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Incrementum All Seasons Fund

Season's Greetings 2025





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Dear readers,

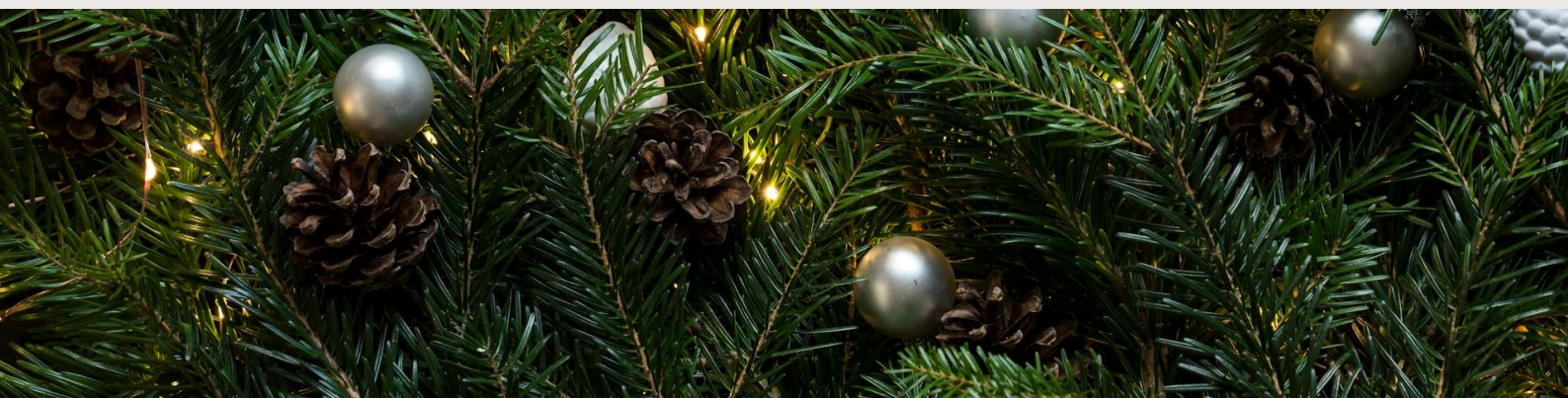
As every year, I would like to take this opportunity at the close of 2025 to personally thank you for your trust as investors in ours I do every year, I would like to take this opportunity at the end of 2025 to personally thank you for your trust as an investor in our [Incrementum All Seasons Fund](#) (IASF) and your interest in my investor letter [Seasonal Reflections](#), as well as in [Incrementum AG](#) and our [other fund products](#) and [asset management](#) services.

Looking back on 2025, it was an intense but also very successful year for me as IASF fund manager. After the outstanding year of 2022, 2025 will go down as the second-best year in the fund's history. As of mid-December, year-to-date performance stands at more than 25%. At the same time, and supported by renewed inflows, we have succeeded in lifting IASF's assets under management above the €200 million mark – a milestone we are very proud of.

That said, 2025 was by no means an easy year. In fact, there are never truly “easy” years in our business, as every decision we make is accompanied by a high degree of uncertainty. This year, in my view, the level of uncertainty was particularly elevated due to political volatility and ongoing geopolitical realignment. Added to this is the fact that the current market and risk cycle is extremely long-lived and exhibits a highly speculative character in key areas. At the same time, fundamental valuations are among the highest I have seen in four decades in financial markets.

Nevertheless, we have managed to achieve an excellent investment result because we adhered persistently and with discipline to our investment principles and processes. Our convictions are based on our perception of reality, which we constantly reassess and approach with the necessary pragmatism. And since we are well aware that there is much that we do not know, and that misjudgments are part of our business, risk management also plays a major role in our work. In the end, it is always the facts, prices, and NAVs that determine our success as fund managers—not our expectations, interpretations or personal views.

