



Portfolio Scoop

Insights into the Trends and their performance

APRIL 2023

- **Developed markets were generally positive although Hong Kong markets and U.S. technology and growth companies underperformed the broader market.**
- **Positive performers were led by U.K.'s FTSE 100 Index, up 3.13% and Japan's Nikkei 225 Index, up +2.91% (local prices).**
- **Weakness came from Hong Kong's HSCEI and HSI Index, down -3.83% and -2.48% respectively (local prices).**
- **Weakness of the AUD by +1.06% against the USD and +0.83% against the € helped AUD returns for the Trends and indices.**
- **The monthly performances across our Trends were -1.68%, -0.01% and -0.82% for the Big Data, Online Shopping Spree, and Clean Disruption Trends respectively (versus MSCI World ex Australia Index of +3.16%).**

Dear Members

Welcome to our latest Portfolio Scoop from AtlasTrend, which provides insights into our Trends and their performance.

What happened to the markets in April?

Developed markets were once again generally positive despite ongoing concerns about the credit quality of the global banking sector. The collapse of First Republic Bank in the U.S. and subsequent purchase by JPMorgan highlighted the risks that remain. Indeed, the International Monetary Fund has warned that the banking breakdowns will likely be a drag on global economic growth. It also trimmed global growth projections by 0.1% due these financial sector stresses and tighter monetary policy. It now believes that GDP will likely grow 2.8% this year and 3.0% next year.

Added to this are concerns about global demand from the mobile and PC industries remaining soft due to geopolitical pressures and both consumers and businesses reducing their spending. Nonetheless, investors have pushed equities higher on the belief that the aggressive rate-hike cycle is nearing an end.

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Weakness of the AUD by +1.06% against the USD and +0.83% against the € helped AUD returns for the Trends and indices.

The monthly performances across our Trends were -1.68%, -0.01% and -0.82% for the Big Data, Online Shopping Spree, and Clean Disruption Trends, respectively. The MSCI World Daily Net Total Return ex Australia Index (this MSCI Index measures the equity market performance of shares listed on the exchanges of 23 of the world's major developed economies ex Australia factoring in reinvested net dividends) ended the month +3.16% in AUD terms.

Plenty of headwinds remain in the U.S.

Although many investors are expecting that the interest tightening cycle is a near and end, the U.S. Federal Reserve have signalled another interest rate rise moving the benchmark rate above 5% this year to dampen inflation towards a goal of 2%. The general view is that inflation is not yet under control despite headwinds in U.S. banking sector, a slowdown of consumer demand and risks to corporate profits.

Inflation remains elevated in Europe

European equities rallied on generally strong corporate earnings. However, the European Zone grew only marginally in 1Q 2023, at a rate lower than market expectations.

April's inflation data remained elevated at a record high of 7.0%, causing the European Central Bank to raise interest rates again by 0.25%, its seventh consecutive increase.

However, the increase marks a slowdown from recent 0.50% rises, potentially signaling that the ECB may be entering the final stage of its most aggressive tightening stance on monetary policy since the start of monetary union in 1999.

