

Green Effects Fund FACTSHEET

JULY 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
MSCI ESG Rating	AA
NAV	€394.23
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 30/6/2021

Source: Bloomberg & Cantor Fitzgerald Ireland Ltd Research

Fund & Share Class Information

Fund Size	€175.18m
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.

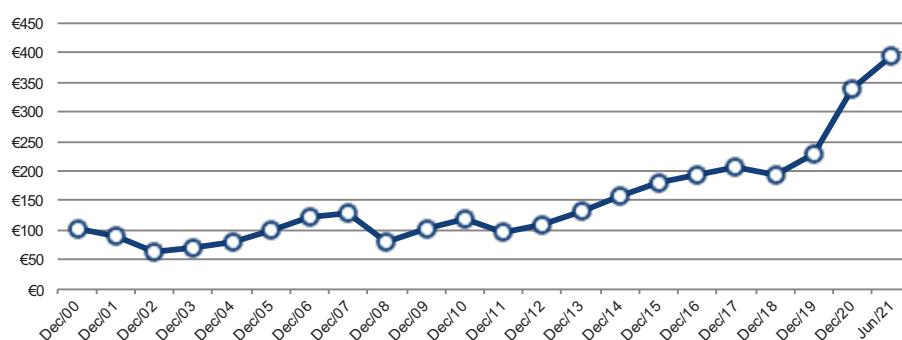
Total number of holdings

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

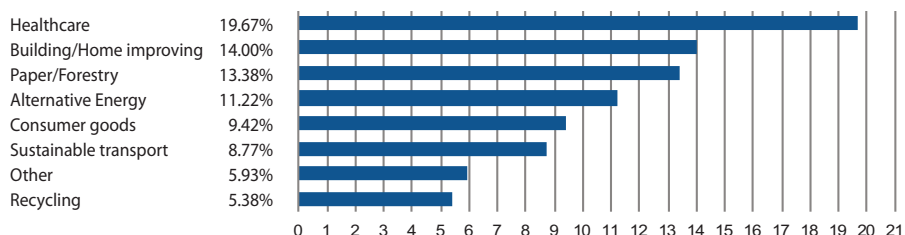


Source: Cantor Fitzgerald Ireland Ltd Research

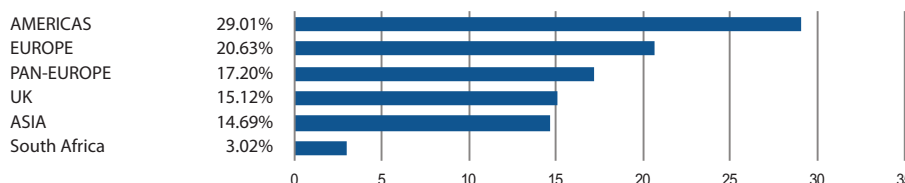
ESMA RISK RATING



LARGEST SECTOR EXPOSURE %



GEOGRAPHIC EXPOSURE %



Performance

	1 Month	YTD	1 Year	3 Year*	5 Year*	10 Year*	Inception*
Green Effects	4.8	15.9	51.9	23.2	16.9	13.7	6.7
MSCI World €	4.8	16.9	32.6	15.0	13.9	13.6	5.3
S&P 500 €	5.4	18.9	33.6	18.1	16.0	17.2	6.1
Euro STOXX 50	0.7	16.6	29.0	9.3	10.7	7.5	6.1

As of 30/6/2021. Source: Cantor Fitzgerald Ireland Ltd Research, Bloomberg and Northern Trust. *Annualised Return.

Top 15 Positions

VESTAS	9.12%
SMITH & NEPHEW	8.85%
MOLINA	5.91%
KINGFISHER	4.87%
AIXTRON AG	4.81%
MAYR MELNHOF	4.76%
ACCIONA	4.72%
STEICO	4.42%
KURITA	4.20%
RICOH	3.73%
TOMRA SYSTEMS	3.63%
SVENSKA CELLULOSA	3.48%
SHIMANO	3.41%
POTLATCH	2.87%
ASPEN PHARMACARE	2.85%

Source: Cantor Fitzgerald Ireland Ltd Research

Fund Sector Exposure vs MSCI World

Sectors	GE	MSCI
Information Technology	8.50%	21.00%
Financials	0.30%	14.20%
Health Care	19.70%	12.40%
Consumer Discretionary	11.10%	11.90%
Industrials	30.40%	10.90%
Communication Services	0.60%	9.00%
Consumer Staples	5.60%	7.20%
Materials	8.50%	4.70%
Energy	0.00%	3.10%
Utilities	6.80%	2.90%
Real Estate	2.90%	2.70%
Cash	5.70%	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 June at **€394.23** which represented a return of **+4.83%** for the month. The return for the first half of 2021 for the fund was +15.92%.

Global equities enjoyed quite a strong month despite some early weakness around rising inflation expectations and its near-term impact on interest rate expectations. However, later in the month Fed Chair Powell reiterated what he has been saying for some time (the inflation blip will be transitory), with similar comments from a number of ECB officials. In the US, President Biden reached an agreement with a bipartisan group of senators on a \$579 billion infrastructure plan. While this plan is likely to focus primarily on rebuilding American roads and the wider infrastructure network, it is likely to work in tandem with the significant US plans (\$2 trillion over four years) around renewable energy (both onshore and offshore). Bonds yields on the month edged lower (US 10yr moved from 1.60% to 1.46%) prompting a renewed focus on higher quality growth names. Within the fund some of the best performers (% share price returns in euro terms) during the month were Aixtron AG (+36%), Steico (+18%), Mayr Melnhof (+9%) and Natura & Co (+18%).

Aixtron AG is a German technology company, which specialises in manufacturing equipment for clients in the semiconductor industry. The group reported strong quarterly results in June and boosted its full year guidance by circa 20% on the back of strong order intake during the quarter. Its products are used in mobile phones, digital cameras, televisions, washing machines, refrigerators and LED bulbs. The ongoing digitalisation of our daily lives is expected to only gather momentum over the medium term and semiconductors will continue to play an integral role in this change.

It is worth recapping on the secular growth themes which the fund is most exposed to currently namely:

Alternative Energy – The push towards ‘net zero’ globally is continuing to support significantly investment from governments and corporates. Vestas Wind Systems is a world leader in the production of wind turbines which we expect to generate strong earnings growth over the medium term. The focus on energy transition is in our view a significant opportunity for the fund across alternative energy and electric vehicles.

Healthcare & Wellbeing – The fund has exposure to market leading pharmaceutical companies and one of the largest healthcare providers in the US (Molina). Separately, Smith & Nephew is one of world’s leading medical technology companies specialising in orthopaedics, sports medicines and wound management technology. The growth opportunities within these global sectors are considerable given the world population above 65 years old is expected to more than double (to 1.5 billion people) by 2040.

Sustainable Building – A significant part of the European COVID stimulus package (confirmed in May 2020) focused on sustainable construction initiatives and retrofitting grants and fast track legislation to reduce carbon emissions within the sector and far improved stock of existing commercial and residential properties across Europe. Names like Kingfisher (home improvement), Acciona (construction) and Steico (insulation) are all particularly well placed within their respective sectors to benefit from this ongoing focus within the wider building and construction sectors in Europe.

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%	15.92%

Source: Cantor Fitzgerald Ltd Research, Bloomberg and Northern Trust



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