



Investors Letter Q4 - 2023

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“It is not certain that everything is uncertain.”

– Blaise Pascal

The equity market experienced a fair degree of volatility during the third quarter of 2023 which unfortunately affected performances of the equity market to some extent. The technology sector on the other hand, evidenced a rapid rise in share prices of large technology companies which rise has now stalled. We view these market corrections to be expected given nature of the financial markets.

Inevitably, the concerns of the financial institutions has now focused on the economic challenges presented by rising oil prices, inflation and possible recession in the USA and the possible effect on the stock market. Nevertheless, despite these dark clouds there are silver linings on the horizon as reflected in the significant drop in USA inflation from 9.1% to 3.6% and evidence of some growing economies around the world.

We are thus of the opinion that most of the above economic challenges has already been priced in the market suggesting that conditions for a reasonable market recovery is coming together.

Performance of Lapis Indices

<u>Lapis Dividend Yield Indices</u>	Performance 2023	Q3 2023
_Global		
Lapis Global Top 50 Div Yield TR Index – USD	- 2.26%	- 4.00%
Lapis Global MidCap 50 Div Yield TR Index - USD	+ 0.88%	- 6.16%
Lapis Global Brands 50 Div Yield TR Index - USD	+ 9.24%	- 6.10%
Lapis Global Family Owned 50 Div Yield TR Index - USD	+ 3.98%	- 7.57%
Lapis Global Sustainable 50 Div Yield TR Index - USD	+ 1.10%	- 4.03%
Lapis Global Fin Technology 25 Div Yield TR Index - USD	+ 3.31%	- 5.41%
Lapis Global Shariah 100 Div Yield TR Index - USD	+ 4.21%	- 3.83%
Lapis Global Sports 25 Div Yield TR Index - USD	+ 10.30%	- 7.84%
Lapis Global Medical Devices 25 Div Yield TR Index - USD	- 3.75%	- 14.66%
Lapis Global 5G & IoT 50 Div Yield TR Index - USD	+ 13.80%	- 4.93%
Lapis Global Water 25 Div Yield TR Index - USD	- 0.71%	- 9.98%
Lapis Global Luxury Brands 20 DY TR Index - USD	+ 5.24%	- 15.59%
Lapis Global Software Technology 25 DY TR Index - USD	+ 27.19%	- 1.87%
Lapis Global Natural Resources 25 Div Yield TR Index - USD	+ 4.65%	+ 3.54%
Lapis Global Real Estate 25 Div Yield TR Index - USD	- 11.27%	- 9.71%
Lapis Global Gold Miners 20 Div Yield TR Index - USD	- 5.36%	- 11.43%
Lapis Global Clean Energy 25 Div Yield TR Index - USD	- 7.14%	- 11.66%
Lapis Global Semiconductor 25 Div Yield TR Index - USD	+ 22.61%	- 8.38%
Lapis Global Emerging Market 40 Div Yield TR Index - USD	+ 7.14%	- 1.57%
Lapis Global Innovation Leaders 50 Div Yield TR Index - USD	+ 20.57%	- 4.57%

_Regional

Lapis Swiss Top 25 Div Yield TR Index - CHF	+ 13.91%	+ 1.95%
Lapis Swiss Small & MidCap 25 Div Yield TR Index - CHF	+ 10.87%	+ 0.64%
Lapis Europe MidCap 50 Div Yield TR Index - EUR	+ 3.10%	- 2.16%
Lapis Europe 50 Div Yield TR Index - EUR	+ 9.30%	- 1.77%
Lapis Germany Top 25 Div Yield TR Index - EUR	+ 8.71%	- 1.83%
Lapis UK Top 25 Div Yield TR Index - GBP	- 4.28%	- 3.50%
Lapis China Brands 40 Div Yield TR Index - USD	- 5.09%	- 1.47%
Lapis Asia ex Japan 40 Div Yield TR Index - USD	+ 2.46%	- 1.04%
Lapis Australia Top 25 Div Yield TR Index - AUD	+ 10.35%	+ 2.59%
Lapis US Top 50 Div Yield TR Index - USD	- 5.31%	- 1.25%

Lapis Next-Gen Indices (on special request only)

Lapis Global Top 25 Crypto Asset Index - USD	+ 15.08%	- 13.43%
Lapis Global Top 25 - 3D Printing Index - USD	+ 9.55%	- 7.87%
Lapis Gl. Top 25 Auto. Tech. & Robotics Index - USD	+ 27.58%	- 4.77%
Lapis Global Top 25 Genomic Revolution Index - USD	- 14.66%	- 3.99%
Lapis Global Top 25 Space Exploration Index - USD	- 0.09%	- 7.65%
Lapis Global Cyber Security 25 Index - USD	+ 17.13%	+ 2.55%

