

Healthcare haven amidst rocky markets



Despite a tough market environment of the month and the quarter, Healthcare has continued outperforming the market, led by Healthcare Services. The outsized moves seen on stock specific news items, even if well-expected show the pent-up nervousness from market participants (Dexcom, Alnylam, Genmab).

Overall, we are encouraged by the continued outperformance of the sector, which we believe is justified given the strong earnings rebound expected this year and the depressed valuations – see our “Chart of the Month” below.

Biotech from China

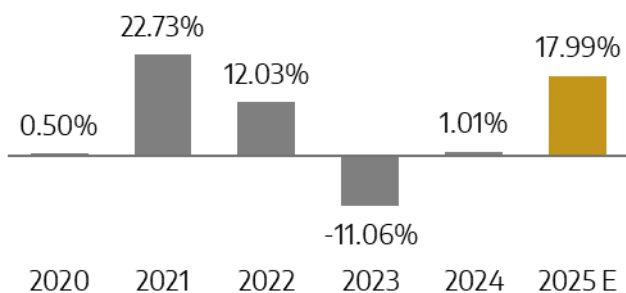
This month, Novartis and Merck each committed close to \$2bn to license phase 2 assets from Chinese companies.

These recent, high-profile deals for cardiovascular and metabolic assets are the latest in an accelerating series of deals by Western companies to acquire assets developed in China.

These deals, often for early development candidates, highlight the breadth and depth of competence and innovation in the laboratories of Chinese companies.

Chart of the Month

MSCI World Healthcare EPS growth



Since the pandemic ended, we have seen strong demand for healthcare. The chart shows the spike in annual healthcare earnings in 2021 and 2022. In 2023, COVID earnings remained strong due to vaccine boosters, creating a tough comparison for 2024. This means 2025 will be the first year where strong underlying healthcare demand is fully reflected in strong reported earnings growth. Together with more modest valuation levels compared to other sectors this could further improve the sentiment for healthcare.

Check out our video on this subject [here](#).

Peter Marks resigns

Dr. Peter Marks, head of the Center for Biologics Evaluation and Research (CBER) resigned on the 28th of March. CBER regulates vaccines in the US. In his resignation letter, Dr. Marks singled out efforts by RFK to undermine the confidence in vaccines.

This resignation comes after RFK announced the reduction of the healthcare department’s staff by roughly 20’000, or 25%

Overall, while these developments are negative for sentiment and may slow down review and approval process for new drugs, we view the impact as limited and primarily affecting small-cap biotech stocks.

Performance Overview

	1M	3M	YTD	12M
Healthcare	-2.3%	-1.2%	5.1%	6.3%
Medtech	-4.4%	0.1%	4.3%	13.2%
Services	7.7%	-3.3%	11.8%	3.3%
Pharma	-4.5%	-0.7%	4.6%	6.8%
Biotech	-1.6%	4.8%	9.7%	9.6%
Tools	-4.5%	-11.7%	-9.1%	-10.8%
World	-4.5%	-4.5%	-1.8%	16.5%

Top 5 this month

1	HCA	13%	Macro
2	UnitedHealth	10%	Macro and better rates
3	Cencora	10%	Macro and better rates
4	Elevance	10%	Macro and better rates
5	Alnylam	9%	Amvuttra approval

Bottom 5 this month

1	Novo Nordisk	-24%	Tariffs, trial data
2	Dexcom	-23%	Warning letter
3	Pro Medicus	-21%	IT sector pullback
4	Amplifon	-20%	Earnings, guidance cut
5	Grifols	-20%	Negative headlines

Source: Bloomberg Finance L.P., Kieger

Kieger Healthcare Team



Dr Maria Specogna

Lead Manager,
Sustainable Healthcare Fund



Raphael Oesch, CFA

Lead Manager,
Blue Chip Healthcare Fund



Flavio Mancino, CFA

Research Analyst




Guy Bettschart, CFA, CAIA

Research Analyst




For a comprehensive overview of our investment strategies please contact us:

 +41 44 444 18 44

 www.kieger.com

 info@kieger.com

 Dianastrasse 5,
8002 Zürich

 Kieger AG

Kieger is a proud member/signatory of:



This document has been issued through Kieger AG and is for distribution only under such circumstances as may be permitted by applicable law. This document is for information purposes only and does not constitute an offer. Past performance is not a reliable indicator of future results. The details and opinions contained in this document are provided by Kieger without any guarantee or warranty and are for the recipient's personal use only. All information and opinions contained in this document are subject to change without notice. This document may contain statements that constitute "forward looking statements". A number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from our expectations. Data source: Statestreet / Factset

Kieger is a proud member/signatory of:

