

September 2020

# Investment JOURNAL

## FEATURED THIS MONTH:

**Asset Allocation 2020**

**Core Equity Portfolio:** The investment case for our preferred names

**What's Going On In Denmark?**

**Core Funds Range:** Latest updates on our range of investment funds, ETFs and Trusts

**Ethical Investing:** Green Effects providing sustainable investment returns

**StockWatch:** CRH and Kerry

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# WELCOME...



**Gerard Casey,**  
Director of Sales,  
Cantor Fitzgerald  
Ireland

**“Good habits formed at youth make all the difference.”**

– *Aristotle*

Welcome to the September 2020 issue of our Investor Journal. A palpable sense of relief and relative “normality” has swept through households across the country as children return to school and revisit the academic routines that were seen as non-negotiable up to a few short months ago. We can only hope that the return to school, the formation of good habits and my children’s enthusiasm remain on track in coming months!

Domestic politics has dominated public discourse over the last number of weeks, where the fallout from poor decision making by senior and seasoned politicians continues to be felt. We can only hope our new Commissioner represents Irish and European Interests to the best of their abilities and we wish them well.

News on the economic front, however, has been more encouraging. Recent data releases paint a relatively upbeat picture for Ireland Plc. The Headline, with numbers showing that Ireland’s 2020 deficit increased in August to €9,452 million from €7,405 million in July 2020, but the key underlying story is that the revenue side of the exchequer is performing far better than anyone could have anticipated.

After a strong start to the year, Income Tax is now down 1.4% on the same figure for last year, an extraordinary performance given the impact of the pandemic and the number of people that are receiving some form of State employment benefit. VAT is down 21.3% YoY which is to be expected but Corporation Tax is more than compensating and is up 31.4% YoY.

Globally, the geopolitical sphere continues to be highly volatile, with US domestic politics and civil unrest, US vs China, Brexit, and of course, Covid-19, the four main “known unknowns” as things stand. However, with US stocks nearing all-time highs the market is basically telling us: “don’t fight

the government (stimulus), the central bank (cheap money) or structural change (technology).

This month we have seen short interest on NYSE at a 16 year low (a measure of how many investors are positioned for an asset to go down in value), and stock issuances (IPO’s) up 85% YoY. We have also seen Tesla and Apple both surge on the mere news of a stock-split, an event that shouldn’t make any difference to valuations in the slightest.

It is snippets like these which whisper “irrational exuberance” in the investors ear, and make the roles of our Investment and Structured Product teams even more critical in achieving outstanding results for our clients.

You will see in the following pages how the in-depth fundamental analysis by our Asset Allocators and Portfolio managers helps our clients to navigate markets successfully. Separately, Conor McDermott from our MIM Investment team also gives an insight into the technical and quantitative analysis which provides a key element in our award-winning investment process.

Our 85% NAV protected Bond continues to provide a timely and elegant solution to clients who seek capital protection, and I would strongly encourage clients to reach out to their Cantor Fitzgerald representative for more information on this outstanding product.

We wish you all, our clients, a safe and productive month. As ever, we stand ready to help.

Gerard Casey  
Director of Sales, Cantor Fitzgerald Ireland

# Asset Allocation

September 2020



Asset Allocation 2020

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# ASSET ALLOCATION 2020



**Pearse MacManus,**  
Chief Investment Officer,  
Merrion Investment  
Managers

## August 2020

The equity rally continued through August, global equities rising by 4.8% in euro terms to almost erase their year-to-date losses (-1.5% year to date). In US dollar terms, global equities made a fresh all-time high this month, though for the euro-based investor that milestone remains more than 8% away. The move higher was driven by technology stocks, the mega-caps reporting strong results early in the month, though consumer discretionary and financials also performed well. Market breadth continues to narrow however - the Nasdaq is now at a record premium to its 200-day moving average over the last 20 years, and more than 75% of the rally in the US technology sector month-to-date has come from just 6 stocks.

Global bond yields reversed their recent march lower, rising over the month and pushing yield curves steeper. This in turn helped financials and cyclical stocks to outperform.

Economic data was reasonably robust, with US durable goods orders, European industrial production and Chinese trade data all indicating a continued bounce in economic activity. More leading economic indicators however suggest that consumer spending growth has slowed after the initial surge following the easing of lockdown restrictions. In Europe, PMI data indicated that the initial bounce in economic activity has also slowed, particularly in the services sector where renewed restrictions have weakened the recovery.

Highlighting the risks to economic recovery was the UK government's addition of France and the Netherlands to its coronavirus 14-day quarantine list, increasing numbers of Covid-19 cases in Europe which in turn prompted renewed restrictions, the continued failure to reach a deal in the US on an extension of unemployment benefits (which expired at the end of July), and ongoing tensions between the US and China, though on the plus side they did hold talks about the Phase 1 deal that were described as "constructive".

Although the second wave of the virus continues to cause renewed lockdowns / restrictions, the large number of vaccines in various stages of development and clinical trials boosts the medium-term outlook. This month the US FDA approved a \$5, 15-minute Covid-19 test, which will come with a mobile app to display test results, greatly increasing hopes of a return to more normal environment, particularly for travel.

The most interesting macro-economic development over the month was Fed Chairman Powell's speech at the virtual Jackson Hole Symposium, where he outlined the results of the Federal Reserve's Monetary Policy Review. The Fed will in future aim for an average inflation rate of 2%, to be implemented in a "flexible" manner, as Powell underlined. This means that periods of lower inflation will be balanced by periods of higher inflation. This should lead to steeper yield curves, as the short-end of the yield curve should remain anchored by a low-rates-for-longer argument, whilst longer dated yields should reflect a higher inflation risk premium.

## Positioning

The funds entered August towards the lower end of their asset allocation ranges. Our short-term risk indicators were suggesting caution in the near term, although the initial move higher in bond yields at the beginning of August prompted us to invest some of the cash raised towards the end of July into financials, reducing our underweight in that sector.

Towards the end of the month, we reduced exposure to consumer staples and large pharma, adding industrial, financial and consumer discretionary stocks, focusing on the cyclical recovery theme. These stocks have underperformed significantly over the summer and look attractive on a relative basis given the reasonably robust economic data, cheap valuations coupled with stabilisation of earnings forecasts and technical support on a relative basis.

Within defensive assets we sold the remainder of our holdings of longer dated corporate bonds, which have performed so strongly since purchase in March.

We enter September with a more neutral asset allocation position, having added to the cyclical recovery theme.

## Outlook

We continue to have a very positive outlook for equities over the medium term as a zero-rate world and co-ordinated global fiscal expansion will drive investment into the industries that will dominate the next decade. However, our short-term risk indicators suggest an element of near-term complacency. The overall market direction remains unclear, having been driven to new highs by a small number of very large stocks, and the impact of the apparent turn higher in bond yields, which have been very supportive of growth stocks and consumer staples, remains to be seen. The continued benefit of our active approach, driven by a strong coherent and well-tested investment process should continue to be evident as economic and market conditions evolve.

## Merrion Investment Managers Core Funds

Name	Risk Rating (1 - 7)	Sedol	Currency	TER %
Merrion Multi-Asset 30 Fund	4	BVFM DG4	EUR	0.68%
Merrion Multi-Asset 50 Fund	4	BVFM DD1	EUR	0.68%
Merrion Multi-Asset 70 Fund	5	BVFM DL9	EUR	0.68%

## Merrion Investment Managers Multi-Asset Fund Performance

Name	1 Month %	3 Month %	YTD %	1 Year %	*3 Year %	*5 Year %
Merrion Multi Asset 30	0.7	3.1	6.8	6.4	5.0	4.3
Merrion Multi Asset 50	1.9	5.4	8.8	9.8	6.6	5.2
Merrion Multi Asset 70	3.0	8.0	10.5	13.1	8.4	5.9

\*Annualised Gross Returns. Source: MIM 31/7/2020.

WARNING: These figures are estimates only. They are not a reliable guide to future performance.

WARNING: Past performance is not a reliable guide to future performance. The value of your investment may go down as well as up.

NEW PRODUCT LAUNCH



# Personal Retirement Bond (PRB) AND Personal Retirement Savings Account (PRSA)

The Cantor Fitzgerald PRB and PRSA have been designed to offer unrivalled access to a diverse range of asset classes, investment types and products. As an expert investment manager and pension provider, we are uniquely positioned as a trusted partner in delivering a fully integrated suite of solutions that can be tailored to your needs.

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For further information or to arrange a meeting with one of our account executives, contact:

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# Investment Opportunities

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# CORE PORTFOLIO 2020



**David Beaton,**  
Chief Investment  
Officer

## August 2020

Global equity markets continued their recent rally during August as expectations of a coronavirus vaccine coupled with a resumption of trade talks between the US and China boosted investor confidence. A move higher in bond yields on the back of stronger than expected US and UK inflation also served to stimulate investor sentiment.

This ongoing recovery in risk assets was reflected in the monthly performance for the Core Portfolio which registered a gain of 3.76% compared to a gain of 4.25% for the portfolio benchmark.

For the year-to-date the portfolio is now showing a decline of 1.97% while the portfolio benchmark is showing a decline of 4.65%.

Increasing expectations for a vaccine improved sentiment for the more economically sensitive market sectors and this was reflected in strong performances by a number of the portfolios more cyclical holdings.

Amongst these were US logistics group FedEx, which registered a gain of 28.7% while travel & leisure group Carnival gained 28.0% during the month. Also registering a strong gain during the month was Dutch banking group ING (+15.3%).

The recent strong performance by the alternative energy sector was maintained during the month with wind energy group Siemens Gamesa Renewable Energy gaining 12.9% however wind farm operator Greencoat Renewable Energy was unchanged for the month.

Other holdings to strong gains were French infrastructure group Vinci (+9.0%), UK telecommunications group BT (+7.2%) on the back of possible take-over speculation and Irish hotel operator Dalata (5.1%) after a number of overseas investment funds acquired stakes in the group.

The Consumer Discretionary holding of McDonalds also enjoyed a strong month gaining 8.4% as a result of dollar weakness while paper & packaging group Smurfit Kappa gained 4.9% following the release of strong first-half numbers which included the re-instatement of its dividend.

The technology holdings in the portfolio all recorded positive returns, albeit at a slightly slower pace than previous months. Amongst the holdings there were gains for Alphabet (+8.0%), SAP (4.2%), Amazon (+7.5%), Microsoft (+8.5%) and PayPal Holdings (+2.7%).

Other stocks to register positive performances during the month were Allianz (+4.0%), JPMorgan Emerging Markets Investment Trust (+3.6%), Engie (+3.3%), Verizon Communications (+1.7%) and Royal Dutch Shell (+1.0%).

A number of holdings underperformed during the month with the most notable being Irish food and nutrients group Glanbia which declined 6% following disappointing half-year results. Also underperforming during the month were the gold related holdings of Newmont Corporation (-4.1%) and the Invesco Physical Secured Gold ETC (-1.7%) due to weakness in the underlying price of gold.

Another stock to register negative returns on the month included US property group Kennedy-Wilson Holdings (-5.1%).

Finally, US pharmaceutical group Pfizer declined by 3.1% following its removal from the Dow Jones Industrial Average, while Danone, Sanofi and DCC were all unchanged on the month.

We continue to be comfortable with the geographic sector and stock exposure in the portfolio and in particular with the performances of the more economically exposed holdings which were included in the portfolio at the start of the year in expectation of stronger economic growth during 2020. Obviously Covid-19 derailed the global economy however as we see hopes for the delivery of a vaccine these holdings have the potential to continue to register further gains.

We will however be conducting a full review of the portfolio in the coming weeks with a view to streamlining the number of holdings included. We shall update clients as soon as this exercise has been completed.