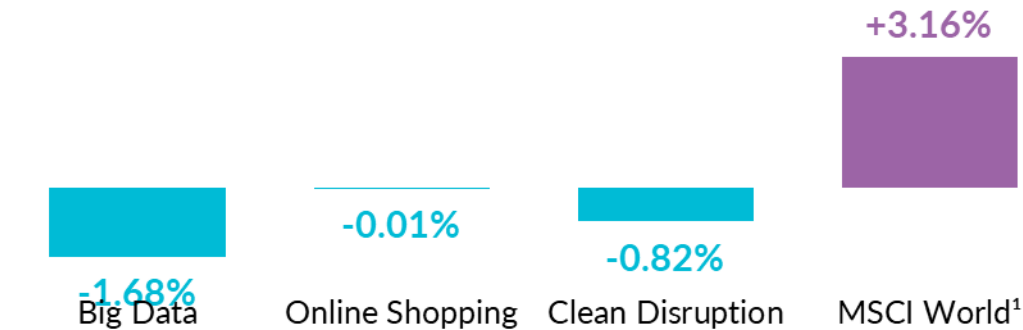
Chinese and Japanese stimulus

China's economy grew by 4.5% in 1Q 2023, putting the country on track to meet its growth goal of 5.0% for the year. Chinese exports rose in March by 14.8% as demand from most Asian countries and Europe improved and the factories resumed production post the country's extended lockdown. The challenge will be whether this can continue in the second half of the year as the U.S. economy slows and the impact of higher interest rates on China's foreign trade will increase.

President Xi Jinping's priority is to revive the Chinese economy as it recovers from the impact of its policy of Covid Zero and regulatory clampdowns.

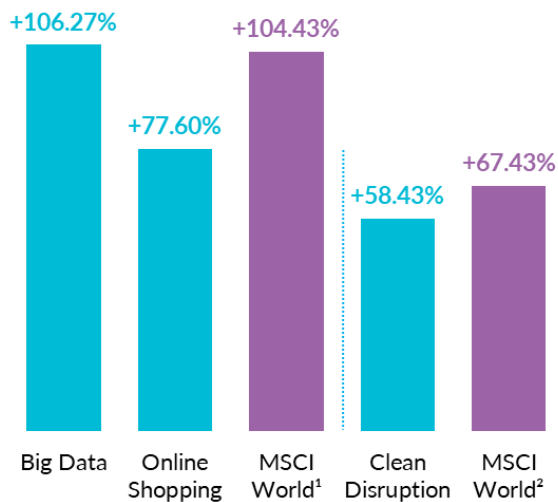
The Bank of Japan has stopped issuing guidance on future interest rate levels and left its low benchmark interest rates and asset purchase settings unchanged. The decision to keep its stimulus pushed Japanese markets higher as Berkshire Hathaway raised its investments in Japanese equities to 7.4% from about 5% in 2020 with potential for more increases.

Trend Round Up

Trends Performance
for the month of April 2023

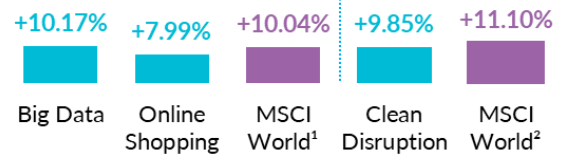
Note: Launch date of the Trends is 9 November 2015 apart from Clean Disruption Fund, which was launched on 6 June 2018. MSCI World refers to the MSCI World ex Australia Index. ¹ Start date 9 November 2015. ² Start date 6 June 2018.

Trends Performance



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Trends Performance p.a.



In the last 12 months, we have delivered performances of +1.57%, -3.59% and +9.32% for the Big Data, Online Shopping Spree, and Clean Disruption Trends respectively (versus MSCI World ex Australia Index of +11.12%).

