



Portfolio Scoop

Insights into the Trends and their performance

JANUARY 2023

- **Developed markets started 2023 with a bang as investors took on a risk-on stance sending equities higher across most sectors. There was an optimism that inflation had peaked, and China's re-opening would spur the global economy.**
- **Hong Kong markets continued their recent rally with the HSI and HSCEI Indices, up 10.42% and +10.74% respectively (local prices). The U.S. NASDAQ Index also performed strong, up +10.68% (local price).**
- **All other major developed market indices were in the positive with no negative performers although the AUD strengthened 3.43% against the USD, which reduced AUD returns for the Trends and indices.**
- **The monthly performances across our Trends were +5.89%, +8.81% and +1.60% for the Big Data, Online Shopping Spree, and Clean Disruption Trends respectively (versus MSCI World ex Australia Index of -+2.97%).**

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 January?

Developed markets started 2023 with a bang as investors took on a risk-on stance sending equities higher across most sectors. There was an optimism that inflation had peaked, and China's re-opening would spur the global economy.

The head of the International Monetary Fund noted that China's pivot from its Covid Zero policy as the most important driver for global growth in 2023 and prevent a global downturn. Meanwhile, the World Bank remained pessimistic about a global recession as it forecasted global gross domestic product rising 1.7% in 2023, about half the rate forecast in June 2023. That would make 2023 the third-worst performance in the last three decades, after the contractions of 2009 and 2020.

Hong Kong markets continued their recent rally with the HSI and HSCEI Indices, up 10.42% and +10.74% respectively (local prices). The U.S. NASDAQ Index also performed strong, up +10.68% (local price).

All other major developed market indices were in the positive with no negative performers although the AUD strengthened 3.43% against the USD, which reduced AUD returns for the Trends and indices.

The monthly performances across our Trends were +5.89%, +8.81% and +1.60% 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 +2.97% in AUD terms.

A slowdown in rate increases may result in a soft landing

After hitting a high of over 9% last year, inflation for December slowed to 6.5%, the slowest inflation rate in more than a year. This resulted in a 0.25% increase in early February to 4.75% with the U.S. Federal Reserve signalling that it will slow down the rate of increases going forward.

The U.S. economy beat expectations in 4Q 2022 as GDP rose at a 2.9% annualised rate, down from 3.2% in 3Q 2022. It's the mild slowdown that the Federal Reserve is aiming for as it balances growth with reducing inflation. The labour market also remained resilient as U.S. employment bounced back to its pre-pandemic level in 2022.

Overall, the economic data is good news for the potential of a soft landing, which gave investors renewed optimism. Nonetheless, a recession remains a notable risk this year as economist warn about sustained higher borrowing costs working their way through the economy via weakness in corporate earnings, contraction in consumer sales and services activity and a slowdown in wage growth.

Rate hikes to continue in Europe

The European Central Bank remains stoic in tightening monetary policy indicating that it has at least 2 more 0.50% rate hikes in 2023 and the time to slow the pace of hikes is "still far away." Its President Christine Lagarde told the World Economic Forum in Davos that the ECB would "stay the course" in managing its monetary policy.

Meanwhile, Britain may avoid a long-expected recession for the time being. Economic data saw gross domestic product unexpectedly rise 0.1% in November.

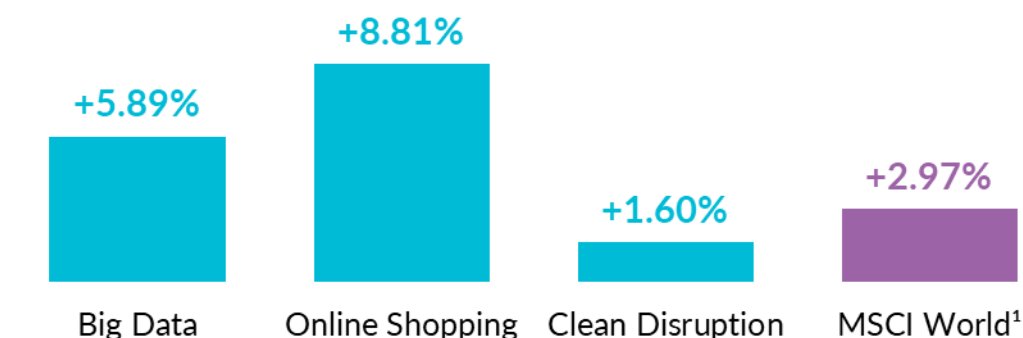
Investors are bullish about China's re-opening

Investors turned positive on China's long-awaited border re-opening, which saw markets continue their recent rally domestically and in Hong Kong. There is a view that the ending of China's Covid Zero policy and an easing of regulation in the technology sector, that a turnaround is imminent even if questions remain on the state of the property sector.

