

Green Effects Fund FACTSHEET

MAY 2022



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	€378.30
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 30/4/2022

Source: Bloomberg & Cantor Fitzgerald Ireland Ltd Research

Fund & Share Class Information

Fund Size	€197.77m
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.

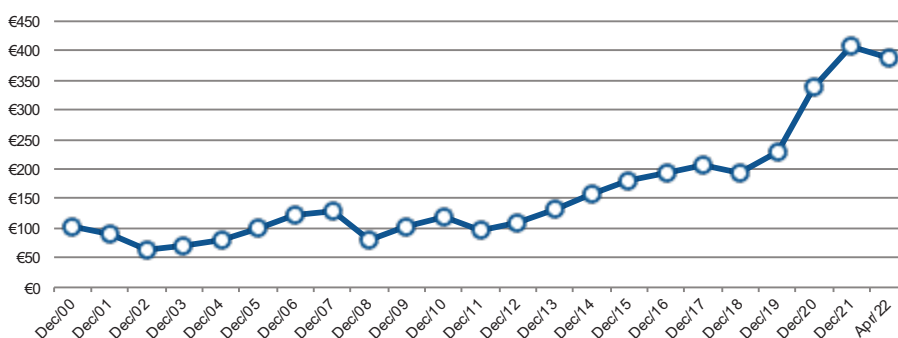
Total number of holdings

Number of holdings	30
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Market Capitalisation Exposure

Large: > €3bn	60.08%
Medium: €500m - €3bn	37.11%
Small: < €500m	2.81%

GREEN EFFECTS FUND NAV SINCE INCEPTION

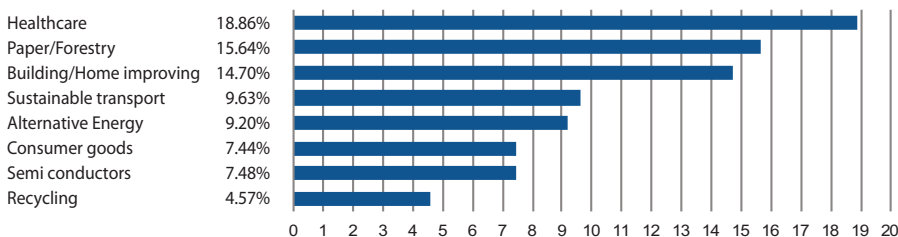


Source: Cantor Fitzgerald Ireland Ltd Research

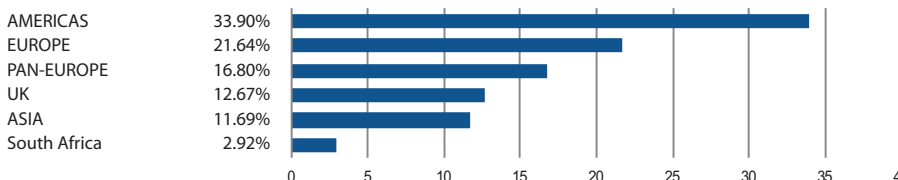
ESMA RISK RATING



LARGEST SECTOR EXPOSURE %



GEOGRAPHIC EXPOSURE %



Performance

	1 Month	YTD	1 Year	3 Year*	5 Year*	10 Year*	Inception*
Green Effects	-2.52%	-7.13%	-0.83%	20.35%	13.17%	13.73%	6.18%
MSCI World €	-3.64%	-5.98%	10.50%	13.26%	11.49%	13.12%	5.34%
S&P 500 €	-4.11%	-6.01%	14.23%	16.17%	14.39%	16.25%	6.27%
Euro STOXX 50	-1.98%	-10.67%	-1.83%	5.65%	4.56%	8.90%	2.23%

As of 30/4/2022. Source: Cantor Fitzgerald Ireland Ltd Research, Bloomberg and Northern Trust. *Annualised Return.

