GADD SMP FUND
Monthly Report
November 2025

NAV CHF 2'357.02*

Inception date 05.04.2011 = CHF 1'000 * at 30.11.2025

	Jan.	Feb.	Mars	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	Year
2016	-4.9%	1.3%	2.0%	3.4%	3.6%	-5.0%	3.2%	2.4%	2.1%	0.1%	-2.4%	2.3%	7.7%
2017	0.8%	2.8%	-2.9%	3.8%	1.2%	0.0%	-3.0%	-1.5%	3.6%	1.5%	-1.4%	-1.2%	3.5%
2018	1.5%	1.0%	-3.0%	2.7%	0.9%	-0.8%	0.6%	3.3%	-0.9%	-5.6%	-2.0%	-2.9%	-5.5%
2019	5.7%	4.6%	-0.1%	4.2%	-0.0%	1.0%	0.1%	-1.7%	0.5%	0.1%	3.1%	1.8%	20.8%
2020	1.5%	-4.7%	-15.9%	8.9%	4.3%	1.1%	3.1%	3.9%	2.7%	-3.5%	5.1%	3.3%	7.6%
2021	0.0%	3.1%	2.8%	3.8%	7.2%	0.0%	4.6%	1.3%	-1.1%	5.9%	1.6%	3.8%	37.7%
2022	-7.1%	-1.8%	5.3%	-1.6%	0.8%	-9.4%	7.2%	-4.6%	-3.1%	4.4%	3.1%	0.3%	-7.6%
2023	3.2%	-1.5%	-1.6%	-0.5%	-3.3%	1.8%	2.0%	-3.0%	-2.3%	-1.3%	2.3%	5.0%	0.7%
2024	-0.3%	1.4%	5.4%	1.8%	1.3%	-0.9%	4.3%	-0.1%	-1.6%	-2.0%	-0.8%	-2.6%	5.7%
2025	4.2%	0.1%	-5.2%	1.3%	2.1%	0.6%	-0.2%	2.4%	-0.7%	3.0%	2.0%		9.9%

Market Comment

November presented a varied picture across the markets monitored by the fund. The weakest performer was the Nikkei, which declined slightly more than 4%, likely a natural pause following October's exceptionally strong increase of over 16%. In contrast, the Swiss SMI delivered the most notable positive surprise, rising by just under 5%. Switzerland's defensive market, with its significant exposure to healthcare, consumer products and luxury goods, benefited from the relief that followed the preliminary tariff agreement with the United States on 14 November. Tariffs were lowered from 39% to 15%, a development warmly welcomed by investors. Roche stood out with a gain of 19% after reporting a convincing quarterly result.

A key question now arising is whether this could mark the beginning of a broader rotation, with defensive sectors gradually regaining relevance after several years of dominance by growth and technology names. In this context, NVIDIA's share price fell by roughly 13% during the month, despite the company once again reporting results that exceeded expectations.

The reopening of the US government was another significant event. Eight out of 47 Democratic Senators broke party ranks to end what became the longest federal shutdown in American history. The agreement, however, remains temporary and only ensures funding until 30 January 2026, leaving the door open for renewed disruption should negotiations fail. President Trump, who has repeatedly assigned full responsibility for the conflict to the Democrats and accused them of causing "real suffering" among federal workers, signed the legislation but warned that voters should remember these "missteps" ahead of the elections. The economic consequences are material: congressional analyses indicate that US GDP growth will be reduced by around 1.5 percentage points in the fourth quarter of 2025, with just over half of the loss expected to be regained in early 2026.

Market expectations for a December rate cut fell below 50% after a series of cautious remarks from policymakers, including Mary Daly and Jerome Powell. The lack of data caused by the shutdown added to volatility, but the few indicators that were published - such as weaker employment and PMI figures - shifted sentiment again, lifting the probability to roughly 80% by month-end.

By contrast, the Riksbank delivered a clear and stabilising message. At its meeting on 5 November, the central bank kept the policy rate unchanged at 1.75%, emphasising that the inflation outlook remains stable, with price pressures moving towards target and growth indicators gradually improving. The published rate path was left unaltered and continues to suggest stability through 2027.

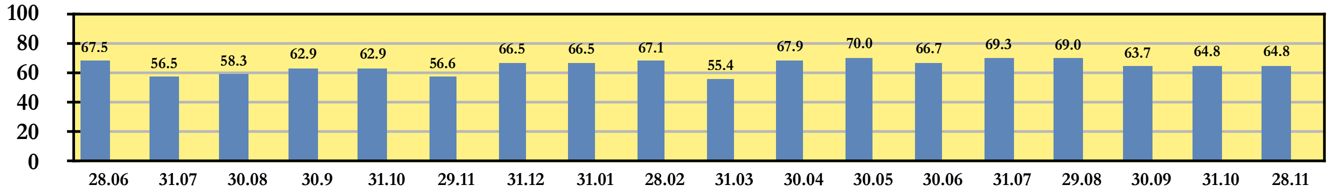
Index	31.12.24	28.11.25	YTD
MSCI World (USD)	3'707.837	4'398.44	18.6%
STOXX50 (EUR)	4'895.98	5'668.17	15.8%
S&P 500 (USD)	5'881.63	6'849.09	16.4%
Nasdaq Comp (USD)	19'310.792	23'365.69	21.0%
Dax (EUR)	19'909.14	23'836.79	19.7%
SMI (CHF)	11'600.9	12'833.96	10.6%
OMX30 (SEK)	2'483.123	2'787.77	12.3%
MSCI Russia (USD)	0	0.00	
MSCI China (USD)	64.49	83.80	29.9%
NIKKEI (YEN)	39'894.54	50'253.91	26.0%
Swe. Gov Bond. 10 y	2.34%	2.74%	