Moreover, investors believe that China's re-opening after three years will aid the global economy, triggering growth in services sectors such as aviation, tourism and education. Other sectors likely benefit include commodity producers as demand returns from China.

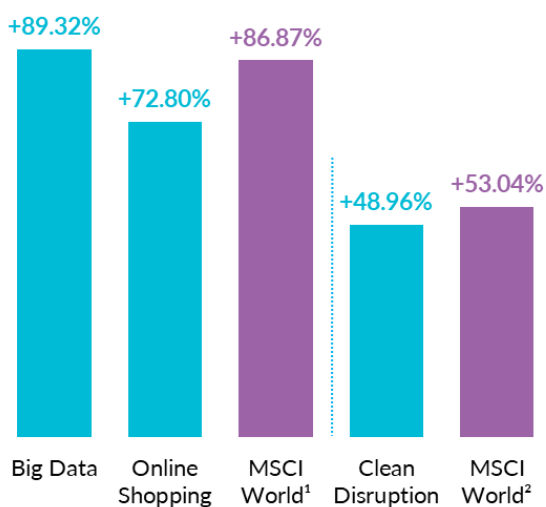
Trend Round Up

Trends Performance for the month of January 2023



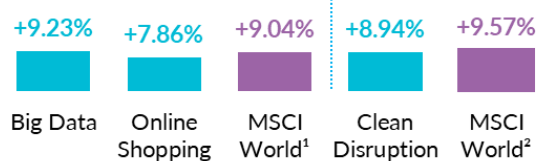
Note: Launch date of the Trends is 9 November 2015 apart from Clean Disruption Fund, which was launched on 6 June 2018. MSCI World refers to the MSCI World ex Australia Index. ¹ Start date 9 November 2015. ² Start date 6 June 2018.

Trends Performance



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

Trends Performance p.a.



In the last 12 months, we have delivered performances of -16.36%, -16.59% and -0.80% for the Big Data, Online Shopping Spree, and Clean Disruption Trends respectively (versus MSCI World ex Australia Index of -7.90%).

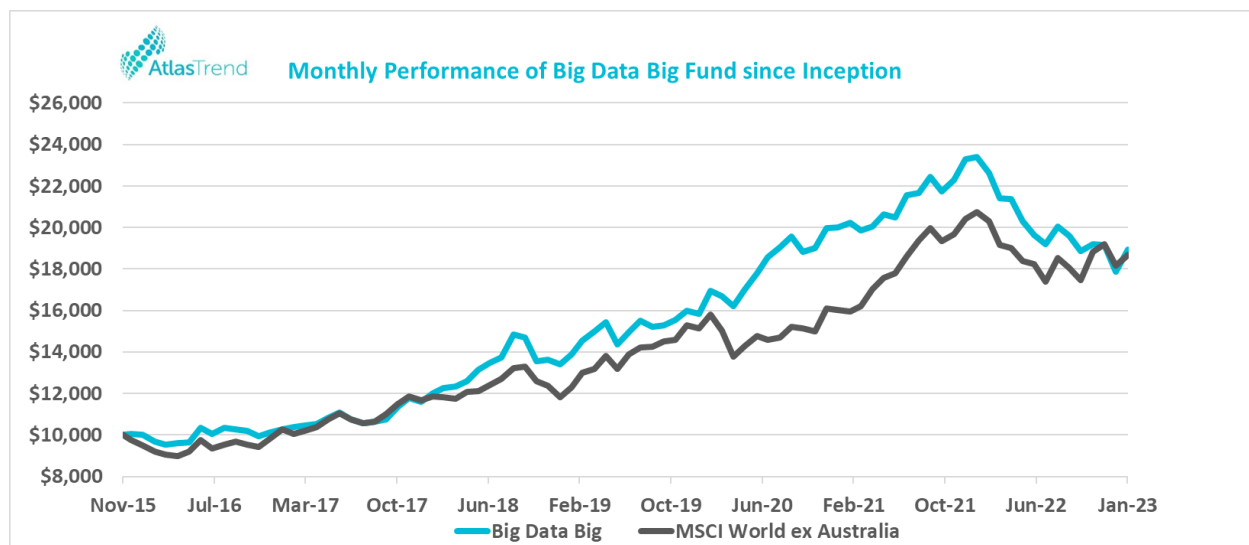
In the last 6 months, we have delivered performances of -5.60%, +0.54% and -1.14% for the Big Data, Online Shopping Spree, and Clean Disruption Trends respectively (versus MSCI World ex Australia Index of +0.94%).