Top 15 Positions

MOLINA	7.75%
SMITH & NEPHEW	7.07%
ACCIONA	6.53%
VESTAS	6.44%
SVENSKA CELLULOSA	5.27%
AIXTRON AG	4.95%
MAYR MELNHOF	4.64%
TESLA INC	4.37%
KINGFISHER	4.31%
STEICO	3.86%
TOMRA SYSTEMS	3.63%
POTLATCH	3.32%
SHIMANO	3.19%
KURITA	3.06%
STEEL CASE	2.88%

Source: Cantor Fitzgerald Ireland Ltd Research

Fund Sector Exposure vs MSCI World

Sectors	GE	MSCI
Cash	5.38%	0.00%
Energy	0.00%	4.08%
Financials	0.30%	14.00%
Communication Services	0.46%	8.00%
Real Estate	2.96%	2.71%
Consumer Staples	3.66%	7.20%
Utilities	8.74%	2.83%
Information Technology	10.35%	22.41%
Materials	9.68%	4.39%
Consumer Discretionary	12.88%	11.64%
Health Care	19.39%	12.61%
Industrials	26.23%	10.13%

Source: Cantor Fitzgerald Ireland Ltd Research

Fund Manager Comment

The Green Effects Fund NAV ended the month at **€378.30** which was a return of **-2.52%** for the month. Global equities on the month fell by circa **-4%**.

Volatility in markets remained elevated in April as uncertainty surrounding the situation in Ukraine and soaring inflation continued to dampen investor sentiment. Among the worst hit equity markets in April was the US, as the Nasdaq index declined nearly 9% in Euro terms.

The largest detractors from the NAV performance on the month were **Nvidia** (-0.85%), **Shimano** (-0.75%), **Vestas** (-0.56%) and **Tesla** (-0.65%). Stocks that were the largest contributors to the Fund NAV move were **Aixtron** (+0.91%), **Acciona** (+0.62%) and **Smith & Nephew** (+0.46%).

In company specific news during the month Tesla reported revenue of \$18.8 bn, which was 5% ahead of analyst expectations. Tesla reported automotive gross margin (excluding regulatory credits) of 30.0%, which was an all-time high and helped to significantly boost the group's free cashflow generation during the quarter. Tesla reiterated that it hopes to achieve at least 50% delivery growth this year and is targeting ~60% production growth. German Semi-Conductor manufacturer, Aixtron, hosted its AGM during the month and provided a relatively upbeat assessment of its end markets with a strong order book of future business particularly strong.

There were however some positive developments during the month as we saw more evidence that inflation may be peaking with the Mannheim used car sales index for the first half of April showing a decline of -0.94% on the prior month. This follows on from last week's US CPI Ex Food and energy which came in lower than expectations. Earnings for the first quarter were broadly positive with the exception of high profile names like Netflix (a key benefactor of lock down) who noted a sharp drop off in new sign ups. In China, President Xi sent a strong signal on policy easing with a pledge to build a modern infrastructure system and "appropriately frontload" infrastructure construction.

As we look forward into the remainder of the year we do expect volatility to remain elevated however for medium to long term investors invested in the Green Effects Fund or considering the fund as part of an overall investment strategy we would note the following key points for consideration:

- Corporate and individual balance sheets remain too strong as evidenced by the most recent Q1 reporting season.
- We do expect inflation to subside over the coming months and we are beginning to see some early signs of this.
- Markets currently may well be over-estimating the degree of Fed tightening.
- The ongoing Energy crisis is likely to significantly impact investment and regulation with respect to alternative energy. Wind and Solar energy are likely to be the key significant longer term benefactors. Circa 40% of the Green Effects Fund is in some way involved in this investment theme. Clean energy spending earmarked by governments in response to covid-19 has risen to \$710bn, according to the latest data from the IEA (International Energy Agency).
- Innovation across not only energy transition but also areas like Waste Management, Healthcare, Recycling and Sustainable Construction are all being significantly impacted by the move towards net zero and a stronger corporate and social responsibility focus. These investment themes and sectors in our view have a secular tail wind to help meaningfully grow their businesses over the next 5 to 10 years.

During the period the Fund increased its exposure to Vestas Wind Systems, Tesla and Nvidia. At the time of writing (9/5/22) the fund has a cash weighting of circa 5.50%.

Annual Returns

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
-11.25%	-30.00%	9.71%	14.38%	23.95%	22.52%	6.42%	-38.47%	31.28%	13.47%	-19.61%
2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
16.02%	19.87%	18.42%	15.72%	6.62%	6.8%	-5.91%	23.34%	42.70%	19.78%	-7.13%

Source: Cantor Fitzgerald Ltd Research, Bloomberg and Northern Trust



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