

# Green Effects Fund FACTSHEET

APRIL 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	★★★★★
<b>SFDR Designation</b>	<b>Article 9</b>
Fund Inception	Oct 2000
NAV	€353.64
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 31/3/23

Source: Bloomberg & Cantor Fitzgerald Ireland Ltd Research

## Fund & Share Class Information

Fund Size	€191.31m
Fund ISIN	IE0005895655
Fund Sedol	0589565
Bloomberg	GEFINVL ID
Domicile	Ireland
Structure	UCITS Fund

## ESG Rating

	Fund	MSCI World
MSCI ESG Rating	AAA	AA
MSCI Avg ESG Score	7.51	6.77
MSCI Quality	9.23	8.04
MSCI Carbon Intensity	51.12	151.5

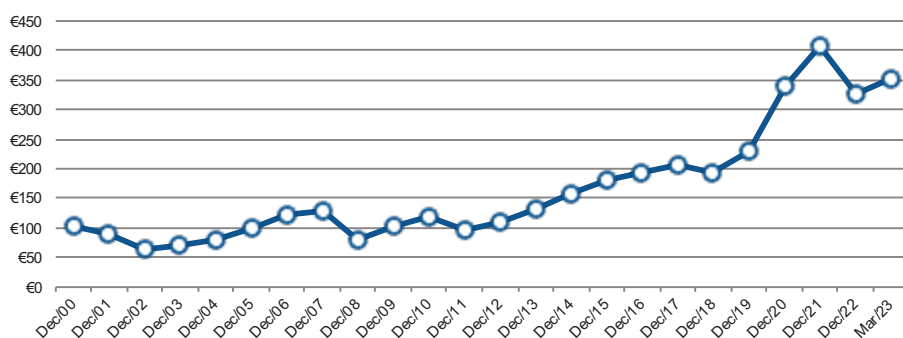
## Total number of holdings

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

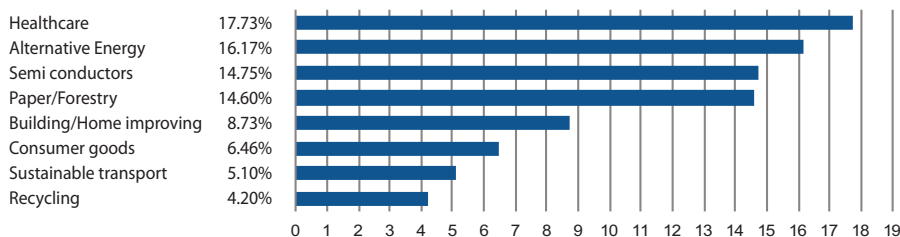


Source: Cantor Fitzgerald Ireland Ltd Research

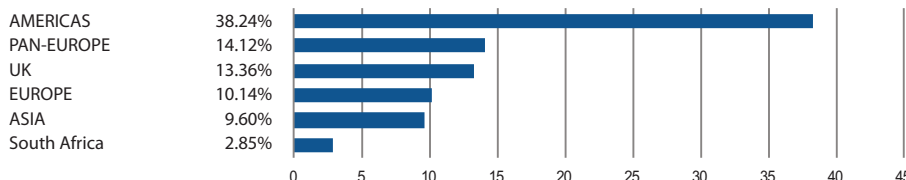
## ESMA RISK RATING



## LARGEST SECTOR EXPOSURE %



## GEOGRAPHIC EXPOSURE %



## Performance

	1 Month	YTD	1 Year	3 Year*	5 Year*
Green Effects	-0.8	8.1	-8.9	18.3	11.8
MSCI World €	0.7	6.3	-4.7	17.4	11.4
S&P 500 €	1.2	5.9	-5.9	19.0	13.9
Euro STOXX 50	2.0	14.3	14.7	19.1	8.5

As of 31/3/23. Source: Cantor Fitzgerald Ireland Ltd Research, Bloomberg and Northern Trust. \*Annualised Return.

## Top 15 Positions

NVIDIA	9.27%
VESTAS	9.01%
SMITH & NEPHEW	7.25%
AIXTRON AG	5.96%
SVENSKA CELLULOSA	4.81%
MAYR MELNHOF	4.44%
MOLINA	4.28%
KURITA	4.11%
KINGFISHER	4.08%
BIONTECH SE	4.08%
TOMRA SYSTEMS	3.56%
TESLA INC	3.05%
POTLATCH	3.04%
ORMAT	2.89%
KADANT	2.78%

Source: Cantor Fitzgerald Ireland Ltd Research

## Fund Sector Exposure vs MSCI World

Sectors	Green Effects	MSCI World
Information Technology	21.3%	19.8%
Financials	0.2%	16.0%
Health Care	17.7%	13.4%
Consumer Discretionary	8.1%	10.4%
Industrials	28.8%	10.8%
Communication Services	0.0%	6.6%
Consumer Staples	2.7%	7.7%
Materials	9.2%	4.3%
Energy	0.0%	5.3%
Utilities	3.5%	2.8%
Real Estate	2.9%	2.8%
Cash	5.5%	0.0%

Source: Cantor Fitzgerald Ireland Ltd Research

## Fund Manager Comment

The Green Effects Fund NAV ended the month as **€353.64** which was a return of **-0.85%** for the month and brought the return for the first quarter (Q1) of 2023 to **+8.11%**.

