

# Green Effects Fund FACTSHEET

## OCTOBER 2023



### 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	★★★★
SFDR Designation	Article 9
Fund Inception	Oct 2000
NAV	€345.76
NAV Date	30/09/2023
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%

Source: Bloomberg & Cantor Fitzgerald Ireland Ltd Research

### Fund & Share Class Information

Fund Size	€187.12m
Fund ISIN	IE0005895655
Fund Sedol	0589565
Bloomberg	GEFINVL ID
Domicile	Ireland
Structure	UCITS Fund

### ESG Rating

	Fund	MSCI World
MSCI ESG Rating	AA	A
MSCI Avg ESG Score	7.9	6.8
MSCI Quality	7.91	6.75
MSCI Carbon Intensity	52	140

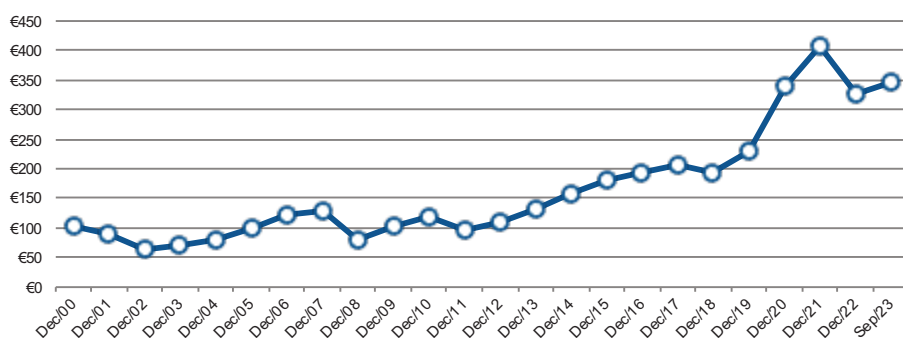
### Total number of holdings

Number of holdings	30
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### Market Capitalisation Exposure

Large: > €3bn	74.35%
Medium: €500m - €3bn	12.21%
Small: < €500m	1.57%

### GREEN EFFECTS FUND NAV SINCE INCEPTION

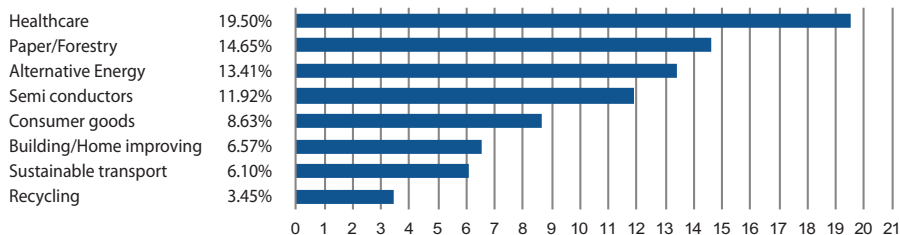


Source: Cantor Fitzgerald Ireland Ltd Research

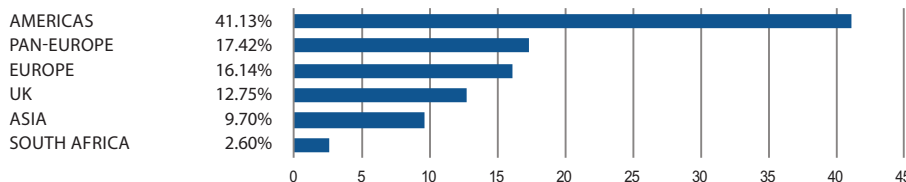
### ESMA RISK RATING



### LARGEST THEMATIC EXPOSURE %



### GEOGRAPHIC EXPOSURE %



### Performance

	1 Month	YTD	1 Year	3 Year*	5 Year*
Green Effects	-1.91%	5.70%	4.66%	5.61%	9.83%
MSCI World €	-1.92%	12.97%	13.46%	12.41%	9.86%
S&P 500 €	-2.42%	14.48%	12.53%	13.96%	11.97%
Euro STOXX 50	-2.77%	13.42%	30.31%	12.78%	7.52%

As of 30/9/2023. Source: Cantor Fitzgerald Ireland Ltd Research, Bloomberg and Northern Trust. \*Annualised Return.

