

Green Effects Fund FACTSHEET

JULY 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	€356.40
NAV Date	30/06/2023
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%

*Prices as of 30/6/2023

Source: Bloomberg & Cantor Fitzgerald Ireland Ltd Research

Fund & Share Class Information

Fund Size	€194.04m
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

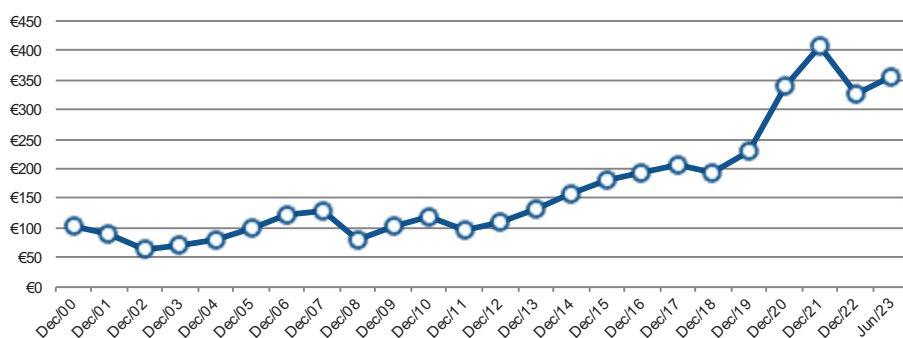
Total number of holdings

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

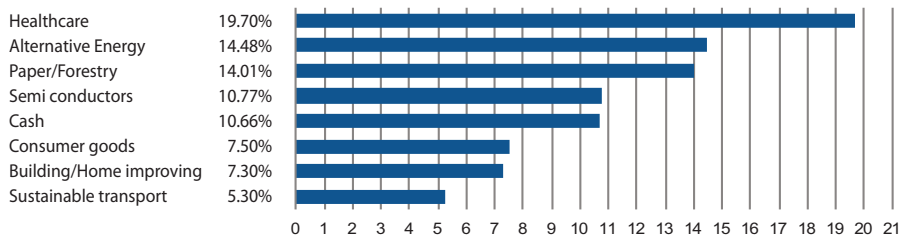


Source: Cantor Fitzgerald Ireland Ltd Research

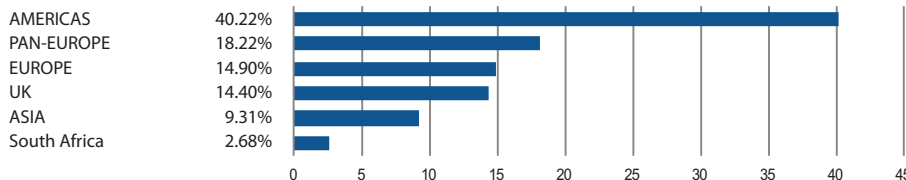
ESMA RISK RATING



LARGEST THEMATIC EXPOSURE %



GEOGRAPHIC EXPOSURE %



Performance

	1 Month	YTD	1 Year	3 Year*	5 Year*
Green Effects	1.24%	8.96%	4.88%	11.09%	11.08%
MSCI World €	3.36%	13.25%	14.42%	13.85%	11.14%
S&P 500 €	3.87%	14.67%	14.80%	15.70%	13.80%
Euro STOXX 50	4.35%	19.18%	31.93%	14.39%	8.68%

As of 30/6/2023. Source: Cantor Fitzgerald Ireland Ltd Research, Bloomberg and Northern Trust. *Annualised Return.

Top 15 Positions

SMITH & NEPHEW	8.10%
VESTAS	7.83%
AIXTRON AG	5.65%
MOLINA	5.60%
NVIDIA	5.12%
SVENSKA CELLULOSA	4.41%
MAYR MELNHOF	3.71%
BIONTECH SE	3.60%
KINGFISHER	3.53%
FIRST SOLAR	3.35%
TOMRA SYSTEMS	3.33%
KURITA	3.27%
TESLA INC	3.19%
POTLATCH	3.08%
RICOH	2.94%

Source: Cantor Fitzgerald Ireland Ltd Research

Fund Sector Exposure vs MSCI World

Sectors	Green Effects	MSCI World
Information Technology	17.0%	22.2%
Financials	0.2%	14.6%
Health Care	19.7%	12.8%
Consumer Discretionary	7.9%	11.1%
Industrials	26.4%	11.0%
Communication Services	0.0%	7.0%
Consumer Staples	3.2%	7.4%
Materials	8.4%	4.1%
Energy	0.0%	4.6%
Utilities	3.3%	2.8%
Real Estate	3.1%	2.4%
Cash	10.8%	0.0%

Source: Cantor Fitzgerald Ireland Ltd Research

Fund Manager Comment

The Green Effects Fund nav price ended June a €356.41 which was a return of 1.24% for the month. The return for the first six months of 2023 was 8.96%.

