

# Green Effects Fund FACTSHEET



MAY 2018

## Fund Objectives

The objective of the fund is to achieve long term capital growth through a basket of ethically screened stocks. The fund invests in a wide range of companies with a commitment to either supporting the environment or demonstrating a strong corporate responsibility ethos. Sectors such as wind energy, recycling, waste management, forestry and water-related businesses all feature prominently within the fund. The fund can only invest in the constituents of the Natural Stock Index (NAI) which was set up in 1994 and currently consists of 30 global equities.

## Key Information

Morningstar Rating	★★★★★
Fund Inception	Oct 2000
NAV	€203.65
Minimum Investment	€5,000
Dealing Frequency	Weekly
Investment Manager	Cantor Fitzgerald Ireland Ltd
Custodian	Northern Trust
Administrator	Northern Trust
Sales Commission	3%
TER %	1.24%
Investment Mgt Fee	0.75%

\*Prices as of 30/4/2018

Source: Bloomberg & Cantor Fitzgerald Ireland Ltd Research

## Fund & Share Class Information

Fund Size	€65m
Fund ISIN	IE0005895655
Fund Sedol	0589565
Bloomberg	GEFINVL ID
Domicile	Ireland
Structure	UCITS Fund

## Historic Yield

*Fund Yield	1.35%
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Fund yield is historic based on full year 2017 dividend income received. The fund does not distribute income to investors. All dividend income is reflected within the NAV price of the fund.

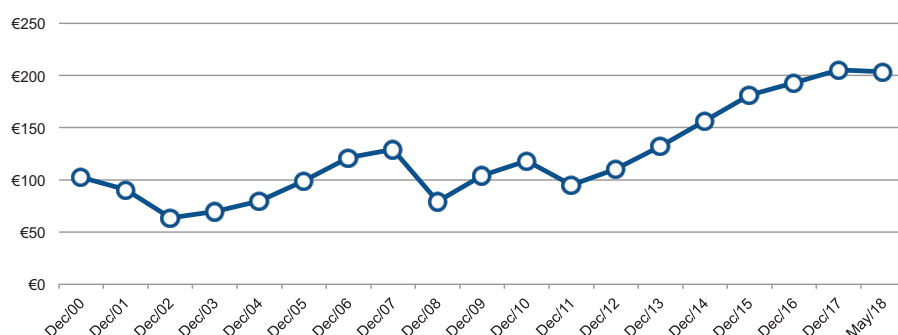
## Total number of holdings

Number of holdings	30
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## Market Capitalisation Exposure