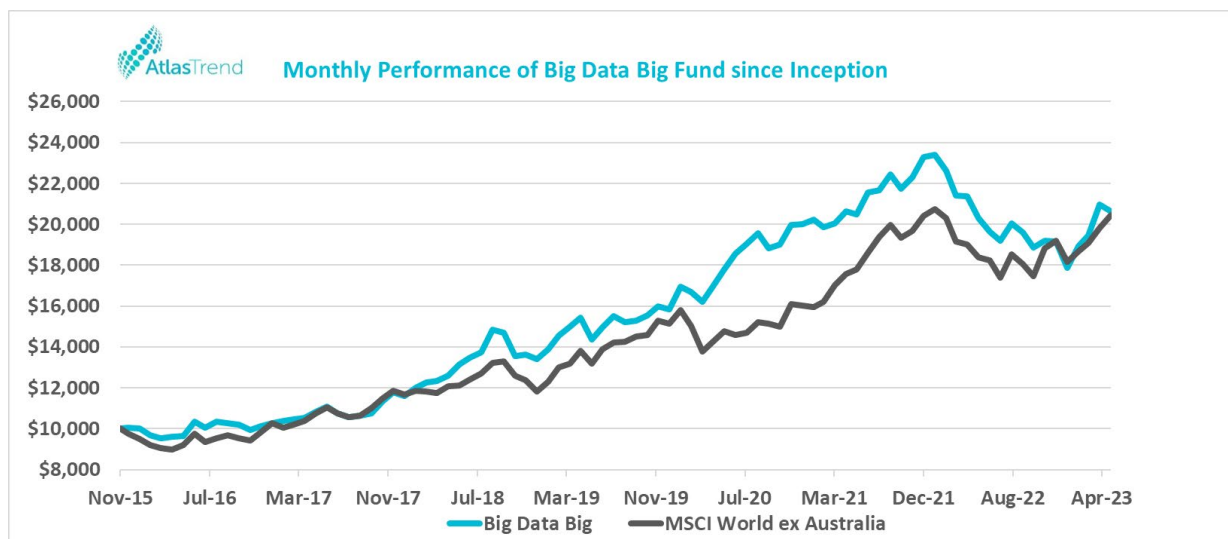
In the last 6 months, we have delivered performances of +7.44%, +9.76% and +7.05% for the Big Data, Online Shopping Spree, and Clean Disruption Trends respectively (versus MSCI World ex Australia Index of +8.61%).

In the last 3 months, we have delivered performances of +8.95%, +2.78% and +6.35% for the Big Data, Online Shopping Spree, and Clean Disruption Trends respectively (versus MSCI World ex Australia Index of +9.40%).

Big Data Big Fund

The Trend return for the month was -1.68% and since launch (9 November 2015) is +106.27%.

This Trend has delivered a +10.17% return per annum since inception.

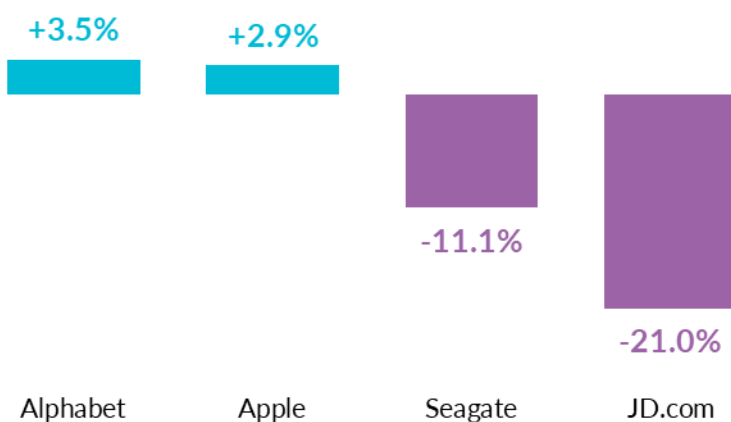


This Trend retreated as technology stocks struggled overall. It was led by positive contributions from Alphabet, Apple, Amazon.com and Digital Realty. Negative performers were led by JD.com, Seagate, Tencent, Splunk and Palo Alto Networks.

Results of the large cap technology names surprised on the upside. Alphabet's cloud business reported its first profit, and its incumbent search business remains strong. Amazon.com's quarterly profit also topped estimates as cost cuts and strong sales in its cloud business lead results. However, revenue growth in cloud computing slowed in April.

As of the end of April 2023, this Trend consisted of 19 companies.

