustrative purposes only.

Economic Outlook & Investment Strategy

Developed Economies

Decent fundamentals but tail risk of a full-blown trade war has risen.

Domestic demand is holding up, and external demand should improve.

Another Brexit extension is likely, and general elections or referendum are expected in 2020.

Emerging Economies

The soft patch in China may drag on, and could unsettle investors.

China's economy should recover in the second half of 2019.

Non-tariff trade measures are a clear risk to economic growth and markets.

Asset Classes

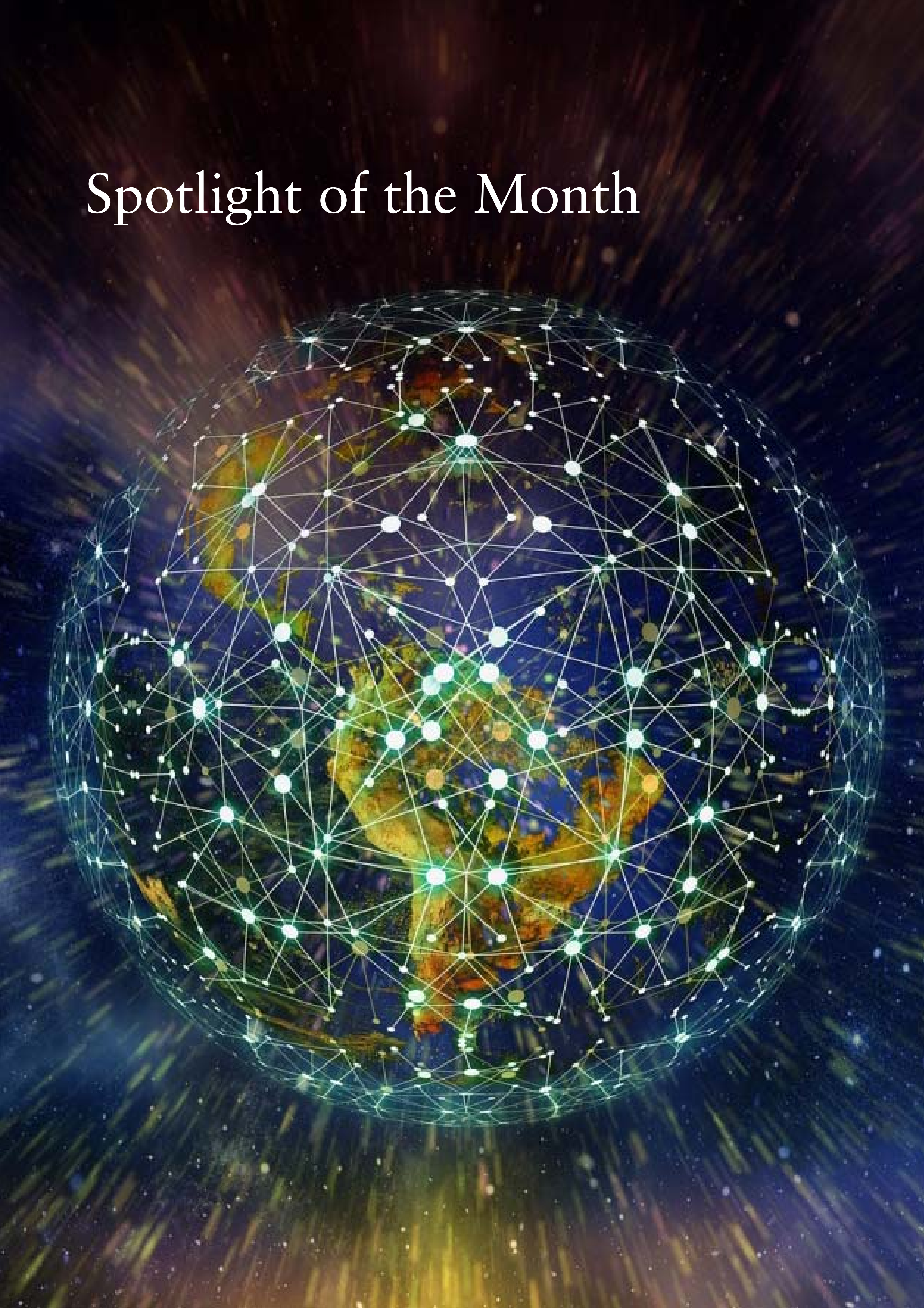
Rates	→	Neutral duration in the US.
Forex	→	We expect EUR/USD to trade in a narrow range in 2019.
Equities	→	Global equities to find a tactical bottom in June, before rebounding into late July / early August

Asset Allocation

Bonds	→	Underweight
Equities	→	Slight underweight
Equity Focus	→	Focus on US & EM equities, Information Technology, Communication Services, and Consumer Discretionary.

Source: Bank J. Safra Sarasin Ltd, as of 04.06.2019.

Spotlight of the Month



Disruption in the Time of Trade Wars

Thomas Godziek is a Portfolio Manager at Bank J. Safra Sarasin, which he joined in March 2014. Tomasz combines quantitative and fundamental analysis with sustainability research. He is specialized in the Information Technology sector and manages the Tech Disruptors strategy.

▶ The main topic that has been directing market movements over the past few months is the US-China trade war. What is your view on this issue, and what are the implications for tech?

Tech was definitely impacted by the trade war, as it's a highly interconnected sector that brings together expertise from all over the world. Consider for instance that a single iPhone is made up of labour and components from over 30 different countries! As a result, hurdles to global trade are bound to impact supply chains and technology companies worldwide. In our view, this interconnectedness is also one of the strongest forces pushing towards an agreement. For instance, consider that China produces 90% of the world's rare earths, which are absolutely key for a wide range of applications, from petroleum refining to computers, from light bulbs to display screens; nobody has to gain from the disruption of these supply chains. Moreover, though China arguably has more to lose in the short-term, the trade war's ripple effect would end up affecting American geostrategic partnerships (think of Taiwan's Foxconn or South Korea's Samsung) and the lifestyle of its consumers, all the while thrusting China towards technological self-sufficiency. This is not to say that a long-term "fix-all" agreement is just around the corner; the new geopolitical context will be pitting the US and China towards increasing competition going forward—especially when it comes to technological relations. What we do expect is an interim agreement that will curb the current tension spike and soothe financial markets.

▶ The US Department of Justice and Federal Trade Commission have initiated a probe to investigate potential abuses of dominant position by some major American tech giants. What do you think will come of this?

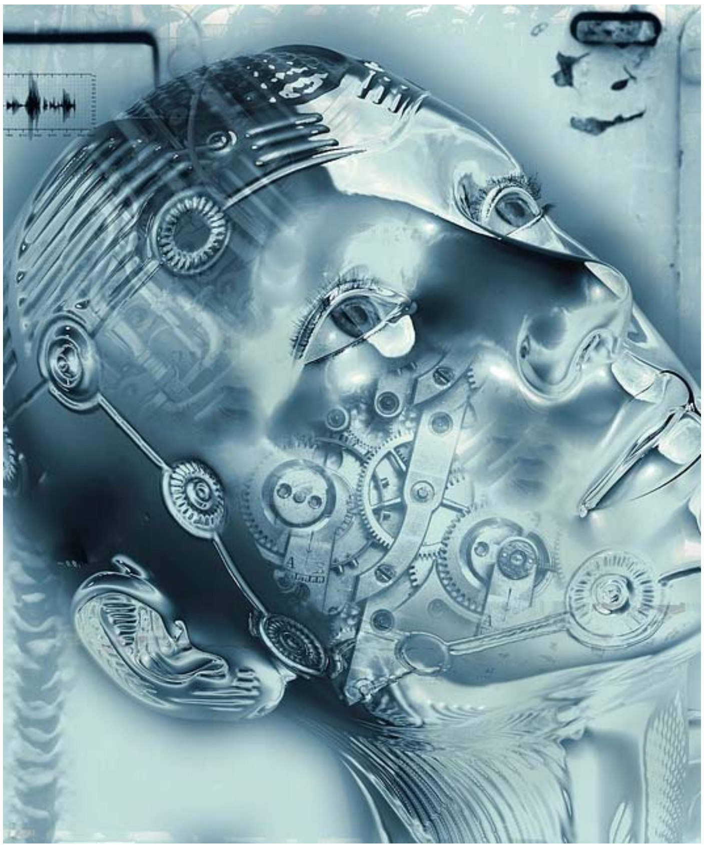
This is something that we all suspected would happen eventually, but I honestly don't think it will end up significantly impacting these companies. To begin with, all of these conglomerates saw this coming and have been investing heavily in compliance; they are much better equipped to deal with compliance issues today than they were even just a few years ago. Second, while we can't rule out potential fines, breaking up a conglomerate like Google, Amazon or Facebook would be unbelievably complex from a regulatory standpoint, and is a highly unlikely outcome of this process. Finally, the long-term competition that is building up with China in the tech sector means that the US will need to support its major tech firms to compete on the global stage, not weaken them; in many ways, this is a matter of national security that trumps most other considerations

▶ One could see trade wars as fairly idiosyncratic events, but technological disruption revolves around trends that can take years and decades to come to fruition. What do you think is the most promising long-term development that we should look out for?

I'd say that the most prominent long-term trend we are invested in is Artificial Intelligence. The recent developments in AI are astounding, and so are its future applications. For instance, a medical imaging start-up is using machine learning to read heart MRIs and measure the blood flow through ventricles, taking only 15 seconds to do so…the same process carried out by a human takes 45 minutes. Another interesting application is speech recognition, which will greatly benefit from machine learning and so-called neural networks; Microsoft announced that their AI-powered speech recognition system achieved an error rate equal to professional human transcribers. These are only a few examples of how AI will shape the world around us, and we are convinced that there is much to gain by identifying companies that are participating in this long-term trend: just in recent months we built up positions in Elastic and Wix.com.

▶ Can you also share a few upcoming technologies that we may be able to experience in the shorter term?

A trend that has been in the spotlight over the past months – especially in Switzerland – is 5G. This technology represents a radical improvement over the current mobile data networks in at least 3 ways: compared to the current LTE technology it allows for an up to 20-fold increase in speed, significantly lower latency (that is, connected devices will be up to 50 times more responsive), and the ability to connect a whopping 1 million devices per square kilometre. This opens up numerous technological developments: higher speeds and lower latencies are essential for the implementation of autonomous driving, and the ability to connect many devices will boost the proliferation of the Internet of Things and smart devices. Another important technological development is silicon carbide (SiC) batteries: SiC is a material that was first discovered in meteorites dating back 4.6billion years, but we only recently learned how to synthesize it. Its ability to reduce energy losses by 80% and its unparalleled dissipation qualities make it a potentially revolutionary new material for applications spanning from electric vehicles' batteries to robots to renewable energy.



▶ These developments are really fascinating, but why would an investor capitalize on them through your strategy as opposed to a competitor's?

One key element is that we don't invest in a single theme (such as "Big Data" or "Robotics"), but rather in the whole spectrum of technological disruption, from Artificial Intelligence to Robotics, from Augmented Reality to Autonomous Driving. This allows us to access a wider range of investment opportunities, which also leads to more diversification and the ability to find opportunities throughout different phases of the market cycle. We also invest in both "enablers" and "beneficiaries" of technological change, where enablers tend to be high growth tech companies that create the technology, while beneficiaries tend to be non-tech companies that implement these disruptive technologies in order to gain an edge against their competitors. For instance, specialised companies ("enablers") are striving to improve sensors that will greatly accelerate the progress towards autonomous driving, while BMW ("beneficiary") could ultimately be spearheading the adopting of these new technologies to gain an edge against its competitors in the autonomous driving space. If most enablers are tech companies, beneficiaries come in many shapes and forms: this provides us with a further layer of diversification, allowing us to not only cycle through different technologies, but also through industries, sectors, and geographies.

