



INVESTORS LETTER Q1 2021

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„If you have creative work, you don't have age or time.“

An emotional year – what has been different what should never change?

In 2020, the equity market has witnessed one of the **most volatile periods ever** with one of the strongest bear markets and recoveries. The top 20 performing companies in the S&P 500 have ensured to achieve a positive performance of the index although many companies ended the year with a negative result.

The technology sector has dominated with its great performance up to the third quarter of 2020. But during the fourth quarter 2020 we have observed other sectors that performed better. This has only been highlighted yet by a few financial journalists. In the technology sector we have noticed the first sign of FOMO (fear of missing out). Therefore, a sound diversification without compromising on the quality of companies invested is ever more important to achieve one's long-term financial goals.

The speed and strength of a market correction and subsequent recovery is very difficult to predict and will always be different than expected. But, investing in a well-diversified portfolio composed of high-quality companies should never change.

Indices

<u>Equity Indices</u>	Performance 2020	Performance Q4 2020
Lapis Global Top 50 Div Yield TR Index - USD	- 3.51%	+ 11.71%
Lapis Global MidCap 50 Div Yield TR Index - USD	- 0.81%	+ 17.53%
Lapis Global Brands 50 Div Yield TR Index - USD	+ 13.32%	+ 16.71%
Lapis Global Family Owned 50 Div Yield TR Index - USD	+ 6.35%	+ 12.65%
Lapis Global Sustainable 50 Div Yield TR Index - USD	+ 7.32%	+ 16.74%
Lapis Global Fin Functionary 25 Div Yield TR Index - USD	+ 22.78%	+ 9.56%
Lapis Global Shariah 100 Div Yield TR Index - USD	+ 8.45%	+ 13.47%
Lapis Global Sports 25 Div Yield TR Index - USD	+32.08%	+ 16.42%
Lapis Global Medical Devices 25 Div Yield TR Index - USD	+ 17.80%	+ 8.17%
Lapis Swiss Top 25 Div Yield TR Index - USD	+ 4.98%	+ 12.32%
Lapis Global Top 25 Crypto Asset Index - USD	+ 219.10%	+ 79.27%

Benchmark

MSCI All Country World Large Value TR Index	+ 0.07%	+ 16.12%
MSCI All Country World TR Index	+ 16.82%	+ 14.79%

Market Outlook 2021

The behaviour of companies and individuals in the context of the Covid pandemic has triggered in addition to all negative aspects many changes in terms of increased efficiency and the creation of new opportunities. This will have a lasting and positive impact on the economy and on the companies in our indices and mandates.

As mentioned above, there are certain sectors which become very popular with investors. These companies are now very expensive and could disappoint many investors who bought into these companies late due to unrealistic growth expectations.

The general market sentiment is still very much concerned about the state of the economy, the debt burden, and the unknown outcome of this pandemic.

We believe that we are still in an environment of 'concern' where the earnings expectations are low and the companies can surprise the investors with better than expected results.

We will continue to invest for our clients into high-quality companies which are attractively priced and have been able to pay increasing dividends for many years. This will ensure our clients to achieve their long-term financial goals instead of chasing 'expensive trends'.

Sincerely,

Andreas Wueger
CEO

Lugano, 5th January 2021