



# Portfolio Scoop

Insights into the Trends and their performance

**JUNE 2023**

- **Developed markets rebounded strongly in June due to strong U.S. economic data and ongoing economic growth. There is also some reappearing hope that some central banks are nearing the end of their rate tightening cycle.**
- **The strongest positive performers were the U.S. Russell 2000 Index, up +7.95%, the Japan's Nikkei 225 Index, up +7.45% and Japan's TOPIX Index, up +7.41% (local prices).**
- **Only the U.K. FTSE 250 Index, down -1.64% (local price) was down of any significance.**
- **The strength of the AUD by +2.42% against the USD and +0.36% against the € dampened AUD returns for the Trends and indices.**
- **The monthly performances across our Trends were +2.59%, +3.29% and -0.03% for the Big Data, Online Shopping Spree, and Clean Disruption Trends respectively (versus MSCI World ex Australia Index of +3.12%).**

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 June?

Developed markets rebounded strongly in June due to strong U.S. economic data and ongoing economic growth. There is also some reappearing hope that some central banks are nearing the end of their rate tightening cycle.

The strongest positive performers were the U.S. Russell 2000 Index, up +7.95%, the Japan's Nikkei 225 Index, up +7.45% and Japan's TOPIX Index, up +7.41% (local prices). Only the U.K. FTSE 250 Index, down -1.64% (local price) was down of any significance. The strength of the AUD by +2.42% against the USD and +0.36% against the € dampened AUD returns for the Trends and indices.

The monthly performances across our Trends were +2.59%, +3.29% and -0.03% 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 +3.12% in AUD terms.

## U.S. economic data is robust

The U.S. Federal Reserve kept interest rates constant at a benchmark rate of between 5.00% and 5.25% although it had flagged a few rate hikes for the balance of the year. Inflation is trending down with core inflation at 5.3% but is still well above the Federal Reserve's target of 2.0%.

U.S. economic data remained robust with core retail sales (+0.4%) and core durable goods orders (+0.7%) were positive and housing activity also rebounded. Then only worrying sign was the uptick in the unemployment rate to 3.7%, up from 3.4% last month (the lowest level since 1953).

## **Europe in technical recession and inflation remains high**

A GDP growth report revealing a technical recession in the European Zone was a negative for equities, but European markets generally recovered by month end, following improved industrial production data.

Inflation remained elevated in the U.K. at 8.7%, its highest reading since 1992 while headline inflation in the European Zone fell to 5.5%.

Central banks continued to raise their respective policy rates, including the European Central Bank (+0.25% to 3.5%) and the Bank of England (+0.50% to 5.0%).

## **Chinese economic data remains weak but Japan is rebounding**

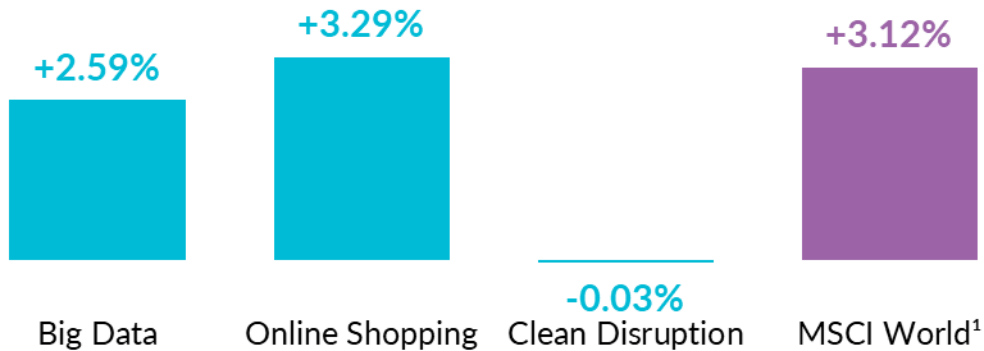
China's economy continues to encounter difficulties in its re-opening recovery and from the ongoing slump in the property market. Chinese equities continue to underperform as China's economic data remained weak with retail sales growth decelerating to 12.7% and industrial production growth to 3.5%.