Picture Source: www.pixabay.com

Investment Strategies Overview

	Investment Strategy	Rationale
Fixed Income Forex & Cash	1. JSS Bond – Asia Opportunities	Attractive strategy allowing investors to gain exposure to Asian investment grade bonds.
	2. JSS Sustainable Bond – Global High Yield	Sustainable Investing can be seen as a powerful risk management tool because it helps investors mitigate risks that are usually underestimated, such as legal, environmental, reputational and operational risks.
	3. JSS Short-term Bond – Global Opportunistic	Focus on credit quality, short remaining duration and capturing risk premium via our opportunistic allocation to EM Corporates.
	4. Nordea 1 – European High Yld Bd BP EUR	A diversified approach to the high yield asset class managed by an experienced investment team.
Equities	5. JSS Sustainable Equity – Tech Disruptors	Capitalising on the development of disruptive technologies by investing in technology enablers and beneficiaries.
	6. JSS Responsible Equity – Brazil	High conviction ideas in Brazilian equities, based on a responsible investment universe.
	7. JSS OekoSar Equity – Global	Global thematic and sustainable equity strategy, unconstrained and high conviction.
	8. Schroder BRIC	Brazil, Russia, India, and China - the largest Emerging Market economies currently offer a combination of liquidity, strong fundamentals and attractive valuations
Multi Asset Investments	9. Pure Sustainable Mandates	Mandate solution offering that provides the investor with an entirely sustainable portfolio.

Please see the important risk and legal information at the end of this document

Fixed Income, FX, Money Markets, Cash

- Narrowing PMI spread should increase EUR attractiveness over the medium-term.
- We expect global growth to stabilize in H2 2019, leaving bond yields moderately higher from here.
- Prolonged Brexit uncertainty should force the BoE to keep rates on hold in 2019.

FX: USD Range-bound Vs EUR in 2019

USD vs EUR
We anticipate EUR/USD to trade in a narrow range in 2019. Growth and PMI differential is narrowing. Trade war issues still give the USD a relative edge during risk-off periods. A narrowing 10-year real yield spread should moderately lift up the EUR in H2.

CHF
The CHF will trade sideways to the EUR as the SNB closely follows ECB policy.

GBP
Exit of PM May. We expect the Pound to appreciate slightly over 2019 as the UK overcomes the 'Brexit' turmoil and growth prospects improve.

FX-Forecasts

	04 Jun 2019	Sep 2019	Dec 2019	Dec 2020
EUR-CHF	1.11	1.12	1.13	1.13
EUR-USD	1.12	1.13	1.14	1.15
EUR-GBP	0.88	0.87	0.87	0.85
USD-JPY	108.1	110.0	109.0	107.0
USD-CHF	0.99	0.99	0.99	0.98
USD-CNY	6.91	6.90	6.80	6.71

Source: Bank J. Safra Sarasin Ltd, Datastream, charts and data as of 04.06.2019. Information containing forecasts are intended for information purpose only and are neither projections nor guarantees for future results and could differ significantly for various reasons from actual performance.

Money Market: Policy Normalisation is On Hold

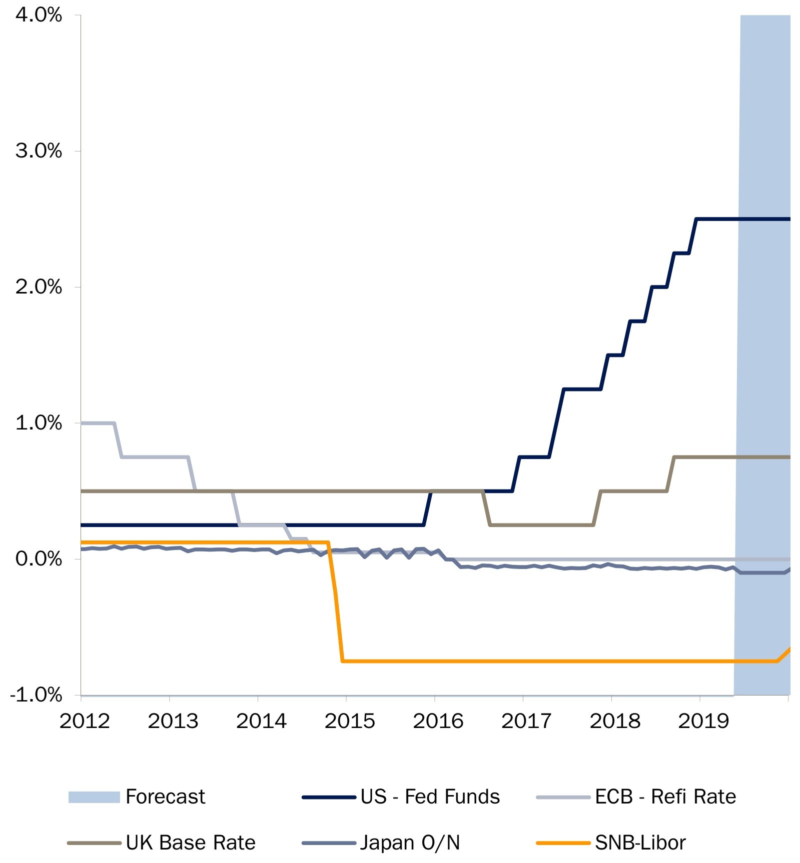
US Federal Reserve (Fed)
Fed to maintain its 'wait-and-see' approach, but precautionary cuts are likely if the trade/tech war continues to escalate.

Bank of England (BoE)
Prolonged Brexit uncertainty should force the BoE to keep rates on hold in 2019.

European Central Bank (ECB)
We expect a first deposit rate hike in Q1 2020.

Swiss National Bank (SNB)
SNB should increase interest rates only once the ECB has hiked rates.

Bank of Japan (BoJ)
The BoJ should maintain its current policy stance.



Policy rate forecasts in %

	04 Jun 2019	Sep 2019	Dec 2019	Dec 2020
US Fed Funds	2.50	2.50	2.50	2.75
EUR depo rate	-0.40	-0.40	-0.40	0.00
CH 3m LIBOR target	-0.75	-0.75	-0.75	-0.50
BoE base rate	0.75	0.75	0.75	1.00
JP O/N call rate	-0.06	-0.10	-0.10	0.00

Source: Bank J. Safra Sarasin Ltd, Datastream, charts and data as of 04.06.2019. Information containing forecasts are intended for information purpose only and are neither projections nor guarantees for future results and could differ significantly for various reasons from actual performance.

Fixed Income: Moderate Upward Shift in Yields Along the Yield Curve Still Expected By Year-end

Given the negative backdrop of a soft US manufacturing sector and uncertainty about trade, US bond yields could move lower in the short term.

Current rate cut expectations in the US curve will not be dispelled, before US PMIs turn around.

Forward-looking indicators in the Euro area are turning, thus confirming an improvement in GDP growth in H2 2019.

We expect global growth to stabilize in H2 2019, leaving bond yields moderately higher going forward.

10 year bond yield in %

Index	04 Jun 2019	Sep 2019	Dec 2019	Dec 2020
USA	2.08	2.50	2.70	2.80
Germany	-0.20	0.20	0.25	0.40
Switzerland	-0.46	-0.20	-0.15	0.00
UK	0.86	1.25	1.40	1.60
Japan	-0.11	0.15	0.15	0.20

Source: Bank J. Safra Sarasin Ltd, Datastream, charts and data as of 04.06.2019. Information containing forecasts are intended for information purpose only and are neither projections nor guarantees for future results and could differ significantly for various reasons from actual performance.


FAB 5
"Capturing Sustainable Growth Opportunities"
Capture sustainable growth opportunities with our Top 5 quarterly investment ideas
Contact your relationship manager to learn more about the FAB Five

Investment Strategy 1
JSS Bond – Asia Opportunities

The portfolio invests predominantly in USD denominated bonds issued by Asian companies. The strategy seeks to achieve attractive returns through the active management of bond duration, positioning and reinvestment of coupons; as well as to provide diversification benefits to existing portfolios. Investments are mainly in lower-risk investment grade bonds, mixed with non-investment grade or non-rated bonds to enhance returns.

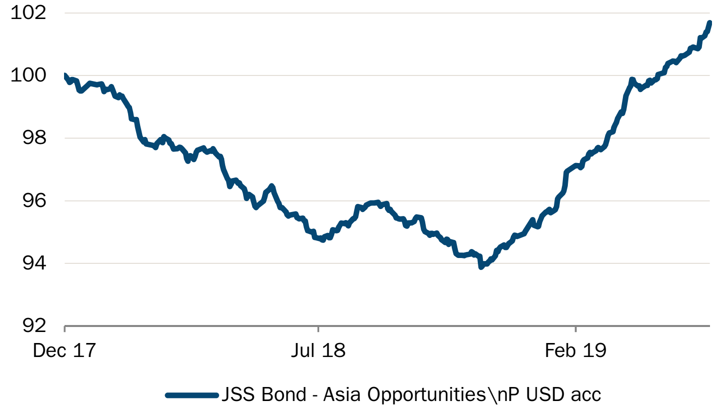
Key Benefits

Attractive strategy that allows investors to gain exposure to Asian investment grade bonds. These bonds offer attractive yields, relatively lower volatility and low correlation compared to other traditional asset classes. Therefore, this strategy offers an attractive risk & return proposition as well as diversification benefits. The strategy is managed by a team of seasoned investment professionals based in Asia; hence, the strategy has truly local presence in the relevant markets. Unique strategy following a top-down approach and a solid 4-year track record.

Investment Rationale

Currently, Asian bonds offer an average yield similar, or marginally higher, than US bonds of comparable credit quality, but with significantly shorter duration (4.8 years vs 7.3 years). This means, Asian bonds are less exposed to interest rate risk and hence volatility. We can therefore say that Asian bonds offer an attractive risk & return proposition. In addition, Asia enjoys healthy fundamentals and promising growth prospects, driven by stimulus from China. The attractive valuations and positive outlook make Asian bonds an interesting opportunity.

Indexed Performance (in USD from 08.12.2017 to 31.05.2019)



	2015	2016	2017	2018	YTD
Fund	n.a.	n.a.	n.a.	-4.73%	7.01%

Key Figures

	Portfolio
Yield to maturity	4.42%
Yield to worst	5.13%
Modified Duration	5.1Y
Spread	2.60%
Coupon	4.41%
Average rating	BBB
Number of securities	38
Number of borrowers	38

Source: Bank J. Safra Sarasin Ltd, Datastream as of 31.05.2019. Past performance is no indication of current or future performance. Past performance data does not take account of the negative impact on investment returns that commissions and costs incurred on the issue and redemption of units.
Please refer to the "Risks" section at the end of the document for details on charges, risk classification and product risks.
Different product risk ratings may apply to different share classes. Please consult your Relationship Manager should you require any further information.




Review

US Treasuries had a strong month with the US 10 year yields falling 37 bps to 2.12%, the lowest level since September 2017. Key parts of yield curve had inverted, with the 3 month LIBOR ending 30 bps higher than 10yr US Treasury yields. The global credit markets benefited from the sharp rally in US Treasury yields, which more than offset widening spreads. In Asia, Investment Grade bonds outperformed High Yield bonds as credit spreads widened 11 bps for the former and 42 bps for the latter.