In the last 3 months, we have delivered performances of -1.38%, +6.79% and +0.66% for the Big Data, Online Shopping Spree, and Clean Disruption Trends respectively (versus MSCI World ex Australia Index of -0.72%).

Big Data Big Fund

The Trend return for the month was +5.89% and since launch (9 January 2015) is +89.32%.

This Trend has delivered a +9.23% return per annum since inception.

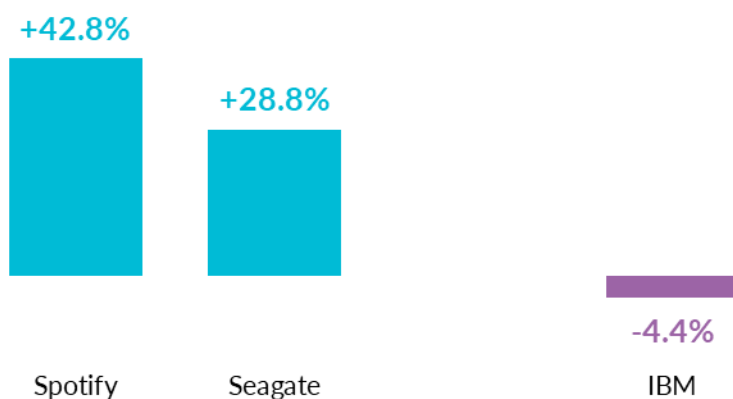


This Trend had a strong performance across the board as the technology sector bounced back. It was led by Spotify, Seagate, Tencent, Salesforce.com and Amazon, which all had returns of at least 20% for the month.

The only name with a negative performance was IBM.

As of the end of January 2023, this Trend consisted of 19 companies. Tencent completed its 1:10 spin-off of its interest in Meituan.

Top & bottom performers for January 2023 Big Data Big Fund

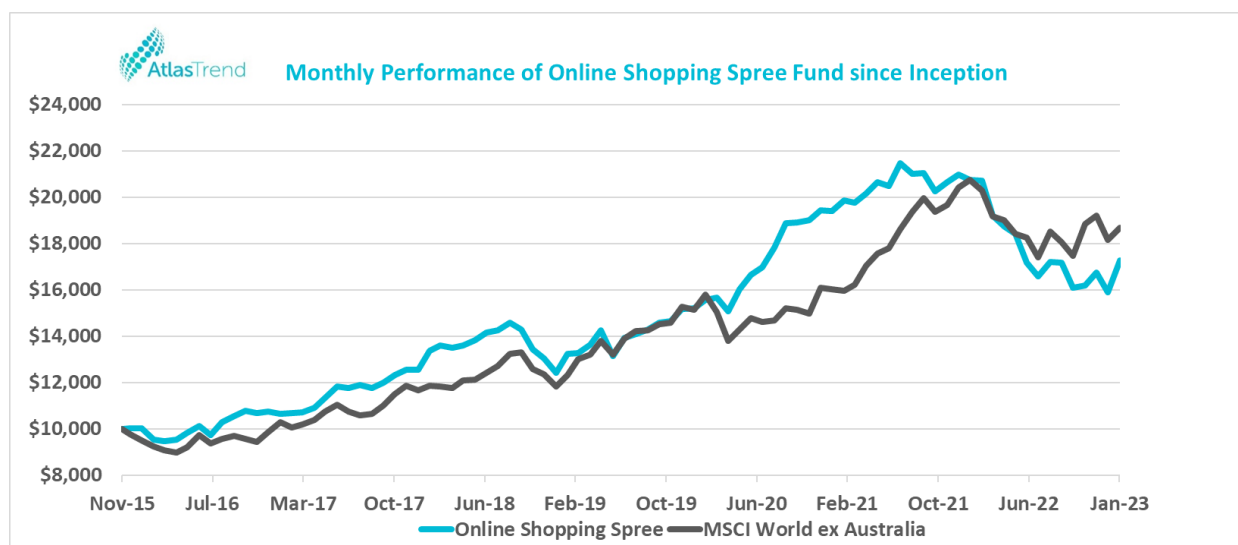


Note: % share price return in local currency, excluding any dividends received during the month

Online Shopping Spree Fund

The Trend return for the month was +8.81% and since launch (9 January 2015) is +72.80%.

This Trend has delivered a +7.86% return per annum.

