Portfolio Manager Commentary and Performance

Market Update

After 3 months of positive performance, Latam posted a -13.9% return in USD terms in April, underperforming both EM and DMs. Although all markets posted negative returns, Colombia and Mexico outperformed while Brazil and Peru were the main laggards.

Market performance was impacted by an across-the-board currency depreciation of 4% on average, being Chilean and Colombian peso the worst performers. Among sectors, all of them presented negative returns, with Healthcare and Consumer Discretionary posting the weakest figures.

During April, Latam was impacted by foreign outflows due to a lower risk appetite globally as well due to China's lockdowns that increased fears about global growth, and commodities' demand from one of the most important trading partners for the region. These concerns lead to a drop of 5.8% in copper and 4.4% in Iron ore prices, impacting the region's positive news flows.

Latam is trading at 7.6x P/E fwd, 3 standard deviations below its 10Y average, being one of the most discounted regions globally. The main reason behind this attractive valuation is the upward earnings revision for 2022 and 2023 of 27% and 23%, respectively. Among sectors, Materials and Energy led the corrections, which benefits the region index, given their combined weight of almost 40%. Nevertheless, other sectors such ast IT, Financials and Consumer Discretionary, have seen positive revisions YTD. Despite the ongoing war in Ukraine; downward revisions to Chinese GDP growth; and concerns about a hard landing in the USA; earnings remained stable during April. Moreover, ongoing 1Q22 corporate results have been above expectations, supporting the attractive valuations.

After 4 months of positive performance, Brazil posted a -14.9% in USD terms, leaving a YTD return at 17.3%. Despite the Brazilian real depreciated 4.63%, it is the best-performing currency in the region YTD, explained by higher commodities prices, better terms of trade, the high-interest rate spread, and a positive foreign inflow in 1Q22, which was reverted in April, with R$7.6bn outflows. The index is trading at 6.4x P/E fwd, 2.5 standard deviations below its 10Y average. This discount is supported by upward earnings revisions YTD, of 33% for 2022. Nevertheless, during the last month, Telecom and Industrials explained the -2.9% correction.

Inflationary pressures coupled with fiscal uncertainty, explained BCB's aggressive tightening cycle, which left SELIC rate at 11.75%, far from the 2% reached in February 2021. Even though, during the last minute's Central bank guided for a final 100 bps rate increase, market players expect an additional 50bps, due to the ongoing Ukraine- Russia war, its impact on commodities prices, and the delay in the supply chain's normalization. According to BCB's governor, inflation should peak in 2Q22, which will lead to questions about when monetary easing will start. Worth noting, SELIC rate forecasts for 2023 remain at 9.25%; which should support the equity market. On the domestic front, focus should remain on the October presidential elections, where latest polls have shown a reduction in Lula's advantage. Greater visibility regarding the candidates' commitment to fiscal discipline will only be possible during 3Q22 when they disclose more details of their government's programs. We don't discard higher market volatility due to the proximity of elections, but the Brazilian market still offers attractiveness due to: i) companies with attractive valuations, ii) solid fundamentals that benefit from higher inflation and higher interest rates, iii) and solid cash generation, that can offer higher returns through dividends or repurchase programs.

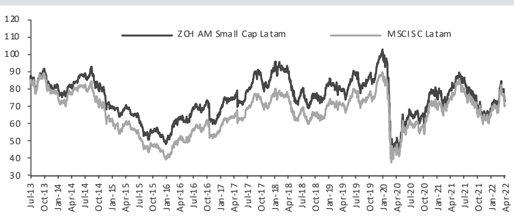
Mexico performed -11.2% in USD terms, partially explained by a 2.7% currency depreciation. During early 2022, the index has been impacted by: i) the positive return in 2021, ii) a more expensive valuation compared to the region, iii) flattish earnings revisions YTD, due to its lower exposure to the sectors that are leading the corrections, iv) and less attractive terms of trades as a net oil importer country. The index is trading at 12.9x P/E fwd, 1.6 standard deviations below its 10Y average, but a 70% premium compared to the region, versus the 10Y average of 26%, leaving Mexico as the most expensive index among Latam countries. After positive 1Q22 results, with earnings surprise at 65%, we don't discard positive earnings revisions, which can support the market.

In April, the referendum results were in line with market expectations, with a participation rate lower than 20%; but a high level of support for the government continuity of 92%. The energy reform was rejected in congress with 275 in favor and 223 against it, which was not discussed in the Senate, being in line with expectations. After the defeat, president AMLO submitted the electoral reform and a bill that seek for lithium nationalization, which was approved with a simple majority. This increases concerns regarding further government intervention in other sectors, due to this law modifications only request simple a majority, quorum that the government coalition has. The president also released the electoral reform, which aims to dissolve the current National Electoral institute and create a new body, reduce federal deputies, and allow electronic voting among other measures, but as with energy reform, the base case scenario is that it will not be approved.