## Core Portfolio at the 31st August 2020

Stocks	Price 31/8/2020	Total Return Year to Date	Fwd P/E FY1 (x)	Div Yield FY1	Weightings
Alphabet Inc	1629.53	14%	31.8x	0.0%	2%
Verizon Communications Inc	59.27	-6%	12.5x	4.2%	5%
BT Group*	104.65	-48%	5.5x	0.0%	5%
Dalata Hotel Group Plc	2.74	-47%	28.5x	0.0%	2%
Amazon.Com Inc	3450.96	76%	71.7x	0.0%	4%
McDonald'S Corp	213.52	4%	36.4x	2.4%	3%
Carnival	16.48	-69%	13.9x	3.6%	3%
Glanbia Plc	9.65	-3%	13.2x	2.7%	4%
Danone	55.1	-23%	16.1x	3.7%	3%
Royal Dutch Shell Plc*	1063	-53%	20.5x	5.3%	3%
Allianz Se	181.52	-12%	11.4x	5.3%	4%
ING Groep Nv	6.804	-36%	9.5x	5.1%	4%
Sanofi	84.87	-2%	14.2x	3.8%	3%
Pfizer Inc	37.79	-7%	13.0x	4.1%	5%
Vinci Sa	78.58	-19%	30.2x	1.8%	4%
Siemens Gamesa Renewable Energy	22.44	44%	51.8x	0.0%	3%
DCC Plc	6628	-3%	19.6x	2.3%	4%
Fedex Corp	219.84	38%	21.0x	1.2%	3%
SAP Se	138.04	16%	27.7x	1.2%	4%
Paypal Holdings Inc	204.14	77%	55.8x	0.0%	4%
Microsoft Corp	225.53	36%	34.8x	1.0%	3%
Smurfit Kappa Group Plc	29.68	-11%	13.5x	3.7%	3%
Newmont Corp	67.28	47%	27.7x	1.4%	3%
Invesco Physical Gold ETC	191.04	22%	0.0x	0.0%	3%
Kennedy Wilson Holdings Inc	14.29	-38%	15.2x	6.1%	4%
Engie	11.655	-19%	15.4x	5.0%	5%
Greencoat Renewables Plc	1.2	5%	19.8x	4.8%	4%
JPMorgan Emerging Markets Trust	1072	-4%	20.0x	1.3%	3%

Current Price as at 31/8/2020. Source: Bloomberg. \*SIP = Since Inclusion in Portfolio

Cantor Core Portfolio Return	-1.97%
Benchmark Return	-4.65%
Relative outperformance	2.67%

WARNING: Past performance is not a reliable guide to future performance. The value of your investment may go down as well as up.

# WHAT'S GOING ON IN DENMARK?



**Pramit Ghose,**  
Global Strategist

Like Ireland, Denmark joined the EU in 1973 (with the UK), and is a relatively small country in size (approximately 50% of Ireland) and population (5.8 million Denmark vs 6.6m for island of Ireland). Denmark is more Eurosceptic than we are though, having rejected the first Maastricht Treaty vote in 1992, and it still has its own currency, the Danish krone (although the exchange rate vs the Euro is pretty steady). Viewers of the Danish political series *Borgen* (returning in 2022 for Series 4) will appreciate the Danes' no-nonsense approach to life. We saw this in its handling of the Coronavirus crisis, it was one of the first European countries to close down its public spaces, shutting borders and schools in early March, and was one of the first to start to re-open the economy in late May. Only about 16,300 Danes have been infected, and only 621 COVID deaths have occurred.



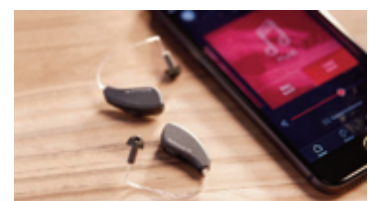
From an investment point of view, we find Danish companies very interesting. Our growth-biased Compounders portfolio (up over 35% since the start of 2019) has three very interesting and different Danish holdings, some 10% of the portfolio currently (having been almost 14% recently, we had to top slice because of strong outperformances).



Novo Nordisk is the leading global diabetes specialist and is leading the way in treating obesity. 30 million patients use their diabetes care products (pens and needles) in 170 countries, and the number of diabetes patients is expected to grow around 4% a year. Novo has a very strong position in diabetes treatment, but it is a very competitive market with much pressure on pricing. The big potential breakthrough is that Novo hopes to be able to launch an insulin oral tablet in the next few years which would reduce patients' dependence on pens and injections, while its next-generation insulin icodec product would offer a very convenient once-weekly dosing (phase 3 study in late 2020). Meanwhile Novo is making good progress with its potential obesity treatment, showing 10% to 15% weight loss over 12 to 14 months.

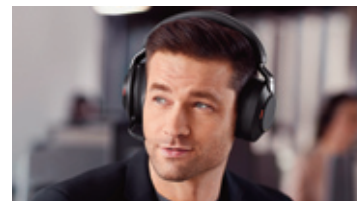
Regular snippets readers and investors in the Compounders portfolio will have read or heard about medtech company GN Store Nord, which we have held in Compounders since its inception in 2015. GN Store has two main businesses, hearing aids and headsets.

Their hearing aids, under the ReSound brand, were the first to link up control with smartphones, allowing users to overcome one of their most common issues – that it is visible to other people that one is using a hearing aid. With the wireless link to the smartphone, the user can make and take phone calls, participate in Zoom video meetings, watch Netflix, listen to



music, oh, and also use it as a hearing aid! ReSound is pretty good at developing leading edge technology to keep ahead of competitors, in particular being able to reduce the negative effects of background noise such as traffic or running water. It's a secular growth area, as the world's population gets older, and there are only a handful of competitors (interestingly two other main competitors are also Danish).

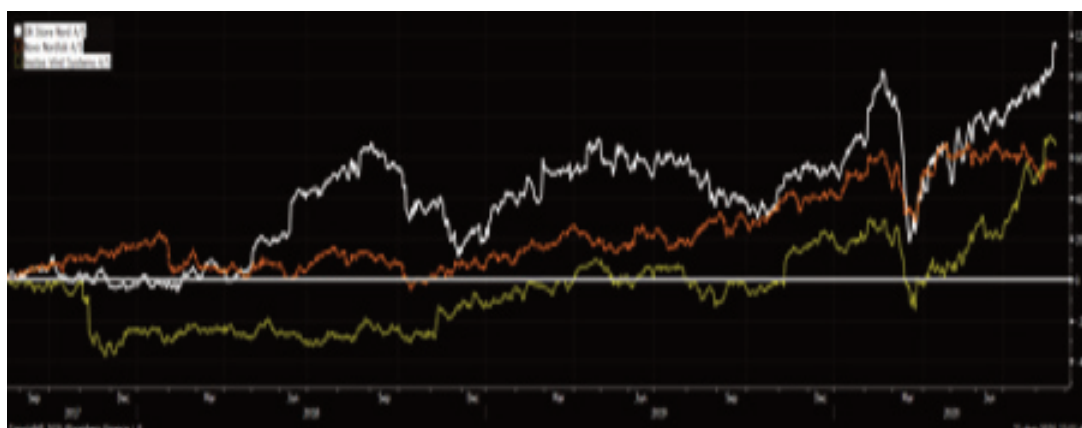
Their headsets business operates under the Jabra brand, concentrates on the business market, and has been benefiting in recent years from call centre growth and also more recently from Working From Home growth. Headset revenues were up over 32% in Q2 2020 versus a year ago, while earnings were up over 50% in this division (Source: Company).



The third Danish company we hold in Compounders is Vestas Wind Systems, a leading designer, manufacturer, installer, and servicer of wind turbines across the world. The company claims to have the No.1 installed base with a c.25% global market share, with a €16 billion backlog of orders for wind turbines. We like the company for its strong financial fundamentals – cashflow generation, growth, strong balance sheet, margins, servicing as a pseudo-annuity

business (c.20% of total revenues). Clearly wind energy is a structural growth area, and Vestas' strong competitive position should see it continue to benefit from this.

All three companies have had strong share price performances, as you can see below:



Source: Bloomberg

**For more details on our strongly performing Compounders portfolio, please contact your Cantor adviser.**

Warning: Past Performance is not a reliable guide to future performance

# INVESTMENT FUNDS



**Niall Sexton,**  
Portfolio  
Construction  
Analyst

Our Core Funds range is a selection of funds that our investment committee feels could compliment portfolios and enhance diversification. The Core Funds range offers investment options across multiple asset classes and markets. Funds selected have undergone a comprehensive screening process by our investment committee and are reviewed regularly.

## Core Investment Funds

Equity Funds					
Name	Morningstar Rating™	Risk Rating (1 - 7)	Currency	TER %	Yield %
<b>Global Equity Income</b>					
Veritas Global Equity Income	★★★	5	EUR	1.06	4.01
<b>Global Equity Income</b>					
Merrion Global Equity Income	★★★★	5	EUR	0.60	0.00
<b>Global Equity Growth</b>					
Fundsmith Global Equity Feeder	★★★★★	5	EUR	0.97	0.00
<b>Global Equity - Ethical Investing</b>					
Green Effects	★★★★	5	EUR	1.28	0.00
<b>European Equity</b>					
Threadneedle European Select	★★★★	6	EUR	0.83	0.00
<b>US Equity</b>					
Merian North American Equity	★★★	6	EUR	0.89	0.00
Bond Funds					
Name		Risk Rating (1 - 7)	Currency	TER %	Yield %
<b>Corporate Bond</b>					
PIMCO GIS Global Investment Grade Credit	★★★★	3	EUR	0.49	2.57
<b>Government Bond</b>					
BNY Mellon Global Bond	★★★★	4	EUR	0.65	0.00
<b>High Yield</b>					
HSBC Euro High Yield Bond	★★★★★	4	EUR	1.35	2.47
Alternative Funds					
Name		Risk Rating (1 - 7)	Currency	TER %	Yield %
<b>Multi - Asset Allocation</b>					
M&G Dynamic Allocation	★★★	4	EUR	0.95	0.00
Merrion Multi Asset 30	-	4	EUR	0.70	0.00
Merrion Multi Asset 50	-	4	EUR	0.77	0.00
Merrion Multi Asset 70	-	5	EUR	0.74	0.00
<b>Absolute Return</b>					
Invesco Global Targeted Return	-	3	EUR	0.86	0.00

Source: Bloomberg. Prices as of 31/8/20

# Fund Performance

## Equity Fund Performance

Name	1 Month %	3 Month %	YTD %	1 Year %	3 Year %	5 Year %
<b>Global Equity</b>						
Veritas Global Equity Income	1.38	0.74	-12.96	-5.40	1.80	5.12
<b>Global Equity</b>						
Merrion Global Equity Income	2.13	-0.50	-11.22	-5.71	3.00	-
<b>Global Equity Growth</b>						
Fundsmith Global Equity Feeder	4.93	5.67	6.15	9.83	15.41	15.51
<b>Global Equity - Ethical Investing</b>						
Green Effects	10.56	16.15	24.85	41.28	14.80	11.55
<b>European Equity</b>						
Threadneedle European Select	1.84	7.22	1.21	9.91	7.86	7.09
<b>US Equity</b>						
Merian North American Equity	6.41	6.70	1.03	8.52	8.68	9.72

## Bond Fund Performance

Name	1 Month %	3 Month %	YTD %	1 Year %	3 Year %	5 Year %
<b>Corporate Bond</b>						
PIMCO GIS Global Investment Grade Credit	-0.16	3.61	1.30	1.17	2.20	3.26
<b>Government Bond</b>						
BNY Mellon Global Bond	-1.40	-2.85	1.17	-2.30	4.09	2.88
<b>High Yield</b>						
HSBC Euro High Yield Bond	1.42	3.16	-0.73	0.08	2.03	3.29

## Alternative Fund Performance

Name	1 Month %	3 Month %	YTD %	1 Year %	3 Year %	5 Year %
<b>Multi - Asset Allocation</b>						
M&G Dynamic Allocation	0.61	5.11	-6.75	2.42	-0.86	2.34
Merrion Multi Asset 30	0.70	3.10	6.80	6.40	5.00	4.30
Merrion Multi Asset 50	1.90	5.40	8.80	9.80	6.60	5.20
Merrion Multi Asset 70	3.00	8.00	10.50	13.10	8.40	5.90
<b>Absolute Return</b>						
Invesco Global Targeted Return	0.39	-1.77	-2.06	-1.02	-2.00	-0.39

Source: Bloomberg. Prices as of 31/8/20

WARNING: Past performance is not a reliable guide to future performance. The value of your investment may go down as well as up.