Outlook

The breakdown in the US-China trade negotiations has brought significant uncertainties to the stable global free trade environment that the world has enjoyed in the past. China, not surprisingly, has taken a retaliatory stance against the US. We note that most of bond issuers from China are domestic market players with limited exposure to US (with the exception of technology companies), which should limit the direct impact of the trade tensions on credit fundamentals. We remain underweight on high beta sectors in Asia (high yield, India and Indonesia) and our China exposure is mainly to companies focused on the domestic economy, who are expected to benefit from the country's policy stimulus.

Product Details

Domicile	Luxembourg
Inception Date	08.12.2017
Accounting Currency	USD
Benchmark	-

Source: Bank J. Safra Sarasin Ltd, Datastream as of 31.05.2019.
Please refer to the "Risks" section at the end of the document for details on charges, risk classification and product risks.
Different product risk ratings may apply to different share classes. Please consult your Relationship Management should you require any further information.

Investment Strategy 2
JSS Sustainable Bond – Global High Yield

The fund invests globally in high yield bonds issued by sustainable issuers. High Yield bonds offer an attractive risk & return profile for investors as historical returns are comparable to those from equity, yet with lower volatility. Incorporating our Sustainability Investment approach into the investment process help investors to manage risks that are otherwise underestimated. The strategy focuses on liquid bonds denominated in USD, EUR, GBP and CAD.

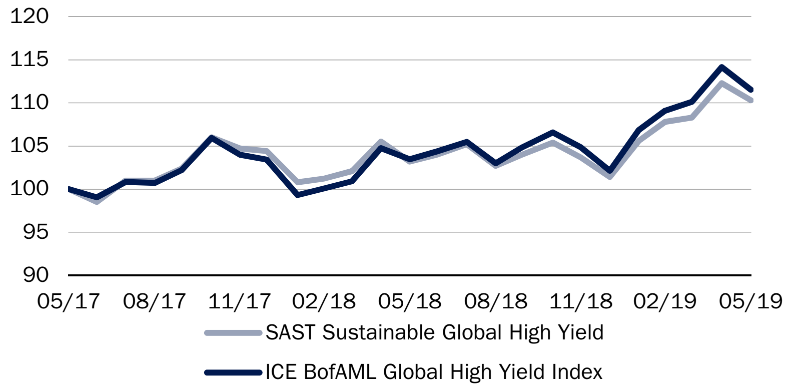
Key Benefits

High Yield bonds offer a very attractive risk & return proposition. Looking at historical returns, global high yield bonds have generated returns similar to equities, but with lower volatility because prices converge towards PAR as bonds approach maturity. We believe Sustainability helps us mitigate risks that are usually underestimated, but also helps in selecting companies that are socially engaged, with more viable business models and better governance. In short, companies that are more likely to grow and improve their credit quality.

Investment Rationale

Investors are in great need of attractive returns as they strive to earn target returns. Our strategy allows investors to gain access to the global high yield bond market with a more selective approach. We integrate our Sustainability investing approach into our investment process. Whilst high yield bonds can potentially enhance returns, our Sustainability approach helps mitigate risks such as environmental, reputational, operational and legal, among others. We believe that this risk mitigation helps avoiding accidents in the portfolio, and outperform the market in the long run.

Indexed Performance (in USD from 31.05.2017 to 31.05.2019)



	2015	2016	2017	2018	YTD
Fund	n.a.	n.a.	4.4%	-2.9%	8.6%
Benchmark	n.a.	n.a.	4.7%	-2.2%	8.7%

Key figures

	Portfolio	Benchmark
Yield to maturity	6.30%	6.60%
Yield to worst	6.00%	6.30%
Modified Duration	3.58Y	3.53Y
Spread	4.40%	4.70%
Coupon	5.80%	6.00%
Average rating	B+	B+
Number of securities	169	3134
Number of borrowers	153	1474

Source: Bank J. Safra Sarasin Ltd, Datastream as of 31.05.2019. Past performance is no indication of current or future performance. Past performance data does not take account of the negative impact on investment returns that commissions and costs incurred on the issue and redemption of units.
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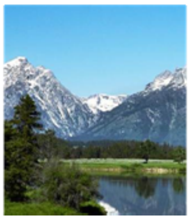


Review

Global High Yield markets were weaker this month due to continued rhetoric surrounding US-China trade tensions and newly announced US-Mexico tarrifs. High Yield funds experienced outflows for the fourth time in six weeks. Risk sentiment took a hit from falling equity markets and single name moves (Rallye, Thomas Cook). The yield-to-worst on the High Yield index gained 78 basis points, retracing nearly halve of the tightening since end of last year. The YTD return now stands at +7.02% and credit spreads tightened 49bps during the last month. Europe outperformed the US & emerging markets HY markets on a spread basis. By yield, the index closed May at 6.37%, down from the 7.50% high reached at the end of last year. By rating, last month saw CCCs bonds underperform BBs. In May our JSS Sustainable Bond Global High Yield fund fell slightly but still beat the benchmark. The fund has yet to experience any default since inception.

Outlook

As we head into June, falling early summer liquidity levels as well as recent weaker data and a somewhat more hawkish Fed could lead to a rotation to more defensive names in the HY asset class. We continue to believe that fundamentals, as well as technicals, look remarkably solid: the drop of the default rates to an all-time low, the shrinkage of the HY market as rising stars exceed fallen angels and the slow supply calendar. We think HY credit offers reasonable value till the year-end, with returns driven by carry and roll-down. In summary, the fundamental backdrop and the technical picture should overcome the current volatility faced this month and we remain neutral on the global high yield market.

Product Details

Domicile	Luxembourg
Inception Date	27.03.2018
Accounting Currency	USD
Benchmark	ICE Bank of America Merrill Lynch Global High Yield Index hedged USD

Source: Bank J. Safra Sarasin Ltd, Datastream as of 31.05.2019.
Please refer to the "Risks" section at the end of the document for details on charges, risk classification and product risks.
Different product risk ratings may apply to different share classes. Please consult your Relationship Management should you require any further information.

Investment Strategy 3
JSS Short-term Bond – Global Opportunistic

The fund invests globally in fixed income securities with short duration, with a 3-year limit at the portfolio level. The strategy is opportunistic in nature and the objective is to capture risk premium in order to enhance the investment return. Currently, we believe that the most attractive risk premium is available in Emerging Market Corporates. The fund invests at least 50% of the capital in USD denominated corporate bonds from issuers domiciled or economically active in this region.

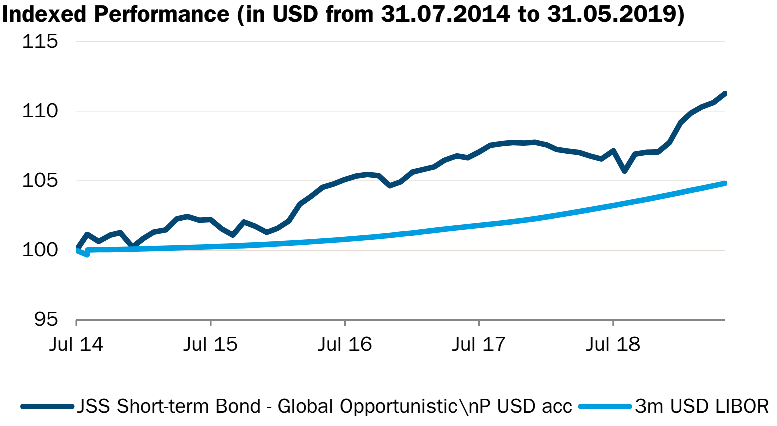
Key Benefits

In the wake of the low yield environment investors have been forced to assume risks that are underestimated. The strategy helps investors with these risks by following simple rules: a) Strong focus on fundamental credit analysis to mitigate credit risk. b) Focus on bonds with short remaining life to mitigate interest rate risk. c) The strategy has and opportunistic allocation to Emerging Market Corporates to enhance returns by capturing risk premium – minimum allocation is 50%.

Investment Rationale

Bond Investors are predominantly concerned about credit and interest rate risks. Mitigating these risks inevitably results in lower expected returns. Paradoxically, investors also need to achieve return expectations. We close the return gap by allocating capital opportunistically to capture risk premium. At the moment, the most attractive risk premium is available in Emerging Market corporate bonds. Because of the short duration profile, the strategy benefits from rising interest rates, as we reinvest maturing bonds at higher yields.

Indexed Performance (in USD from 31.07.2014 to 31.05.2019)



	2015	2016	2017	2018	YTD
Fund	1.05%	3.57%	2.72%	-0.01%	3.27%
Benchmark	0.32%	0.74%	1.10%	1.68%	0.79%

Fund Characteristics

# of Positions	96
Average Yield	4.30%
Avg Z-Spread	213.00
Duration (years)	2.00
Avg Rating	BBB
Avg Maturity	2.31
Top 10 Holdings	20%
Largest Position	3.39%

Source: Bank J. Safra Sarasin Ltd, Datastream as of 31.05.2019. Past performance is no indication of current or future performance. Past performance data does not take account of the negative impact on investment returns that commissions and costs incurred on the issue and redemption of units.
Please refer to the "Risks" section at the end of the document for details on charges, risk classification and product risks.
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Review

A re-escalation of the trade war between the US and China and concerns of a global growth slowdown set the stage for a repricing of the US yield curve. The market now prices in close to three cuts over the next twelve months. Risk assets performed poorly against this backdrop and emerging market corporate credits widened around 40 bps. However with the tightening on the US curve and a good carry, returns were positive for the asset class. In Argentina the surprising news that Cristina Kirchner will run as vice president for a more moderate candidate brought some relief to the market. In Brazil a pro-government protest indicated popular support for Bolsonaro's reformist agenda. Growth has been disappointing so far, however the market is still focusing on the outcome of the pension reform vote, which is expected to happen in the third quarter of 2019. President Trump announced tariffs on Mexican imports should illegal immigration problems on the border persist. EM fixed income posted negative monthly outflows for the first time this year led by local currency, although hard currency still saw slightly positive inflows.

Outlook

We still believe the best risk return for emerging markets is on the short end of the curve, as credit spreads (and the yield curve) are pretty flat. In Brazil politics will continue to be the main focus of the market and there should not be any important asset moves before the outcome of the pension reform. Therefore, we keep our core exposure there as we are positive on the event. We should have a better grasp on the Argentinian elections by the end of June as parties present their candidacies, but there is still value to play long on some assets. Uncertainties regarding the US tariffs on Mexico will take a toll on the country's assets and as such, we are wary of adding any risk by now, although some opportunities may emerge. The same can be said about the escalating trade war with China. With a duration of only 2.0Y, portfolio yield-to-worst at 4.3% still offers a good carry

Product Details

Domicile	Luxembourg
Inception Date	31.07.2014
Accounting Currency	USD
Benchmark	3m USD LIBOR

Source: Bank J. Safra Sarasin Ltd, Datastream as of 31.05.2019.
Please refer to the "Risks" section at the end of the document for details on charges, risk classification and product risks.
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Investment Strategy 4
Nordea 1 – European High Yld Bd BP EUR

The fund invests in European corporate and financial bonds with below investment grade credit quality. It seeks to outperform its benchmark. The fund has a rigorous bottom-up credit selection approach rather than tactical rating or sector allocation. Non EUR exposure is fully hedged back. That process has led to a successful and established track record since inception of the fund.

