

Green Effects Fund FACTSHEET



JUNE 2024

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, solar energy, electric vehicles, 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	★★★
Morningstar Analyst Rating	Gold
SFDR Designation	Article 9
Fund Inception	Oct 2000
NAV	€395.82
NAV Date	31/5/24
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	€200.95m
Fund ISIN	IE0005895655
Fund Sedol	0589565
Bloomberg	GEFNVL 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

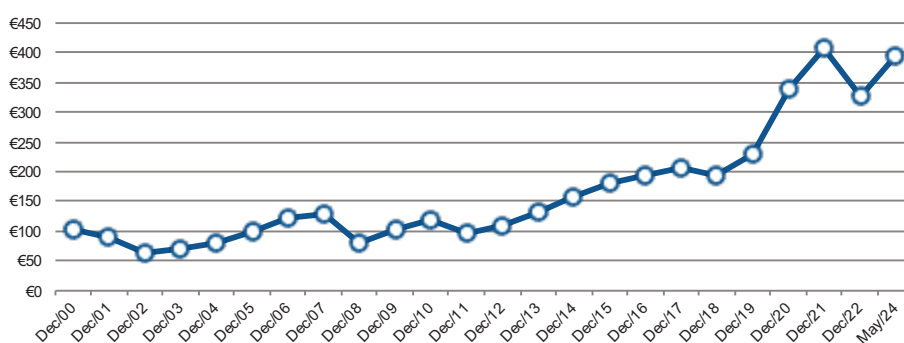
Total number of holdings

Number of holdings	31
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Market Capitalisation Exposure

Large Greater than 3bn	71%
Medium 500m - 3bn	26%
Small Less than 500m	3%

GREEN EFFECTS FUND NAV SINCE INCEPTION

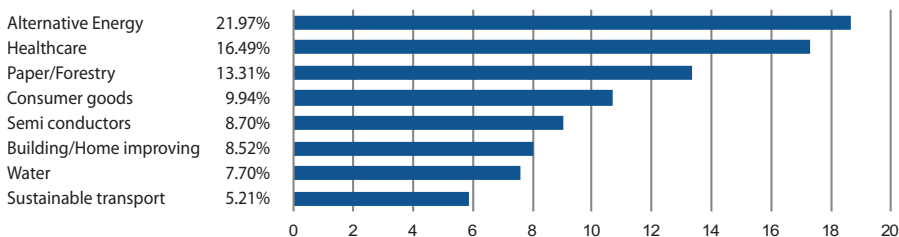


Source: Cantor Fitzgerald Ireland Ltd Research

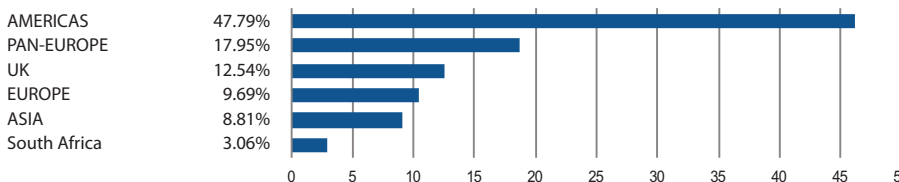
ESMA RISK RATING



LARGEST THEMATIC EXPOSURE %



GEOGRAPHIC EXPOSURE %



Performance

	1 Month	YTD	1 Year	3 Year*	5 Year*	10 Year*	Inception*
Green Effects	7.43%	6.21%	12.44%	1.72%	14.12%	10.23%	5.82%
MSCI World €	2.91%	11.97%	23.11%	11.57%	13.98%	12.28%	5.87%
S&P 500 €	3.33%	13.52%	25.70%	13.92%	16.43%	15.27%	6.83%

As of 31/5/24. Source: Cantor Fitzgerald Ireland Ltd Research, Bloomberg and Northern Trust. *Annualised Return.

Top 15 Positions

FIRST SOLAR	8.36%
NVIDIA	6.53%
SMITH & NEPHEW	6.34%
VESTAS	5.65%
HANNON ARMSTRONG	4.50%
KINGFISHER	4.37%
GEBERIT	4.13%
SVENSKA CELLULOSA	4.07%
KADANT	3.77%
BIONTECH SE	3.72%
KURITA	3.57%
MOLINA	3.48%
TESLA INC	3.28%
STEELCASE	3.16%
MAYR MELNHOF	3.05%

Source: Cantor Fitzgerald Ireland Ltd Research

Fund Sector Exposure vs MSCI World

Sectors	Green Effects	MSCI World
Information Technology	20.1%	24.17%
Financials	4.5%	15.34%
Health Care	16.5%	11.79%
Consumer Discretionary	9.1%	10.19%
Industrials	29.9%	11.11%
Communication Services	0.0%	7.69%
Consumer Staples	3.5%	6.58%
Materials	7.3%	3.88%
Energy	0.0%	4.45%
Utilities	3.5%	2.63%
Real Estate	2.4%	2.17%
Cash	3.3%	0

Source: Cantor Fitzgerald Ireland Ltd Research

Fund Manager Comment

The Green Effects Fund nav price ended May at €395.82 which was a gain of +7.43% on the month. The largest contributors to the positive nav price move on the month were First Solar, Nvidia, Hannon Armstrong, Geberit and Kingfisher. The main detractors from the nav move on the month were Natura, Molina Healthcare and Tesla.