# ETFs & TRUSTS



**Niall Sexton,**  
Portfolio  
Construction  
Analyst

Our Core ETF and Investment Trust range is a selection of active and passive collective funds which are listed on primary exchanges. This range offers a selection of the listed investment options available across multiple asset classes and markets.

## Core ETFs & Trusts

### Equity ETFs & Trusts

Name	SEDOL	Currency	TER %	Yield %	UCITS
<b>Global Equity</b>					
iShares MSCI World UCITS ETF	B297PF5	EUR	0.50	1.38	Yes
iShares MSCI World Quality Dividend UCITS ETF	BYV3KL6	EUR	0.38	1.64	Yes
<b>European Equity</b>					
iShares Euro STOXX 50 ETF	7018910	EUR	0.10	2.03	Yes
SPDR® S&P Euro Dividend Aristocrats UCITS	B7KHKP4	EUR	0.30	2.63	Yes
<b>UK Equity</b>					
City of London Investment Trust Plc	0199049	GBP	0.44	5.87	No
<b>US Equity</b>					
SPDR S&P 500 UCITS ETF	B6YX5T0	USD	0.09	1.36	Yes
SPDR® S&P U.S. Dividend Aristocrats UCITS ETF	B6YX5V2	USD	0.35	2.36	Yes
<b>Emerging Market Equity</b>					
JPMorgan Emerging Markets Investment Trust Plc	0341895	GBP	1.02	1.32	No

### Bond ETFs & Trusts

Name	SEDOL	Currency	TER %	Yield %	UCITS
<b>Corporate Bond</b>					
iShares Euro Corporate Bond Ex-Financials ETF	BSKRK39	EUR	0.20	0.83	Yes
<b>Government Bond</b>					
iShares Core Euro Government Bond ETF	BVG75S4	EUR	0.09	0.48	Yes
<b>High Yield</b>					
iShares Euro High Yield Corporate Bond ETF	B66F475	EUR	0.50	4.18	Yes

### Commodity ETFs & Trusts

Name	SEDOL	Currency	TER %	Yield %	UCITS
<b>Precious Metals</b>					
Invesco Physical Gold ETC	B599TV6	USD	0.19	0.00	No
<b>Commodity</b>					
WisdomTree Brent Crude Oil	B78CGV9	USD	0.49	0.00	No

Source: Bloomberg. Prices as of 31/8/20



# Fund Performance

Equity Performance						
Name	1 Month %	3 Month %	YTD %	1 Year %	3 Year %	5 Year %
<b>Global Equity</b>						
iShares MSCI World UCITS ETF	5.95	7.34	-1.90	7.11	9.36	8.79
iShares MSCI World Quality Dividend UCITS ETF	2.85	0.02	-13.93	-6.11	3.43	5.25
<b>European Equity</b>						
iShares Euro STOXX 50 ETF	3.50	8.17	-11.22	-1.98	1.50	3.24
SPDR® S&P Euro Dividend Aristocrats UCITS	2.99	3.58	-16.37	-7.86	-1.14	3.19
<b>UK Equity</b>						
City of London Investment Trust Plc	2.38	-2.16	-24.34	-17.04	-4.73	0.88
<b>US Equity</b>						
SPDR S&P 500 UCITS ETF	6.92	8.43	2.27	11.88	13.91	12.47
SPDR® S&P U.S. Dividend Aristocrats UCITS ETF	3.40	0.46	-14.74	-8.14	5.73	7.95
<b>Emerging Market Equity</b>						
JPMorgan Emerging Markets Investment Trust Plc	3.08	18.45	1.39	9.75	9.54	16.68
Bond Performance						
Name	1 Month %	3 Month %	YTD %	1 Year %	3 Year %	5 Year %
<b>Corporate Bond</b>						
iShares Euro Corporate Bond Ex-Financials ETF	0.07	2.60	0.33	-0.99	1.85	2.47
<b>Government Bond</b>						
iShares Core Euro Government Bond ETF	-0.83	1.19	2.06	-1.24	3.18	2.88
<b>High Yield</b>						
iShares Euro High Yield Corporate Bond ETF	1.87	4.69	-3.12	-1.57	1.07	2.61
Commodity Performance						
Name	1 Month %	3 Month %	YTD %	1 Year %	3 Year %	5 Year %
<b>Precious Metals</b>						
Invesco Physical Gold ETC	-0.20	13.55	29.31	28.67	14.06	11.35
<b>Commodity</b>						
WisdomTree Brent Crude Oil	5.08	25.15	-37.27	-25.74	-2.91	-7.06

Source: Bloomberg. Prices as of 31/8/20

WARNING: Past performance is not a reliable guide to future performance. The value of your investment may go down as well as up.

# GREEN EFFECTS FUND FACTSHEET

SEPTEMBER 2020

## 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	€297.47
Minimum Investment	€5,000
Dealing Frequency	Daily
Investment Manager	Cantor Fitzgerald Ireland Ltd
Custodian	Northern Trust
Administrator	Northern Trust
Sales Commission	3%
TER %	1.39%
Investment Mgt Fee	0.75%

\*Prices as of 31/08/2020

Source: Bloomberg & Cantor Fitzgerald Ireland Ltd Research

## Fund & Share Class Information

Fund Size	€102.1m
Fund ISIN	IE0005895655
Fund Sedol	0589565
Bloomberg	GEFINVL ID
Domicile	Ireland
Structure	UCITS Fund

## Historic Yield

*Fund Yield	1.35%
-------------	-------

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.

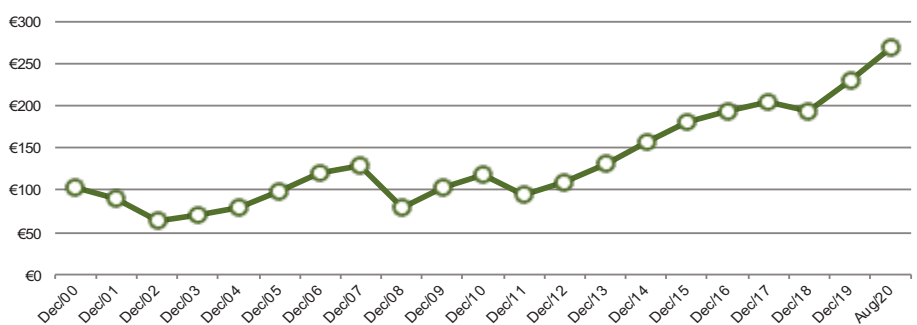
## Total number of holdings

Number of holdings	30
--------------------	----

## Market Capitalisation Exposure

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

## GREEN EFFECTS FUND NAV SINCE INCEPTION

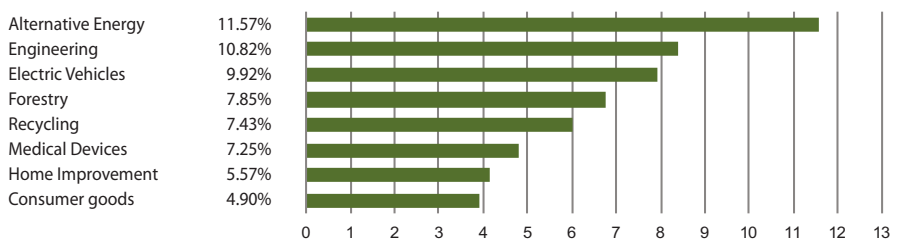


Source: Cantor Fitzgerald Ireland Ltd Research

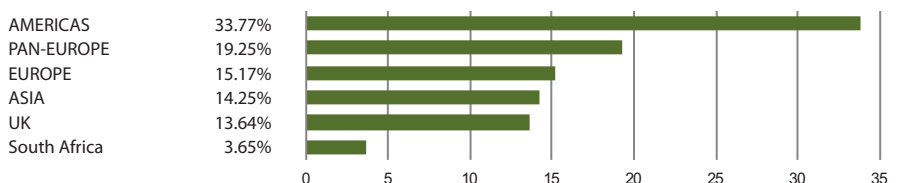
## ESMA RISK RATING



## LARGEST SECTOR EXPOSURE %



## GEOGRAPHIC EXPOSURE %



## Performance As of 31/08/2020

	1 Month	YTD	1 Year	3 Year*	5 Year*
Green Effects	10.6	24.9	41.3	14.8	11.6
MSCI World €	5.4	-0.6	8.0	10.2	9.7
S&P 500 €	5.8	3.2	12.2	14.3	13.0
Euro STOXX 50	3.2	-10.5	-1.8	1.8	3.5

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

## Top 15 Positions

TESLA INC	9.92%
VESTAS	8.95%
SMITH & NEPHEW	7.25%
KINGFISHER	5.57%
ACCIONA	5.02%
MAYR MELNHOF	4.65%
TOMRA SYSTEMS	4.63%
SVENSKA CELLULOSA	4.50%
KURITA	4.15%
SHIMANO	3.74%
ASPEN PHARMACARE	3.43%
POTLATCH	3.34%
MOLINA	3.29%
RICOH	3.05%
ORMAT	2.62%

Source: Cantor Fitzgerald Ireland Ltd Research

## Fund Sector Exposure vs MSCI World

Sectors	GE	MSCI
Communication Services	0.5%	8.9%
Consumer Discretionary	17.1%	11.4%
Consumer Staples	3.5%	8.2%
Energy	0.0%	3.0%
Financials	0.3%	12.2%
Health Care	16.1%	13.7%
Industrials	30.6%	10.0%
Information Technology	4.3%	21.8%
Materials	10.5%	4.5%
Real Estate	3.1%	2.9%
Utilities	7.0%	3.3%
Cash	6.9%	0.0%

Source: Cantor Fitzgerald Ireland Ltd Research

## Sector Exposure Compared to a Traditional Global Equity Fund

The fund does not invest in banks, oils, mining or metals. 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.

## Fund Manager Comment

The Green Effects Fund NAV price ended August at a price of €297.47 which was a return of **+10.60%** for the month.

Notably on the last day of trading in August, **Tesla** announced a \$5bn issuance of new share capital. That followed on from the stock split news that was confirmed earlier in the month (5 shares for every 1 held). Stock splits are cosmetic in nature and have no impact on the balance sheet or earnings of a company. Quite often companies embark on a stock split to reduce the overall price per share of the stock to make the price cheaper in absolute terms. Apple announced a similar move earlier in August with a four for one split. Tesla shares were up 60% on the month pushing the holding to a little over 9.90% of the fund.

The alternative energy space remained firmly in vogue during the month with Goldman Sachs commenting that as they examine the longer-term prospects for renewables they see potential for a 3x onshore wind installation increase and a 5x increase in offshore wind by 2050. **Vestas Wind Systems** (2nd largest holding in the Fund) is the largest wind turbine manufacturer in the world and its likely to remain a medium term structural winner of this investment theme. Within the infrastructure sector the fund increased its exposure to Spanish infrastructure group **Acciona**. The groups operations are split between construction, infrastructure, and renewable energy. The company employs 30,000 people in more than 30 countries and circa 30% of its construction activities are directly involved in renewables.