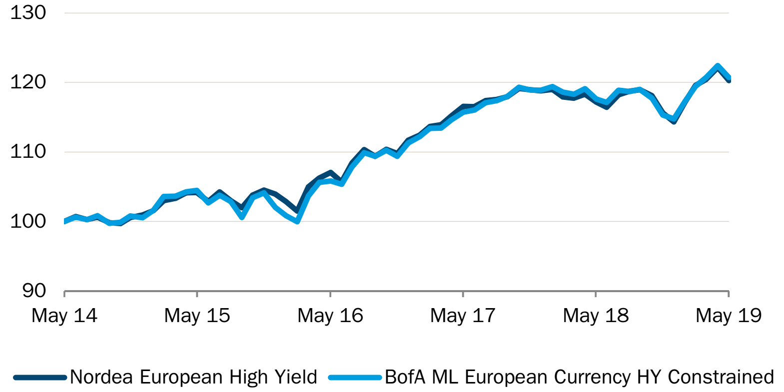
Key Benefits

This European high yield strategy has been successful with it's focus on fundamental, bottom-up security selection. The fund can implement opportunities arising from the financial sector. The high yield asset class can be best implemented with an active manager like CapitalFour, who acts as an advisor to the fund. The investor benefits from a specialist firm with an average experience of more than 18 years in the high yield market,

Investment Rationale

In today's environment of lower yields, increased volatility and challenging liquidity conditions in corporate bond markets, small investment errors can be very costly. On the positive side, the significant growth in the lower-rated buckets of the investment grade universe also creates potential for interesting investment opportunities and return potential from so called Fallen Angels. These developments should favor investors with a fundamental active and bottom-up focused process like that implemented by Capital Four.

Indexed Performance (in EUR from 31.05.2014 to 31.05.2019)



	2015	2016	2017	2018	YTD
Fund	3.01%	7.42%	6.37%	-3.76%	5.19%
Benchmark	1.49%	9.12%	6.77%	-3.45%	5.20%

Product Details

Domicile	Luxembourg
Inception Date	04.01.2006
Accounting Currency	EUR
Benchmark	BofA ML European Currency HY Constrained

Key Figures

Statistical Ratio	Fund
Return (3-years; annualised)	4.0%
Volatility (annualised)	7.7%
Sharpe Ratio	0.75
Tracking Error	2.0%

Source: Bank J. Safra Sarasin Ltd, Datastream as of 31.05.2019. Past performance is no indication of current or future performance. Past performance data does not take account of the commissions and costs incurred on the issue and redemption of units.
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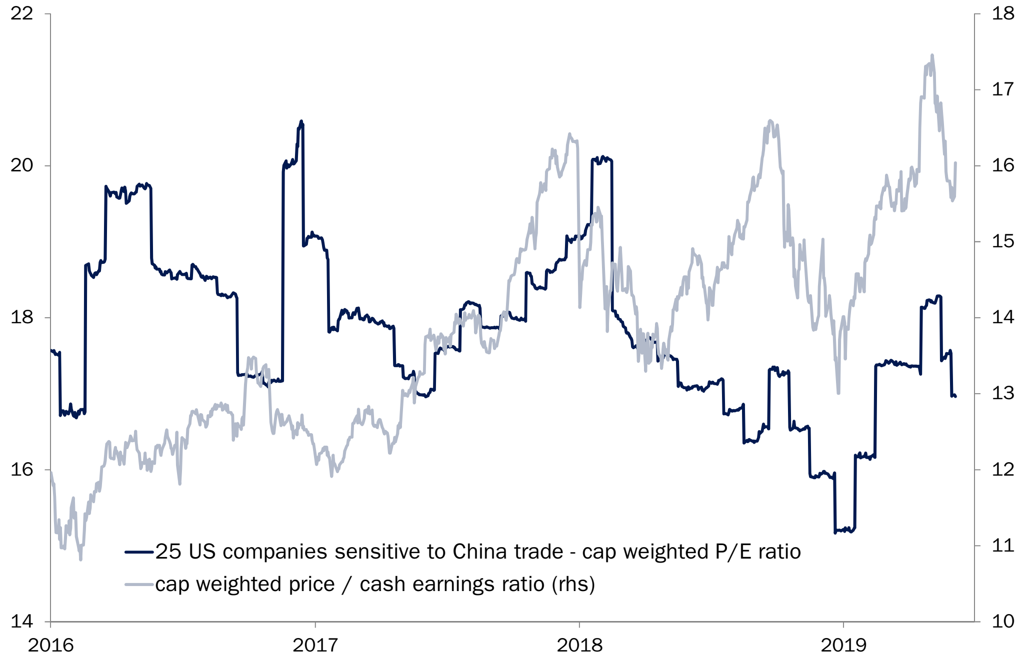
Equities

- Global: Global equities to find a tactical bottom in June, before rebounding in late July / early August.
- US: Sharp decline in real bond yields likely to boost US equities higher into July.
- China: Chinese equities still on track for another upswing in Q3.

US Equities: US Companies Heavily Exposed to China are not Trading at a Substantial Discount



We expect the continuation of a medium-intensity trade war between the US and China in the coming months.

Supply chains between China and the USA are deeply intertwined, providing a long-term incentive to find a compromise, yet short-term risks exist if further retaliatory measures are enacted.

Stock Index Price Targets

	04.06.	P/E ratio	Dec-19
USA			
S&P 500	2'803	16.0	2'900
Nasdaq 100	7'167	16.9	7'500
Europe			
MSCI UK	2'077	11.2	2'150
DJ Euro Stoxx 50	3'333	13.1	3'400
DAX	11'971	13.2	12'000
SMI	9'598	16.4	9'700
SPI	11'601	16.6	11'600
SMIM (Mid-Caps)	2'418	14.7	2'600
Japan			
Nikkei 225	20'409	11.9	22'000
Emerging Markets			
MSCI EM	1'005	11.2	1'100

Source: Bank J. Safra Sarasin Ltd, Datastream, BEA (Bureau of Economic Analysis), Standard & Poor's, charts and data as of 04.06.2019. Information containing forecasts are intended for information purpose only and are neither projections nor guarantees for future results and could differ significantly for various reasons from actual performance. Past performance is no indication of current or future performance. The forward P/E ratio is calculated according to Bank J. Safra Sarasin Ltd.'s earnings estimates.

Equities Strategy – Regional Allocation
3-6 Months View

Overweight

Recovering net earnings revisions and economic surprises; PMI bottom not yet visible; rising risk of “Technology Cold War” as valuation of exposed US companies is still in middle of range.

Neutral

Solid rebound in earnings revisions and economic surprises; large pharma and consumer staples look robust, while financials are still lagging.

Neutral

Rising economic surprises, though manufacturing and earnings revisions are still subdued.

Underweight

Weak Manufacturing PMI in April; year-on-year industrial production and exports growth still heading lower as short-term bottom looks unlikely.

Neutral

French and Italian PMIs are bottoming, while Germany manufacturing is still struggling; earnings revisions and economic surprises have rebounded strongly.

Overweight

Economic surprises have dropped in past weeks; majority of Asian PMIs seems to be bottoming, yet Chinese impulse is likely to remain moderate.

Source: Bank J. Safra Sarasin Ltd, as of 04.06.2019.

Equities – Sector View

Between a simmering trade war and a possible «Technology Cold War»

Information Technology
Focus on software companies, cautious on tech hardware / semiconductors.

Communication services
Valuation looks generally attractive, with some growth potential.

Consumer Discretionary:
US companies offer better opportunities on a regional basis.

Materials
Chinese reflation trade pauses, metal prices are correcting.

Industrials
The rate of decline in manufacturing activity is slowing down, likely to bottom in Q3.

Healthcare
Neutral rating after substantial slide largely reflecting US political expectations.

Banks
Low bond yields and flat yield curves still create headwind; favour US over European banks.

Energy
Oil price has dropped lately.

Consumer staples
Weak top line growth and margin issues,

Overweight

- Information Technology
- Communication Services
- Cons. Discretionary

Neutral

- Materials(↓)
- Industrials
- Healthcare
- Banks
- Insurance
- Real Estate

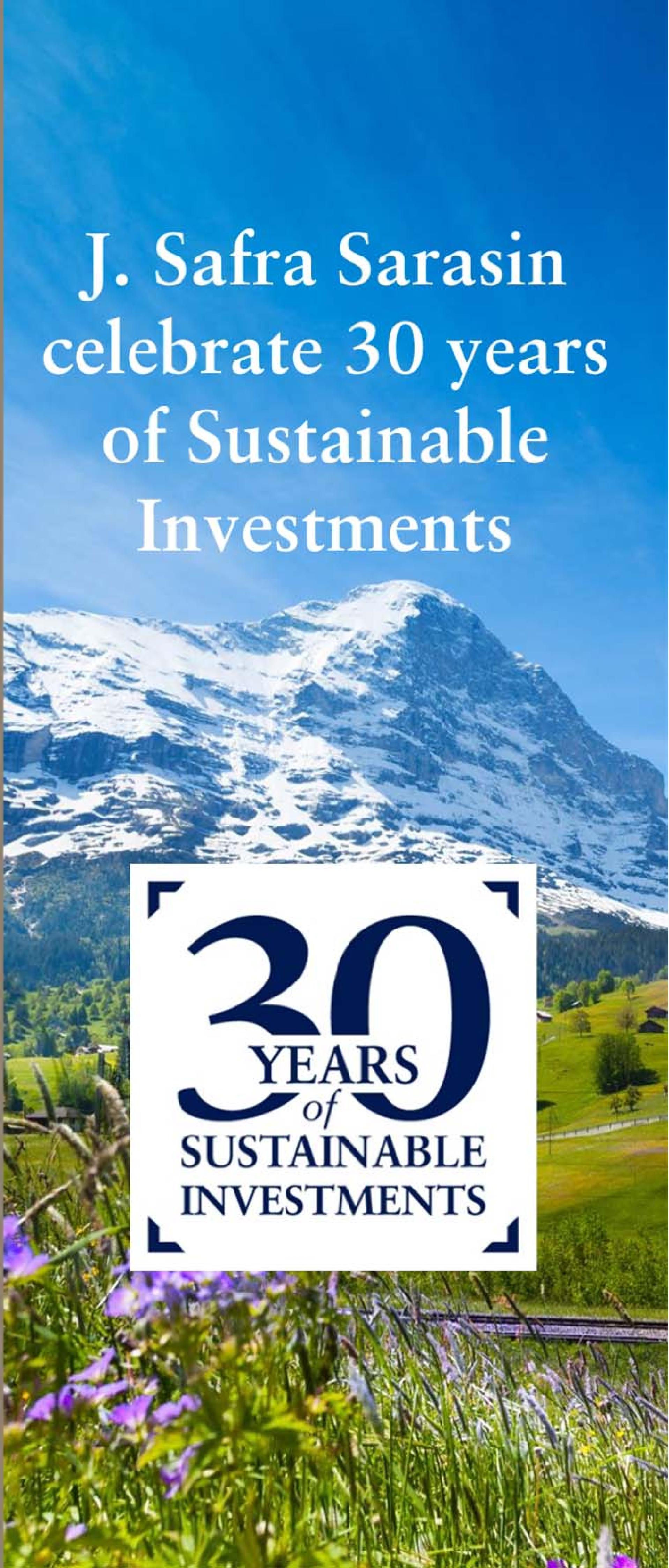
Underweight

- Energy
- Consumer Staples
- Utilities

Source: Bank J. Safra Sarasin Ltd, as of 31.05.2019.
* An upward arrow (↑) indicates an upgrade for the sector, while a downward one (↓) indicates a downgrade.

In 2019 we are proud to celebrate 30 years of success as a sustainable investment pioneer and thought-leader.

A major environmental accident of a Pharma company on the doorstep of our headquarters in Basel prompted the Bank to undertake its first analysis of a company through the lens of sustainability. This led, in 1989, to the first dedicated mandates managed according to environmental criteria and, a few years later, to the launch of the first environmentally-oriented mutual fund.