This document has been issued through Kieger AG and is for distribution only under such circumstances as may be permitted by applicable law. This document is for information purposes only and does not constitute an offer. Past performance is not a reliable indicator of future results. The details and opinions contained in this document are provided by Kieger without any guarantee or warranty and are for the recipient's personal use only. All information and opinions contained in this document are subject to change without notice. This document may contain statements that constitute "forward looking statements". A number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from our expectations. Data source: Statestreet / Factset

Important Legal Information

This is a marketing communication. The information contained therein is intended only for information purposes and does not represent an offer to purchase or sell financial instruments. The source of the information is considered reliable; however, the accuracy or completeness of such information is not guaranteed. The information is subject to change from time to time without notice. This information neither represents any investment / legal / tax advice, or any recommendation. The Agent (as defined below) points out that every investment decision should be made after consulting an advisor.

Past performance is no indication of current or future performance. The performance data do not take account of the commissions and costs incurred on the issue and redemption of units.

Please refer to and read carefully the Prospectus of Kieger UCITS Fund (the "Fund") and the Key Investor Information Document ("KIID") of the Kieger UCITS Fund - Kieger Sustainable Healthcare Fund and the Kieger UCITS Fund - Kieger Impact Healthcare Fund in their latest versions before making any final investment decisions. These documents can be obtained in English from the website <https://kieger.com/ucits> or any agents as further described below.

A decision to invest in the sub-fund should take into account all the characteristics or objectives of the sub-fund as disclosed in the Prospectus.

A summary of the investor rights is available in English at <https://kieger.com/regulatory-disclosures>. Further information about the sustainability-related aspects of the Fund is available at <https://kieger.com/regulatory-disclosures>.

The fund is marketing in multiple member states of European Union and Switzerland. The management company reserves the right to terminate the arrangements made for the marketing of the Fund in accordance with Article 93a of the Directive 2009/65/EC.

Information for Swiss Investors:

This is an advertising document. The state of the origin of the fund is Luxembourg. In Switzerland, the representative is Acolin Fund Services AG, Maintower, Thurgauerstrasse 36/38, CH-8050 Zurich, Switzerland, whilst the paying agent is Banque Cantonale de Genève, 17, Quai de l'Île, CH-1204 Geneva. The prospectus, the key information documents or the key investor information documents, the articles of association as well as the annual and semi-annual reports may be obtained free of charge from the representative.

Information for German Investors:

The Fund's Facilities agent in Germany is Acolin Europe AG, with the registered office at Line-Eid-Straße 6, 78467 Konstanz. The Prospectus (in English) and the KIID (in German), may be obtained free of charge at the registered office of the Facilities agent, or electronically by Email facilityagent@acolin.com, or by using the contact form at <https://acolin.com/services/facilities-agency-services>.

Information for Austrian Investors:

The Facility agent according to EU Directive 2019/1160 Article 92, as well as tax representative in Austria, is Erste bank der oesterreichischen Sparkassen AG, with the registered office at Am Belvedere 1, A-1100 Vienna. The Prospectus (in English) and the KIIDs (in German) may be obtained free of charge at the registered office of the Facility agent, or electronically by Email foreignfunds0540@erstebank.at.

Marketing in the European Union:

The issuer of this marketing communication in Europe (excluding Switzerland) is Kieger Capital Partners S.à.r.l. Kieger Capital Partners S.à.r.l. ("Tied Agent") is a tied agent within the meaning of Article 29 (3) of Directive 2014/65/EU ("MiFID II") as implemented in the respective national legislation) of Acolin Europe AG, which is authorised and regulated by the German Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin). The Tied Agent is entered in the public register of tied agents held by CSSF in his homecountry Luxembourg.

Within the scope of providing financial services ("investment brokerage" within the meaning of Annex I A (1) MiFID II as implemented in the respective national legislation by promotion of the potential investor's willingness to enter into a transaction but excluding the reception and transmission of orders in relation to one or more financial instruments), the Tied Agent acts exclusively on behalf and for the account of Acolin Europe AG and undertakes to exclusively distribute the Kieger UCITS funds.

The information provided by the Tied Agent is intended for informational purposes only and does not represent an offer to purchase or sell financial instruments. All information is provided without any guarantee. This information neither represents any investment / legal / tax advice, nor any recommendation. The Agent points out that every investment decision should be made after consulting an advisor. The information is intended exclusively for professional clients within the meaning of Annex II MiFID II.

The information provided may not be copied or further distributed to third parties without the prior consent of Acolin Europe AG. The information may not be given to persons or companies that do not have their ordinary residence or domicile in the countries in which Acolin Europe AG is authorized to provide financial services. In particular, the information may not be made available to US citizens or persons residing in the USA. This document may not be copied or used for other purposes, nor may the content of the document be forwarded to third parties.