We believe that although the market as a whole is less discounted than the rest of the region, there are opportunities in the Mexican market, in sectors such as Financials, where some names benefit from the rise in interest rates, the solid portfolio' growth and where companies offer attractive dividends and Consumer Staples, which has been sustained by the significant remittances' growth and presents a more resilient profile in the face of rising inflation.

During the month our fund posted a -9.59% return in USD terms, compared to the -10.97% from our reference benchmark the MSCI Latam Small Cap. Sector-wise our main contributors were Healthcare and CDS, partially offset by IT and Financials. Our relative performance was explained by our UW in Via (-31.8% in USD terms), Infracommerce (-51.8%) and Qualicorp (-20.75%), partially compensated by our OW in Petz (-21.8%), Totvs (20.33%) and Totvs (-15.86%)

Performance for Series I



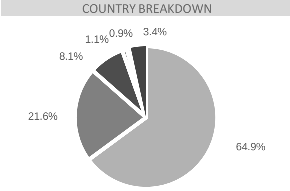
Risk Metrics	
Volatility (Annual)	21.35%
Beta	0.97
Alpha	-2.31%
Tracking Error (annual)	3.48%
Information Ratio	-0.63

Retuns	Apr'22	3M	YTD	LTM	3Y	Since Inception
ZCH AM SICAV Small Cap Latam I	-9.59%	5.73%	9.27%	-7.22%	-8.38%	-26.55%
MSCI EM Small Cap Latam	-10.97%	4.30%	7.88%	-5.04%	-1.49%	-29.78%

Note: Until 28 February 2015, performance data is for the Zurich Small Cap LatAm D, which is a mutual fund offered in Chile; an identical strategy is employed in the Series I. Source: Bloomberg.

Portfolio Breakdown

COUNTRY BREAKDOWN

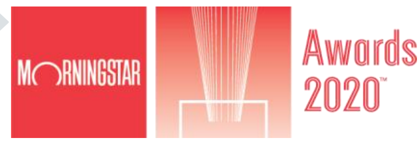


SECTOR	APR-22	MAR-22
CONSUMER DIS.	13.5%	14.9%
CONS. STAPLES	14.8%	15.0%
REAL ESTATE	11.2%	10.4%
INDUSTRIALS	17.3%	16.9%
FINANCIALS	13.0%	13.4%
MATERIALS	7.8%	7.8%
UTILITIES	8.7%	10.5%
HEALTHCARE	1.8%	2.4%
ENERGY	4.7%	4.0%
IT	2.9%	2.4%
OTHERS	4.3%	2.3%

ISSUER	FUND	SECTOR
SLC AGRICOLA SA	2.9%	CONS. STAPLES
SAO MARTINHO	2.8%	CONS. STAPLES
3R	2.7%	ENERGY
REGIONAL SAB	2.5%	FINANCIALS
MULTIPLAN	2.4%	REAL ESTATE
SENDAS	2.4%	CONS. STAPLES
GENTERA	2.3%	FINANCIALS
AREZZO	2.3%	CONSUMER DIS.
EMBRAER	2.0%	INDUSTRIALS
OMAB	2.0%	INDUSTRIALS
OTHERS	75.7%	

ZCH AM SICAV – Small Cap Latam Fund

April 30th, 2022



Best Latam Equity Fund - Morningstar Chile

Fund Description

The ZCH AM SICAV – Small Cap Latam Fund seeks to provide long-term capital growth by investing principally in equity securities issued by Latin American companies, and American Depositary Receipts of small capitalized Latin American companies. The Fund aims to achieve diversification in terms of sectors offering a core exposure to the Latin American stock markets and to companies listed on a stock Exchange outside the Latin American region, but which generate a significant part of their income in or from Latin America and/or which have their registered office in Latin America. The investment manager seeks to add value primarily through stock selection.

Investments may be denominated in USD or in Latin American currencies. Currency risks may be hedged entirely or partially against USD through the use of financial derivative instruments including currency forwards or futures.

Giovanna Musa - Portfolio Manager

Share Classes and Fees

Class	ISIN	Bloomberg Ticker	Min. Subscription Amount (USD)	Current TER
Class I	LU1061932403	EASSCLI LX	1,000,000	1.61%
TOTAL AUM			US$30.0mn	

This mutual fund is managed by Zurich Chile Asset Management Administradora General de Fondos. Find out about the essential characteristics of each mutual fund Investment, which are contained in its rules of procedure and contract underwriting fees. Profitability or profit obtained in the past by this fund does not guarantee that it will be repeated in the future. The values of the shares of the mutual funds are variable.