

MARKET OVERVIEW

MARCH 2025



MARCH NEWS 2025



SCUBA DIVING EXPERIENCE

MFM employees had the opportunity to try scuba diving, through an introductory course led by Claudio Galati, Head of Internal Control at MFM and passionate diving instructor at Whale Shark Diving in Sion.

It was a unique experience that sparked dreams of underwater exploration for some. Our sincere thanks to the dedicated team at www.wsdiving.com

AWARDS

Four awards, one mission: excellence in Wealth Management

MFM won four prestigious awards at the WealthBriefing Swiss EAM Awards 2025 ceremony.

- Best Independent Wealth Manager in Switzerland - CHF 500M to 1B in assets under management (AUM)
- Best Company Based in the Canton of Vaud
- Best Chief Investment Officer - Frank Crittin
- Best Client Communications



This month, Marc Churin has joined the MFM team

MARC CHURIN

Pension Services Specialist

This month, Marc Churin joined the MFM team as the **Head of Pension Services**.

Well-known expert, Marc Churin, has helped set up pension plans for individuals, SMEs, and companies with up to 700 employees.

With a 360-degree approach, he covers all aspects of pension, including the 2nd and 3rd pillars (vested benefits, 1E, 3a, and pension schemes). His expertise ensures tailored solutions to optimize your plans, focusing on costs, risks, and performance.

Since the pension and tax environments are constantly evolving, we recommend reviewing your plans regularly - ideally every three years - to keep them up to date and ensure optimal benefits.

We invite you to schedule a meeting with Marc Churin to assess your situation.

Contact: marc.churin@mirante.ch or [LinkedIn](#).



QUOTE OF THE MONTH

« The only thing we learn from history is that we learn nothing from history. »

Georg Wilhelm Friedrich Hegel (1770-1831), German philosopher

FEBRUARY IN TWO ACTS

At the start of the month, despite the announcement of new US customs tariffs, investors remained optimistic.

This optimism was driven by the good results announced by companies and Chinese euphoria linked to artificial intelligence. Even the somewhat weak US economic figures were interpreted positively. They confirmed that the American central bank could easily lower rates. The second part of the month was more delicate: macroeconomic data in the United States revealed a clear slowdown in the economy, particularly with a drop in retail sales, one of the driving forces of American growth.

In terms of stocks, after a difficult start to the month marked by the announcement of new American tariffs, the markets rebounded thanks to solid corporate results. However, the end of the month saw a pullback due to signs of a marked economic slowdown in the United States and the impact of new trade tariffs on inflation. Regionally, China stood out with a spectacular performance, largely driven by enthusiasm around AI and the government's open support for technology companies.

Europe and Switzerland benefited from the solidity of corporate results and anticipated interest rate cuts. Conversely, the United States recorded a sharp decline, weighed down by inflationary fears and weakness in the technology sector. At the sector level, defensive stocks shone, with consumer staples and real estate leading the way. These sectors have benefited from promising results and their defensive status in times of uncertainty. In contrast,

Written by Frank Crittin,
CIO of MFM



information technology and consumer discretionary suffered from continued pressure on large technology companies.

The bond market was influenced by macroeconomic uncertainties. In the United States, long-term rates fell at the end of the month due to increasing fears of a recession, leading to outperformance of long-term bonds. In Europe, on the other hand, rates rose slightly. On the credit side, investors' risk appetite has not changed despite macroeconomic uncertainties, with credit spreads remaining at extremely low levels.



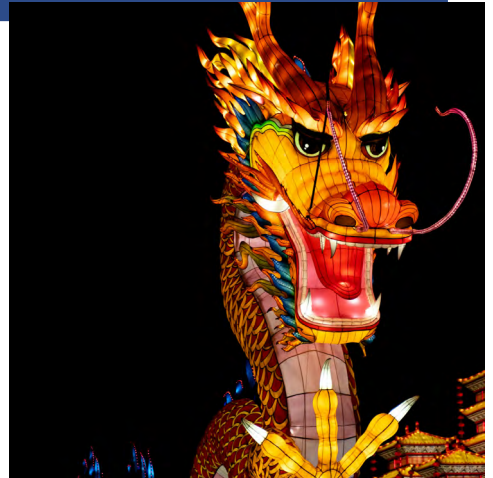
THE DRAGON AWAKENS

The Chinese stock market has seen spectacular performance since the end of last year driven by these technology companies.