Lapis ESG Indices

Lapis ESG Global Family Owned 50 Div Yield TR Index - USD	+ 3.84%	- 7.57%
Lapis ESG Gl. Medical Devices 25 Div Yield TR Index - USD	- 3.75%	- 14.66%
Lapis ESG Global Water 25 Div Yield TR Index - USD	+ 1.07%	- 8.68%
Lapis ESG Gl. Software Technology 25 DY TR Index - USD	+ 28.08%	- 1.64%
Lapis ESG Swiss Top 25 Div Yield TR Index - USD	+ 13.91%	+ 1.95%
Lapis ESG Europe 50 Div Yield TR Index - EUR	+ 9.55%	- 1.39%
Lapis ESG US Top 50 Div Yield TR Index - USD	- 5.31%	- 1.25%
Lapis ESG Global Cyber Security 20 Index - USD	+ 20.82%	+ 2.99%

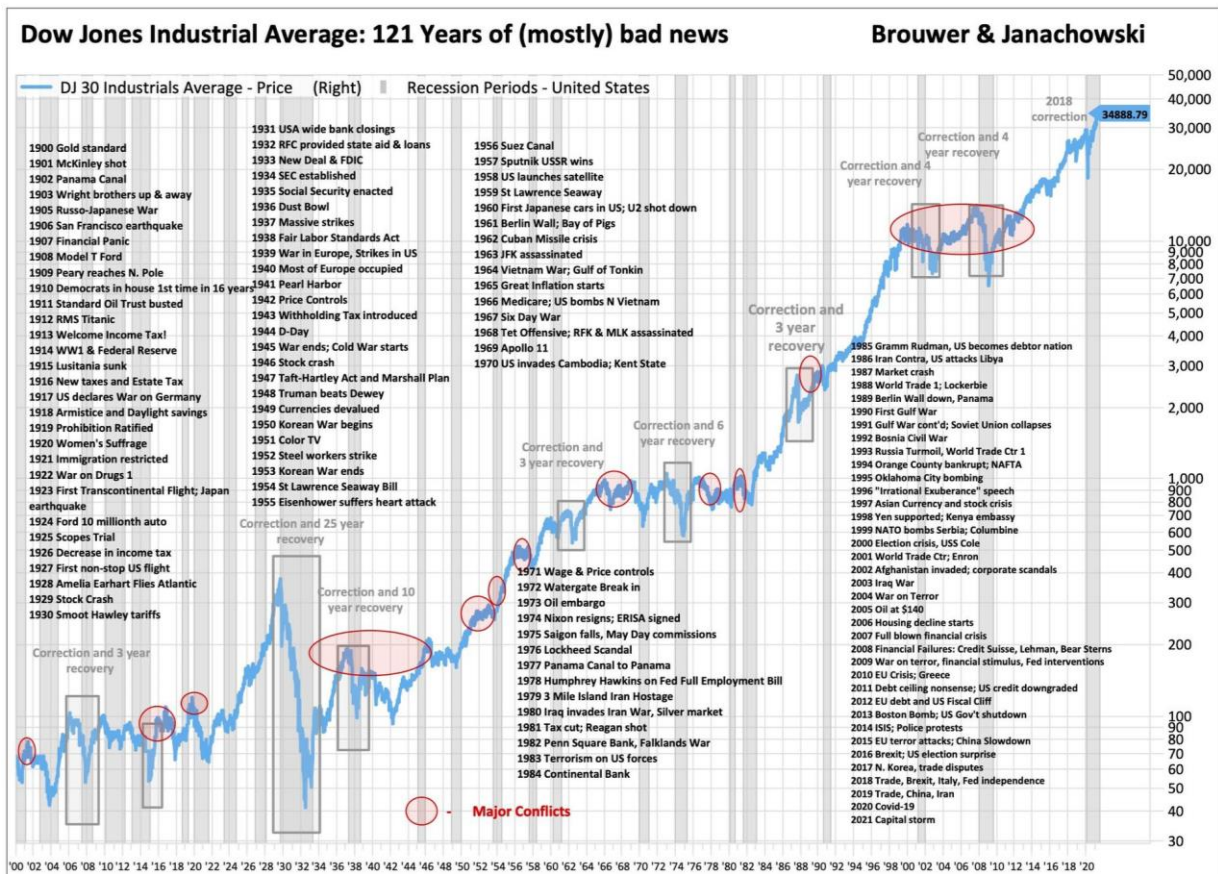
Benchmarks

Global Large Value Benchmark	+ 3.23%	- 1.41%
Global Benchmark	+ 10.49%	- 3.30%
Lapis (BMR) Global Developed Market 100 TR Index	+ 8.83%	- 3.28%
Lapis (BMR) Global All Country 100 TR Index	+ 9.35%	- 3.09%
Lapis (BMR) UK 100 TR Index	+ 7.30%	+ 0.50%

Market outlook for the remainder of 2023

It is our belief that we are experiencing the first stage of a new bull market which started in October 2022. These positive trends tend to prevail, on average, over a 3 to 7 year period with intermittent negative periods to be expected.

Brouwer & Janachowski



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Lapis' proven investment strategy, characterized by investing into well diversified portfolios composed of quality dividend paying companies, is well placed to participate in any upturn in the market. Reinvestment of dividend payments (or compounding of assets) plays an important role in long term total returns. We are unaware of any other investment approach that helps an investor to fully participate in returns of the equity market with a high certainty of a positive outcome.

Sincerely,

Andreas Wueger
CEO

Lugano, 5th of October 2023