

### Out with the old... in with the new

The updated [afm-swiss.ch](http://afm-swiss.ch) website underscores ongoing development while preserving the reliable performance that defines AFM.

## 1. Highlights of the Year

2025 was a challenging year for global markets. Political uncertainty, sharp swings in corporate earnings, and shifting investor sentiment created an unusually volatile environment.

Despite this, AFM-managed accounts once again outperformed the S&P 500, extending a five-year streak that is especially notable given that most large-cap funds struggle to outperform the market at all.

AFM's mandate is twofold:

**wealth preservation** and **exceed market performance**, with safety always taking priority.

## 2. Safety & Standard Deviation

Wealth preservation relies first and foremost on safety, and safety is measured through **Standard Deviation (SD)** which indicates how much a fund's daily performance fluctuates relative to the S&P 500:

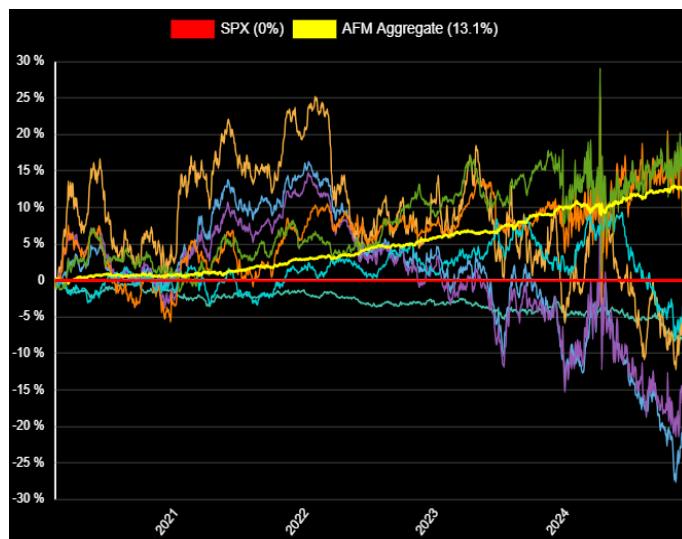
- Higher SD = more **volatility**.
- Lower SD = more **stability**.

In other words, standard deviation reflects how predictable—or unpredictable—a fund's returns are.

AFM's SD remains significantly lower than that of comparable large U.S. funds (see chart).

This means AFM account performance is both steady and gradual, well suited for investors seeking long-term, consistent results rather than short-term swings.

Average Standard Deviation vs. S&P 500 (0%)		
Date	AFM	Average large-cap fund
2021	0.06%	0.41%
2022	0.05%	0.41%
2023	0.04%	0.35%
2024	0.05%	0.46%
2025	0.08%	1.01%
Average	0.06%	0.53%



The chart on the left illustrates how other funds have diverged from the index over time, resulting in greater exposure and generally weaker relative performance compared with the S&P 500 (flat red line).

Some funds shown in green and orange achieved returns similar to AFM, but only with considerably higher volatility, indicating greater uncertainty in their performance.

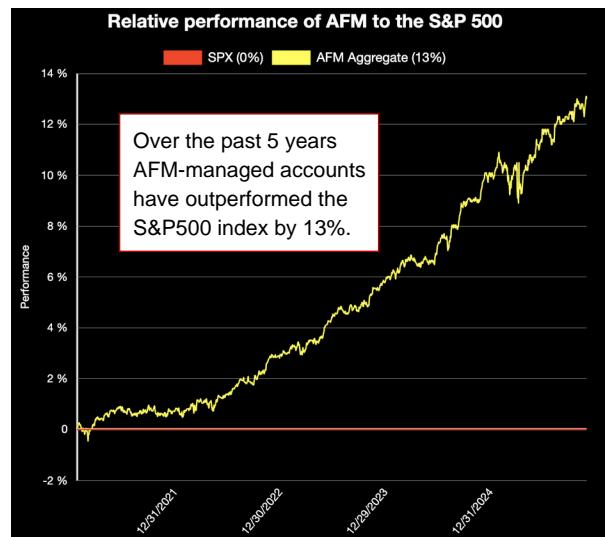
# 2025 AFM Year-End Newsletter

## 3. Performance

This chart illustrates the aggregate performance of the master account portfolios over a five-year period.

The spike in volatility from January to April 2025 corresponds with trade-tariff negotiations. Short-term fluctuations can occur due to unexpected economic or political events—particularly evident this year. Despite these conditions, **AFM has demonstrated its ability to maintain stability and recover as markets normalize.**

Since inception, no client has chosen to discontinue AFM, ongoing client satisfaction has been highly encouraging.



## 4. Who is AFM designed for



Unlike traditionally managed funds, AFM strategy spans the entire S&P 500 index and requires a portfolio large enough to maintain balanced diversification. It is therefore offered primarily to **Family Offices** and **High-Net-Worth Individuals (HNWIs)**.

## 5. Looking Ahead to Next Year

AFM currently operates exclusively on the S&P 500. While the S&P 500 has historically delivered strong long-term performance, some investors may prefer exposure to sector-specific or thematic indices—such as ecology, healthcare, or AI—or to markets outside the United States.

To meet these broader needs, we are collaborating with InnoSuisse and the University of Applied Sciences of Western Switzerland to **expand AFM's capabilities to additional indexes**. This evolution will preserve AFM's core strengths while offering investors a wider range of opportunities.

## 6. Give it a try

[afm-swiss.ch](https://afm-swiss.ch)

Explore demo performance results across any time span, presented in both absolute and relative terms.

Simply enter a dollar amount and choose different dates to track performance overtime.

No need for a username or password.  
Works best on a desktop.

## Contact & Further Information

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*Have a wonderful Christmas  
Your AFM team*