The People's Bank of China announced marginal cuts to several key lending rates as it attempts to generate growth.

In Japan, both the manufacturing and non-manufacturing sectors rebounded while core inflation reached 4.3%, its highest level since 1981. However, the Bank of Japan made no changes to its interest rate policy.

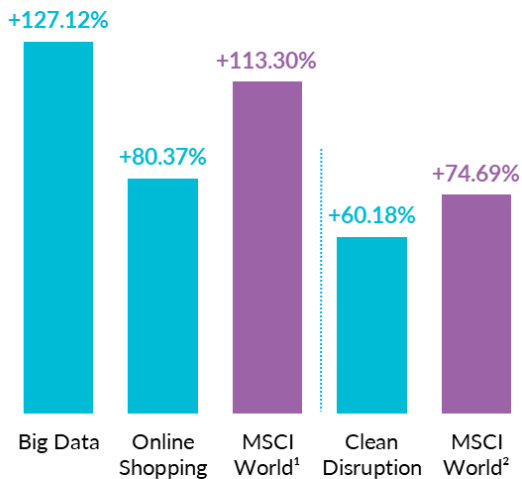
## Trend Round Up

### Trends Performance for the month of June 2023



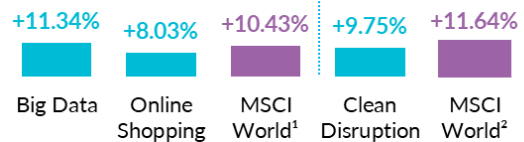
Note: Launch date of the Trends is 9 November 2015 apart from Clean Disruption Fund, which was launched on 6 June 2018. MSCI World refers to the MSCI World ex Australia Index. <sup>1</sup> Start date 9 November 2015. <sup>2</sup> Start date 6 June 2018.

### Trends Performance



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. <sup>1</sup> Start date 9 November 2015. <sup>2</sup>

### Trends Performance p.a.



In the last 12 months, we have delivered performances of +18.41%, +8.87% and +11.66% for the Big Data, Online Shopping Spree, and Clean Disruption Trends respectively (versus MSCI World ex Australia Index of +22.59%).

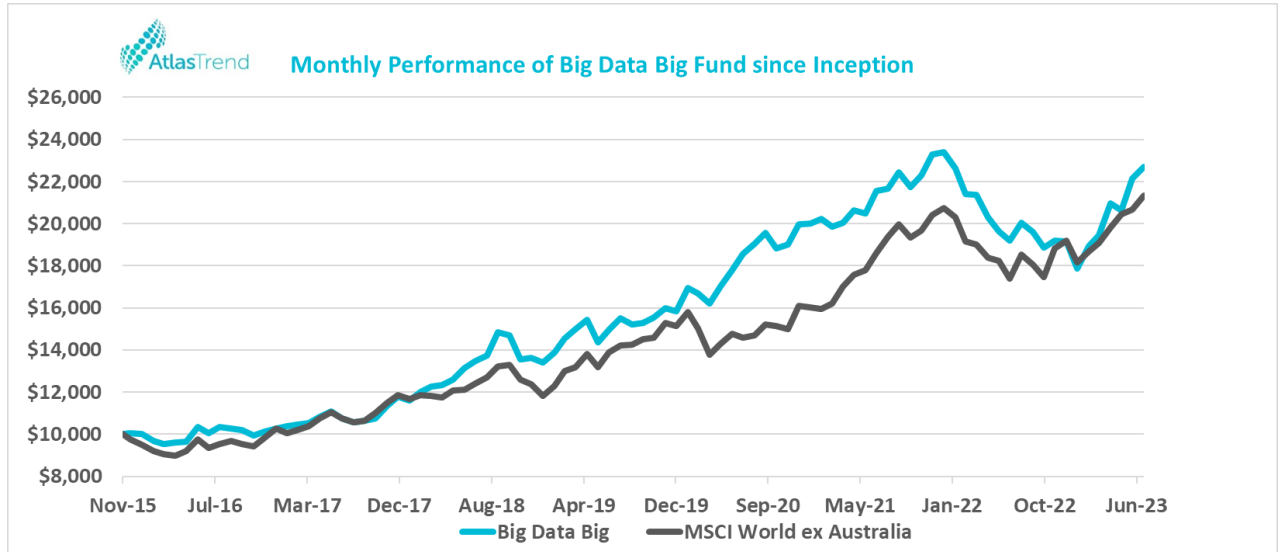
In the last 6 months, we have delivered performances of +27.03%, +13.58% and +9.25% for the Big Data, Online Shopping Spree, and Clean Disruption Trends respectively (versus MSCI World ex Australia Index of +17.53%).