The fund increased its exposure to a number of the Japanese equities within the fund (**Kurita Water, Ricoh, East Japan Railways**) by a combined total of 1.50% during the month. Each of these names recently issued earnings and despite the obvious impact of the COVID19 shut down their respective management teams were cautiously optimistic about the medium term outlook for earnings. These Japanese equities are relatively cheap from a valuation perspective and pay a reasonable dividend yield (average of 2%). The other Japanese holding within the fund, Shimano, has performed strongly this year (+25%). **Shimano** is the world's biggest producer of bike components with an estimated 65 per cent global share of quality gears and brakes.

The "Green" agenda in Europe gained further momentum this month when Germany issued its first sovereign "Green Bond". The €6bn 10-year offering will provide a much-needed benchmark for both green issuers and the growing group of investors willing to finance action against climate change away from the traditional "equity" space. According to Moodys, issuance of these types of bonds in the second quarter jumped by 24% (to \$47.8bn). We have previously noted in this column how the European Union has targeted circa 30% of the €750bn stimulus package for "renewables" and the Green Effects Fund remains well placed to benefit from these initiatives over the medium to long term.

## Annual Returns

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
2.40%	-11.25%	-30.00%	9.71%	14.38%	23.95%	22.52%	6.42%	-38.47%	31.28%	13.47%
2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	
-19.61%	16.02%	19.87%	18.42%	15.72%	6.62%	6.8%	-5.91%	23.34%	24.9%	

Source: Cantor Fitzgerald Ltd Research, Bloomberg and Northern Trust

email: [greeneffects@cantor.com](mailto:greeneffects@cantor.com)

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# STOCKWATCH



**Ian Hunter,**  
Research Analyst

## CRH

CRH issued a relatively strong set of interim numbers the 20th of August well ahead of market expectations, yet the market reaction, albeit in uncertain macro conditions, has been in our opinion muted. It is down over 5% over the intervening six trading days. At 18.5x FY20E P/E and 7.7x EV/EBITDA, the stock is trading at a weighted average 16.7% discount to its European and North American peers, a discount we believe is unjustified. Trading at parity would imply a share price of €38.40, a 21.4% upside, particularly as the business grows its North American exposure.

With the expansion of its business, CRH currently generates 59% of its revenue in North America with only 25% coming from Europe and a further 12% from the UK. To reflect the growing importance of the North American side of the business, the company recently changed its reporting currency to US Dollars. Continued business expansion in the region relative to Europe will, we believe, drive multiple expansion closer to its North American peers, which are currently trading at an average 24.0x FY20E P/E and 13.2x EV/EBITDA. Trading at these multiples would imply a share price of over €45 for CRH, a c.50% upside.

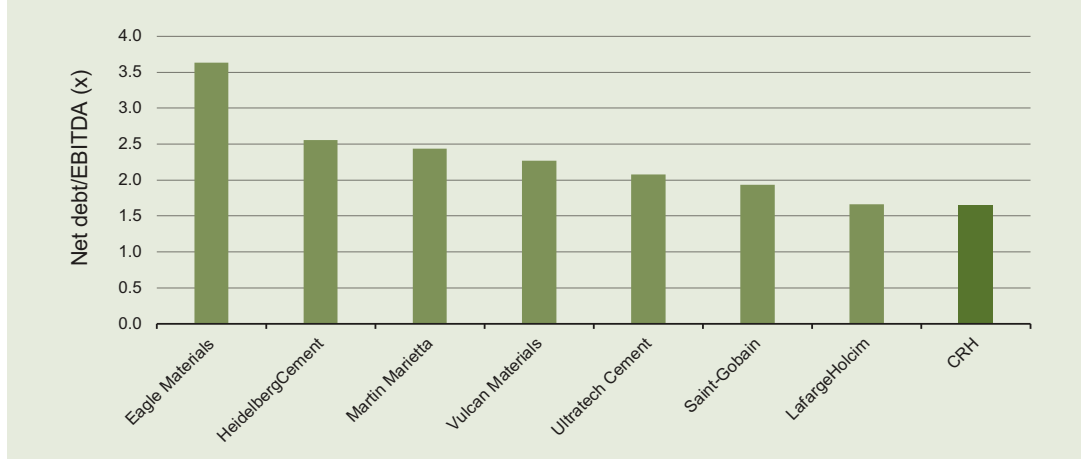
Interims numbers illustrated that CRH is not immune to the impact of Covid-19, with the company reporting a 25% fall in earnings compared to the same period past year from an 8.6% fall in EBITDA and 4.9% decline in revenue. That said, the Americas Materials division (42% of H120 EBITDA) reported a 17.6% increase in EBITDA despite a 1.2% decrease in revenue, driven by price progression, lower energy costs and strong cost controls. In contrast, however, Europe Materials (21% of H120 EBITDA) reported a 35% decrease in EBITDA from a 12% fall in revenue, reflecting the impact of site closures in various countries. The Building Products division (38% of H120 EBITDA) saw EBITDA increase by 10% despite a 0.9% decline in revenue supported by solid pricing and improved volumes combined with robust homecenter demand, particularly in North America, with management not yet providing full year guidance.

Looking forward, management is guiding LFL sales in Q320 to be “slightly behind” the same period last year with Americas Materials “also slightly behind”, Building Products “broadly in line” but Europe Materials “behind” prior year levels. Overall Q320 EBITDA is expected to be in line with Q319 levels. Citing limited visibility for the fourth quarter, management said that it is still not in a position to provide full year guidance.

However, with net debt/EBITDA at 1.6x, CRH has the strongest balance sheet in the sector, where the average ratio is currently at 2.3x. Stretching the balance sheet to 2.5x (banking covenants generally 3.5x) could release up to \$3.7bn for organic and/or acquisitive growth. If all were allocated to acquisitions and they were completed at 14.5X EBITDA (10% premium to current North American multiples), they could add over 5% to FY21E earnings.

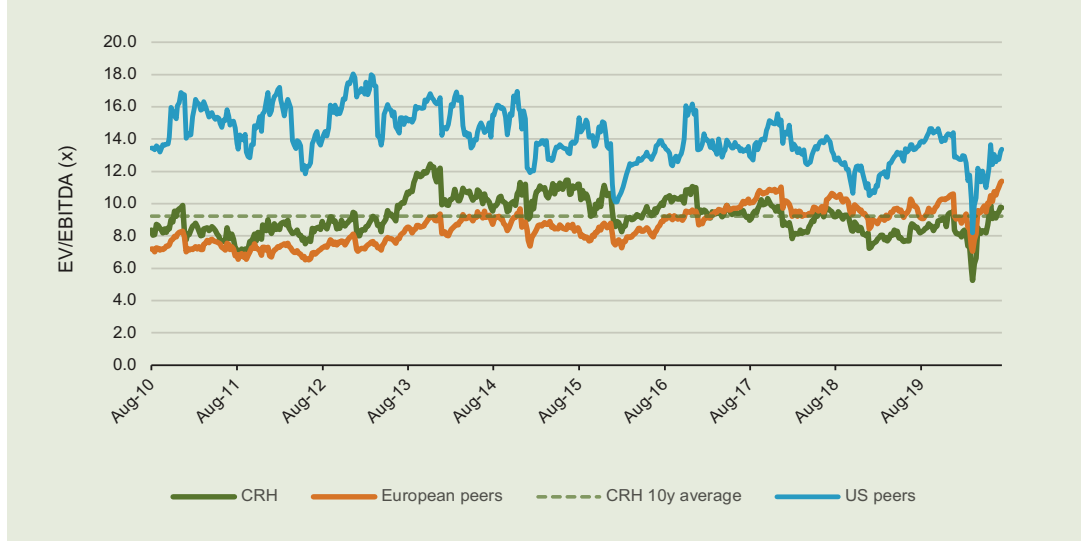
Having reported stronger than expected interim results, given qualitative, if not quantitative, guidance for Q320, while supported by the strongest balance sheet in the sector, we believe that CRH deserves to trade at least in line with its peers. The unwarranted short-term price weakening has the stock trading at a 16.7% discount to those peers, providing, in our opinion an opportunity to pick up stock at good value. This is supported by a well-supported dividend, currently yielding 2.4%. Buy.

**CRH HAS THE STRONGEST BALANCE SHEET IN THE SECTOR**



Source: Bloomberg, Company presentations

**CRH IS TRADING AT A DISCOUNT TO BOTH ITS EUROPEAN AND NORTH AMERICAN PEERS**



Source: Bloomberg

Warning: Past performance is not a reliable guide to future performance. The value of your investment may go down as well as up

# STOCKWATCH



**Ian Hunter,**  
Research Analyst

## Kerry

The market is currently speculating that Kerry is looking to spin off its Irish primary dairy business, valuing it at €1bn. The Kerry Co-Op is said to be looking to take a 60% stake in the resultant JV, Kerry holding a 40% stake. At face value this could give Kerry €600m in cash to redeploy in the higher margin ingredient sector, either in supporting organic growth or making further acquisitions. It is thought that the Co-Op will fund part of the deal through the sale of some of its 12.7% shareholding in Kerry. At a maximum, this would imply the sale of c.5.7m shares or only 3% of outstanding shares, which we believe would easily be absorbed by the market.

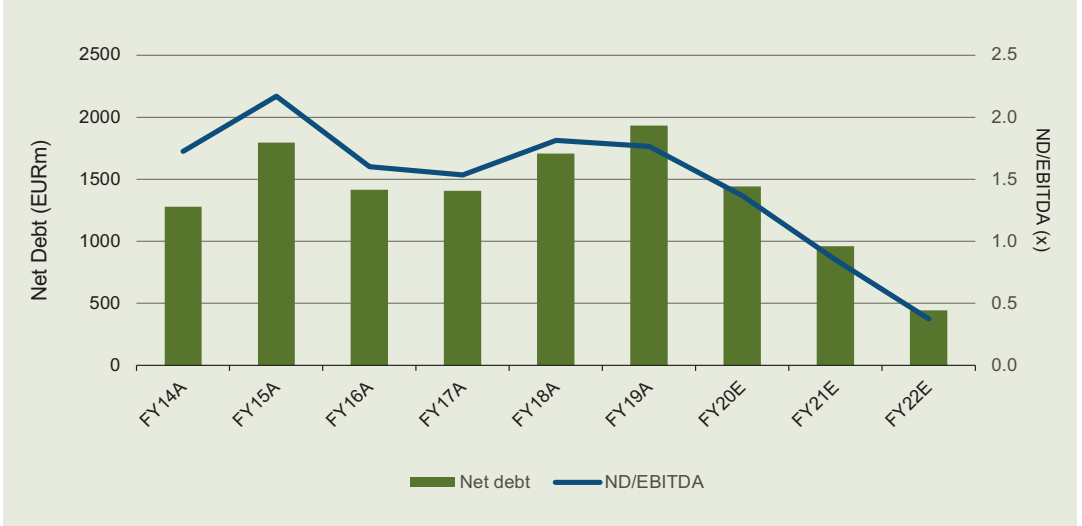
Acquisitions could boost FY21 earnings by 3%. Irish primary dairy spin off notwithstanding, Kerry has the strongest balance sheet in the ingredients sector, so is well positioned to benefit should current business conditions provide opportunistic acquisition targets at attractive prices over the coming months. The company ended FY19A with net debt of €1.9bn but net debt/EBITDA at only 1.8x. "Stretching" that to 2.5x, (still well below banking covenant levels of 3.5x) could release €1.2bn for debt funded growth. If that were all to be deployed in acquisitions and deals struck at a conservative 10% premium to current sector multiples (25.5x EBITDA), it could result in a 2.7% uptick in FY21E earnings.

Kerry's business is not immune to the COVID-19 pandemic as noted in its H120 results where trading profit, while better than market expectations, was still down 17.5%. On a divisional basis, both Taste and Nutrition (88% of H120 profit) and Consumer Foods (12%) reported a 6% fall in profit with the foodservice channel particularly hard hit in the T&N division. Given the timing of the pandemic, T&N volumes were down 8.8% in Europe in H120 (+2.2% in H119A) while the Americas were "only" down 3.9% (+2.7% in H119). This relative dynamic may have reversed at the start of H220 as Europe started to come out of lockdown but the outlook is positive.