Top & bottom performers for April 2023 Big Data Big Fund

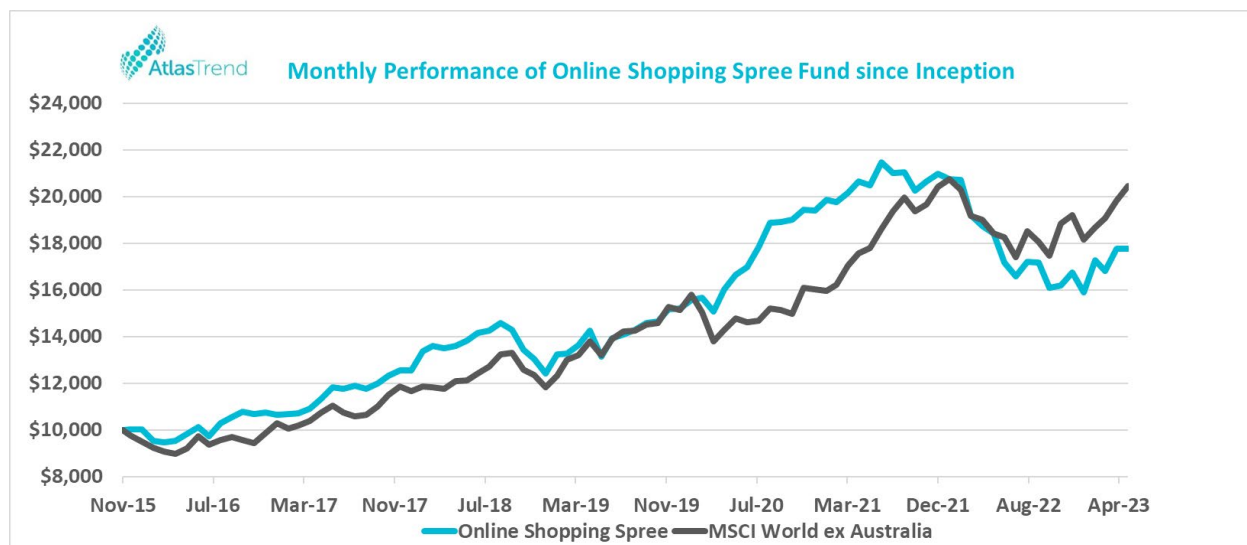


Note: % share price return in local currency, excluding any dividends received during the month

Online Shopping Spree Fund

The Trend return for the month was -0.01% and since launch (9 November 2015) is +77.60%.

This Trend has delivered a +7.99% return per annum.

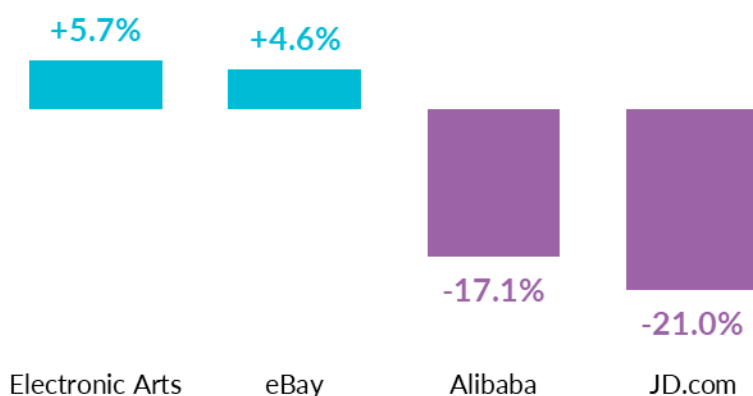


This Trend had a mixed performance. Volatility remained in its Chinese positions such as Alibaba, Netease, JD.com and Tencent as they experienced weakness. Positive performers were led by Electronic Arts, eBay, Apple, Walmart and Disney.

News of SoftBank making plans to sell its majority of its stake in Alibaba resulted in weakness in Alibaba. Softbank has already sold more than US\$7 billion in Alibaba shares this year, after selling US\$29 billion last year. It is aiming to reduce its ownership of Alibaba to less than 4%.

As of the end of April 2023, this Trend consisted of 17 companies.