In the last 3 months, we have delivered performances of +8.26%, +1.54% and +0.28% for the Big Data, Online Shopping Spree, and Clean Disruption Trends respectively (versus MSCI World ex Australia Index of +7.63%).

## Big Data Big Fund

The Trend return for the month was +2.59% and since launch (9 November 2015) is +127.12%.

This Trend has delivered a +11.34% return per annum since inception.

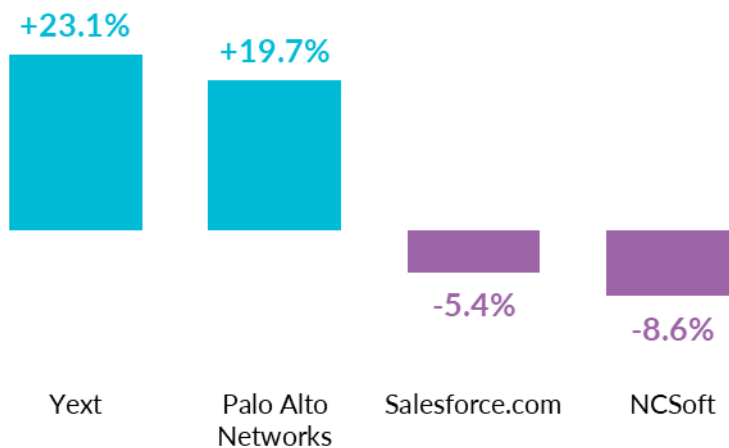


This Trend had another positive month with technology stocks having another strong performance. It was led by double-digit gains from Yext, Palo Alto Networks, Digital Realty and Meituan as well as gains from large cap names such as Apple and Amazon.com.

Weakness came from NCSOFT and Salesforce.com.

