

# Tracker on « ZKB Favourite Stocks 2024»

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## The Favourite Swiss Stocks 2024

The Tracker Certificate combines ten Swiss equities with the most promising outlook according to the research of Zürcher Kantonalbank. The selection consists of five large caps as well as five small and mid-cap stocks.

One of the research favourites among the **large caps** is the building materials manufacturer **Holcim**, whose transformation course is gaining momentum thanks to strong cash generation. **Kühne + Nagel**, the global logistics provider, also makes the cut, thanks to its cost discipline and ongoing strategy implementation. Although **Lonza** has come under pressure recently, it offers a high margin with good visibility and benefits from structural trends that are not reflected in its low valuation. According to research, **Partners Group** should continue to see strong net new money inflows and benefit from increasing deal activity. At **Roche**, market expectations for the pipeline are already modest. Our research expect earnings growth in 2024 to be above consensus.

In the **small- and mid-cap** segment, our research is focussing on **Accelleron**, the world leader in turbochargers, which has had a good start to the year and still has considerable potential. The technology company **ams Osram** has secured financing with a painful capital increase and can now press ahead with its turnaround. **Zurich Airport** offers further recovery potential and attractive cash flows after the pandemic. Insurance company **Helvetia** should continue to grow profitably in 2024 and gain market shares abroad. With **Tecan**, our

research is focussing on a quality stock in the medtech sector with an attractive valuation.

During the initial fixing period, the ten stocks selected are added to the basket with an equal weighting of 10% each. In terms of market capitalisation, small and medium-sized companies therefore have a relatively higher weighting in the basket.

## In a nutshell

- Diversification due to a combination of large, mid & small caps
- Issue price of CHF 100.00
- Net dividends are reinvested
- Tenor of 1 year

## Key Data

Underlying	Equity Basket «ZKB Favourite Stocks 2024»
Currency	CHF
Trading unit	1 Structured Product
Issue Price	CHF 100.00
Subscription period	19. January 2024, 12:00 CET
Initial Fixing Date	19. to 23. January 2024
Issue Date	26. January 2024
Final Fixing Date	17. to 21. January 2025
Redemption Date	24 January 2025
Valor	121 824 643
Symbol	TOP24Z

## Selection «ZKB Favourite Stocks 2024»

Stock	Weight	ISIN
Holcim	10%	CH0012214059
Kühne + Nagel	10%	CH0025238863
Lonza	10%	CH0013841017
Partners Group	10%	CH0024608827
Roche	10%	CH0012032048
Accelleron	10%	CH1169360919
ams Osram	10%	AT0000A18XM4
Flughafen Zürich	10%	CH0319416936
Helvetia	10%	CH0466642201
Tecan	10%	CH0012100191

### Holcim

The world's largest building materials supplier was created in July 2015 through the merger of Holcim and Lafarge. It is active in cement, aggregates, ready-mix concrete as well as Solutions & Products and is increasingly focussing on resource-saving building materials. The group employs around 60,000 people and produced around 121 million tonnes of cement in 2022. The cement business is expected to account for only 40% of sales by 2025 (2020: 60%).

### Kühne + Nagel

Kuehne + Nagel is represented at almost 1,400 locations in more than 100 countries and has over 83,000 employees. Kuehne + Nagel does not own its own aircraft or ships. The freight forwarder books freight capacity with transport companies, such as shipping companies. Nevertheless, according to own information, the company is the global number one in sea freight and number two in air freight. Around 50% of its operating profit comes from sea freight and just over 33% from air freight. The rest comes from contract logistics and overland transport.

### Lonza

Lonza offers products and services exclusively to the pharmaceutical and healthcare industries and is a developer and manufacturer of chemically and especially biotechnologically produced active ingredients. With the Capsugel acquisition, Lonza became the leading capsule manufacturer and a major formulation specialist, according to own information. It also manufactures ingredients for dietary supplements. Major competitors include Boehringer Ingelheim, Samsung Biologics, Thermo Fisher and Siegfried.

### Partners Group

Partners Group is an alternative asset manager focused on private markets. The largest business segment is private equity; others are private debt, private infrastructure and private real estate. The business focus is global, with a good two-thirds of assets coming from Europe (incl. CH and UK) and around one-fifth from North America, with the remainder increasingly coming from emerging markets. Partners Group's business activities are measured against the global industry giants, which are often either unlisted companies or organisational units of globally operating financial companies.

### Roche

Roche consists of two divisions, Pharmaceuticals and Diagnostics. The Pharmaceuticals Division has more than compensated for the loss of market share in oncology (due to erosion by biosimilars and competition) by successfully diversifying into new speciality areas. These include applications for multiple sclerosis, retinal diseases, rare diseases and autoimmune diseases. The Diagnostics division is the global market leader in in-vitro clinical diagnostics and has synergies with the Pharma division in the areas of tests for personalised medicines and the identification of the best target groups in clinical trials. Through the complete acquisition of Genentech in 2009 and the stake of almost 60% in Chugai, Roche has a global network in research and development.

### Accelleron

Accelleron Industries AG, headquartered in Baden, is one of the world's leading suppliers of high-performance turbochargers for the marine, energy and other non-road applications. The company has a global network of over 100 service stations in more than 50 countries, with service contributing around 75% of total sales.

### **ams Osram**

ams develops and produces sensor ICs, interfaces and the associated software. Osram, which has been part of ams since mid-2020, produces lamps, semiconductor-based light sources, lighting controls, LED and speciality luminaires, dimmers and related lighting products. The company as a whole offers a wide range of optical sensor solutions for manufacturers of communication devices as well as light sources, lighting and sensor solutions for the automotive and industrial markets. As a vertically integrated full-service provider, the company combines system know-how in analogue chip design with its own state-of-the-art production, testing and packaging facilities and a strong market position in semiconductor-based light sources.

### **Flughafen Zürich**

Flughafen Zürich concentrates on the core tasks of airport operations in Switzerland and abroad, the operation of commercial centres on the landside and airside, and the yield-oriented management and enhancement of real estate at the Zurich location. Flughafen Zürich also has an international presence and operates airports in several countries, including in Chile and Brazil. In addition, the company is currently building a new airport in India near Delhi, which is scheduled for completion by the end of 2024. The Canton of Zurich owns about one-third of the airport, with the City of Zurich holding an additional 5% stake.

### **Helvetia**

Helvetia is a medium-sized all-sector insurer with equally strong income pillars in non-life and life insurance. In addition to its home market Switzerland, Helvetia is also active in foreign markets, including Germany, Spain and Italy. External expansion is generally carried out in small steps. However, with the acquisition of Nationale Suisse, a significant external strengthening has been undertaken. This also includes the acquisition in 2020 of Caser in Spain.

### **Tecan**

Tecan is a supplier of high-quality laboratory instruments and automation solutions, in particular for pharmaceutical and biotech companies as well as for clinical diagnostics. Tecan's products pave the way for quicker, more precise and reproducible results in laboratories. Tecan's focus is primarily on Western Europe and North America. It serves mostly smaller life sciences clients as well as several very important OEM clients such as Agilent, Abbott, Labcorp, Quest Diagnostics and Thermo Fisher. The respective instruments and relevant software solutions are often modularised, offering attractive combination options for the client, but also scalability and easier upgrades for Tecan.

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