Despite the hit to H119 numbers, looking forward management's tone was positive. The foodservice channel, which was problematic in H120, has reportedly recovered well at the start of H220. The retail channel is continuing to deliver good growth with a good innovation pipeline and strong customer engagement. Engagement with customers was described as "overwhelmingly positive" giving the company confidence in the trajectory of its business recovery. As customers are now evaluating their product portfolios and new product development strategies given the rapidly changing consumer demands, it has resulted in "significant business development opportunities" for the company. That said, full year guidance remains withheld due to the "continued uncertainty" of the duration and impact of the COVID-19 pandemic.

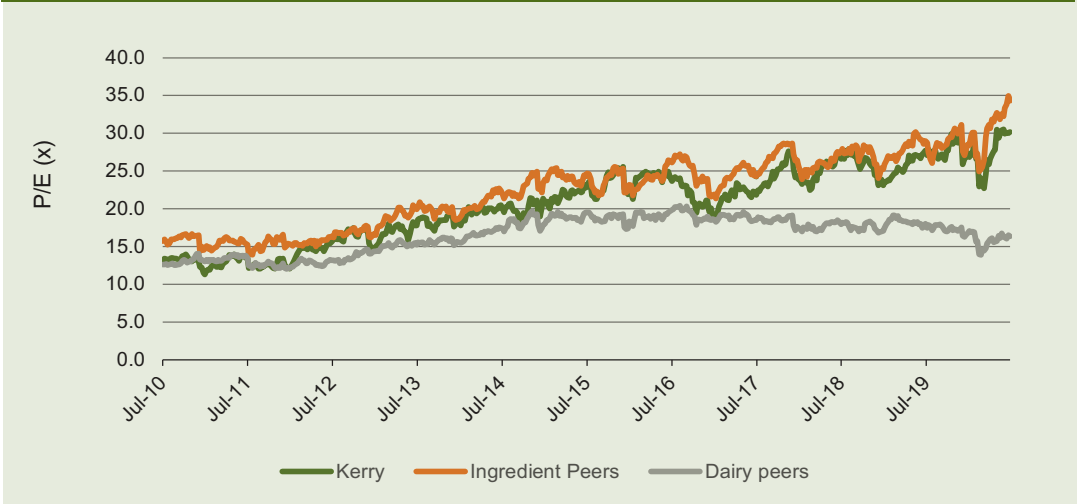
Kerry is currently trading at 31.8x FY20E P/E and 21.5x EV/EBITDA, reflecting the general sector multiple expansion over the last ten years. It trades at a weighted average 2.5% discount to its peers. Our comparatives are weighted to reflect that 10% of Kerry's profits come from its UK/Irish Consumer Foods business. Given what we believe to be Kerry's superior holistic business model we consider any discount to peers unjustified, rather, with greater growth potential it deserves to trade at a premium. Buy

**THE BALANCE SHEET COULD SUPPORT UP TO EUR1.9BN IN ACQUISITIONS IN FY20**



Source: Company presentations, CFI estimates

**KERRY IS TRADING AT A P/E WEIGHTED AVERAGE 13.2% DISCOUNT TO ITS PEERS**



Source: Bloomberg

Warning: Past performance is not a reliable guide to future performance. The value of your investment may go down as well as up

# THE CASE FOR HIGHER LONG DATED BOND YIELDS INTO Q4



**Conor McDermott,**  
Head of Technical Analysis, Merrion Investment Managers

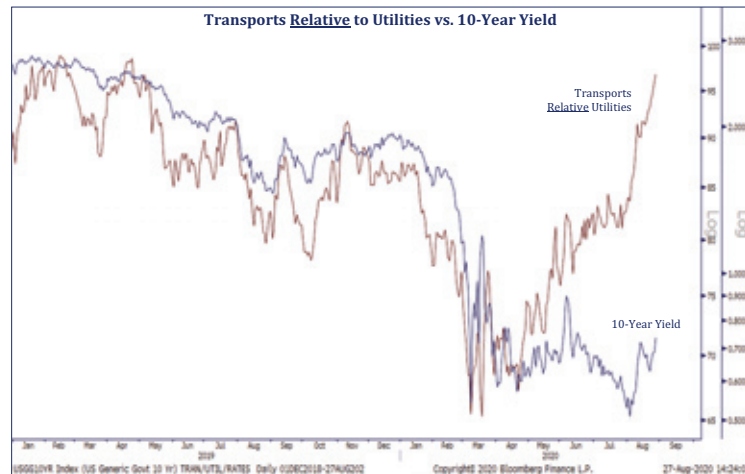
Most financial markets are now priced for low longer dated bond yields indefinitely. Record low rates have created a speculative tone particularly in tech stocks. With yields close to zero, bond returns from here are asymmetric and any “back up” in yields could see some equity sectors vulnerable as the discount factor rises and conversely see cyclicals and financials outperform.

From a cross market and technical analysis perspective we are starting to see signs of a potential move higher in long dated bonds yield which we will summarize below.

**1. The Divergence between breakevens (the market -expected inflation rate) and nominal rates should begin to close without YCC.**



**2. The recent move higher in cyclical sectors versus defensive sectors illustrates the potential upside in US yields given historical correlations.**





3. Chinese government bond yields have risen of late and have taken out the medium term trendline pointing to a possible trend reversal.



Source: Bloomberg

This is important as the 1982 secular high in bond yields and prolonged bull market in bonds was largely driven by the Chinese exporting deflation and any inflationary pressures seen in China are likely to drive inflation expectations in developed markets.

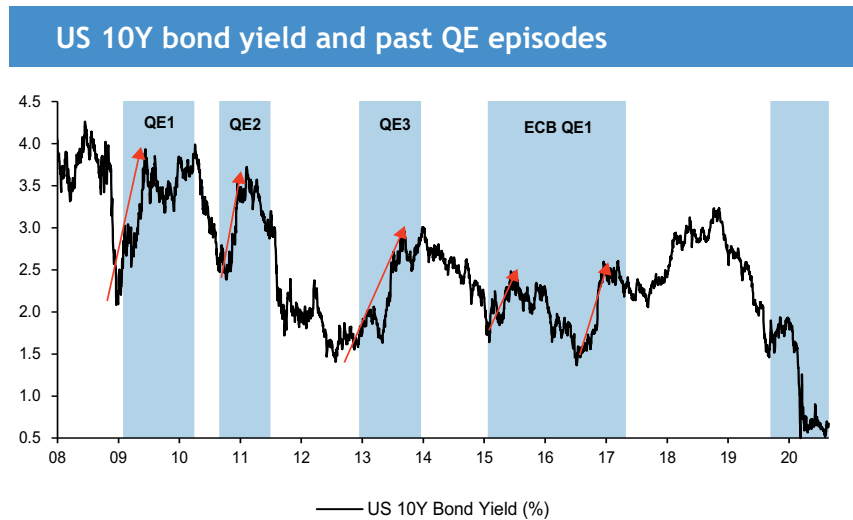
4. Linked to Chinese growth, base metals such as copper below have rallied hard of late and are now trending higher. This is further evidence of global growth and inflation picking up.



Source: Bloomberg

# THE CASE FOR HIGHER LONG DATED BOND YIELDS INTO Q4 CONTINUED

5. According to JPM research, during past episodes of QE – Fed’s QE1, QE2, QE3 and ECB’s QE1 bond yields tended to move down into the start of the asset purchase programmes, but once the asset purchases started bond yields tended to rebound, at least for a period of time.



Source: Datastream \* the second arrow during ECB’s QE 1 coincides with a step up in volume of purchases from April ‘16

6. Looking at the US 30 year yield chart, yields have stabilized but there is still more price confirmation needed to confirm a trend reversal.



Source: Bloomberg

The 200-day moving average comes in at 1.655 and trendline circa 1.72. A closing break of this confluence of resistance would likely see a gap higher in yields which would have implications across multiple asset classes. From a macro perspective, the effective capping of short dated yields through forward guidance and the Federal Reserve’s new flexible average inflation targeting coupled with the fiscal stimulus should see steeper yield curves as some inflation risk premium gets priced into longer dated bonds. With long dated real yields now negative, bonds valuations do not look attractive and offer an asymmetric risk reward going forward.

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This brochure is directed at retail clients, professional clients or eligible counterparties, as categorised within the meaning of EU Markets in Financial Instruments Directive 2014/65/EU (MiFID II) who have received investment advice.

\*As at 28th January 2020.

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# Latest News

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# MARKET ROUND-UP

AUGUST 2020



**Ed Murray,**  
Senior Portfolio  
Manager

## Fortnite founder in epic battle against Apple



Tim Sweeney, the founder of Epic Games, behind the hugely successful Fortnite video game is taking on the mite of Apple to cut the 30% commission on all digital sales. Despite been worth c\$5bn and his company \$17bn, with some deep pocketed shareholders, Mr. Sweeney will need all his skill and experience of negotiating to come out on the right side of this battle.

## Apple reaches new highs



Apple hit a market cap of \$2 trillion during the month, doubling in valuation in just over two years to become the first publicly traded U.S. company to reach the milestone.

## US Stocks have their best August in decades

The S&P500 is up nearly 7% for the month, pulled higher by some of the mega tech co's, like Apple, Microsoft, Amazon and Alphabet. The index reached new highs in the month, highlighting the disconnect between Wall Street and Main Street, or as some investors describe the rally as "K shaped".

## Bayern Munich conquer Europe, though Messi remains King

Bayern became champions of Europe for the 5th time, defeating PSG in the final. The big news is Lionel Messi's wishes to leave Barcelona. Not many can afford him, with Man City and Pep Guardiola the favourites.



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# ETHICAL INVESTING



**Carolina Angarita**  
Senior Investment Analyst

Over the past few months, the world economy has sunk into a deep recession. The Irish economy is expected to contract by 8.5% in 2020. Governments around the world have committed almost €12 trillion to rescue packages and recovery plans since the start of the pandemic. The initial aim was to provide a support mechanism for businesses to stay afloat and for people to endure the financial strain of lockdowns. The next stage of stimulus measures will focus on the economic recovery. But, how do we ensure the recovery is sustainable and sufficiently strong to respond to the social and environmental challenges highlighted by Covid-19?

The dangers of an economic recovery that undermines global climate change initiatives and policymaking cannot be underestimated. During the recession of 2009, carbon emissions fell by 400 million tonnes, only to rebound by 1.7 billion tonnes the next year. Government spending supported a broad spectrum of economic activities that were reliant on fossil fuels to help stimulate the economy. Therefore, it would not be unreasonable to assume that carbon emissions will rebound strongly after the pandemic. However, there are many reasons to believe the world economy can rebuild differently this time, with people and the planet in mind.

In an economic crisis, fiscal policies focus on measures that boost both employment and aggregated demand. A recent study by Oxford University found that every \$1 million of government spending can generate 7.49 full-time jobs in renewable infrastructure, 7.72 in energy efficiency, but only 2.65 in fossil fuels. Clean energy infrastructure is highly labour intensive, particularly in the early stages of a project, which can help remediate high unemployment resulting from the crisis, while boosting spending and GDP. Over the long term, renewable energy projects require less labour which frees up workers as the economy returns to capacity while also encouraging spending in other sectors using savings from reduced fuel costs. Ireland has a target of 70% renewable energy in the electricity mix by 2030 (from roughly 30% today) and therefore has huge potential to rebuild the economy through increased spending on renewables.