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

### Top & bottom performers for June 2023 Big Data Big Fund

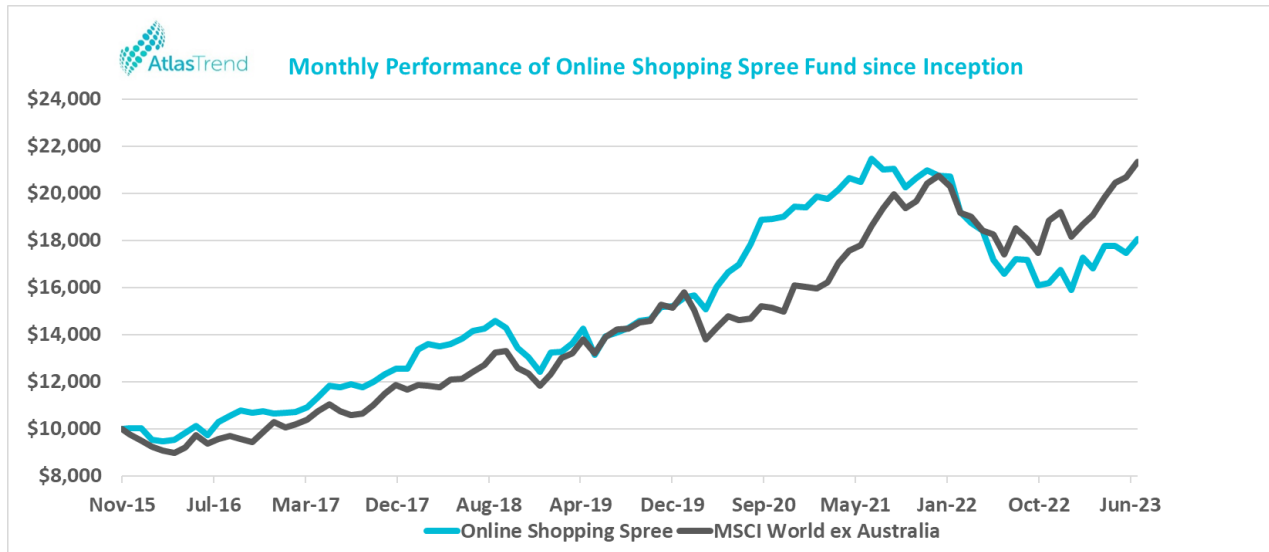


Note: % share price return in local currency, excluding any dividends received during the month

## Online Shopping Spree Fund

The Trend return for the month was +3.29% and since launch (9 November 2015) is +80.37%.

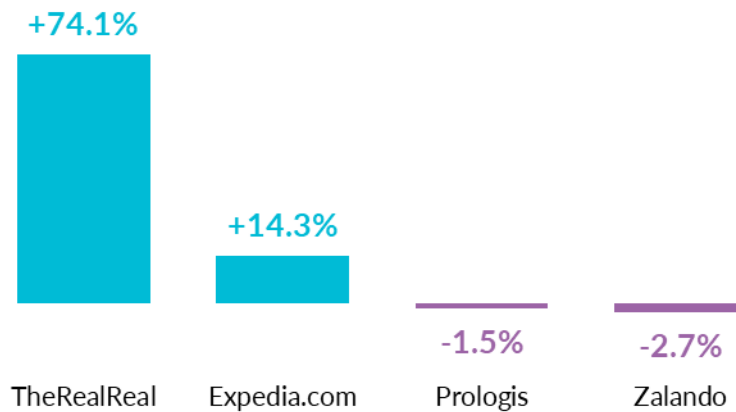
This Trend has delivered a +8.03% return per annum.



This Trend had a strong overall with very few negative performers namely only Zalando and Prologis. The strongest names were TheRealReal, Expedia.com, FedEx, Netease and Meituan. The Trend also gained strong contributions from large cap names such as Apple, Amazon.com and Walmart.