Nvidia shares rallied by 24.92% on the month following another exceptional strong set of quarterly earnings well ahead of expectations along with upgraded guidance. Nvidia designs semiconductors for data center, gaming and other applications. It's unanimously considered the technology leader in chips meant for accelerated compute and Generative AI (GenAI) use cases. The company has an annualised 3year growth rate (revenue) of 66% while gross margins are 77%. Nvidia remains materially ahead of everyone else in its ability to deliver large training, efficiency and total cost of ownership (TCO) edges from its products. These large leads facilitate strong return on investment (ROI) for cloud providers. Nvidia CEO, Jensen Huang, noted at the last Nvidia conference that their largest customers were seeing a pay back of Nvidia related capex of less than 1 year. Interestingly Nvidia is quickly becoming the go-to partner for Governments around the globe to embrace their own AI transformation. Nvidia can guide public sector clients better than others can. This, according to the CEO, paves the way to an unmatched ability to train geo-specific models on a government's own data. Italy, France, Singapore and Japan were all highlighted as governments that are leaning on Nvidia.

Shares in **First Solar** rallied by 51.76% on the month. A US equity analyst noted during the month that "First Solar is uniquely positioned to benefit from rising electricity demand from artificial intelligence as Big Tech companies seek clean energy to power the proliferation of data centers". The company is a direct beneficiary of increasing AI-driven electricity demand within the Data Centre area of the market. AI uses 10 times more electricity than traditional Google search, according to Swiss Bank UBS. As electricity demand from AI grows, Amazon, Microsoft, Meta and Alphabet's Google unit have committed to buying renewable power that matches their consumption. The International Energy Agency (IEA) recently noted that Utility-scale solar represents 80% of the corporate power purchase agreements over the past five years within the US market. First Solar's share of the utility-scale market has grown to 35% in 2022, up from 15% in 2018. Separately the U.S. imposition of tariffs on China and domestic manufacturing tax credits under the Inflation Reduction Act make First Solar look increasingly attractive.

First Solar offers thin-film solar modules, offering distinct advantages in speed to market and value proposition. The company manufactures most modules at its plant in Ohio with plans to triple capacity with new factories planned in Alabama and Louisiana. This will allow First Solar customers to benefit from the 10% domestic content tax credit under the IRA (Inflation Reduction Act), which is worth about 10 cents per watt of solar power. Importantly First Solar is predominantly integrated within its own supply chain, sourcing only glass and some raw materials from other suppliers. This will allow the company to ramp up production capacity faster than competitors that rely on fragmented supply chains between domestic and international supply chain partners. On its most recent earnings call First Solar CEO Mark Widmar told analysts on the company's earnings call that he is seeing a "meaningful increase in demand expectations driven in part by data center load growth." Chief Financial Officer Alexander Bradley said First Solar will be "the favored supplier to the projects that are going to be supplying power to these data centers".

Hannon Armstrong Sustainable Infrastructure Capital (HASI) shares were 31.05% higher on the month. The group reported a strong set of results in early May with EPS for the quarter circa 20% ahead of market expectations. A joint venture with US private equity giant KKR was also announced. The firms are investing up to \$2bn through CarbonCount Holdings 1 (CCH1), the newly created partnership which will invest in "climate positive projects" and will be seeded with assets representing approximately 10% of the total committed amounts. The investments will be consistent with HASI's existing investment strategy which is focused on behind-the-metre, grid-connected, renewable natural gas and transport projects. Hannon Armstrong is a leading climate positive investment firm that actively partners with clients to deploy real assets that facilitate the energy transition. With more than \$12 billion in managed assets, our vision is that every investment improves our climate future. With over 15 years of experience in infrastructure investing, KKR has invested more than \$15 billion in renewable energy and climate-related investments from its infrastructure platform alone.

At the time of writing the cash weighting within the fund was circa 3.35%

Annual Returns

2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
9.71%	14.38%	23.95%	22.52%	6.42%	-38.47%	31.28%	13.47%	-19.61%	16.02%	19.87%
2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
18.42%	15.72%	6.62%	6.8%	-5.91%	23.34%	42.70%	19.78%	-19.70%	13.94%	6.21%

Source: Cantor Fitzgerald Ltd Research, Bloomberg and Northern Trust



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