Large: > €3bn	60%
Medium: €500m - €3bn	37%
Small: < €500m	3%

## GREEN EFFECTS FUND NAV SINCE INCEPTION

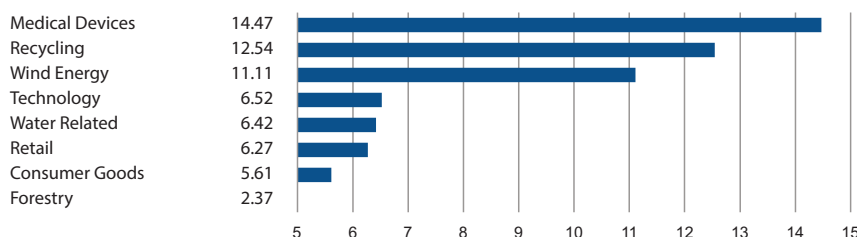


Source: Cantor Fitzgerald Ireland Ltd Research

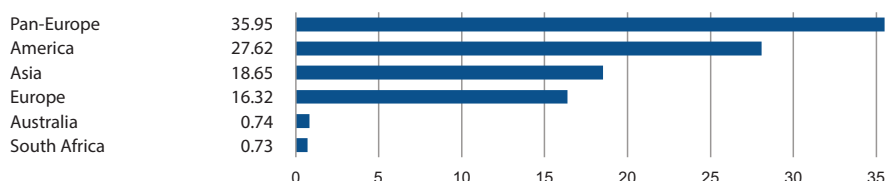
## ESMA RISK RATING



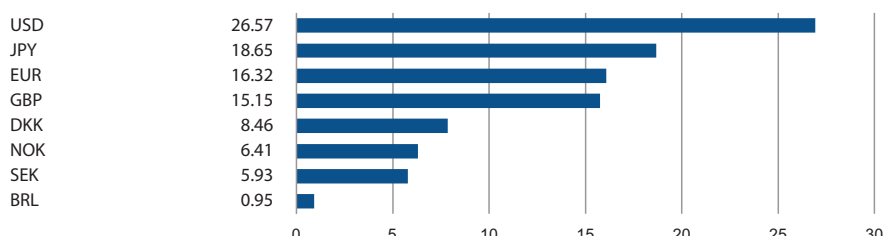
## LARGEST SECTOR EXPOSURE %



## GEOGRAPHIC EXPOSURE %



## CURRENCY EXPOSURE %



## Top 15 Positions

SMITH & NEPHEW	8.57%
VESTAS	7.52%
KINGFISHER	6.27%
SVENSKA CELLULOSA	5.93%
SHIMANO	5.83%
TOMRA SYSTEMS	5.33%
MOLINA	4.83%
KURITA	4.37%
EAST JAPAN RAILWAY CO.	4.05%
ORMAT	3.58%
MAYR MELNHOF	3.55%
RICOH	3.30%
UNITED NAT FOODS	3.27%
AIXTRON AG	3.22%
ACCIONA	3.21%

Source: Cantor Fitzgerald Ireland Ltd Research

## Fund Sector Exposure vs MSCI World

Sectors	GE	MSCI
Consumer Discretionary	15%	13%
Consumer Staples	10%	10%
Energy	0%	6%
Financials	0%	17%
Health Care	16%	13%
Industrials	33%	11%
Information Technology	6%	16%
Telecommunications Services	0%	3%
Open Ended Fund	1%	0%
Utilities	7%	3%
Materials	4%	5%
Real Estate	2%	3%
Cash	5%	0%

Source: Cantor Fitzgerald Ireland Ltd Research

## Sector Exposure Compared to a Traditional Global Equity Fund

The fund does not invest in banks, oils, mining, metals or large cap technology stocks. From a performance and relative returns perspective this is something that all investors should bear in mind when considering investing in the fund. The overriding investment theme from a sectoral perspective remains that of alternative energy, water, waste management and similar companies with a strong corporate social responsibility (CSR) focus in both their culture and work practices.

## Performance As of 30/4/2018.

	1 Month	YTD	1 Year	3 Year*	5 Year*
Green Effects	0.45	-0.81	-0.05	4.65	10.47
MSCI World €	3.09	-0.61	2.57	5.48	11.78
S&P 500 €	1.96	-1.03	2.03	7.78	14.85
Euro STOXX 50	5.98	2.04	2.79	2.90	9.28
Friends First Stewardship Ethical	4.45	0.64	6.49	5.36	11.75
New Ireland Ethical Managed	3.10	1.30	6.40	5.20	9.80

Source: Cantor Fitzgerald Ireland Ltd Research, Bloomberg and Northern Trust.

## Annual Returns

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
2.40%	-11.25%	-30.00%	9.71%	14.38%	23.95%	22.52%	6.42%	-38.47%	31.28%
2010	2011	2012	2013	2014	2015	2016	2017	2018	
13.47%	-19.61%	16.02%	19.87%	18.42%	15.72%	6.62%	6.8%	0.45	

## Manager's Commentary

The Green Effects Fund nav price ended the month at **€203.65** which was a return of **+0.45%** for the month. Q1 earnings season kicked off during the month with positive updates from names like **Svenska Cellulosa**, **Mohlina Healthcare** and **Acciona**. In other company news **Smith & Nephew** rose by circa 5% on the month as ongoing speculation regarding a potential takeover approach from US medical giant Stryker resurfaced. This story has been spoken about for the last 18months. On a fundamental basis we remain particularly positive on Smith & Nephew and it is one of the largest holdings within the fund. The group has a well-diversified global business along with a strong earnings outlook. In sector related news Bloomberg released a report on the **alternative energy sector** noting that ongoing cost declines and efficiency gains in solar and wind technology coupled with low financing costs and increased competition make them the cheapest sources of new electricity. The Green Effects fund remains well exposed to this sector with industry leaders like **Vestas Wind Systems**. From a currency perspective the Euro traded weaker towards the end of the month following a slightly more dovish outlook from the President of the European Central Bank (ECB) Mario Draghi. He noted that inflation was running below expectations and also noted that some of the recent economic data releases for the Eurozone had been weaker than expected. In the course of a few days Euro/USD moved from 1.24 to 1.20.