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

### Top & bottom performers for June 2023 Online Shopping Spree Fund

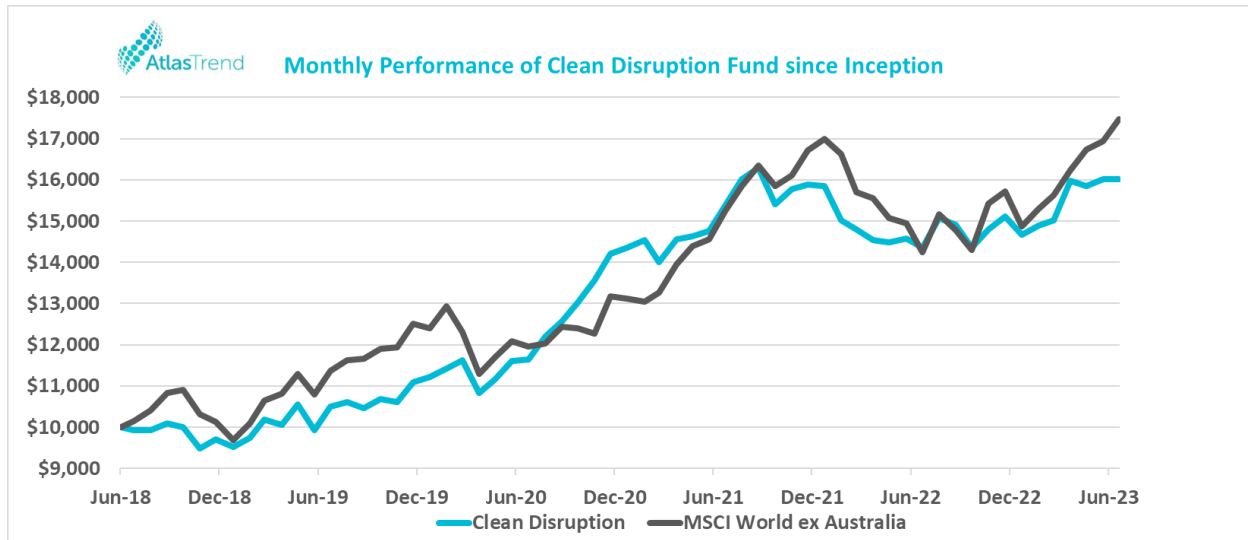


Note: % share price return in local currency, excluding any dividends received during the month

## Clean Disruption Fund

The Trend return for the month was -0.03% and since launch (6 June 2018) is +60.18%.

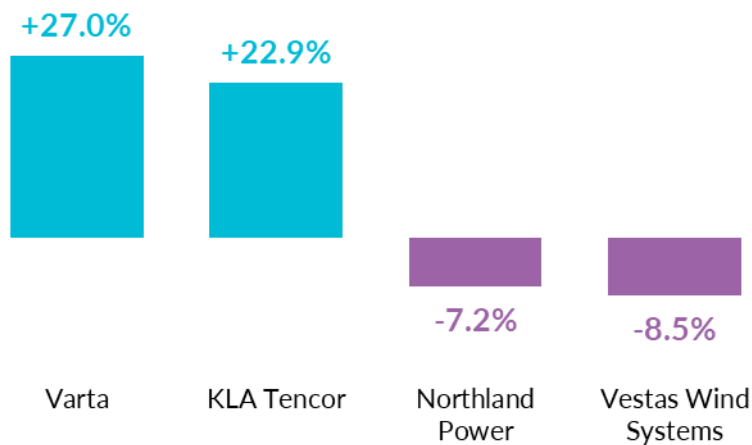
This Trend has delivered a +9.75% return per annum since inception.



This Trend had a mixed performance mostly due to underperformers in Vestas Wind Systems, Northland Power, First Solar and Algonquin. This was mostly offset by contributions from Varta, KLA Tencor, Xylem, Waste Management and Iberdrola.

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

### Top & bottom performers for June 2023 Clean Disruption Fund



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

**Important notice**

*Atlastrend Pty Ltd (ABN 83 605 565 491) (AtlasTrend) is a Corporate Authorised Representative (No. 001233660) of Fundhost Limited (ABN 69 092 517 087, AFS Licence No. 233045) (Fundhost) and Havana Financial Services Pty Ltd (ABN 90 619 804 518, AFS Licence No. 500435) (Havana). Any advice contained in this communication is general advice only. None of the information provided is, or should be considered to be, personal financial advice. The content has been prepared without taking into account your personal objectives, financial situations or needs. If you consider it necessary you should seek your own advice before making any financial or investment decisions. The information provided in this communication is believed to be accurate at the time of writing. None of AtlasTrend, Fundhost, Havana or their related entities nor their respective officers and agents accept responsibility for any inaccuracy in, or any actions taken in reliance upon, that information. A copy of AtlasTrend's financial services guide can be found at [www.atlastrend.com/fsg](http://www.atlastrend.com/fsg).*

*Any managed investment fund product (Fund) mentioned in this communication is offered via a Product Disclosure Statement (PDS) which contains all the details of the offer. The PDS is issued by Fundhost as responsible entity for the Funds. Before making any decision to make or hold any investment in a Fund you should consider the PDS in full. The PDS is available at [www.atlastrend.com/pds](http://www.atlastrend.com/pds) or by calling AtlasTrend on 1800 589 778. The Target Market Determination is available [here](#).*

*Investment returns are not guaranteed. Past performance is not a reliable indicator of future performance. Disclosed investment returns assume reinvestment of all distributions. For the Clean Disruption Fund performance is shown net of fees. For the remaining Funds performance is shown net of fees from 7 June 2018 and prior to that performance is shown gross of any fees. [Click here](#) for more details about current and previous fee arrangements.*