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ZKB Tracker Certificate on a European Infrastructure Equity Basket

April 2025

How to participate in the infrastructure turnaround

With an ambitious spending package, Germany is taking a bold step forward: half a trillion euros are to be invested in modernising the infrastructure over the next ten years. The boost is urgently needed after decades of underinvestment in railways, roads, bridges and mobile networks. But underfunding of public goods is not just a German problem; there is also a major investment gap at the European level.

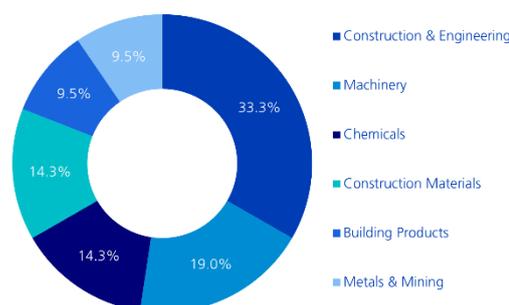
Persistent investment backlog

The consequences of Germany's chronic underinvestment are evident in the country's crumbling roads, railways and bridges, as well as outdated education and energy infrastructure. According to a study by the Institut der deutschen Wirtschaft (IW) and the Institut für Makroökonomie und Konjunkturforschung (IMK), there is an investment gap of around EUR 300bn¹ in municipal and national infrastructure alone (including public transport, the rail network and motorways). The dispute over financing has so far blocked large-scale spending – the investment package now agreed could be the breakthrough needed to tackle modernisation. Several sectors are likely to benefit from the planning and implementation of the infrastructure programme, including construction companies, engineering services and machinery manufacturers.

But the lack of investment is not limited to Germany. The European Central Bank estimates that an additional EUR 900bn of public investment will be needed at the European Union level between 2025 and 2031 to meet the challenges ahead². However, a coordinated approach to closing this financing gap is still lacking. Financial markets are therefore focusing on Germany, which could lead the way and shed its reputation as a stingy investor with the biggest infrastructure programme in the country's history.

The ZKB Tracker Certificate on a European Infrastructure Equity Basket is an efficient way for investors to participate in the infrastructure turnaround. The selection consists of European companies operating in the construction and basic materials sectors, with a higher weighting in the construction & engineering and machinery sub-sectors (see chart). The equity basket is diversified across several European countries, with a focus on Switzerland and Germany. The 21 stocks are included in the basket with an equal weighting at initial fixing.

Sector Allocation Infrastructure Equity Basket



Source: ZKB, Bloomberg

Key Data

Underlying	European Infrastructure Equity Basket
Currency	CHF / EUR
Trading unit	1 Structured Product
Issue price	CHF 100.00 / EUR 100.00
Subscription period	April 16, 2025, 16:00 CET
Valor / ISIN	121 827 020 / CH1218270200 (CHF) 121 827 021 / CH1218270218 (EUR)

Sources:

1 600 Milliarden Euro für eine zukunftsfähige Wirtschaft - Institut der deutschen Wirtschaft (IW)

2 Mind the gap: Europe's strategic investment needs and how to support them

Equity Selection

Stock	Sector	Country	Business activity
Acciona	Construction & Engineering	Spain	Planning, construction and operation of infrastructure projects (including roads, tunnels, railways), energy services, wastewater treatment
ArcelorMittal	Metals & Mining	Luxembourg	Steel production
BASF	Chemicals	Germany	Chemical products, surface technology (catalysts), high-performance plastics, agrochemicals
Bouygues	Construction & Engineering	France	Construction and maintenance of transport and urban infrastructure
Burckhardt Compression	Machinery	Switzerland	Development, production and maintenance of compressor systems for the industry (including oil and gas, refining, chemicals)
Cie de Saint-Gobain	Building Products	France	Production of flat glass, building materials, industrial ceramics and high-performance plastics
Eiffage	Construction & Engineering	France	Planning, construction and operation of transport and civil engineering infrastructure (including motorways, bridges, railways)
Ferrovial	Construction & Engineering	Netherlands	Planning, construction and operation of motorways, rail networks and airports
FLSmidth & Co	Machinery	Denmark	Production plants and equipment for the cement and mining industry (including cement plants, conveyor systems, boilers)
Forbo Holding	Building Products	Switzerland	Production of floor coverings, adhesives, and belts for conveying and power transmission
Fuchs SE	Chemicals	Germany	Production and distribution of industrial and automotive lubricants, hydraulic oils and greases
Heidelberg Materials	Construction Materials	Germany	Production and distribution of cement, aggregates, ready-mix concrete and asphalt
Hochtief	Construction & Engineering	Germany	Planning and realisation of infrastructure projects in the transport and energy sectors
Holcim	Construction Materials	Switzerland	Production of concrete, gravel and cement, recycling of debris
Norsk Hydro	Metals & Mining	Norway	Aluminium production
OC Oerlikon	Machinery	Switzerland	Production systems, components and services for high-tech products (surface solutions, chemical fibres)
Sika	Chemicals	Switzerland	Construction chemicals (additives for concrete and mortar), chemicals for industrial production (adhesives and sealants for the automotive, railway and shipbuilding industries)
Skanska	Construction & Engineering	Sweden	Construction of buildings and infrastructure (including industrial plants, stadiums, bridges)
Sulzer	Machinery	Switzerland	Manufacturing, maintenance and servicing of pumps for water, oil and gas, electricity and chemicals
Vinci	Construction & Engineering	France	Planning and operation of transport and energy infrastructure
Wienerberger	Construction Materials	Austria	Production of bricks, pipes for water transport and wastewater systems

Source: Bloomberg

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