## Top 15 Positions

VESTAS	6.77%
SMITH & NEPHEW	6.71%
AIXTRON AG	6.56%
MOLINA	6.52%
NVIDIA	5.36%
SVENSKA CELLULOSA	5.11%
BIONTECH SE	3.88%
TESLA INC	3.76%
MAYR MELNHOF	3.66%
FIRST SOLAR	3.54%
RICOH	3.22%
KURITA	3.21%
KADANT	3.05%
KINGFISHER	2.86%
STEELCASE	2.85%

Source: Cantor Fitzgerald Ireland Ltd Research

## Fund Sector Exposure vs MSCI World

Sectors	Green Effects	MSCI World
Information Technology	18.7%	21.7%
Financials	0.1%	15.0%
Health Care	19.5%	12.8%
Consumer Discretionary	8.0%	10.9%
Industrials	25.7%	10.8%
Communication Services	0.0%	7.3%
Consumer Staples	2.7%	7.2%
Materials	9.0%	4.1%
Energy	0.0%	5.2%
Utilities	3.1%	2.6%
Real Estate	2.8%	2.3%
Cash	10.3%	0.0%

Source: Cantor Fitzgerald Ireland Ltd Research

## Fund Manager Comment

The Green Effects Fund NAV price ended September as **€345.76** which was a return of **-1.91%** for the month. The main detractors from the fund price move on the month were Nvidia (-0.46%), First Solar (-0.42%), Vestas (-0.33%) and Smith & Nephew (-0.39%)

The largest contributors to the fund price move during September were Steelcase (+0.61%), Molina (+0.49%) and Ricoh (+0.29%)

September was a risk-off month for global equities with an average decline of circa 2% in Euro terms. Bonds sold off and Commodity prices were broadly higher, the highlight being Brent Crude Oil ending the month +10% (closed at \$95.31 per barrel). The Fed left interest rates unchanged during the month but surprised markets with a more hawkish outlook for rates next year. Members of the Fed (FOMC) now expect rates to fall by 0.50% next year instead of 1.00% previously. That is consistent with the 'higher for longer' view and the main driving force behind the weaker growth/tech stock performance on the month. US 10-year Treasury yields reached yet another round number of sorts as October trading got under way, touching 4.7% for the first time since 2007. The US Tech sector fell by circa 6% (USD terms) on the month led by the Magnificent 7 (Apple, Alphabet, Nvidia, Tesla, Netflix, Microsoft, Amazon). Nvidia shares ended the month lower by 10% (in euro terms) which saw the fund manager add to holding (the holding was increase by circa 1% of the NAV).

A number of holdings within the fund reported earnings during the period. **Kingfisher**, the UK listed Home Improvement group, reported H1 sales of £6.88bln which was in line with expectations. The group also announced a £300mln buyback. H1 Like for Like sales were -2.2% which was marginally better than forecasts. In recent months the fund has reduced exposure to the company given the poor state of the UK economy, the significant move up in UK interest rates and the knock on impact on discretionary consumer spending.

**Steelcase**, the US listed furniture manufacturer for offices, hospitals, and classrooms rallied circa 25% during the month after a solid quarterly earnings report. Steelcase's earnings rose nearly 48% year over year and group CEO Sara Armbruster credited the revenue and earnings beats to both pricing power and improvements in the company's order fulfilment patterns. Many of Steelcase's products and facilities have received Leadership in Energy and Environmental Design (LEED) certification, indicating a commitment to energy efficiency and sustainable building practices. This (LEED) certification is a widely recognised and globally accepted green building rating system. LEED provides a framework for building owners and operators to design, construct, operate, and maintain buildings in an environmentally responsible and resource-efficient manner.

**United Natural Foods** expects to report a net loss in its fiscal 2024 of up to \$110 million, which was considerably weaker than expected. The company cited inflation and inventory shrinkage as two factors impacting its profitability.

During the month, the Fund manager increased exposure to Nvidia (+1%), Tesla (0.50%) and First solar (+0.25%) given the pull back in those share prices from the highs reached during August. The cash weighting within the fund at the time of writing (3/10/23) is circa 10%.

## COMPANY SPOTLIGHT: Svenska Cellulosa

Svenska Cellulosa Aktiebolaget (SCA) is a Swedish multinational company that primarily operates in the forestry industry and is Europe's largest private forest owner (2.7 million hectares of Land). SCA owns extensive forestland in Sweden and manages sustainable forestry operations. The company produces various wood products, such as timber and pulp, from its forest resources. SCA is organized in five business areas: Forest, Wood, Containerboard, Pulp and Renewable Energy. The company mission statement notes "Maximizing value creation in and from the forest".

## Annual Returns

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
-30.00%	9.71%	14.38%	23.95%	22.52%	6.42%	-38.47%	31.28%	13.47%	-19.61%	16.02%
2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
19.87%	18.42%	15.72%	6.62%	6.8%	-5.91%	23.34%	42.70%	19.78%	-19.70%	5.7%

Source: Cantor Fitzgerald Ltd Research, Bloomberg and Northern Trust



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