Investment Strategy 5
JSS Sustainable Equity – Tech Disruptors

High conviction equity strategy that provides exposure to emerging and transformational technological trends. The fund invests in a broad range of technology themes, e.g. Artificial Intelligence, Big Data & Analytics, Cloud & Internet of Things, Robotics & Automation, and Autonomous Driving.

Key Benefits

The strategy offers a smart and balanced way of investing in emerging and transformational technological growth trends. It is driven by an experienced and large investment research team which synthesizes cross-sector insights into a differentiated and active equity strategy. The innovative approach combines technology enablers (tech companies) and technology beneficiaries (non-tech companies that adopt the disruptive technologies). The result is a well-diversified portfolio that provides access to transformational trends.

Investment Rationale

Today we are at the transition from the Third to the Fourth Industrial Revolution. A number of disruptive technologies, such as Artificial Intelligence, the Internet of Things, Robotics and Autonomous Vehicles, will reshape our world. These trends will have wide-reaching financial, societal and political implications. Similar to revolutions that preceded it, the Fourth Industrial Revolution has the potential to raise global income levels and improve quality of life. The speed, effects and complexity of the current technological revolution have no historical precedent. The JSS Sustainable Equity – Tech Disruptors fund offers a simple way to benefit from the fast adoption of new technologies.

Indexed Performance since inception – Underlying Strategy[1]
(23.02.2017 – 31.05.2019, net in USD)

	Since inception (23.02.2017)	1 year	2019 YTD
Underlying Strategy[1] (USD)	22.23%	-4.26%	11.88%

Top Ten Holdings

	Weight in %
Microsoft Corp	7.93
Interxion Holding NV	4.71
Adobe Inc	4.68
Visa Inc -A-	4.62
Tencent Holdings Ltd	3.76
Amazon.com Inc	3.60
Synopsys Inc	3.56
Illumina Inc	3.11
Mastercard Inc -A-	3.03
American Tower Corp	2.76

Source: Bank J. Safra Sarasin Ltd, Datastream as of 31.05.2019. Past performance is no indication of current or future performance. Past performance data does not take account of the negative impact on investment returns that commissions and costs incurred on the issue and redemption of units.
Please refer to the "Risks" section at the end of the document for details on charges, risk classification and product risks.
Different product risk ratings may apply to different share classes. Please consult your Relationship Manager should you require any further information.
[1] The underlying investment strategy refers to the JSS Technology Disruptor Actively Managed Certificate. The JSS Sustainable Equity – Tech Disruptors fund will be managed by the same managers and will hold the same portfolio.

Review

After a strong start in Q1 2019, equity markets have taken a pause in May, following the deterioration in trade discussions between the US and China. Rhetoric from both sides has not provided any relief since early May, with each country accusing the other of having backtracked on negotiations. The increase in the List 3 Trade tariffs to 25% has notably taken equity markets aback. For the technology sector, the addition of Huawei to the blacklist that prevents US suppliers from selling it products and services was particularly harmful to the Technology Hardware and Semiconductor sub-industries. As a consequence, Software expanded its outperformance versus other technology sub-sectors during May. In this context, the performance of the Tech Disruptors strategy performed in line with the MSCI World Technology index, thanks notably to our significant overweight in US Software. On the stock level, Salesforce.com, American Tower and VISA were the key positive contributors.

Outlook

We expect equity markets to remain volatile ahead of key macroeconomic events such as further US-China trade discussions and Brexit. In this context, we keep our overweight in structural business models, focusing on themes that are likely to benefit from positive trends in 2019. These include factory automation and hybrid cloud. At the same time, we are ready to react to macroeconomic changes by adjusting the style and sector exposure of our portfolio. The market volatility also offers attractive investment opportunities in high-quality companies that may have been too expensive previously.

Product Details

Domicile	Luxembourg
Inception Date	31.05.2018
Accounting Currency	USD
Benchmark	-

Source: Bank J. Safra Sarasin Ltd, Datastream as of 31.05.2019.
Please refer to the "Risks" section at the end of the document for details on charges, risk classification and product risks.
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Investment Strategy 6
JSS Responsible Equity – Brazil

The fund aims to capitalize on the growth of the Brazilian economy by investing in the equity of Brazilian companies that follow responsible practices. Harnessing our local expertise, the fund is managed in Brazil by experienced fund managers of Safra Asset Management Brazil. It follows a bottom-up investment process which results in a concentrated portfolio reflecting the Portfolio Managers' highest conviction investment theses. The fund also relies on the research expertise of Bank J. Safra Sarasin to build its investment universe of responsible companies.

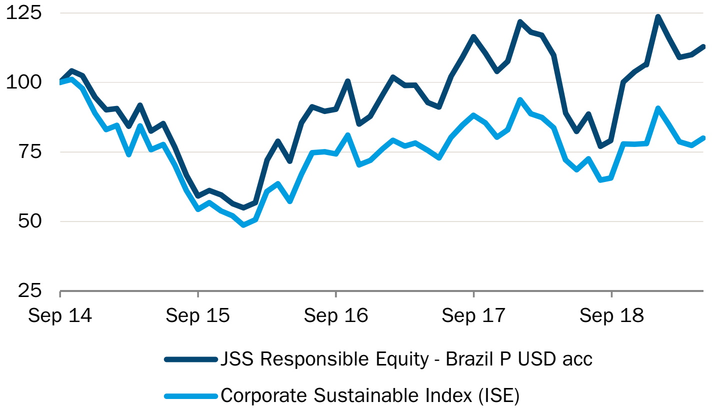
Key Benefits

The fund invests in Brazilian equities using a responsible investment universe. This allows participating in the growth of the Latin America's largest and most liquid market. The fund leverages the local expertise of Safra Asset Management Brazil, with a deep understanding of the Brazilian economy and its drivers. Integrating Bank J. Safra Sarasin's pioneering Responsibility Analysis framework allows to identify and invest only in companies that implement responsible practices in order to reduce risks and benefit from sustainable growth.

Investment Rationale

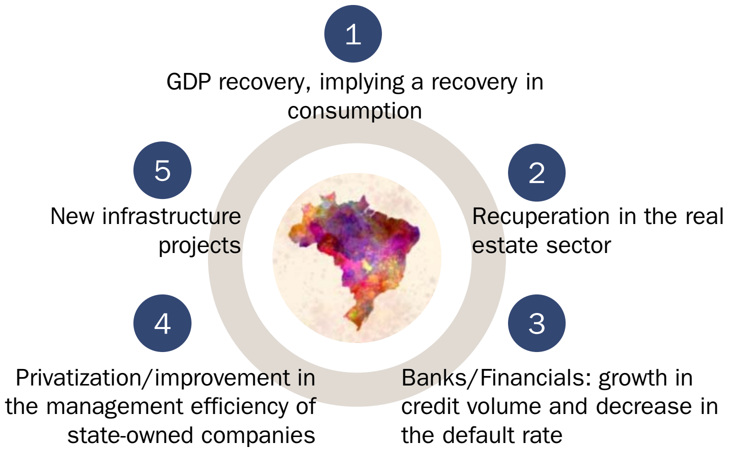
The Brazilian economy shows favorable long-term growth prospects due to structural reform and privatization. In addition, the fund could benefit from a cyclical pickup in growth and a recovery in consumer confidence, while valuations are still attractive against a backdrop of strong earnings per share growth.

Indexed Performance (in USD from 30.09.2014 to 31.05.2019)



	2015	2016	2017	2018	YTD
Fund	-40.47%	55.61%	22.53%	-1.17%	6.08%
Benchmark	-41.47%	38.32%	15.20%	-5.97%	2.49%

Main investment thesis



Source: Bank J. Safra Sarasin Ltd, Datastream as of 31.05.2019. Past performance is no indication of current or future performance. Past performance data does not take account of the negative impact on investment returns that commissions and costs incurred on the issue and redemption of units.
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Review

In Brazil, the focus remained on the approval of the Pension Reform in the coming months- The more positive view of government willingness to engage in political negotiations and its increasing support in Congress, helped boost market optimism and led the yield curve to drop while the Ibovespa Index gained 0.7%. On the other hand, the numbers for the first quarter confirmed that the economy is still struggling to recover. GDP shrank 0.2% in Q1 2019, dragged by sluggish investment. More importantly, some indicators for the second quarter also pointed to a tepid recovery, leading economists to cut their growth forecasts for the 14th consecutive week to 1.13%. Our outperformance was due mainly to CCRO3 (+17.2%), STBP3 (+9.2%) and ENGI11 (+7.7%).

Outlook

The evolution of reforms and necessary adjustments in the Brazilian economy is essential to maintain low inflation in the medium and long run, so any threat in this process will increase market volatility for Brazil. The government enhanced its relationship with the legislative base and this boosted our confidence in the reform process. Brazilian companies have experienced economic hardship and are well-positioned for a recovery, so we expect margins to recover, along with better bottom-line growth as the whole reform process becomes clearer. Most importantly, in the last few weeks we have seen one of the most productive periods for the legislative base in a long time, with the approval of important micro reforms

Product Details

Domicile	Luxembourg
Inception Date	18.09.2014
Accounting Currency	USD
Benchmark	Corporate Sustainable Index (ISE)

Source: Bank J. Safra Sarasin Ltd, Datastream as of 31.05.2019.
Please refer to the "Risks" section at the end of the document for details on charges, risk classification and product risks.
Different product risk ratings may apply to different share classes. Please consult your Relationship Management should you require any further information.

Investment Strategy 7
JSS OekoSar Equity – Global

The fund invests in global equities using a thematic and sustainable approach. It seeks to identify long-term trends at an early stage allowing investment returns to be optimally exploited. The investment universe typically comprises multi-national corporations with global supply chains and worldwide customers that fit to an investment theme.

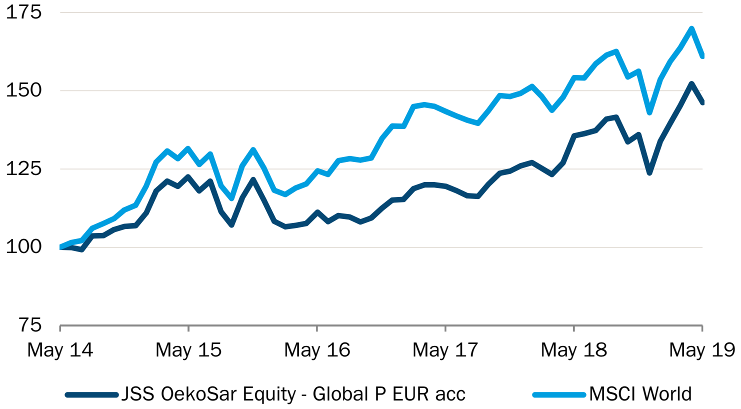
Key Benefits

The strategy provides investors with access to an actively managed portfolio of companies that are poised to gain from long-term transformational trends, such as low carbon future, global demographic shifts, and technological innovation. The result is a concentrated, high conviction portfolio of 40-60 stocks with good diversification due to a global, all-cap approach allowing us to navigate economic cycles through regions and sectors.