Energy efficiency is another area where government stimulus can have significant environmental and social impact. Not only is this sector labour intensive, but incentives focused on improving energy efficiency in homes, or even home appliances can boost consumer demand. Improving energy efficiency in social housing will not only lead to emission reductions but will also reduce inequalities and energy poverty, providing warm homes to vulnerable people while reducing ongoing energy costs. Up until now, office buildings had provided greater savings on carbon emissions per euro invested than domestic energy efficiency.

However, with working from home becoming a more long-term trend, it has never been more important to improve the energy efficiency of our homes to meet emission reduction targets.

Other key areas of focus for a green recovery could include (1) upgrading the national grid to enable Ireland to meet its renewable energy potential, (2) improving electric vehicle (EV) charging infrastructure, and (3) climate change adaptation projects. Investment in any “brown” activity (activities deemed to be environmentally harmful) should be conditional on meeting emissions reduction targets.

Increased spending on economic recovery will also weaken a country’s fiscal position. This, along with low oil prices, creates opportune conditions to increase carbon taxes from around €20/tonne CO<sub>2</sub> in Ireland at present to the level needed for climate resilience of €80/tonne by 2030. A carbon tax should promote low energy technologies (e.g. EV) and energy efficiency and be complemented by measures to assist low-income communities in the transition. Inequalities should not be deepened as a result of carbon taxes and it should instead reflect the cost of externalities of large-scale polluters.

Last but not least, how we finance the green recovery will be instrumental in how we attract capital where it is needed most. Stimulus to mobilise private finance for green projects is key to achieving the scale of investment required in Ireland’s energy transition. Increasing the share of green bonds in government borrowing will ensure transparency around the use of proceeds and metrics to track progress in a green recovery.

Compared to 2019, so far this year the share of social bonds issued has increased while the share of green bonds has fallen as financing of healthcare, employment, and housing issues take precedence. Whether green, social or sustainability bonds, these debt instruments will attract the capital needed to address pressing challenges at a very low cost (investors in such bonds are willing to accept a lower return than other bonds), as the urgent need to move towards a more equal, more sustainable world has never been more evident.

**How we finance the green recovery will be instrumental in how we attract capital where it is needed most**

# The ESG Opportunity

ENVIRONMENTAL, SOCIAL & GOVERNANCE

## Webinar – October 2020

At Cantor Fitzgerald Ireland we manage over €1bn of assets with an ESG mandate.  
So how do ESG screening and impact investing work together in longer term to  
enhance risk adjusted returns?

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# MULTI-ASSET FUND RANGE

The Merrion Investment Managers Multi-Asset Range of funds is designed to suit investors with different risk appetites.

## KEY FEATURES

- Actively managed investment process
- Diversification across a range of assets
- Ability to deliver strong returns with reduced volatility in times of market stress
- Long term fundamental holdings with short term tactical opportunities



## PERFORMANCE

The table shows what these funds have typically returned over 4, 5 and 6 years (increasing the time period as the risk of the fund increases). These returns have been delivered despite the many crises that financial markets have faced over the last 20+ years.

SUMMARY STATISTICAL RETURNS (since inception - August 2020)			
MEDIUM TERM INVESTMENT HORIZON	MMA30 (4yr)*	MMA50 (5yr)*	MMA70 (6yr)
Annualised Rolling Return: Average	<b>5.55% p.a.*</b>	<b>6.05% p.a.*</b>	<b>8.49% p.a.</b>

\* Include both actual returns from 21 July 2015 to 31st August 2020, and simulated returns prior to 21 July 2015.

## PERFORMANCE COMPARED WITH SIMILAR FUNDS & THE GLOBAL EQUITY MARKET

	MMA30	Average*	MMA50	Average*	MMA70	Average*	MSCI ACWI
YTD	<b>6.80%</b>	-1.50%	<b>8.80%</b>	-2.90%	<b>10.50%</b>	-2.70%	-1.50%
1 Yr	<b>6.40%</b>	0.80%	<b>9.80%</b>	1.80%	<b>13.10%</b>	4.30%	7.20%

Returns gross of annual management charge

\*Average of selection of equivalent funds available on the Irish market from other providers (Irish Life, Aviva, LGIM, Friends First, New Ireland, Zurich)

Warning: These figures are estimates only. They are not a reliable guide to future performance. The value of your investment may go down as well as up.

For further information or to arrange a meeting contact:

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**www.cantorfitzgerald.ie**

# Performance **DATA**

September 2020



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# INVESTMENT RETURNS

## Equities

Index	31/07/2020	31/08/2020	% Change	% ytd Change	52 Week High	Date
ISEQ	6,099.6	6,434	5.5%	-10.4%	7,386	10/01/2020
DAX	12,313.4	12,945	5.1%	-2.3%	13,795	17/02/2020
Eurostoxx50	3,174.3	3,273	3.1%	-12.6%	3,867	20/02/2020
Stoxx600 (Europe)	356.3	367	2.9%	-11.9%	434	19/02/2020
Nasdaq (100)	10,905.9	12,111	11.0%	38.7%	12,272	01/09/2020
Dow Jones	26,428.3	28,430	7.6%	-0.4%	29,569	12/02/2020
S&P500	3,271.1	3,500	7.0%	8.3%	3,516	01/09/2020
Nikkei	21,710.0	23,140	6.6%	-2.2%	24,116	17/01/2020
Hang Seng	24,595.4	25,177	2.4%	-10.7%	29,175	20/01/2020
China (Shanghai Composite)	3,310.0	3,396	2.6%	11.3%	3,459	13/07/2020
India	37,606.9	38,628	2.7%	-6.4%	42,274	20/01/2020
MSCI World Index	2,305.0	2,456	6.5%	4.1%	2,461	31/08/2020
MSCI BRIC Index	339.5	352	3.6%	3.5%	362	31/08/2020

## Currencies

Currency Pair			% Change	% ytd Change	52 Week High	Date
EuroUSD	1.1778	1.1936	1.3%	6.4%	1.2011	01/09/2020
EuroGBP	0.90019	0.89284	-0.8%	5.5%	0.9501	19/03/2020
GBP/USD	1.3085	1.337	2.2%	0.9%	1.3514	13/12/2019
Euro/AUD	1.64906	1.61831	-1.9%	1.3%	1.9802	19/03/2020
Euro/CAD	1.57972	1.55737	-1.4%	6.9%	1.5993	19/03/2020
Euro/JPY	124.75	126.41	1.3%	3.8%	127.0800	01/09/2020
Euro/CHF	1.07584	1.07873	0.3%	-0.6%	1.1060	17/10/2019
Euro/HKD	9.1279	9.2506	1.3%	5.9%	9.3083	01/09/2020
Euro/CNY	8.2466	8.1826	-0.8%	4.7%	8.3256	31/07/2020
Euro/INR (India)	88.7995	87.5074	-1.5%	9.3%	89.4461	19/08/2020
Euro/IDR (Indonesia)	17314.03	17340.94	0.2%	11.5%	18,207.2700	01/04/2020
AUD/USD	0.7143	0.7376	3.3%	5.1%	0.7414	01/09/2020
USD/JPY	105.83	105.91	0.1%	-2.5%	112.2300	20/02/2020
US Dollar Index	93.349	92.144	-1.3%	-4.4%	102.9920	20/03/2020

## Commodities

Commodity			% Change	% ytd Change	52 Week High	Date
Oil (Crude)	40.57	42.61	5.0%	-30.2%	60.75	08/01/2020
Oil (Brent)	43.3	45.28	4.6%	-31.4%	71.95	16/09/2019
Gold	1975.86	1967.8	-0.4%	29.7%	2,075.47	07/08/2020
Silver	24.389	28.1428	15.4%	57.6%	29.86	07/08/2020
Copper	289.05	306.15	5.9%	9.5%	309.45	01/09/2020
CRB Commodity Index	377.74	394.76	4.5%	-1.7%	410.68	21/01/2020
DJUBS Grains Index	25.2059	26.7979	6.3%	-8.5%	29.58	02/01/2020
Gas	1.799	2.63	46.2%	20.1%	2.91	05/11/2019
Wheat	538.75	552.25	2.5%	-1.2%	599.50	22/01/2020
Corn	327	357.75	9.4%	-7.7%	411.50	21/10/2019

## Bonds

Issuer			Yield Change	% ytd Change	52 Week High	Date
Irish 5yr	-0.499	-0.499	0.00	59.9%	0.20	18/03/2020
Irish 10yr	-0.117	-0.117	0.00	-198.3%	0.60	18/03/2020
German 2yr	-0.713	-0.713	0.00	18.6%	-0.57	25/03/2020
German 5yr	-0.721	-0.721	0.00	52.4%	-0.37	19/03/2020
German 10yr	-0.524	-0.524	0.00	183.2%	-0.14	19/03/2020
UK 2yr	-0.067	-0.067	0.00	-112.3%	0.67	13/12/2019
UK 5yr	-0.12	-0.12	0.00	-120.0%	0.82	19/03/2020
UK 10yr	0.104	0.104	0.00	-87.3%	1.06	19/03/2020
US 2yr	0.1054	0.1054	0.00	-93.3%	1.80	13/09/2019
US 5yr	0.2044	0.2044	0.00	-87.9%	1.78	07/11/2019
US 10yr	0.5282	0.5282	0.00	-72.5%	1.97	07/11/2019

Source for all tables above: Bloomberg and Cantor Fitzgerald Ireland Ltd Research.

# LONG TERM INVESTMENT RETURNS

## Asset Class Performances (returns in Local Currency)

### Equities

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
MSCI World Index	9.8%	-40.2%	30.9%	12.5%	-4.9%	16.7%	27.5%	2.9%	-1.9%	5.3%	20.1%	-10.4%	25.2%	4.1%
MSCI Emerging Market Index	39.7%	-53.1%	78.7%	19.4%	-18.2%	18.7%	-2.3%	-4.6%	-17.2%	8.6%	34.3%	-16.6%	15.4%	-1.2%
China	98.0%	-64.9%	82.6%	-12.8%	-20.2%	5.8%	-3.9%	52.9%	10.5%	-12.3%	6.6%	-24.6%	22.3%	11.3%
Japan	-10.0%	-41.1%	21.1%	-1.3%	-15.6%	25.6%	59.4%	7.1%	9.1%	0.4%	19.1%	-12.1%	18.2%	-2.2%
India	48.8%	-51.8%	78.5%	19.1%	-23.6%	28.0%	9.8%	30.1%	-5.6%	1.8%	27.9%	6.7%	13.8%	-6.5%
S&P500	5.6%	-37.0%	26.4%	15.1%	2.1%	16.0%	32.4%	11.4%	0.2%	9.5%	19.4%	-6.2%	28.9%	8.3%
Eurostoxx50	10.4%	-41.8%	27.0%	-1.8%	-13.1%	19.6%	22.7%	1.2%	4.5%	0.7%	6.5%	-14.3%	24.8%	-12.6%
DAX	22.3%	-40.4%	23.8%	16.1%	-14.7%	29.1%	25.5%	2.7%	9.6%	6.9%	12.5%	-18.3%	25.5%	-2.3%
ISEQ	-24.7%	-65.1%	29.8%	-0.1%	2.6%	20.4%	35.7%	15.1%	31.2%	-4.0%	8.0%	-22.1%	31.1%	-10.4%

### Commodities

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Gold	31.3%	5.5%	24.0%	29.7%	10.2%	7.0%	-28.3%	-1.5%	-10.5%	8.6%	13.7%	-2.1%	18.9%	29.4%
Brent Oil	54.2%	-51.4%	70.9%	21.6%	13.3%	3.5%	-0.3%	-48.3%	-36.4%	52.4%	17.7%	-19.5%	22.7%	-31.4%
Crude Oil	57.2%	-53.5%	77.9%	15.1%	8.2%	-7.1%	7.2%	-45.9%	-31.3%	45.0%	12.5%	-24.8%	34.5%	-30.2%
Copper	5.9%	-53.6%	137.3%	32.9%	-22.7%	6.3%	-7.0%	-16.8%	-24.0%	17.4%	31.7%	-20.3%	6.3%	8.7%
Silver	15.4%	-23.8%	49.3%	83.7%	-9.8%	8.2%	-35.9%	-19.5%	-11.3%	15.8%	7.2%	-9.4%	15.3%	58.7%
CRB Commodity Index	14.1%	-23.8%	33.7%	23.6%	-7.4%	0.4%	-5.7%	-4.1%	-14.6%	12.9%	2.2%	-5.4%	-1.9%	-1.7%

### Currencies

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Euro/USD	10.5%	-4.3%	2.0%	-6.6%	-3.2%	1.8%	4.1%	-12.1%	-9.7%	-3.1%	14.1%	-4.5%	-2.2%	6.5%
Euro/GBP	9.1%	30.0%	-7.2%	-3.3%	-2.8%	-2.6%	2.2%	-6.5%	-5.0%	15.7%	4.1%	1.2%	-5.9%	5.5%
GBP/USD	1.3%	-26.5%	10.2%	-3.3%	-0.4%	4.6%	1.9%	-6.0%	-4.9%	-16.3%	9.5%	-5.5%	4.1%	0.9%
US Dollar Index	-8.3%	6.1%	-4.2%	1.5%	1.5%	-0.5%	0.4%	12.7%	8.9%	3.6%	-9.9%	4.3%	0.3%	-4.5%

Source for all tables above: Bloomberg and Cantor Fitzgerald Ireland Ltd Research

Warning: Past performance is not a reliable guide to future performance.

