



Investment Rationale

- Digital payments are expected to keep growing at a fast pace and make cash increasingly irrelevant thanks to new shopping experiences (livestreams, in-store cashierless checkout...) and digitization of big-ticket transactions (B2B...).
- Cryptos are also gradually emerging as a means of exchange both online, where they make possible the transfer of property and trading of virtual goods, and in-store where retailers and consumers increasingly adopt them.
- Payments and cryptos are often the cornerstone of more ambitious service offerings (online trading, lending, payroll management...) turning Fintech firms into full digital banks and leveraging their highly scalable platforms.

Certificate Details

NAV	65.3
ISIN	CH0473585237
Currency	USD
Type	Active Equity
Issuer / Rating	UBS / S&P A+
Inception Date	08.11.2019
Number of Holdings	31
Liquidity	Daily
Management fees	1.6% (incl. 0.3% UBS)
Performance fees	15% (HWM)

Investment Universe

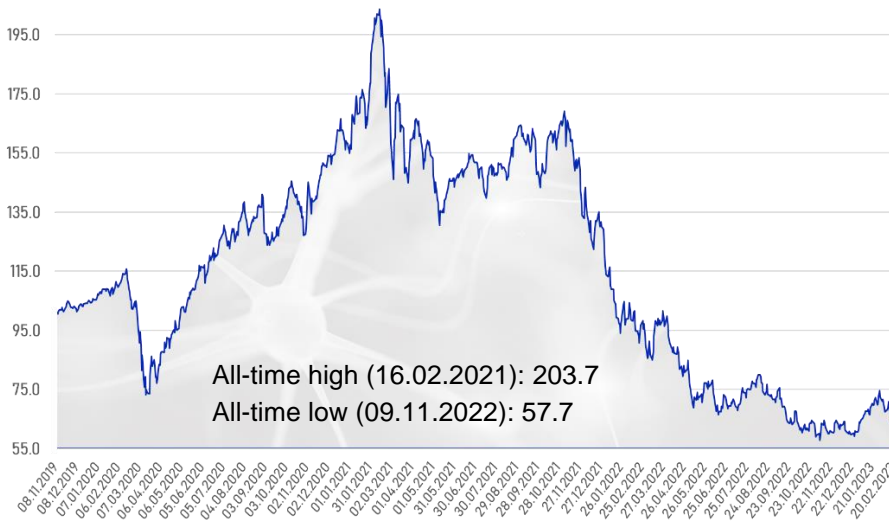


February Report

- The Fintech certificate fell 7.4% in February and underperformed the MSCI AC World by 4.7%.
- The earnings season delivered some encouraging signs in various Fintech segments. Among consumer apps, PayPal and SoFi both issued solid figures and/or guidance, with the payment giant announcing 2.9 million net new active accounts in Q4, in line with the previous quarter, and a guidance for 18% EPS growth despite muted top-line expectations (mid-single digit growth). Personal loans specialist SoFi also recorded impressive growth in its members (+51% year-on-year) and was able to deliver a 2023 revenue/EBITDA guidance globally in line despite a more adverse environment.
- In the legacy payment processing industry, restructuring and rationalization are on their way with Global Payments divesting non-core businesses for close to \$500 million and Fidelity's spinoff of WorldPay, its \$43 billion acquisition of 2019 that failed to deliver the expected synergies and resulted in market share losses for the once successful WorldPay. Overall, these restructuring initiatives should allow many Fintech firms to preserve their earnings amid tougher economic conditions, just like in other Tech sectors.
- Finally, M&A remained a major source of chatter with banking software provider Temenos reportedly attracting interest from private equity firms and institutional firms (Citadel, BlackRock...) circling struggling crypto bank Silvergate.



Performance



	2020	2021	2022	2023
Jan	2.6%	3.9%	-21.2%	16.6%
Feb	-4.9%	5.4%	-4.3%	-7.4%
Mar	-18.7%	-11.0%	-1.8%	
Apr	17.1%	-0.1%	-16.1%	
May	14.8%	-5.6%	-5.1%	
Jun	9.5%	5.3%	-10.8%	
Jul	8.2%	-3.9%	9.6%	
Aug	3.5%	9.3%	-2.5%	
Sep	-3.4%	-8.0%	-13.9%	
Oct	-3.6%	8.2%	1.1%	
Nov	18.5%	-6.8%	-0.5%	
Dec	5.0%	-12.8%	-4.7%	
Annual	51.4%	-17.8%	-53.5%	8.0%

Top Contributors

SoFi Technologies (SOFI US)
Fiserv (FISV US)
Swissquote Group (SQN SW)

Worst Contributors

Shopify (SHOP US)
Alibaba (BABA US)
Tencent (TCEHY US)

Risk

Beta vs. MSCI AC World	1.29
Correlation vs. MSCI AC World	0.8
Realized Volatility (Annualized)	37%
Cash Allocation	0%

Portfolio Structure

Top Holdings

Block (SQ US)
Shopify (SHOP US)
Robinhood (HOOD US)

Top 5 Currencies

USD 92%
EUR 4%
CHF 4%

Market Cap Breakdown [USD]

Mega (> 200bn)	22%
Large (10bn to 200bn)	53%
Medium (2bn to 10bn)	21%
Small (300mln to 2bn)	4%
Micro (50mln to 300mln)	0%

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