DeepSeek, a Chinese start-up that demonstrated the competitiveness of Chinese engineers against American giants, participated in this recovery but a more decisive factor is behind the strong comeback of Chinese companies.

In 2020, Alibaba founder Jack Ma's public criticism of the Chinese system sparked a dramatic backlash. Strict measures have affected all areas of tech ranging from fintech to video games. The culmination was probably the cancellation of the Ant Group IPO, a subsidiary of Alibaba. These restrictions have severely impacted the profits and valuations of these companies. However, since the summer of 2023, the government has adopted a more conciliatory approach. On February 17, Xi Jinping, in front of an audience of entrepreneurs, expressed public and explicit support for the private sector. This event boosted investors confidence who flocked to technology stocks. Where does this change in tone from the Chinese government come from?

Faced with an economic slowdown marked by a real estate sector in crisis and high local debts, Beijing sees these companies as a lever for growth. Furthermore, in a context of increased geopolitical tensions with the United States, particularly on semiconductors and artificial intelligence, the government supports companies that invest in these areas which have become highly strategic.



In recent months, investors have logically flocked to these stocks, generating a strong rebound. Despite this, the valuations of these companies remain very attractive. While the government's support and the rise of AI seem likely to offer new opportunities, they are still accompanied by many uncertainties. The challenges linked to the real estate sector, geopolitical tensions, and Beijing's desire to maintain strict control over these strategic sectors remain obstacles to a complete reassessment of valuations. For investors, China thus remains a strategic opportunity, but also a bet on the government's ability to reconcile control and growth.

STRENGTHENING PORTFOLIO RESILIENCE IN UNCERTAINTY

The election of Donald Trump stimulated the markets. However, trade tensions, economic slowdown and political uncertainty are now weighing on investment prospects.

Trump's tariffs have been widely cited for their inflationary impact, as they automatically increase prices for consumers. However, recent market reactions suggest that concerns about U.S. economic growth have outweighed fears about inflation. In fact, the American economy shows signs of slowing down. Retail sales have weakened, orders for durable goods have slowed, and consumer and business morale remains low. Market volatility and political uncertainty have led company executives to suspend capital spending (except for AI investments), slow hiring, and delay M&A activity. As a result, major U.S. equity indices gave up gains made during the post-election rally. Bond markets are showing caution, with yields on 10-year Treasury bills falling steadily in recent weeks.

Due to unpredictable policy changes by the U.S. administration, investors face a wide range of concomitant risks: potential U.S. or even global recession, financial market instability, major currency fluctuations, and extreme geopolitical situations. Furthermore, if risk-taking is fundamental to investing, assessing the probabilities that one of these risks will materialize has become impossible due to the chaotic nature of American politics.

In such an environment, diversification remains the cornerstone of portfolio strategy. Indeed, structured portfolio construction and controlled diversification



both at the asset classes level and within them, make it possible to build resilient strategies that allow you to benefit from certain opportunities during periods of turbulence. In the longer term, this type of strategy also makes it possible to maintain controlled exposure to the main investment premiums, despite short-term erratic movements in the financial markets.

WEALTHBRIEFING SWISS EAM AWARDS 2025 IN ZURICH

BEST INDEPENDENT ASSET MANAGER IN SWITZERLAND & VAUD

The judging panel awarded MFM the ultimate recognition: Best Independent Asset Manager in Switzerland in the 500M - 1B AuM category.

What do you think led to this success?

Jean-Marc Gavillet: Winning all these awards is truly exceptional, and we are incredibly proud. This recognition reflects our strong commitment to our clients, ensuring they receive the best possible services. It also confirms the relevance of our 360° wealth management approach, and the excellence of our quantitative and fundamental strategies, which are typically reserved for institutional investors. I believe this is what sets us apart and defines our strength. The loyalty and trust of our clients are the ultimate forms of recognition. Our comprehensive and personalized service offering has convinced our clients, who are looking for a close relationship and tailored advice.

What role did your team play?

Jean-Marc Gavillet: Our success is built on the expertise and dedication of our entire team. Each team member plays a crucial role in delivering high-quality, personalized services. Without them, we wouldn't have reached this milestone. Moreover, the selection of our partners and specialists who surround us also plays an important role in our success. Each of them drives us toward continuous improvement.



