

Green Effects Fund FACTSHEET

MAY 2021



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	€381.48
Minimum Investment	€5,000
Dealing Frequency	Daily
Investment Manager	Cantor Fitzgerald Ireland Ltd
Custodian	Northern Trust
Administrator	Northern Trust
Sales Commission	3%
Investment Mgt Fee	0.75%

*Prices as of 30/4/2021

Source: Bloomberg & Cantor Fitzgerald Ireland Ltd Research

Fund & Share Class Information

Fund Size	€162.77m
Fund ISIN	IE0005895655
Fund Sedol	0589565
Bloomberg	GEFNVL 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.

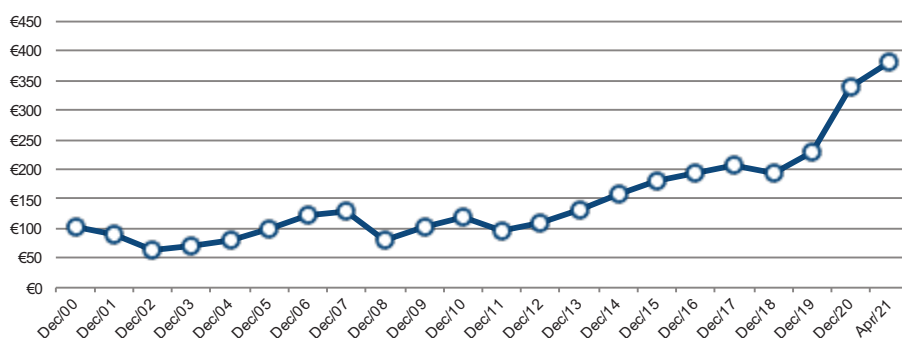
Total number of holdings

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

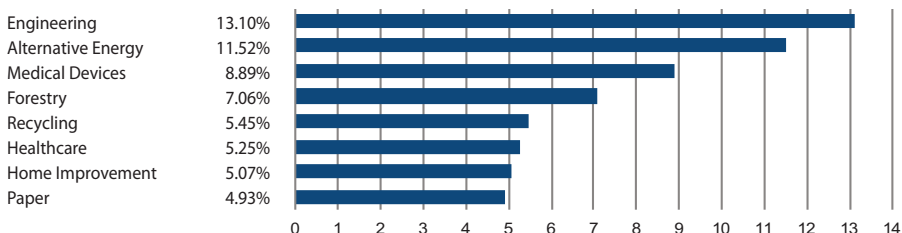


Source: Cantor Fitzgerald Ireland Ltd Research

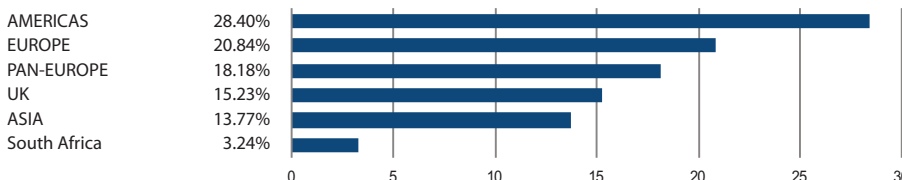
ESMA RISK RATING



LARGEST SECTOR EXPOSURE %



GEOGRAPHIC EXPOSURE %



Performance

	1 Month	YTD	1 Year	3 Year*	5 Year*	10 Year*	Inception*
Green Effects	2.4	12.2	60.9	23.2	15.9	12.9	6.5
MSCI World €	2.3	11.8	32.8	15.0	13.5	12.9	5.1
S&P 500 €	2.9	13.7	32.7	18.9	16.2	16.6	5.9
Euro STOXX 50	1.9	12.9	39.6	7.3	9.2	16.6	2.5

As of 30/4/2021. Source: Cantor Fitzgerald Ireland Ltd Research, Bloomberg and Northern Trust. *Annualised Return.