# INDICATIVE PERFORMANCE FIGURES & MATURITY DATES

SEPTEMBER 2020

## Cantor Fitzgerald Capital Protected Products

Cantor Fitzgerald Capital Protected Products	Underlying Asset (Ticker)	Indicative Initial Strike	Indicative Current Level	Indicative Underlying Asset Performance	Option A Participation Rate	Option B Participation Rate	Option A Indicative Performance	Option B Indicative Performance
EUROSTOXX 50 DOUBLE GROWTH NOTE*	SX5E	2986.73	3260.59	9.17%	200%		18.34%	N/a
US \$ Dividend Aristocrats Bond III	SPXD8UE	2255.84	2262.05	0.28%	100%	220%	0.28%	0.61%
US \$ Dividend Aristocrats Bond IV	SPXD8UE	2206.04	2262.05	2.54%	80%	200%	2.03%	5.08%
US \$ Dividend Aristocrats Bond V	SPXD8UE	2336.40	2262.05	-3.18%	50%	170%	0.00%	0.00%
US \$ Dividend Aristocrats Bond VI	SPXD8UE	2357.33	2262.05	-4.04%	50%	140%	0.00%	0.00%
US \$ Dividend Aristocrats Bond VII	SPXD8UE	2394.64	2262.05	-5.54%	50%	140%	0.00%	0.00%
PROTECTED ABSOLUTE RETURN STRATEGIES*	SLGLARA	12.05	12.03	-0.21%				
	CARMPAT	615.33	681.68	10.78%				
	ETAKTVE	128.74	136.59	6.10%				
			<b>Weighted Basket</b>	5.56%	120%		6.67%	N/a
GLOBAL REAL RETURN NOTE*	BNGRRAE	1.27	1.39	9.25%	150%		13.88%	N/a
PROTECTED MOMENTUM BOND*	MSQTDFAA	1.46	1.42	-2.60%	200%		0.00%	N/a
PROTECTED MOMENTUM BOND II*	MSQTDFAA	1.46	1.42	-2.67%	200%		0.00%	N/a
PROTECTED MOMENTUM BOND III*	MSQTDFAA	1.52	1.42	-6.01%	200%		0.00%	N/a
PROTECTED MOMENTUM BOND IV*	MSQTDFAA	1.34	1.42	6.51%	200%		13.02%	N/a
PROTECTED MOMENTUM BOND V*	MSQTDFAA	1.38	1.42	3.40%	250%		8.51%	N/a
PROTECTED MOMENTUM BOND VI*	MSQTDFAA	1.39	1.42	2.33%	250%		5.84%	N/a
PROTECTED BEST SELECT BOND*	SGMDBSFE	155.51	145.50	-6.44%	200%		0.00%	N/a
PROTECTED BEST SELECT BOND II*	SGMDBSFE	152.86	145.50	-4.81%	200%		0.00%	N/a
PROTECTED BEST SELECT BOND III*	SGMDBSFE	151.87	145.50	-4.19%	200%		0.00%	N/a
PROTECTED BEST SELECT BOND IV*	SGMDBSFE	148.10	145.50	-1.76%	200%		0.00%	N/a
PROTECTED BEST SELECT BOND V*	SGMDBSFE	143.95	145.50	1.08%	200%		2.16%	N/a
PROTECTED BEST SELECT BOND 6*	SGMDBSFE	148.01	145.50	-1.69%	200%		0.00%	N/a
PROTECTED BEST SELECT BOND 7*	SGMDBSFE	149.98	145.50	-2.99%	200%		0.00%	N/a
PROTECTED BEST SELECT BOND 8*	SGMDBSFE	147.95	145.50	-1.65%	200%		0.00%	N/a
PROTECTED BEST SELECT BOND 9*	SGMDBSFE	150.42	145.50	-3.27%	180%		0.00%	N/a
PROTECTED STAR PERFORMERS BOND*	BNPIAFST	130.53	136.96	4.93%	180%		8.87%	N/a
PROTECTED STAR PERFORMERS BOND II*	BNPIAFST	130.91	136.96	4.62%	170%		7.85%	N/a
PROTECTED STAR PERFORMERS BOND III*	BNPIAFST	133.58	136.96	2.53%	170%		4.30%	N/a
PROTECTED STAR PERFORMERS BOND IV*	BNPIA2MT	166.28	170.24	2.38%	200%		4.75%	N/a
PROTECTED STAR PERFORMERS BOND V*	BNPIA2MT	165.75	169.52	2.28%	200%		4.55%	N/a
PROTECTED STAR PERFORMERS BOND VI*	BNPIA2MT	166.02	169.52	2.11%	200%		4.22%	N/a
PROTECTED STAR PERFORMERS BOND 7*	BNPIA2MT	168.56	169.52	0.57%	200%		1.14%	N/a
PROTECTED STAR PERFORMERS BOND 8*	BNPIA2MT	168.78	169.52	0.44%	200%		0.88%	N/a
PROTECTED STAR PERFORMERS BOND 9*	BNPIA2MT	168.28	169.52	0.73%	200%		1.47%	N/a

## Strike and Maturity Dates for Cantor Fitzgerald Bonds:

Bond	Strike Date	Maturity Date
Protected Absolute Return Strategies	24/03/2016	31/03/2021
US \$ Dividend Aristocrats Bond III	26/03/2018	06/03/2023
US \$ Dividend Aristocrats Bond IV	31/05/2019	08/05/2023
US \$ Dividend Aristocrats Bond V	26/07/2019	03/05/2023
US \$ Dividend Aristocrats Bond VI	22/11/2019	29/10/2024
US \$ Dividend Aristocrats Bond VII	21/02/2020	28/01/2025
EuroSTOXX 50 Double Growth Note	24/03/2016	09/04/2021
Global Real Return Note	29/04/2016	12/07/2021
Protected Momentum Bond	27/09/2019	27/09/2024
Protected Momentum Bond II	22/11/2019	06/12/2024
Protected Momentum Bond III	24/01/2020	31/01/2025
Protected Momentum Bond IV	24/04/2020	31/03/2025
Protected Momentum Bond V	22/05/2020	29/05/2025
Protected Momentum Bond 6	24/07/2020	31/07/2025
Protected Best Select Bond	15/06/2018	22/06/2023
Protected Best Select Bond II	14/08/2018	21/08/2023
Protected Best Select Bond III	26/09/2018	03/10/2023
Protected Best Select Bond IV	02/11/2018	09/11/2023
Protected Best Select Bond V	21/12/2018	02/01/2024
Protected Best Select Bond 6	27/02/2019	05/03/2024
Protected Best Select Bond 7	23/04/2019	30/04/2024
Protected Best Select Bond 8	14/06/2019	21/06/2024
Protected Best Select Bond 9	16/08/2019	23/08/2024
Protected Star Performers Bond	27/09/2016	30/09/2022
Protected Star Performers Bond II	16/12/2016	21/12/2022
Protected Star Performers Bond III	16/03/2017	22/03/2022
Protected Star Performers Bond IV	24/05/2017	30/05/2022
Protected Star Performers Bond V	26/07/2017	02/08/2022
Protected Star Performers Bond VI	20/09/2017	27/09/2022
Protected Star Performers Bond 7	24/11/2017	01/12/2022
Protected Star Performers Bond 8	21/12/2017	28/12/2022
Protected Star Performers Bond 9	09/03/2018	16/03/2023

Source for all tables above: Bloomberg.

## Cantor Fitzgerald Kick Out Notes

Cantor Fitzgerald Bond Issue	Underlying Asset (Ticker)	Indicative Initial Strike	Indicative Current Level	Indicative Underlying Asset Performance	Next Potential Coupon	Indicative Performance
ECOMMERCE KICK OUT BOND	AMZN	1949.72	3294.62	68.98%	10%	10%
	SKG	25.72	30.46	18.43%		
	FDX	121.26	226.12	86.48%		
	PYPL	95.75	191.84	100.36%		
ECOMMERCE KICK OUT BOND II*	AMZN	2764.41	3450.96	24.84%	10%	10%
	SKG	29.32	30.46	3.89%		
	FDX	139.07	155.65	11.92%		
	PYPL	172.79	191.84	11.02%		
REAL ESTATE KICKOUT NOTE*	SPG	190.52	70.24	-63.13%	100%	-83.4%
	URW	233.60	38.67	-83.45%		
	DLR	74.80	145.18	94.09%		
	WELL	65.25	61.12	-6.33%		
BRAND LEADERS KICKOUT BOND*	BAS	79.09	52.74	-33.32%	13.5%	0%
	RYA	13.49	11.96	-11.31%		
	SAMSUNG FP	44800	56500	26.12%		
	FP	53.21	33.00	-37.98%		
EURO BLUE CHIP KICKOUT BOND III*	ITX	31.50	23.05	-26.83%	30.0%	0%
	BN	62.79	56.12	-10.62%		
	ADS	183.05	265.10	44.82%		
	CRH	32.82	31.00	-5.55%		
EURO BLUE CHIP KICKOUT BOND IV*	BMW	86.69	60.60	-30.10%	27.0%	0%
	FP	48.70	33.10	-32.03%		
	ADS	177.25	264.90	49.45%		
	CRH	33.56	30.54	-9.00%		
EURO BLUE CHIP KICKOUT BOND V*	ADS	199.95	254.60	27.33%	22.5%	0%
	ABI	102.15	49.24	-51.80%		
	BAYN	107.00	54.43	-49.13%		
	FP	43.92	33.10	-24.64%		
OIL & GAS KICK OUT IV	RDSA	26.98	12.17	-54.89%	15%	-55%
	FP	50.33	33.10	-34.23%		
	BP/	5.34	2.58	-51.81%		
	XOM	79.01	39.08	-50.54%		
OIL & GAS KICK OUT V	RDSA	28.98	12.17	-58.01%	14.25%	-58%
	FP	49.12	33.10	-32.61%		
	BP/	5.56	2.58	-53.70%		
	XOM	77.69	39.08	-49.70%		
OIL & GAS KICK OUT VI	RDSA	24.89	12.17	-51.10%	9.5%	-51%
	FP	43.24	33.10	-23.44%		
	BP/	4.90	2.58	-47.47%		
	XOM	68.30	39.08	-42.78%		
IRISH KICK OUT 1	CRH	27.17	30.54	12.40%	10.5%	0.0%
	SKG	25.10	30.46	21.35%		
	BIRG	5.32	1.89	-64.44%		
	RYA	11.41	11.96	4.87%		
IRISH KICK OUT 3	CRH	29.47	30.54	3.63%	9.0%	0.0%
	SKG	28.14	30.46	8.24%		
	BIRG	4.35	1.99	-54.21%		
	RYA	9.98	11.96	19.82%		
IRISH BULL & BEAR KICK OUT	CRH	31.03	30.54	-1.58%	9.0%	0.0%
	SKG	27.16	30.46	12.15%		
	BIRG	3.65	1.99	-45.51%		
	RYA	10.00	11.96	19.60%		
GOLD KICK OUT BOND	NEM	38.74	65.35	68.69%	10%	10.0%
	GOLD	16.89	29.05	72.00%		
	AU	18.93	29.05	53.46%		
	KL	42.01	51.68	23.02%		
GOLD KICK OUT BOND III	NEM	44.63	67.28	50.75%	10%	10.0%
	GOLD	19.04	29.65	55.72%		
	AU	17.45	29.51	69.11%		
	KL	32.08	51.68	61.10%		
EURO FINANCIALS KICKOUT BOND*	BNP	68.40	37.49	-45.19%	20%	-72.1%
	GLE	48.91	13.67	-72.05%		
	INGA	15.72	6.95	-55.79%		
	SAN	5.77	1.91	-66.92%		
EURO FINANCIALS KICKOUT BOND II*	BNP	62.85	36.57	-41.82%	25%	-67.6%
	GLE	41.96	13.58	-67.63%		
	INGA	15.00	6.80	-54.62%		
	SAN	5.503	1.86	-66.15%		