The European Commission's autumn forecast introduced an upward revision for 2025. EU GDP is expected to grow by 1.4%, compared with 1.1% projected in the spring. For 2026, the forecast stands at 1.4%, slightly lower than the previously estimated 1.5%. The outlook for Sweden has improved notably, supported by rising real wages and a stronger labour market. Growth is projected at 1.5% this year, accelerating to 2.6% next year and stabilising at around 2.3% in 2027.

Activities of the month

The fund introduced a new position in Alfa Laval, a firm specialising in solutions for heat transfer, separation and fluid handling across the energy, marine, food and water treatment sectors. Holdings in Atlas Copco and Wihlborgs were slightly increased, while the position in Lundin Gold was reduced.

GADD SMP FUND: Net Equity Exposure (%)



Alongside the forecast, the EU moved forward with measures aimed at reducing regulatory burdens on businesses. On 13 November, the European Parliament voted in favour of significant adjustments to the CSRD and due diligence framework. By increasing the reporting thresholds - now set at a minimum of 1,750 employees and €450 million in turnover - more than 90% of companies previously covered by the ESG framework will now be exempt. Additionally, on 11 November, the Parliament and Council agreed to simplify environmental requirements under the Common Agricultural Policy, including exemptions for smaller farms and lighter administrative procedures. Both reforms are intended to strengthen the competitiveness of European firms.

Geopolitical developments also influenced markets. The US and Russia jointly developed a 28-point peace plan requiring Ukraine to concede Crimea, Luhansk and Donetsk, renounce NATO membership and limit its military capacity in exchange for a Russian non-aggression commitment and security guarantees. After criticism from Ukraine and European partners, the proposal was reduced to around 19 points. Kyiv has now accepted the general framework, although several elements - most notably territorial boundaries - still require negotiation. US envoy Steve Witkoff is scheduled to travel to Moscow to meet President Putin, and the key question remains whether Russia is prepared to approve the revised plan.

Global equity performance in November was mixed. The MSCI World Index (USD) rose by 0.2%. In the United States, the S&P 500 advanced by 0.1%, while the Nasdaq declined by 1.5%. In Europe, the STOXX50 increased by 0.1% and the Dax fell by 0.5%. The SMI rose by 4.9%, and the OMX Stockholm gained 0.8%. The MSCI China USD fell by 2.5%, and the Nikkei declined by 4.1%.

Swedish 10-year government bond yields increased by 19 basis points during the month, rising from 2.55% to 2.74%.

Following continued positive performance, short-, medium- and long-term technical indicators now show constructive signals, having previously been neutral.

The fund entered November with an equity exposure of 65%. Financial markets were notably volatile, with the S&P 500 swinging as much as 3% intraday on several occasions and the VIX climbing to 26.9, its highest level since April. In response, the fund temporarily reduced exposure to 55% to manage risk. Later in the month, after more dovish communication from Fed officials regarding a potential December cut, exposure was restored to 65%.

The strongest performer among the fund's holdings was Lundin Gold, which advanced by 24.6%. Other notable contributors included IPC (+19.7%), Lundin Mining (+16.2%), AstraZeneca (+12.6%), Volvo (+7.9%) and Skistar (+7.9%). On the downside, NYAB recorded the weakest result with a decline of 9.3%. Indutrade decreased by 7.8%, Accroud by 7.1%, Latour by 7.1%, Skanska by 6.7% and VNV Global by 6.4%. These figures are not adjusted for dividends.

Investment strategy

As we can soon sum up 2025 and look towards 2026, the fund sees several reasons for cautious optimism, especially domestically. The Riksbank's announcement of an unchanged key interest rate of 1.75% and a flat interest rate path until 2027 signals stability and low financing costs for a long time to come. At the same time, the EU Commission has raised its growth forecasts for both Sweden and the euro area, driven by rising real wages and a stronger labor market. The biggest uncertainty factor in the short term is the Fed's meeting on December 18. Should the current 80% probability of an interest rate cut prove to be incorrect, it could temporarily dampen risk appetite. In the slightly longer term, however, the European and Swedish economic recovery weighs more heavily and the fund therefore maintains a constructive but still vigilant attitude towards equities.