Top 15 Positions

VESTAS	9.21%
SMITH & NEPHEW	8.89%
ACCIONA	5.77%
MOLINA	5.25%
KINGFISHER	5.07%
MAYR MELNHOF	4.93%
KURITA	4.28%
AIXTRON AG	4.02%
SVENSKA CELLULOSA	3.95%
STEICO	3.56%
TOMRA SYSTEMS	3.50%
RICOH	3.29%
TESLA INC	3.14%
POTLATCH	3.11%
ASPEN PHARMACARE	2.97%

Source: Cantor Fitzgerald Ireland Ltd Research

Fund Sector Exposure vs MSCI World

Sectors	GE	MSCI
Communication Services	0.30%	8.90%
Consumer Discretionary	14.00%	12.20%
Consumer Staples	4.30%	7.60%
Energy	0.00%	2.70%
Financials	0.30%	12.80%
Health Care	13.90%	13.00%
Industrials	28.30%	10.50%
Information Technology	4.00%	22.10%
Materials	9.50%	4.50%
Real Estate	3.00%	2.70%
Utilities	10.20%	3.10%
Cash	12.20%	0.00%

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 the month at **€381.48** which was a gain of **2.38%** on the month. It has been quite a busy period for the fund with the overall Morningstar rating increased to 5 stars and the MSCI ESG rating increased to AA. As outlined below, US President Biden announced some ambitious targets for the US economy which were well received by a number of the larger holdings within the fund.

In company specific news **Vestas Wind Systems** completed its 5 for 1 stock split during the month. It should be noted that these types of corporate actions have no impact on the business or earnings outlook for the group and are quite often just an exercise to reduce the share price in absolute terms. **Tesla** issued quarterly numbers at the end of the month which were broadly in line with expectations however attention fell on profit margins, which came in below expectations as it registered higher supply chain costs and lower average selling prices. The group still expects FY21 car deliveries to be up 50% year on year. **PotlatchDeltic**, a timberland real estate investment trust (REIT), was one of the strongest performers on the month (+18%). The company is leveraged to the ongoing recovery in the US housing market (90% of new housing stock is timber frame built) and the sharply higher price of timber. Lumber futures have soared by more than 50% this year to over \$1,327. The group owns nearly 1.8 million acres of timberlands in 6 states across the US and is one of the leading timber suppliers in those regions. **Smith & Nephew** reported underlying sales growth +6.2% for Q1 which was well ahead of consensus expectations. The company is well positioned for the reopening of the global economy and we would expect an ongoing rebound in earnings over the next 12 months. German semiconductor maker, **Aixtron**, reported Q1 revenues up 21% YoY and increased its full year revenue guidance to the upper end of previous estimates. Its chips are used in many devices and businesses globally around 5G connectivity, EVs and Robotics.

Some notable news items on the month within the wider ESG arena were:

- On Thursday 22nd April (Earth Day), US President Biden pledged to reduce U.S. greenhouse gas emissions by at least 50% by 2030.
- US President Biden also outlined, as part of his \$2 trillion infrastructure bill, \$174 billion to support electric vehicles, the single largest item in the proposal's transportation section.
- Inflows into sustainable Exchange Traded Funds overtook those into all other ETFs for the first time in Europe in Q1. \$25.8 billion was taken in by funds in Europe, exceeding the \$22.3 billion collected by non-ESG ETFs for the first time.
- Amazon was named the largest corporate buyer of renewable energy in Europe with more than 2.5 GW of renewable energy capacity, enough to power more than two million European homes a year.

At the time of writing the fund had circa 8% in cash. The fund holding in Smith & Nephew was increased by 0.50% during the month.

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	2021
-19.61%	16.02%	19.87%	18.42%	15.72%	6.62%	6.8%	-5.91%	23.34%	42.70%	12.20%

Source: Cantor Fitzgerald Ltd Research, Bloomberg and Northern Trust



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