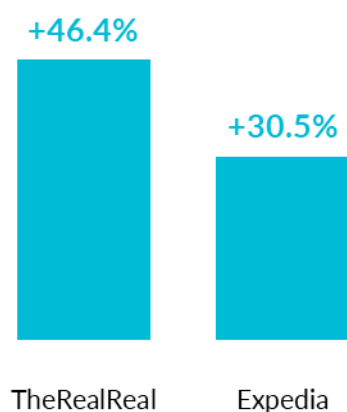


This Trend had a very strong performance across the board as the technology and consumer sectors bounced back. It was led by TheRealReal, Expedia, Zalando, Disney, Alibaba and Netease, which all had returns of at least 20% for the month.

There were no companies with a negative performance for this Trend.

As of the end of January 2023, this Trend consisted of 17 companies. Tencent completed its 1:10 spin-off of its interest in Meituan.

Top & bottom performers for January 2023 Online Shopping Spree Fund

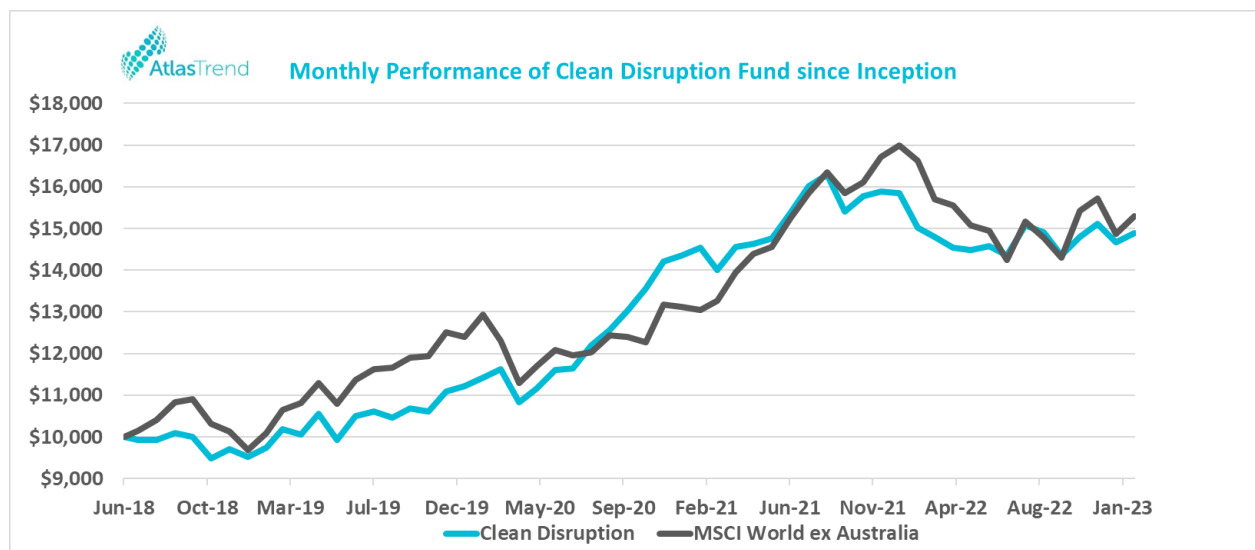


Note: % share price return in local currency, excluding any dividends received during the month

Clean Disruption Fund

The Trend return for the month was +1.60% and since launch (6 January 2018) is +48.96%.

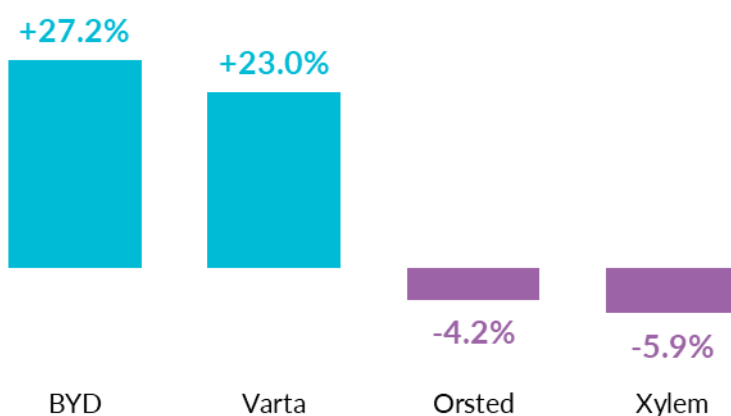
This Trend has delivered a +8.94% return per annum since inception.



This Trend performed well with positive performances from BYD, Varta, First Solar, IPG Photonics, Rockwool and Fanuc. Xylem and Orsted were the weakest names.

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

Top & bottom performers for January 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.

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 or by calling AtlasTrend on 1800 589 778. The Target Market Determination is available .

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 February 2018 and prior to that performance is shown gross of any fees. [Click here](#) for more details about current and previous fee arrangements.