The first half of this year has been categorised by a sharp rebound in tech stocks particularly those exposed to the AI theme, higher for long global interest rates and a rather "sticky" inflation outlook. Credit conditions have tightened for corporates and consumers alike however economic data has remained quite resilient and earnings were generally better than expected albeit off already lowered guidance. During June, Nvidia, Smith & Nephew and Tesla were the largest positive contributors to the Nav. The main detractors were Vestas, Steico, United Natural Foods and First Solar.

United Natural Foods, the primary distributor for upscale grocery chain Whole Foods, reported fiscal Q3 adjusted earnings weaker than analyst expectations. Sales for the quarter were \$7.51 billion, up from \$7.24 billion a year earlier. The company now expects fiscal 2023 adjusted diluted EPS of \$1.80 to \$2.30, down from \$3.05 to \$3.90 previously. The company has been impacted by cost of living pressures in the US and the consumer trade down to mass merchants and value players. The consolidation of certain regional businesses and sharp focus on costs should help stabilise the business and its margin outlook over the next 12 months.

Smith & Nephew benefitted from a positive update from large US large cap healthcare group United Health. UnitedHealth's CEO for Medicare & Retirement Timothy Noel was presenting at an analyst conference and made some positive commentary around the hip and knee markets in the US. He noted that they are seeing seniors becoming more comfortable accessing services that they may have pushed off during the pandemic like hips and knee replacements. This has combined with less constrained capacity in the system to drive procedural volumes. These comments were taken well by Smith & Nephew shares as it suggests the procedural volume trends that supported the company's performance in Q1 are continuing in Q2. It also suggests the company will continue to benefit from a supportive underlying market as it looks to execute on its turnaround in Orthopaedics in 2023. It is currently the largest holding in the Green Effects Fund and the shares were up circa 5% during June.

Steico shares fell by circa 30% on the month after the company lowered its revenue and earnings margin forecast for 2023 due to weaker-than-expected demand and said it will take short-term measures to reduce costs and secure liquidity. The German producer of wood insulation and construction materials now estimates its sales to be around 15% below last year (FY22 sales of €445.2m). The company also cut its EBITDA margin to a range of 8% to 10% compared with the initial forecast of between 10% and 15%. STEICO is the global market leader for wood fibre insulation materials. STEICO is positioned as a system provider for ecological residential construction and is the only manufacturer in the industry to offer an integrated wooden construction system in which innovative wooden construction components and ecological insulation material supplement each other. The company is operating within a sector that has long term structural tailwinds in its favour however it is not immune to the impact of higher rates, input cost inflation and overall lower construction levels. Medium term we remain quite upbeat on the prospects for this name given the significant retrofit agenda in Germany and the wider European market along with the stringent new build requirements around energy ratings and emissions within both the residential and commercial segments of the market.

Tesla, said at month end, it delivered a record 466,140 sedans and crossovers in the second quarter aided by steep price cuts. The results topped analysts' expectations. Led by deliveries of new battery-powered Model Ys and 3s, totalling 446,915 units, the overall sales figure was lifted by 83% from a year ago and 10% from 2023's first quarter, Tesla's previous high. North America likely accounted for the biggest share of deliveries during the quarter, followed by China, Europe and the rest of the world. The shares have recovered well from the lows of early 2023 following a spate of price cuts across their models in the US, Europe and the important Chinese market. The company slashed prices for its top-selling Model Y crossover and Model 3 to help both qualify for \$7,500 federal tax cuts which were announced as part of Joe Biden's Anti Inflation Act late last year. Earlier in June, Tesla and General Motors shares rose after the Detroit automaker said it would adapt its electric vehicles to Tesla's Superchargers. Separately in late June, China unveiled a \$72.3 billion package to boost sales of electric vehicles (EVs) and other green cars over the next four years. Tesla shares were circa 20% higher on the month.

The main activity on the month saw the Fund reduce exposure (in % of fund Nav terms) to Nvidia by 1.75% and Tesla by 1.65%. Holdings in Signify, Natura, Molina Healthcare were increased by circa 0.50% each.

The cash weighting at month end was a little over 10% of the fund NAV.

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%	8.96%

Source: Cantor Fitzgerald Ltd Research, Bloomberg and Northern Trust



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