# INDICATIVE PERFORMANCE FIGURES & MATURITY DATES

SEPTEMBER 2020 continued

Cantor Fitzgerald Bond Issue	Underlying Asset (Ticker)	Indicative Initial Strike	Indicative Current Level	Indicative Underlying Asset Performance	Next Potential Coupon	Indicative Performance
EURO FINANCIALS KICKOUT BOND III*	BNP	65.10	36.57	-43.83%	30%	
	GLE	46.68	13.58	-70.90%		
	INGA	14.72	6.80	-53.78%		
	SAN	5.66	1.86	-67.11%		
EURO FINANCIALS KICKOUT BOND IV*	BNP	63.21	36.57	-42.15%	25%	
	GLE	45.60	13.58	-70.21%		
	INGA	14.26	6.80	-52.27%		
	SAN	5.51	1.86	-66.18%		
4.5% Fixed Income Bond	SKG	25.53	30.460	16.26%	4.5%	
	RIO	4518.50	4575.000	0.68%		

## Strike and Maturity Dates for Cantor Fitzgerald Kick Out Notes:

Bond	Strike Date	Next Kick Out Observation Date	Maturity Date
E-Commerce Kick Out Bond	31/03/2020	01/03/2021	14/04/2025
E-Commerce Kick Out Bond II	23/06/2020	23/06/2021	07/07/2025
Real Estate Kick Out Note	18/12/2015	18/12/2020	05/01/2021
Brand Leaders Kickout Bond	21/08/2018	21/02/2021	21/08/2023
Euro Bluechip Kickout Bond III	16/03/2017	16/09/2020	30/03/2022
Euro Bluechip Kickout Bond IV	16/05/2017	18/11/2020	16/05/2022
Euro Bluechip Kickout Bond V	04/08/2017	04/08/2020	18/08/2022
Oil & Gas Kick Out IV	08/03/2019	08/09/2020	15/03/2024
Oil & Gas Kick Out V	21/06/2019	22/12/2020	26/06/2024
Irish Kick Out 1	25/03/2019	25/09/2020	03/04/2024
Irish Kick Out 3	19/07/2019	20/01/2021	19/07/2024
Irish Bull & Bear Kick Out	20/09/2019	21/09/2020	27/09/2024
Gold Kick Out Bond 1	02/12/2019	02/12/2020	09/12/2024
Gold Kick Out Bond 3	28/02/2020	28/02/2021	07/03/2025
Euro Financials Kickout Bond	06/10/2017	06/10/2020	20/10/2022
Euro Financials Kickout Bond II	01/12/2017	02/11/2020	15/12/2022
Euro Financials Kickout Bond III	22/02/2018	22/02/2021	08/03/2023
Euro Financials Kickout Bond IV	20/04/2018	20/10/2020	27/04/2023
4.5% Fixed Income Bond	07/06/2019	07/12/2020	14/06/2023

Source for all tables above: Bloomberg.

All figures are indicative of underlying performance after participation only and represent the potential indicative return of the underlying strategy only, had the investments matured using the latest available on 4th September 2020. Indicative performance figures may need to be added to the relevant capital protected amount, if any, which may be less than 100% of the funds originally invested. All performance figures are indicative only and may include the impact of averaging over the final averaging period if any.

\*Indicative performance figures may also include a performance related bonus (if applicable). However final payment of this bonus will depend on the underlying performance at next annual observation date or maturity. Please consult the Terms and Conditions in the relevant product brochure for further information.

\*\*The above indicative returns reflect the averaging of available prices within the applicable final averaging period.

**WARNING: Investments may fall as well as rise in value. Past performance is not a reliable guide to future performance.**

Please note that while your capital protected amount is secure on maturity, any indicative returns, including those figures quoted above are not secure (other than any minimum interest return on maturity, if applicable). You may only receive your capital protected amount back. These are not encashment values. The performance above is solely an indicative illustration of the current performance of the underlying assets tracked after participation, gross of tax, and are NOT ENCASHMENT VALUES. If early encashment is possible, the value may be considerably lower than the original investment amount. Please consult the Terms and Conditions in the relevant product brochure for further information.

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### Company Description

**Allianz:** Allianz through its subsidiaries, provides insurance and financial services

**Alphabet:** Alphabet provides web-based search, advertisement, maps, software applications, mobile operating systems, consumer content and other software services

**Amazon:** Amazon is an online retailer that offers a wide range of products

**BT Group:** British Telecommunications company that operates via BT and EE brands

**Carnival:** Global market leader in cruise offerings

**Danone:** Danone operates as a food processing company

**Dalata Hotel Group:** Dalata Hotel Group owns and operates as a chain of hotels

**DCC:** DCC is a sales, marketing, distribution and business support services company

**Engie:** Engie is a global energy and services utility company

**FedEx:** FedEx delivers packages and freight to multiple countries and territories through an integrated global network

**Glanbia:** Glanbia plc is an international dairy, consumer foods, and nutritional products company. The Company conducts operations primarily in Ireland, the United Kingdom, and the United States

**Greencoat Renewables:** Greencoat operates as an investment company. The Company invests in wind and renewable electricity generation assets

**ING Groep:** Global financial institution focused retail and wholesale finance in Europe

**JPMorgan Emerging Markets Investment Trust plc** seeks to uncover quality stocks from across emerging markets that are also attractively valued, benefiting from an extensive network of country and sector specialists from one of the longest established emerging market teams in the industry

**Kennedy Wilson:** Kennedy-Wilson Holdings, Inc. operates as a global real estate investment company

**Microsoft:** Microsoft Corporation develops, manufactures, licenses, sells, and supports software products

**McDonalds Corp:** McDonalds franchises and operates fast-food restaurants in the global restaurant industry

**Newmont Goldcorp:** Newmont acquires, explores, and develops mineral properties

**PayPal:** PayPal operates a technology platform that enables digital and mobile payments on behalf of customers and merchants

**Pfizer:** Pfizer Inc. operates as a pharmaceutical company. The Company offers medicines, vaccines, medical devices, and consumer healthcare products for oncology, inflammation, cardiovascular, and other therapeutic areas

**Royal Dutch Shell:** Royal Dutch Shell explores, produces, and refines petroleum

**Sanofi:** Sanofi operates as a pharmaceutical company. The Company manufactures prescription pharmaceuticals and vaccines. Sanofi also develops cardiovascular, thrombosis, metabolic disorder, central nervous system, and oncology medicines and drugs

**SAP:** SAP is a software corporation that makes enterprise software

**Siemens Gamesa:** Market leader in offshore wind turbine manufacturing and installation

**Smurfit Kappa:** Smurfit Kappa manufactures paper packaging products

**The Invesco Physical Gold ETC:** The Invesco Physical Gold ETC aims to provide the performance of the London Bullion Market Association ("LBMA") Gold Price in USD

**TOTAL:** TOTAL S.A. explores for, produces, refines, transports, and markets oil and natural gas. The Company also operates a chemical division which produces polypropylene, polyethylene, polystyrene, rubber, paint, ink, adhesives, and resins

**Verizon:** Verizon Communications Inc. is an integrated telecommunications company that provides wire line voice and data services, wireless services, internet services, and published directory information

**VINCI SA:** VINCI is a global player in concessions and construction with expertise in building, civil, hydraulic, and electrical engineering

## Recommendation

**Allianz Se** is a member of our core portfolio and we have an Outperform rating on the stock since 24/04/2014

**Alphabet Inc** is a member of our core portfolio and we have an Outperform rating on the stock since 07/01/2013

**Amazon.Com Inc** is a member of our core portfolio and we have an Outperform rating on the stock since 26/07/2013

**BT Group** is a member of our Core Portfolio since January 1st 2020 and we have an outperform rate since 12/12/2019

**Carnival** is a member of our Core Portfolio since January 1st 2020 and we have an outperform rate since that date

**Danone:** Danone was included in our core portfolio and has an outperform rating since the 12/04/2019

**Dalata Hotel Group:** Dalata was upgraded to outperform from market perform on the 24/06/2019

**DCC Plc** is a member of our core portfolio and we have an Outperform rating on the stock since 17/08/2015

**Engie:** Initiated with an Outperform on 20/06/2019

**FedEx:** We initiated with an Outperform on 15/07/2019

**Glanbia Plc** is a member of our core portfolio and we have an Outperform rating on the stock since 06/03/2018

**Greencoat Renewables:** Greencoat has been added to the core portfolio with an outperform rating as at the 30/05/2019

**ING Groep** is a member of our Core Portfolio since January 1st 2020 and we have an outperform rate since that date

**JPM EM Trust** is a member of our Core Portfolio since January 1st 2020 and we have an outperform rate since that date

**Kennedy Wilson:** This was moved to Outperform on 26 August 2019

**Microsoft Corp** is a member of our core portfolio and we have an Outperform rating on the stock since 12/01/2018

**McDonalds Corp:** Mcdonalds was added to the core portfolio and we have an Outperform rating from the 21/11/2019

**Newmont Goldcorp:** Newmont has been added to the core portfolio with an outperform rating as at the 30/05/2019

**Paypal Holdings Inc** is a member of our core portfolio and we have an Outperform rating on the stock since 20/07/2015

**Pfizer Inc** is a member of our core portfolio and we have an Outperform rating on the stock since 23/07/2018

**Royal Dutch Shell Plc** is a member of our core portfolio and we have an Outperform rating on the stock since 20/05/2013

**Sanofi:** We initiated with an Outperform on 20/05/2019

**SAP Se** is a member of our core portfolio and we have an Outperform rating on the stock since 20/07/2017

**Siemens Gamesa** is a member of our Core Portfolio since January 1st 2020 and we have an outperform rate since 4/12/19

**Smurfit Kappa Group Plc** is a member of our core portfolio and we have an Outperform rating on the stock since 01/01/2016

**The Invesco Physical Gold ETC** remains a defensive allocation across a portfolio

**TOTAL:** We initiated with an rating an Outperform rating on Total on the 12/04/2019

**Verizon Communications Inc** is a member of our core portfolio and we have an Outperform rating on the stock since 26/02/2014

**Vinci Sa** is a member of our core portfolio and we have an Outperform rating on the stock since 25/08/2017





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