Largest contributors to the NAV move on the month were Nvidia (+1.27%), Aspen Pharmacare (+0.59%) and Aixtron AG (+0.31%). Largest detractors from the NAV performance on the month were United Natural Foods (-0.82%), Kingfisher (-0.42%) and Smith & Nephew (-0.30%).

The sudden March advent of turmoil in US banks, and then a mere week later, the SNB-engineered weekend takeover of Credit Suisse by UBS, saw volatility remain elevated during the month. Despite the financial sector woes, the Federal Reserve delivered a 25bps rate hike. Fed chairman Jerome Powell mentioned that the Federal Open Market Committee had actually considered a rate pause as recent events in banking were seen as likely leading to a tightening in credit conditions that would be equivalent to rate hikes. Similarly in Europe, the ECB hiked their base rate by 0.50% to 3.00%. Interest rate expectations have been paired back quite a bit in both the US and Europe in recent weeks. Notably in the US, markets are now pricing about 0.50% of rate cuts into year end. Equally in Europe, the ECB base rate, is now expected to peak at 3.25% (earlier this year it was forecast to hit circa 4.00%).

In company specific news during the month there were several notable highlights. **Nvidia** hosted its closely watched annual developer conference where it showcased several new computing chips. The event received particularly strong market feedback met by several analyst upgrades on its particularly strong leverage to the area of AI (Artificial Intelligence). Nvidia shares rallied 17% (in Euro terms) on the month and year to date have gained by circa +80%. The company remains integral to the global trends of decarbonisation and electrification given the significant reliance on high powered Semi-Conductor chips provided by Nvidia. **Tesla** saw its credit rating upgraded by rating agency Moodys during the month. Within the Energy Transition segment of the market the EU Parliament voted to strengthen GHG emissions reduction goal to 40% from 30%; increase carbon sinks; achieve climate neutral building sector by 2050; and to reduce energy consumption 11.7% in 2030. Germany formed alliance with Italy, Eastern European nations for new proposal on EU ICE vehicle ban.

During the month there were a number of changes to the members of the NAI Index which provides the investible universe for the Fund. **Shimano** and **Acciona SA** were replaced with **First Solar** and **Signify**.

**Signify** is a leading global provider of lighting solutions that operates in over 70 countries. Formerly known as Philips Lighting, the company was spun off from Philips in 2016 and rebranded as Signify in 2018. Signify offers a wide range of lighting products and services for both professional and consumer markets, including LED lighting systems, luminaires, controls, and software. Its products are used in various applications, such as offices, schools, hospitals, stadiums, street lighting, and homes. The group notes its mission statement as "Our purpose is to unlock the extraordinary potential of light for brighter lives and a better world". The Group is the number one company in conventional lighting, LED and connected lighting with revenues of over €7.5bn in 2022.

**First Solar** is one of the world's largest manufacturers of thin-film solar panels and is known for its advanced technology that enables the production of high-efficiency solar panels. The company's panels are used in a wide range of applications, including utility-scale solar power plants, commercial and industrial installations, and residential rooftops. The company is unique among the world's ten largest solar manufacturers for being the only US-headquartered company and not manufacturing in China. The company was founded in 1999 and is headquartered in Tempe, Arizona. In addition to its core business of manufacturing solar panels, First Solar is also involved in the development and construction of solar power plants. The company has built some of the world's largest solar power plants, including the Topaz Solar Farm in California and the Agua Caliente Solar Project in Arizona. First Solar shares trade on the New York stock exchange. At the time of writing the group had a market capitalisation of circa \$23bn and FY2022 revenues of \$2.6bn.

During the month the Fund disposed of its holdings in Shimano and Acciona (these two stocks represented a combined 11% of the Fund NAV) and initiated new positions in Signify and First Solar. Other names that were increased during the month included Tomra Systems, Scatec ASA, Biontech SA and Pearson. The cash weighting at month end was circa 6.75%.

## 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%	8.10%

Source: Cantor Fitzgerald Ltd Research, Bloomberg and Northern Trust



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