Top & bottom performers for April 2023 Online Shopping Spree Fund

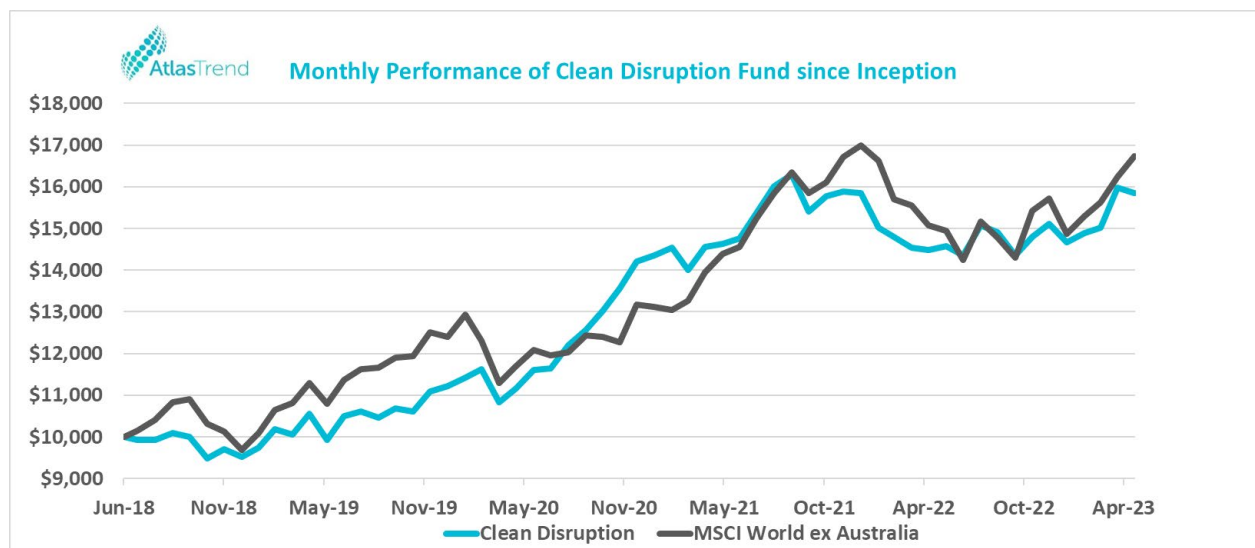


Note: % share price return in local currency, excluding any dividends received during the month

Clean Disruption Fund

The Trend return for the month was -0.82% and since launch (6 June 2018) is +58.43%.

This Trend has delivered a +9.85% return per annum since inception.

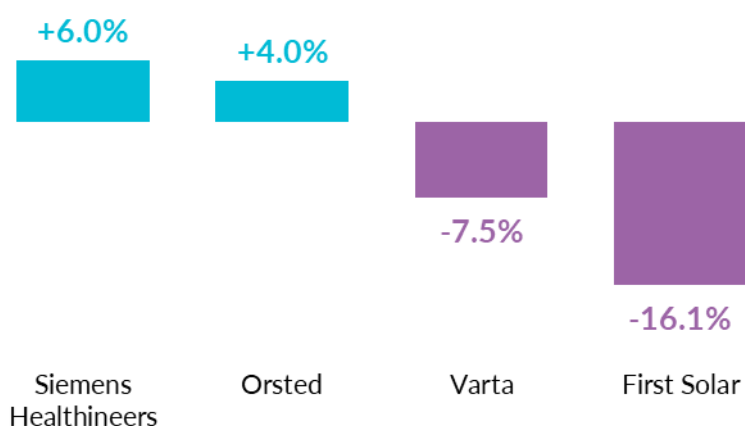


This Trend also had a mixed performance, led by Siemens Healthineers, BYD, Schneider Electric and Orsted. Weakness came from First Solar (as investors took profits from a strong 2023 rally), Varta, Tomra and Vestas Wind Systems.

BYD became China's best-selling car brand for the first time, ahead of Volkswagen by selling more than 440,000 electric vehicles in 1Q 2023.

As of the end of April 2023, this Trend consisted of 18 companies.

Top & bottom performers for April 2023 Clean Disruption Fund



Note: % share price return in local currency, excluding any dividends received during the month

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