Investment Rationale

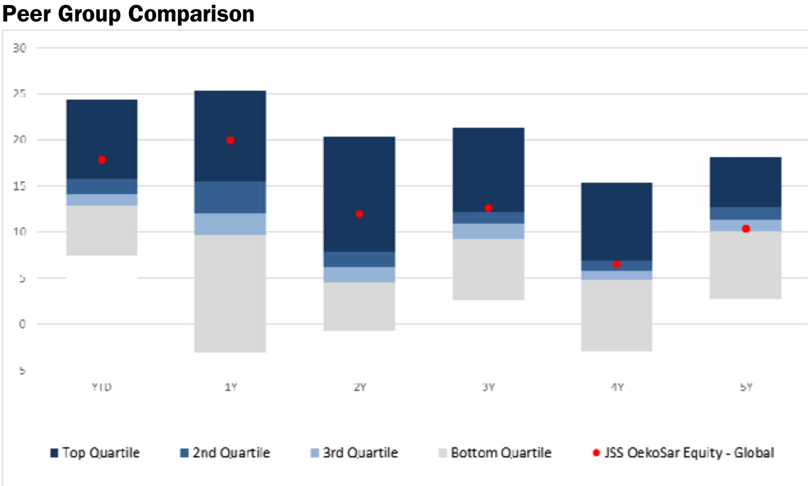
The investment philosophy is a distinct combination of our bank's major approaches: sustainable and thematic. The focus is on companies with solid business models experiencing high growth, but we also look at quality businesses that might be overly discounted in the near term. This could be sound businesses but with a new management in place or companies where the industry is consolidating.

Indexed Performance (in EUR from 31.05.2013 to 31.05.2019)



	2015	2016	2017	2018	YTD
Fund	7.67%	0.05%	9.41%	-1.76%	18.13%
Benchmark	10.42%	10.73%	7.51%	-4.11%	12.58%

Peer Group Comparison



Source: Bank J. Safra Sarasin Ltd, Datastream as of 31.05.2019. Past performance is no indication of current or future performance. Past performance data does not take account of the negative impact on investment returns that commissions and costs incurred on the issue and redemption of units.
Please refer to the "Risks" section at the end of the document for details on charges, risk classification and product risks.
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Review

In May, global equity markets reversed some of its significant gains for the year. The fund fell during the month, but outperformed the broader market. Sector wise, a fairly classical defensive rotation led markets with Real Estate, Utilities, Healthcare then Staples ahead of the index. Laggards were Technology, Energy and Materials. Regional leadership was with Asia, followed by Europe as the US (-5.76%) lagged for once. There was a definite sense that trade war rhetoric, continued poor economic leading indicators, and some fatigue following the strong YTD performance were the key factors during May's drawdown. Our position in Smith & Nephew (+9.3%) did well following decent revenue figures and its subsequent management roadshow. Our recently upsized position in CME (+8%) also performed well as the market discounted the benefits of increased volatiltity. The fund had small benefits from its Sector and Regional allocations but stock picking contributed to the vast majority of the fund's outperformance. Performance continues to be very strong relative to the market and we have good upside to fair value on the fund.

Outlook

We remain positive vs bonds and focused on stock selection as the primary driver of returns. Whilst currency volatility and credit risk in some peripheral markets have been elevated, we maintain our positive outlook given the low level of borrowing costs globally. The majority of sales and earnings are still beating estimates although by a smaller margin. We continue to find good opportunities in our global thematic framework but as ever have significant drawdown protection through our focus on quality. Recent volatility is providing good opportunities in names we have been monitoring for a long time and this has resulted in some new portfolio additions such as Unilever and Aramark. Trade wars, slowing economic positive surprises, a volatile oil price, and rising yield curves are all worth keeping a close eye on through 2019.The recent moves in the bond market have pointed to retaining a defensive equity strategy. While this has benefitted our strategy significantly, we are always aware of the risk of being too defensively positioned, given a broadly healthy macro backdrop

Product Details

Domicile	Luxembourg
Inception Date	26.01.2010
Accounting Currency	EUR
Benchmark	MSCI World

Source: Bank J. Safra Sarasin Ltd, Datastream as of 31.05.2019.
Please refer to the "Risks" section at the end of the document for details on charges, risk classification and product risks.
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Investment Strategy 8
Schroder BRIC

Benchmark-aware, concentrated large-cap blend BRIC equity strategy with typically 25-50 portfolio positions. The portfolio management team aims to outperform the MSCI BRIC Index over a full market cycle with a tracking error of 2-6%. The strategy pursues a fundamental, bottom-up investing process that is based on deep, fundmental equity research undertaken by local analysts. The fund is suitable for investors that want to benefit from the dynamics in the largest Emerging Market economies with an investment horizon of 3-5 years.

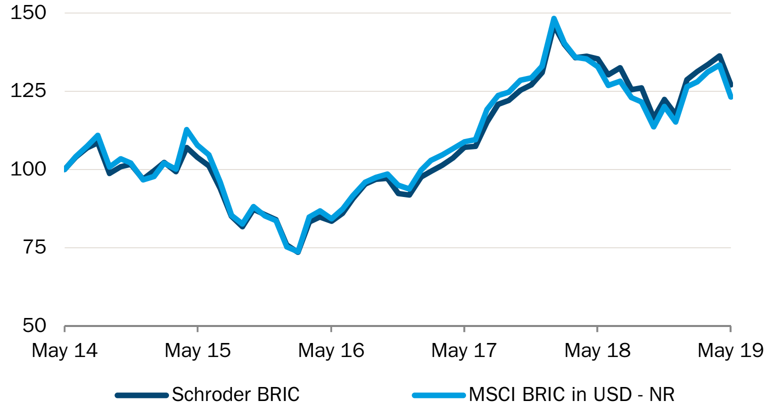
Key Benefits

For investors who aim to create an equity exposure towards the 4 largest Emerging Market economies, the Schroders BRIC fund is the fund of choice. This concentrated, large-cap BRIC strategy typically invests in 25-50 positions without engaging in a systematic style bias. The fund is managed to outperform the MSCI BRIC Index over a full market cycle with a tracking error of 2-6%. Alpha is primarily generated by stock selection as well as a macro risk overlay. The portfolio manager is highly experienced in the BRIC markets and has access to excellent on-the-ground research.

Investment Rationale

For investors who aim to create an equity exposure towards the 4 largest Emerging Market economies, the Schroders BRIC fund is the fund of choice. This concentrated, large-cap BRIC strategy typically invests in 25-50 positions without engaging in a systematic style bias. The fund is managed to outperform the MSCI BRIC Index over a full market cycle with a tracking error of 2-6%. Alpha is primarily generated by stock selection as well as a macro risk overlay. The portfolio manager is highly experienced in the BRIC markets and has access to excellent on-the-ground research.

Indexed Performance (in USD from 31.05.2014 to 31.05.2019)



	2015	2016	2017	2018	YTD
Fund	-13.39%	9.38%	42.56%	-10.24%	8.12%
Benchmark	-13.46%	12.12%	41.75%	-13.41%	7.00%

Product Details

Domicile	Luxembourg
Inception Date	31.10.2005
Accounting Currency	USD
Benchmark	MSCI BRIC in USD - NR

Key Figures

Statistical Ratio	Fund
Return (3-years; annualised)	15.0%
Volatility (annualised)	18.8%
Sharpe Ratio	0.06
Tracking Error	3.5%

Source: Bank J. Safra Sarasin Ltd, Datastream as of 31.05.2019. Past performance is no indication of current or future performance. Past performance data does not take account of the commissions and costs incurred on the issue and redemption of units.
Please refer to the "Risks" section at the end of the document for details on charges, risk classification and product risks.
Different product risk ratings may apply to different share classes. Please consult your Relationship Management should you require any further information.

Global Dynamic Equity Focus List

This global equity list represents best ideas within the global equity universe. The list is comprised of US, EU, Swiss, Asian and other emerging markets companies. We look for companies with strong free cash flow generation, attractive valuations and favourable risk reward scenarios. This Equity Focus List is provided by a BJSS Advisory and/or trading desks and is not a product of the research department. The expected performance development of the financial instruments is typically 3-12 months.

Equity Focus List – North America

Name	Currency	Closing Price (07.06.2019)	Market Cap (in bn)	Sector	Current Div. Yield (%)
Adobe Systems Inc.	USD	278.2	135.7	Information Technology	0.0
Alphabet Inc	USD	1066.0	741.3	Communication Services	0.0
Avalonbay Communities	USD	209.1	29.1	Real Estate	2.9
Baxter Intl	USD	77.6	39.6	Health Care	1.0
Colgate-Palmolive	USD	74.0	63.5	Consumer Staples	2.3
Ecolab Inc	USD	198.8	57.3	Materials	0.9
Edwards Lifesciences	USD	183.8	38.3	Health Care	0.0
Marathon Petroleum Corp	USD	47.0	31.1	Energy	4.5
Merck & Co Inc	USD	82.5	212.3	Health Care	2.7
Mondelez International	USD	54.0	77.8	Consumer Staples	2.0
Monolithic Power Systems	USD	125.1	5.4	Information Technology	1.3
Netflix	USD	360.9	157.8	Communication Services	0.0
New Residential Investment	USD	15.1	6.3	Financials	13.2
Owens Corning	USD	52.6	5.7	Industrials	1.7
PRA Health Sciences Inc.	USD	93.1	6.1	Health Care	0.0
Target Corp	USD	86.9	44.5	Consumer Discretionary	3.1
United Rentals Inc.	USD	122.2	9.6	Industrials	0.0
Visa Inc.	USD	170.1	365.8	Information Technology	0.6
World Wrestling Entertainment	USD	73.3	6.0	Communication Services	0.7
Worldpay	USD	124.0	38.6	Information Technology	0.0

Further information such as recommendation additions/removals or returns of our recommendations are available upon request.

Equity Focus List – Europe

Name	Currency	Closing Price (07.06.2019)	Market Cap (in bn)	Sector	Current Div. Yield (%)
Anglo American Plc	GBp	1973.8	27.7	Materials	4.9
Aroundtown	EUR	7.5	8.5	Real Estate	3.8
Beazley	GBp	566.0	3.0	Financials	2.6
Continental AG	EUR	124.6	24.9	Consumer Discretionary	3.6
Elia System Operator	EUR	64.8	4.4	Utilities	2.6
Ferrari NV	USD	150.3	36.7	Consumer Discretionary	0.8
Gaztransport et Technigaz SA	EUR	84.1	3.1	Energy	3.7
Nexi SpA	EUR	9.3	5.9	n.a.	0.0
Pernod Ricard	EUR	160.2	42.5	Consumer Staples	1.7
Reckitt Benckiser	GBp	6395.0	45.3	Consumer Staples	2.7
RELX Plc	GBp	1872.0	36.5	Industrials	2.4
Segro Plc	GBp	715.4	7.8	Real Estate	2.8
SES	EUR	13.9	8.0	Communication Services	5.8
Ubisoft	EUR	73.0	8.1	Communication Services	0.0
Verbund AG	EUR	46.2	16.0	Utilities	1.6

Further information such as recommendation additions/removals or returns of our recommendations are available upon request.

Source: Bank J. Safra Sarasin Ltd, Datastream, as of 07.06.2019. Past performance is no indication of current or future performance. The return of a financial instrument may go down as well as up due to exchange rate fluctuations between currencies. JSS does not assume any liability, neither explicit nor implicit for the future performance of a financial instrument.

Equity Focus List – Switzerland

Name	Currency	Closing Price (07.06.2019)	Market Cap (in bn)	Sector	Current Div. Yield (%)
ALSO Holdings	CHF	133.6	1.7	Information Technology	2.4
AMS	CHF	33.9	2.9	Information Technology	0.9
Clariant AG	CHF	18.6	6.2	Materials	3.2
Lonza Group AG	CHF	321.3	23.9	Health Care	0.9
Nestle SA-REG	CHF	101.4	310.6	Consumer Staples	2.6
Novartis	CHF	87.3	220.6	Health Care	3.3
Partners Group	CHF	706.4	18.9	Financials	3.3
Roche Holding AG	CHF	269.4	232.5	Health Care	3.3
Swiss Life Holding AG	CHF	468.6	16.0	Financials	4.0
UBS Group AG	CHF	11.6	44.9	Financials	6.3

Further information such as recommendation additions/removals or returns of our recommendations are available upon request.