What are you doing to remain competitive and stay ahead?

Sébastien Berthoud: To stay competitive, we continuously strengthen our range of services, particularly in the area of pension services. Additionally, our team is growing with the arrival of new employees and specialists in the field.

WINNER
Assets Between CHF 500 Million - 1 Billion AuM

MFM Mirante Fund Management SA

WINNER
Based in Vaud

MFM Mirante Fund Management SA

MAIN MARKET DRIVERS

Over the long term, overall growth, corporate profit growth, inflation and interest rates are the four main drivers of financial markets.



GROWTH

- Uncertainty generated by chaotic policy weighs heavily on consumers and corporate capex - could sink the US economy into a recession
- Europe: Germany considers €1 trillion defense and infrastructure spending plan -> growth benefits
- China: New stimulus measures to help economy withstand impact of tariffs



CORPORATE PROFITS

- Corporate earnings remain clearly positive
- Trump's global trade war to put pressure on corporate profits, businesses reluctant to invest in America



INFLATION

- Price pressures remain a problem in America, tariffs won't help
- Despite the rebound in Chinese stocks, the risk of a deflationary spiral remains in China
- Long-term drivers of low inflation, such as profitability and demographics, remain in place



INTEREST RATE

- Central bank decisions remain closely linked to macroeconomic data and inflation.
- Increase in the number of companies in financial difficulty, especially in emerging markets and the United States

MONTHLY PERFORMANCE

28 FEBRUARY 2025

EQUITIES MARKET (LOCAL CURRENCY)

China	11.59
Europe	3.63
Switzerland	2.81
United Kingdom	2.17
Asia (ex-Japan)	1.34
Emerging Markets	0.74
World (all countries)	-0.96
United States	-1.61
Japan	-4.00

EQUITIES SECTOR (LOCAL CURRENCY)

Consumer Staples	4.52
Real Estate	3.16
Energy	2.31
Utilities	1.91
Financials	1.71
Health Care	0.91
Materials	0.34
Industrials	-0.84
Information Technologies	-1.96
Telecommunication Services	-5.25
Consumer Discretionary	-6.95

OTHERS (USD)

Industrials (CBR)	2.20
Global	0.45

FIXED-INCOME (USD HEDGED)

US Treasury Long Duration	5.18
Global Aggregate Long Duration	2.02
Global Corporate Credit	1.58
Emerging Market Hard Currency Aggregate	1.49
Global Aggregate	1.20
Global Aggregate 5-7 Year	1.12
Global Inflation-Linked Bonds	1.11
Global Treasury	0.98
Global High-Yield	0.78
Global Convertibles	0.54
Global Aggregate 1-3 Year	0.50
Swiss Bond Index AAA-BBB (CHF)	-0.11

MEET THE TEAM

Marc Churin

Head of Pension Services

I am happy to join the strong MFM team, with whom I've had the chance to collaborate in recent years. The welcoming work environment and spacious offices greatly ease this transition.

I look forward to applying my experience to optimize pension services and their associated benefits for MFM's clients.



For me, there is always a solution to every problem, even in the most complex situations.



Sébastien Berthoud

Gérant de patrimoine

In my role as Wealth Manager, I particularly appreciate the human aspect of the profession, which is inseparable from the financial advice I provide.

I support my clients during key moments of their lives, watching them evolve over the years and helping them bring their projects to life. This aspect of my role is highly rewarding.

I often use humor to lighten the mood and diffuse delicate situations. It has become a real strength.

OUR UNIQUE SERVICES

Where institutional asset management meets wealth management

12 INVESTMENT STRATEGIES

Benefit from institutional-quality strategies combining qualitative and quantitative approaches.

WEALTH MANAGEMENT

We are here to manage your wealth and provide you with active advice.

MORTGAGE

We find the best financing solution for your real-estate project.

PLANNING

We guide you to serene retirement and estate succession.

FORESIGHT

We set up your Swiss pension plan for the 2nd and 3rd pillars (1E, libre-passage and 3A)

FAMILY OFFICE

We collaborate with a network of professionals in the legal, tax, insurance and cryptocurrency fields.

ACCESS TO DIGITAL PLATFORMS

Benefit from the portfolio aggregator My MFM.



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