



## 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 cashier less 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                | 78.1                  |
| ISIN               | CH0473585237          |
| Currency           | USD                   |
| Type               | Active Equity         |
| Issuer / Rating    | UBS / S&P A+          |
| Inception Date     | 08.11.2019            |
| Number of Holdings | 33                    |
| Liquidity          | Daily                 |
| Management fees    | 1.6% (incl. 0.3% UBS) |
| Performance fees   | 15% (HWM)             |

## Investment Universe

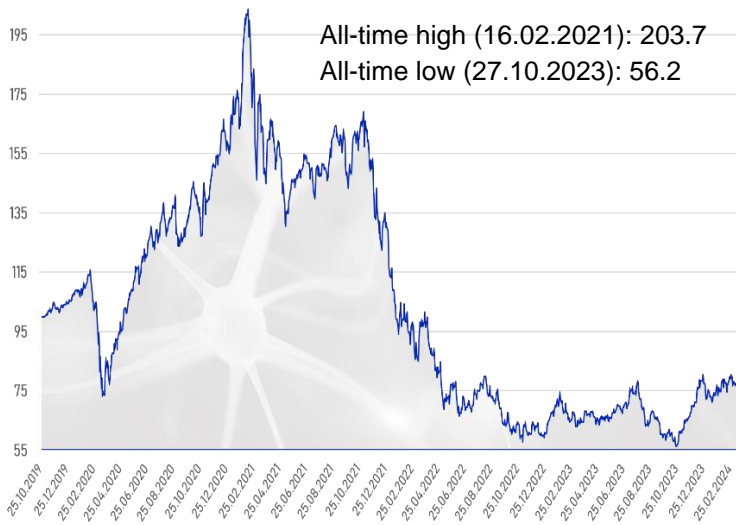


## March Report

- The Fintech certificate fell 1.3% in March and underperformed the MSCI AC World by 4.5%.
- Following the massive \$35 billion acquisition of Discover Financial by Capital One, it's no surprise to see a lot of M&A chatter in the Fintech space.
- While restaurant software and payments provider Shift4 came under pressure last month as it reportedly rejected M&A bids viewed as too low, Canadian payment processor Nuvei accepted a takeover bid from private equity Advent valuing the company at \$6.3 billion, a 58% premium.
- With fundamentals improving (growth reacceleration, cost cutting driving operating margins), it's just a question of time (and premium) before consolidation in this highly fragmented industry moves up a gear.
- Another sign of confidence is the (potential) return of Fintech IPOs with Buy Now Pay Later leader Klarna considering going public at a valuation around \$20 billion. That said, the growing popularity of BNPL is sparking calls for greater regulatory oversight, something that will need to be monitored in coming months.
- Finally, on the earning side, Sea Ltd reassured with its quarterly results showing market share gains in ASEAN despite fierce e-commerce competition and 28% growth and a return to profitability in the second half of the year.



## Performance



|               | 2020         | 2021          | 2022          | 2023       | 2024        |
|---------------|--------------|---------------|---------------|------------|-------------|
| Jan           | 2.6%         | 3.9%          | -21.2%        | 16.6%      | -5.2%       |
| Feb           | -4.9%        | 5.4%          | -4.3%         | -7.4%      | 7.9%        |
| Mar           | -18.7%       | -11.0%        | -1.8%         | 4.4%       | -1.3%       |
| Apr           | 17.1%        | -0.1%         | -16.1%        | -3.5%      |             |
| May           | 14.8%        | -5.6%         | -5.1%         | 0.1%       |             |
| Jun           | 9.5%         | 5.3%          | -10.8%        | 6.7%       |             |
| Jul           | 8.2%         | -3.9%         | 9.6%          | 11.7%      |             |
| Aug           | 3.5%         | 9.3%          | -2.5%         | -13.9%     |             |
| Sep           | -3.4%        | -8.0%         | -13.9%        | -10.5%     |             |
| Oct           | -3.6%        | 8.2%          | 1.1%          | -5.0%      |             |
| Nov           | 18.5%        | -6.8%         | -0.5%         | 17.8%      |             |
| Dec           | 5.0%         | -12.8%        | -4.7%         | 14.5%      |             |
| <b>Annual</b> | <b>51.4%</b> | <b>-17.8%</b> | <b>-53.5%</b> | <b>28%</b> | <b>1.0%</b> |

### Top Contributors

Robinhood (HOOD US)  
Carvana (CVNA US)  
Sea (SE US)

### Worst Contributors

Marathon Digital (MARA US)  
Shift4 Payments (FOUR US)  
SoFi (SOFI US)

### Risk

|                                  |     |
|----------------------------------|-----|
| Beta vs. MSCI AC World           | 1.4 |
| Correlation vs. MSCI AC World    | 0.8 |
| Realized Volatility (Annualized) | 35% |
| Cash Allocation                  | 0%  |

## Portfolio Structure

### Top Holdings

Marathon Digital (MARA US)  
Block (SQ US)  
Adyen (ADYEN NA)

### Top 5 Currencies

|     |     |
|-----|-----|
| USD | 89% |
| EUR | 5%  |
| CHF | 4%  |
| TWD | 2%  |

### Market Cap Breakdown [USD]

|                         |     |
|-------------------------|-----|
| Mega (> 200bn)          | 21% |
| Large (10bn to 200bn)   | 52% |
| Medium (2bn to 10bn)    | 24% |
| Small (300mln to 2bn)   | 3%  |
| Micro (50mln to 300mln) | 0%  |

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