Equity Focus List – Emerging Markets

Name	Currency	Closing Price (07.06.2019)	Market Cap (in bn)	Sector	Current Div. Yield (%)
AIA	HKD	74.3	898.1	Financials	1.8
Alibaba - ADR	USD	154.2	401.5	Consumer Discretionary	0.0
BDO Unibank INC	PHP	139.8	611.7	Financials	1.0
China Overseas Land	HKD	27.5	301.3	Real Estate	4.0
CK Hutchison Holdings	HKD	75.9	292.5	Industrials	4.5
HDFC Bank - ADR	USD	128.8	96.2	Financials	0.6
Hong Kong Exchange	HKD	250.6	315.3	Financials	3.0
Hoya	JPY	7690.0	2'933.2	Health Care	1.2
JD.com	USD	26.8	39.0	Consumer Discretionary	0.0
Jiangsu Hengrui	CNY	58.0	256.4	Health Care	0.3
Keyence Corp	JPY	61510.0	7'479.8	Information Technology	0.3
Kweichow Moutai	CNY	862.1	1'083.0	Consumer Staples	1.9
New Oriental Education	USD	89.3	14.2	Consumer Discretionary	0.8
Overseas China Banking Corp	SGD	10.6	45.3	Financials	4.5
Ping An Insurance	HKD	85.3	1'581.9	Financials	2.9
PT Telekomunikasi	IDR	3900.0	386'342.4	Communication Services	4.1
Recruit Holdings	JPY	3374.0	5'722.2	Industrials	0.9
Samsung	USD	938.0	248.7	Information Technology	3.2
Takeda Pharmaceutical	JPY	3690.0	5'774.9	Health Care	4.9
Tencent	HKD	330.4	3'145.7	Communication Services	0.4
TSMC	TWD	232.0	6'015.8	Information Technology	4.2

Further information such as recommendation additions/removals or returns of our recommendations are available upon request.

Multi-Asset Investments

- Multi-asset portfolios provide diversification.
- Flexible asset allocation allows to adapt to changing market conditions.

Investment Strategy 9
Pure Sustainable Mandates

Mandate solution offering that provides the investor with an entirely sustainable solution. Clients benefit from economic, credit and equity research teams as well as dedicated professionals in security selection and portfolio construction. The broadly diversified portfolios provide access to all major asset classes. Our managers have the ability to quickly adapt to changing market conditions.

Key Benefits
Sophisticated strategic asset allocation, flexible tactical decision-making that adapts to changing market conditions and focuses on adding value through a rigorous investment selection process. Delegate the time-consuming tasks of researching, selecting and monitoring your portfolio to BJSS investment experts. Professional wealth management tailored to clients' needs. Daily monitoring and analysis.

Investment Rationale
Our clients benefit from a flexible and holistic portfolio set-up to optimise risk-adjusted returns. It is particularly important in these times of persisting macroeconomic uncertain-ties, that a steady hand that adapts to changing market conditions can save our clients from the perils of irrational investment decisions.

Performance Pure Sustainable Mandates

CHF	2014	2015	2016	2017	2018	YTD*
Defensive	5.5%	0.5%	1.8%	6.9%	-4.1%	5.9%
Balanced	7.4%	1.1%	2.4%	10.7%	-5.7%	8.8%
Dynamic	8.8%	0.2%	3.3%	14.5%	-7.3%	11.8%

EUR	2014	2015	2016	2017	2018	YTD*
Defensive	6.7%	4.3%	2.4%	3.4%	-4.2%	5.6%
Balanced	8.3%	7.2%	2.8%	4.8%	-6.4%	7.6%
Dynamic	9.3%	9.9%	2.9%	6.2%	-8.5%	9.8%

USD	2014	2015	2016	2017	2018	YTD*
Defensive	2.4%	-1.2%	2.5%	8.5%	-2.2%	6.0%
Balanced	3.3%	-2.5%	3.6%	11.9%	-3.9%	7.6%
Dynamic	4.0%	-4.4%	4.4%	15.2%	-5.4%	9.3%

Long-term allocation

	Bonds	Equities	Alternatives	Cash
Defensive	70%	20%	5%	5%
Balanced	45%	45%	5%	5%
Dynamic	20%	70%	5%	5%

*Source: Bank J. Safra Sarasin Ltd, as of 31.05.2019 YTD (year to date): Performance since the beginning of the year up to 31.05.2019. Note: own calculations. Performance of the mandate is in accordance with the performance of the PM Model Portfolio for the above period. Individual costs such as fees, commissions and other payments are not reflected in the table and if taken into account would have a negative impact on value development. Past performance is no reliable indicator for future performance.
Please refer to the "Risks" section at the end of the document for details on charges, risk classification and product risks.
Different product risk ratings may apply to different share classes. Please consult your Relationship Management should you require any further information.

Further Relevant Information

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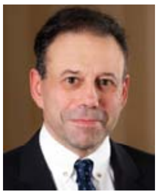

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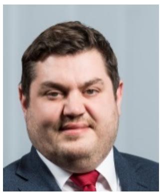

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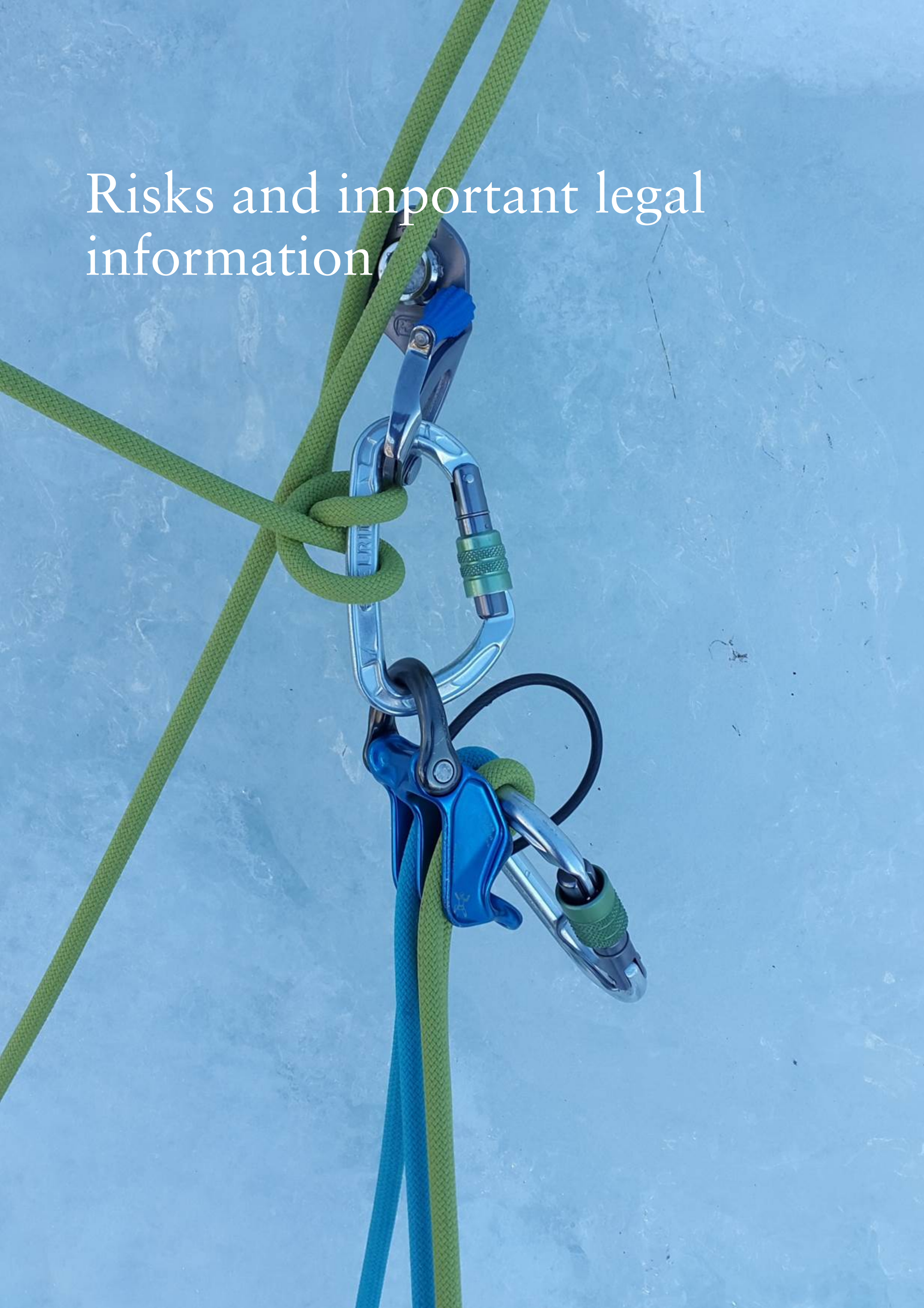
Risks and important legal information



Risks

Product		Ongoing Charges[1]	Risk Classification	Risks	Page
1	JSS Bond – Asia Opportunities (LU1502446765)	1.55% Entry charge: 3% Exit charge: 0%	3	Investments in a fund can fluctuate in value, and there is no guarantee that the bonds can be sold for the original capital amount invested. As the fund invests in fixed and variable securities, its performance is primarily influenced by issuers' specific risk and changes in interest rates. The fund also invest in emerging markets (EM), which are markets at an early stage of their development. They are faced with increased risk of expropriations, nationalisations as well as social, political and economic uncertainty. If the investor's reference currency differs from that of the fund's investment, a currency risk exists (outside the FX exposure intended by the managers).	16
2	JSS Sustainable Bond – Global High Yield (LU1711704608)	1.75% Entry charge: 3% Exit charge: 0%	3	Investments in a fund can fluctuate in value, and there is no guarantee that the units can be sold for the original capital amount invested. If the investor's reference currency differs from the fund's investment currency(ies), a currency risk exists. The performance of the Fund will be influenced primarily by company-specific changes and changes in the economic environment due to investment in high-yield assets.	18
3	JSS Short-term Bond – Global Opportunistic (LU1073944867)	1.11% Entry charge: 3% Exit charge: 0%	2	'Investments in a fund can fluctuate in value, and there is no guarantee that the shares can be sold for the original capital amount invested. If the investor's reference currency differs from that/those of the fund's investment, a currency risk exists The JSS Short-term Bond – Global Opportunistic invests in fixed and floating rate securities, its performance is primarily influenced by issuer-specific changes and interest rate fluctuations. The fund may invest largely in emerging markets. Emerging markets are at an early stage of their development and are faced with increased risk of expropriations, nationalisations as well as social, political and economic uncertainty.	20

Risk and reward profile[2]

Lower risk ← → Higher risk

Potentially lower rewards — Potentially higher rewards

1	2	3	4	5	6	7

Any return may increase or decrease as a result of currency fluctuations.

[1] Entry/Exit charge: this is the maximum that might be taken out of your money before it is invested/before the proceeds of your investment are paid out. In some cases they may be lower. Please ask your financial advisor for more information (KIID: Key Investor Information Document is available in the intranet

[2] As of 31.05.2019. The risk and reward profile shown is based on historical data and cannot be used as a reliable indicator of the future risk profile of the fund. The risk classification of the fund may change over time and is not a guarantee. For more information review the prospect of the fund.