Six and a half years after my professional reorientation as a partner and fund manager at Incrementum AG, I can say that my IASF project is fully on track. This has strengthened my confidence that it will continue to bring joy and satisfaction to all involved in the future. And as an investor, I have once again learned a great deal and am more convinced than ever that truly **active** investment management has rarely been as justified as it is today.





The world is undergoing an accelerating transformation, which my colleagues Ronni Stöferle and Mark Valek document extensively in their [**In Gold We Trust**](#) reports. As a consequence, traditional investment principles and strategies—such as the classic 60(% equities) / 40(% bonds) allocation—require adjustment. Incrementum AG has thus recently introduced a [**new 60/40 portfolio**](#) concept, in which part of the traditional equity and bond allocation is replaced by alternative investments such as gold, commodities, and Bitcoin. We have pursued this approach in our IASF from the very beginning, as bonds have so far never accounted for more than 10% of the allocation, while gold, precious metals, and commodity themes have had a comparatively oversized weighting.

As Europeans—and perhaps especially as Germans—we feel this global shift particularly strongly. For too long, we have ignored demographic headwinds, aging infrastructure, declining competitiveness in international trade, and the increasing fragmentation of our political system, along with the resulting inability to implement reforms. On top of that there is the fact that the U.S., after 80 years of support and cooperation, is increasingly adopting a confrontational stance, while the rising economic power China creates plenty of new uncertainty, both challenges that Europe and Germany struggle to address.

Democracy thrives on engaged participation and active codetermination. Yet citizens seem increasingly reluctant to take part, while the professional political class becomes mired in fruitless factional battles, finding its *raison d'être* in growing paternalism and excessive regulation. Former cornerstones of our political system, such as the principle of subsidiarity or a countercyclical yet balanced fiscal policy, have long since eroded. Even the goal of long-term price stability has been sacrificed on the altar of short-term crisis management. The result is a not-so-gradual decline in living standards and growing hopelessness, prompting some to call for state intervention and redistribution, while others seek to contribute their productivity — and thus their share of societal value creation — in other countries and even other continents.

Perhaps it would be wise to remember that a reversal of this trend can only be achieved through a renewed focus on personal responsibility and the strength of community. In my view, there is no lack of willingness to show solidarity, but resilience and initiative are increasingly scarce. We would do well to reacquaint ourselves with the fundamentals as well as the complexities of economics and society and to focus on what is achievable, rather than centering on perceived sensitivities and chasing grand ideas of saving the world. This requires political leadership that prioritizes responsible resource management and is willing to concentrate once again on what is necessary for the long-term interests of the electorate. – Unrealistic wishful thinking? Time will tell. But I am old enough to have witnessed major political upheavals that few thought possible shortly before they occurred—and I refuse, like so many others, to see everything in a negative light.





As some of you may know, I am an ardent football fan, and my club is **FC Schalke 04**. Since finishing as Bundesliga runners-up in 2018, the club has suffered a dramatic decline, culminating in relegation to the second division in 2021. After promotion, Schalke was relegated again, and in the following two years narrowly avoided dropping to the third division. Over these seven years, Schalke employed 16 coaches, repeatedly restructured its management team, and most fans feared the club would never escape this downward spiral. Yet, after 15 matchdays this season, the club sits comfortably at the top of the league table.

How could this happen? Was it thanks to a major financial backer? No, the new management team under Frank Baumann sensibly adapted the club's strategy to current realities and only made targeted and low-cost additions to the squad, as the heavily indebted club needed a €5 million transfer surplus. Meanwhile, the new coach, Miron Muslic, succeeded in moulding the slightly altered squad into a highly motivated team that works together professionally and makes the most of its abilities. The Bundesliga-era infrastructure and loyal fan base (with over 200,000 members, So4 is one of Europe's largest football clubs) are also assets few competitors can match. The power this unleashes is – among others – evident in the [So4-Video](#) featuring highlights from the home win against league leaders Paderborn on November 28.

