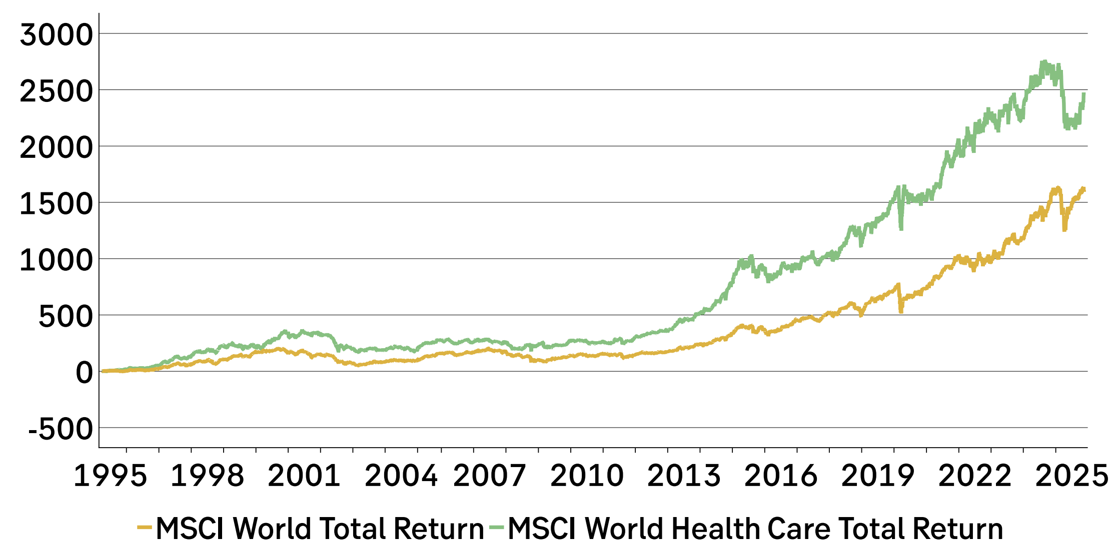
Theme: The healthcare sector

Healthcare is one of the most stable sectors in the equity market – and among the most attractive long-term. It is defined by steady demand, strong innovation, and companies combining high profitability with predictable earnings. This makes the sector a reliable hedge against economic cycles and periods of uncertainty. We believe the mix of defensive qualities and structural growth makes healthcare a key component in a well-balanced portfolio.

Stable growth at an attractive price

The healthcare sector remains a defensive segment driven by structural factors such as demographic trends and strong innovation. It offers stable demand, high and predictable profitability, and low sensitivity to economic cycles. Despite its historically strong returns, the sector has underperformed broader markets in 2025—primarily due to Donald Trump's policies. He has imposed mandates for lower drug prices, threats of high tariffs, and pushed for increased investments in the U.S. Agreements have now been reached between the Trump administration and major companies such as Pfizer and AstraZeneca, under which these firms accept MFN pricing within Medicaid and commit to significant U.S. investments. In the short term, these changes have dampened sentiment, but over the longer term, the sector is expected to benefit from continued innovation, digitalization, AI integration, and growing demand for quality healthcare. We view the healthcare sector as an attractive long-term investment, offering stability, sustainable growth, and strong potential for revaluation

Strong long-term returns



Source: Macrobond