Risks

Product		Ongoing Charges[1]	Risk Classification	Risks	Page
4	Nordea 1 – European High Yld Bd BP EUR (LU0141799501)	1.33%	3	Investments in a fund can fluctuate in value, and there is no guarantee that the units can be sold for the original capital amount invested. If the investor's reference currency differs from the fund's investment currency(ies), a currency risk exists. The performance of the Fund will be influenced primarily by company-specific changes and changes in the economic environment due to investment in high-yield assets.	22
5	JSS Sustainable Equity – Tech Disruptors (LU1752456340)	1.95% Entry charge: 3% Exit charge: 0%	5	Investments in a fund can fluctuate in value, and there is no guarantee that shares can be sold for the original capital amount invested. If the investor's reference currency/currencies differs from the Fund's investment currency(ies), a currency risk exists. As the fund invests in equities, its performance is primarily influenced by company-specific changes and changes in the economic environment. The fund's portfolio is very concentrated in ~35 single investments and there is a high single stock risk. Desired exposure to growth and mid cap technology investments might lead to higher volatility than global equity benchmarks.	28

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Risks

Product		Ongoing Charges[1]	Risk Classification	Risks	Page
6	JSS Responsible Equity – Brazil (LU0950591122)	2.25% Entry charge: 3% Exit charge: 0%	7	Investments in a fund can fluctuate in value, and there is no guarantee that the shares can be sold for the original capital amount invested. If the investor's reference currency differs from the fund's investment currency(ies), a currency risk exists. As the fund invests in equities, its performance is primarily influenced by company-specific changes and changes in the economic environment. Frequent political and social unrest in emerging markets and associated high inflation and interest rates may lead to significant fluctuations in currencies and stock market prices. Possible restrictions on foreign investors carrying out currency transactions or investments represent further risks. It is therefore important that investments in JSS Responsible Equity – Brazil are viewed as a long-term investment. Due to the smaller size of many emerging markets, there is also a risk of restricted liquidity.	30
7	JSS OekoSar Equity – Global (LU0480508919)	2.17% Entry charge: 3% Exit charge: 0%	6	Investments in a fund can fluctuate in value, and there is no guarantee that the shares can be sold for the original capital amount invested. If the investor's reference currency/currencies differs from the Fund's investment currency(ies), a currency risk exists. As the fund invests in equities, its performance is primarily influenced by company-specific changes and changes in the economic environment.	32

Risk and reward profile[2]

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Potentially lower rewards — Potentially higher rewards

1	2	3	4	5	6	7

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Risks

Product		Ongoing Charges[1]	Risk Classification	Risks	Page
8	Schroder BRIC (LU0228659784)	1.85%	6	The Fund does not provide any guarantee or protection of capital. Performance volatility from equity exposure and the investment subject to market risk, especially emerging market risk.	34
9	Pure Sustainable Mandates	Flat fee according to strategy (please refer to our fee schedule)	3 risk profiles available	Investments in foreign currencies are subject to exchange rate fluctuations. Investments in emerging markets are subject to certain special risks, which may include amongst others a certain degree of political instability, relatively unpredictable financial market trends and economic growth patterns, a financial market which is still in the development stage and/or a weak economy. Investing in bond or loan market products is subject to certain risks including market, interest-rate, issuer, credit and inflation risk. Such products may decline in value due to both real and perceived general market, economic and industry conditions. High yield, lower rated securities involve in general greater risk than higher rated financial instruments, investors investing in such instruments may be subject to greater levels of risk (e.g. credit and liquidity risk) than others that do not invest in such instruments. Alternative investments, derivatives or structured products are complex financial instruments typically involving a high degree of risk and are intended for sale only to investors who are capable of understanding and assuming the risks involved.	38

Please ask your financial advisor for more information (Term Sheets; KIID; Key Investor Information Document, all documents are available at the internet). Complex products are only available to eligible investors with complex product knowledge and experience.

Risk and reward profile[2]

Lower risk ← → Higher risk

Potentially lower rewards — Potentially higher rewards

1	2	3	4	5	6	7

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Glossary

▶ Absolute Return Funds
Funds that aim to generate positive returns regardless of market conditions. They are generally unconstrained by a benchmark.

▶ Actively Managed Certificate (AMC; "certificate")
AMCs are structured products whose underlying components are actively adjusted at the discretion of a manager. Investing in the bank's AMCs exposes clients to the issuer risk of Bank J. Safra Sarasin. AMCs must not be confused with funds and thus do not represent collective investments within the meaning of the Federal Collective Investment Schemes Act (CISA) and therefore not subject to the approval or supervision of the Swiss Financial Market Supervisory Authority FINMA.

▶ Alpha
The performance of an investment solution relative to its benchmark.

▶ Alternative investments
Investments other than in "traditional" asset classes such as equities and fixed income. They namely include (among others) private equity, hedge funds, real estate and commodities.

▶ Annualised return
A measure of the geometric average annual return i.e. third annual interacting into account the effect of compounding achieved over the measurement period.

▶ Asset Allocation
The process dividing a portfolio among different asset classes (e.g. equities, fixed income, cash equivalents…) in order to better align its risk/return profile to the goals, risk tolerance, and investment horizon of the investor.

▶ Benchmark
The reference to which an investment strategy is compared, usually represented by an index representing broad asset classes, sectors and geographies. For instance, the S&P 500 Index – which measures the performance of the largest companies by market capitalisation traded on the NYSE and NASDAQ – could be used as benchmark for a strategy investing in American large-cap stocks.

▶ Beta
A measure of a stock's historical volatility compared to its reference market. The market's beta coefficient being 1.00, a stock with a beta higher than 1.00 has historically been more volatile than the market – and can therefore be considered riskier to hold. On the other hand, a stock with a beta lower than 1.00 has historically been less volatile than the market and can generally be considered less risky.

▶ Bottom-up investment strategy
Investment approach placing specific emphasis on the in-depth analysis of individual companies, rather than on the region, country or industry in which the company operates.

▶ Carry
The carry of an asset is the return obtained from holding it (if positive), or the cost of holding it (if negative)

▶ Correlation
Indicates the degree to which two investments (usually individual securities, indexes or asset classes) tend to move in unison, expressed on a scale from -1.00 to 1.00. Assets with a positive correlation tend to move in the same direction (e.g. when one asset rises, the other rises as well), while those with a negative correlation tend to move in opposite directions (e.g. when one asset rises, the other falls). The higher the value on either side of the spectrum, the stronger the correlation (e.g. two assets with a correlation of -1.00 have a stronger correlation than assets with a correlation of -0.2). When two assets have a correlation of (or close to) 0, no systematic relationship among them can be identified.

▶ Credit Research
The process through which an investment manager evaluates the creditworthiness of individual companies. It broadly involves the assessment of the likelihood that a borrower is capable and willing to repay its obligations by analysing its financial situation, credit history, as well as the broader economic conditions in which it operates.

▶ Diversification
Creation of a portfolio with a variety of securities, or addition of further securities to a portfolio, in order to improve the risk/return profile of a portfolio. The underlying idea is that a portfolio of different securities provides higher returns or has lower risk than any single security in the portfolio.

▶ EM Corporates
Corporate bonds issued by companies from Emerging Markets.

▶ Fund of hedge funds
A fund that invests in a portfolio of underlying hedge funds. Funds of hedge funds are typically diversified across a number of different strategies and managers.

▶ Hedge funds
Hedge funds are pooled investments that employ a variety of investment strategies and instruments (e.g. derivatives, leverage…) which are usually not used by traditional asset managers. Hedge funds generally aim to deliver target returns independently of broader markets' performance, as well as to exploit specific niche market opportunities.

▶ High Yield Bonds
Also referred to as "junk bonds" or "sub-investment grade bonds." Indicates bonds with a credit quality rated below Investment Grade by a rating agency (i.e., Fitch, Moody's and Standard & Poor's) i.e. below BBB- (S&P).

▶ Investment Grade
Refers to bonds with a credit quality that is rated above high yield (or sub-investment grade) by a rating agency (i.e., Fitch, Moody's and Standard & Poor's). Investment Grade ratings range from "BBB-" to "AAA." (S&P).

▶ Investment universe:
The total range of investments from which a fund manager can pick his holdings, as defined by a strategy's stated investment policies.

▶ Leverage
Leverage indicates the practice of enhancing exposure to an investment beyond what would normally be possible by only utilizing one's own funds. This is usually achieved through the use of debt or derivatives. By enhancing exposure to an investment, leverage can amplify returns but also magnify losses; it therefore increases potential returns, but also volatility and risk.

▶ Long
Holding a security with the expectation that its price will rise.

▶ Management fee
A periodic fee paid by an investment vehicle to the managers responsible for the direction and implementation of the investment strategy. The management fee is generally a fixed percentage of the vehicle's net asset value.

▶ Performance fees
A periodic fee paid by an investment vehicle to the managers responsible for the direction and implementation of the investment strategy. Performance fees differ from management fees in that they usually depend on outperforming a benchmark or a predefined rate of return.

▶ Quartile
Quartiles are cut points that divide a distribution in four equally-sized parts; the number of items in each quartile will therefore be exactly ¼ of the total number of items in the distribution. Its most common use throughout this publication is to compare the performance of an investment manager to its peers; for instance, a strategy "in the first quartile" is amongst the top 25% of its peers.

▶ Risk Premia (Risk Factor, Alternative Risk Premia)
A risk premium is a compensation for a risk that an investor can assume in financial markets. Using quantitative analysis specific risk premia can be identified and can be extracted from financial markets via rule-based (i.e., non-discretionary) investment schemes. There is a large variety of risk premia in financial markets, from the reward for holding exposure in broad asset classes (e.g. equity market premia) to rather specific ones that compensate for a particular positioning within an asset class (e.g. commodity carry). While risk premia are considered to reward investors positively in the long-run, they can substantially vary over time and perform negatively for a while and there is no guarantee of a future reward.

▶ SAST
Founded in 1991 by Bank Sarasin & Co. Ltd (after the Merger from 10.06.2013 Bank J. Safra Sarasin Ltd) , the J. Safra Sarasin Investment Foundation SAST mainly helps small and mid-sized pension funds to invest pension assets in a secure and profitable manner.

▶ Sharpe Ratio
Sharpe Ratio (also known as the Sharpe index, the Sharpe measure, and the reward-to-variability ratio) is a way to examine the performance of an investment by adjusting for its risk. The ratio measures the excess return (or risk premium) per unit of deviation in an investment asset or a trading strategy, typically referred to as risk.

▶ Short
Definition opposite to "long". A short position is often implemented with a "short sale", whereby an investor sells a borrowed security with the expectation that its price will fall, and that he will be able to repurchase it at a lower price.

▶ Top-down investment strategy
A strategy which finds the best countries sectors or industries to invest in, based on analysis of the corporate sector as a whole and general economic trends, as opposed to bottom-up investment strategies, which focus on characteristics of individual security.

▶ Tracking error
A measure of how closely an investment portfolio follows the index against which it is benchmarked.

▶ UCITS (Undertakings for Collective Investments in Transferable Securities)
UCITS funds are regulated vehicles registered in the EU which can be marketed and sold in any country of the European Union. They are subject to a unified legal framework detailing regulatory and investor protection requirements.

▶ VaR
Value at Risk is a statistical technique quantifying the amount of loss for an investment over a specific time frame given a defined probability.

▶ Volatility
A statistical measure of the dispersion of returns of a given investment; an asset with high volatility is expected to have a higher variability of returns, and therefore to carry more risk.

▶ Yield to maturity
The anticipated rate of return on a bond if it is held until its maturity date, assuming all payments are made in full and on time.

▶ Yield to worst
When a bond is callable, exchangeable, or has other optional features, yield to worst indicates the lowest possible return.

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