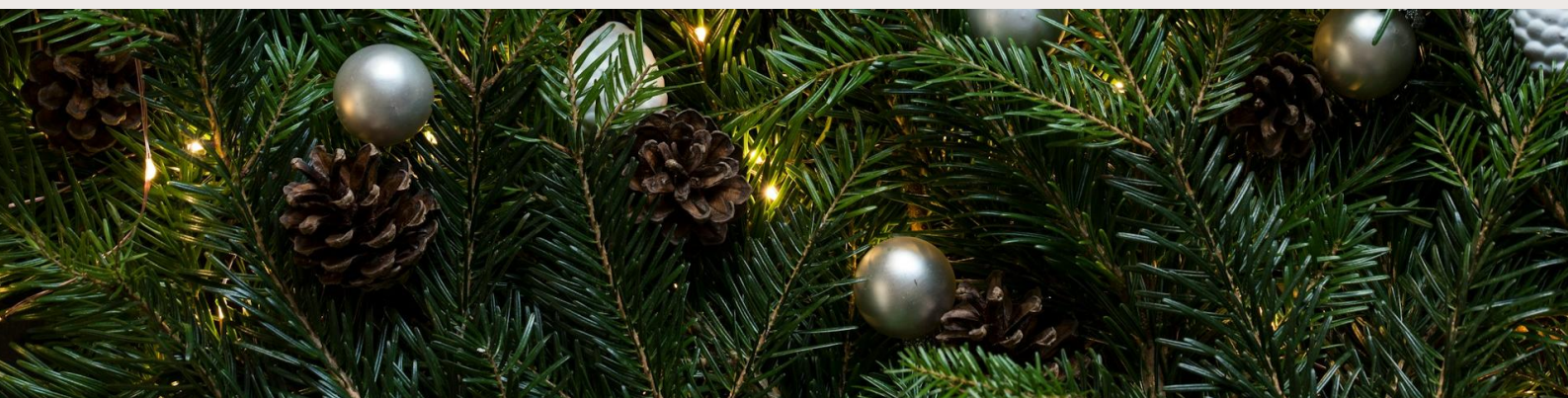
Of course, a football club is a rather simple construct compared to a country and its society. Yet many of you will surely recognize parallels to the earlier description of our current state. Whether we as individual citizens—and thus as a society—can muster the will, adaptability, discipline, and resilience to bring about a turnaround for Europe and Germany remains to be seen. I remain optimistic!

After all, Europe still has much to offer and, in my view, remains the continent with the highest quality of life. For my part, I am deeply grateful to live here and to contribute through my work, in my own small way, to help safeguard the welfare of our society.

Speaking of gratitude:

First and foremost, I would like to thank the more than one thousand subscribers and readers who take an interest in my work and my “Reflections”, as well as for all the positive and constructive feedback I have received from you throughout the year.

My thanks also go to my Incrementum partners, led by our CEO, Dr. Stefan M. Kremeth, with whom I have once again sought to advance the company's development—not just incrementally. Overall, we can state that 2025 was a good year for the company, as many of our investment themes enjoyed tailwinds. Further growth is imperative, however, as regulatory burdens and associated costs continue to rise year after year – and well above reported inflation rates. Therefore, our special thanks also go to our valued employees, who support us with great dedication, commitment, enthusiasm, and flexibility, as well as to our various service partners.





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I would also like to thank my wife, Alexandra, who despite of the demands of her own career not only manages and organizes our private life, but also stands by me with understanding, advice, and support when needed, and my daughters for reminding me of my own youth and that, ultimately, the journey is the destination. And last but not least, I am grateful for family and friends, as well as the many other people I have met this year who have enriched my experience and, in doing so, my life.

Reflecting on all this, I am reminded again of how truly fortunate I am...

And with that, I wish you and your families and loved ones a blessed Christmas, a few restful days at year's end, and a happy New Year 2026—may it be filled with good fortune, health, success, contentment, and joy.

Season's greetings from Schaan / FL,

Hans G. Schiefen
Fondsmanager & Partner
Incrementum AG

