GLOBAL OPPORTUNITIES FUND

SHARE CLASS B INSTITUTIONAL - FACT SHEET

Factsheet at 31st August 2022

Month end NAV as at 31st August 2022

Investment Objective and Policies

The investment objective of the Fund is to endeavour to maximise the total level of return for investors through investment, primarily, in a diversified portfolio of equity securities. In seeking to achieve the Fund's investment objective, the Investment Manager will invest at least 80% of its assets in equity securities.

Investments in equity securities may include, but are not limited to, dividend-paying securities, equities, Collective Investment Schemes (CISs) including exchange traded funds and preferred shares of global issuers.

The Fund will invest a substantial proportion of its assets in other UCITSs, including ETFs, and other eligible CISs.

The Fund is actively managed, not managed by reference to any index.

Fund Type	UCITS
Minimum Initial Investment	€100,000

Fund Details

ISIN	MT7000026506
Bloomberg Ticker	CCFEEBE MV

Charges

Entry Charge	Up to 2.5%
Exit Charge	None
Total Expense Ratio	2.08%

Currency fluctuations may increase/decrease costs.

Risk and Reward Profile

This section should be read in conjuction with the KIID

Lower Risk	Higher Risk
Potentially lower reward	Potentially higher reward

1 2 3 4 5 **6** 7

Portfolio Statistics

Total Net Assets (in €mns)	8.3
Month end NAV in EUR	144.09
Number of Holdings	42
% of Top 10 Holdings	36.71

Country Allocation[1]

Country Allocation[1]	%
United States	44.7
China	16.3
Europe	11.9
France	10.5
Germany	3.4
Netherlands	1.5
United Kingdom	1.3

[1] including exposures to ETFs. Does not adopt a look-through approach.

Top Equities

Top Equities	%
Mastercard Inc	5.1
Apple Inc	3.5
Sanofi	2.7
Johnson & Johnson	2.6
Microsoft Corp	2.6
L'Oreal	2.3
Alphabet Inc	2.2
Amazon Inc	2.2
Verizon Communications Inc	2.1
LMVH	2.1

Top Funds

Top Funds	%
JP Morgan US Value	7.4
iShares Core S&P 500	5.7
iShares S&P 500 Financials	4.3
iShares MSCI EM Asia Acc	4.1
iShares S&P Health Care	3.2
JP Morgan US Growth	3.2
iShares S&P 500 Industrials	3.0
MSCI World Energy	2.1
MSCI World Consumer Staples	2.0
Lyxor EuroStoxx 600 Banks	1.7

Currency Allocation

Currency Allocation	%
EUR	32.1
USD	64.5
GBP	3.4

Asset Allocation

Asset Allocation	%
Cash	10.4
Equities	50.3
ETF	28.7
Fund	10.6

Historical Performance to Date

Source: Calamatta Cuschieri Investment Management Ltd.

Sector Breakdown

Sector Breakdown	%
US Diversified	17.9
Information Technology	17.0
Financials	10.9
Consumer Discretionary	8.2
Industrials	7.9
Communication Services	7.1
Health Care	6.3
Consumer Staples	6.1
Energy	4.1
EM Diversified	4.1

Performance History

Past performance does not predict future returns

Calendar Year Performance	YTD	2021	2020*	2019	2018	2017	Annualised Since Inception **
Total Return* **	-15.17	18.50	-2.58	-	-	-	-0.81

Calendar Year Performance	1-month	3-month	6-month	9-month	12-month
Total Return* **	0.00	0.00	-5.27	-13.49	-13.17

* The Euro Equity Fund Institutional Share Class B was launched on 5 February 2020 and eventually changed its name to the Global Oppportunities Fund Institutional Share Class B on 14 May 2020.

** The Annualised rate is an indication of the average growth of the Fund over one year. The value of the investment and the income yield derived from the investment, if any, may go down as well as up and past performance is not necessarily indicative of future performance, nor a reliable guide to future performance. Hence returns may not be achieved and you may lose all or part of your investment in the Fund. Currency fluctuations may affect the value of investments and any derived income.

*** Returns quoted net of TER. Entry and exit charges may reduce returns for investors.

Market Commentary

Introduction

August brought some sense of sobriety to the markets after the rumour of a FED pivot in early 2023 has been disregarded by the same institution in its annual Jackson Hole annual meeting. In essence this was another reality check for markets in sense of how central bankers can intimidate market participants more than the prevailing macroeconomic landscape. This is not necessarily a novelty, however makes investing much more difficult all together particularly in the current stance where there is a clear mismatch between where the economy is and where central bankers will push it given their tightening measures. This could potentially end up in a conflict between monetary authorities and financial markets, as the latter play a game of anticipating the former's actions, while the former would have the latter follow its directions. On the macroeconomic backdrop there were few things to cheer about. While GDP growth numbers looked better than feared, inflation numbers took a respite, and job numbers continued to paint a US economy which to date is still in good shape. On the contrary, the European economy is facing a very difficult time following Russia cutting its gas supplies in retaliation to economic sanctions brought about by the conflict in Ukraine. These travails are compounded by a weakening Euro which exacerbate an already apparent trading deficit for the Euro zone. In China, apart from the real estate sector and consumer spending recent data, which remain soft, the latest covid outbreaks triggered fresh lockdowns which in turn have lowered further economic growth expectations for this year. Although the government has announced ambitious fiscal plans to prop up the economy, the fact that they are pretty similar to what the government has done in the past puts serious doubts over the current Chinese economic model long term sustainability. All in all, a sombre mood has taken hold over economic projections for the coming quarters, as it looks clear that we are now shifting into a normalised interest rate scenario.

From the monetary front, the Jackson Hole summit underlined what worries central bankers are facing. It set a clear line within the FED's dual mandate whereby reigning inflation is the main focus even at the expense of an economic downturn. Likewise, the ECB has gotten bolder in countering inflation in spite of the current macroeconomic backdrop making its commitment as difficult to keep as it can possibly be. Monetary policies are in complete reverse in China where the PBOC is fully supporting the government in providing much needed liquidity to the economy with interest rate cuts and additional funds for financing the construction sector.

In August equity markets reversed to a risk-off mode following the realisation that the FED now has other priorities, rather than the easing measures which cheered markets for the past 15 years. As corporate earnings remain the only apparent pillar of future market growth, there is quite an amount of uncertainty on how the markets will perform by the end of the year. While optimists look on to statistical market performance following an underperforming first half of the year in the past, pessimists are just contemplating fundamental economic indicators. It does not help that bond yields have resumed their uptrend after the summertime reversal. And probably here really lies the key to understanding when equity markets will truly find their bottom – the moment when bond yields will have truly delivered a top.

Market Environment and Performance

Purchasing Manager Index (PMI) data continued painting a somewhat gloomy picture of the Euro economic area as manufacturing and services noted a sharp deterioration in the rate of growth, pointing to a second contraction in activity since February 2021. The August manufacturing PMI reading of 49.6 was a fall at a similar pace to that seen last month, as new orders declined sharply while services revolved in contraction territory. Pressured by elevated energy costs and the continued acceleration in food prices and services, inflationary pressures persisted. In August, the annual inflation rate increased to a new record high of 9.1%. Core inflation, which excludes transitory or temporary price volatility, increased to a record high of 4.3 per cent from 4.0 per cent in the previous month.

Aggregate business activity in the US pointed to a solid contraction across the private sector. Notably, the Composite PMI reading of August fell to 45 from 47.7 in July, as a notable contraction of the services sector was observed. Business conditions in manufacturing worsened, signalling the sharpest contraction since May 2020 as interest rate hikes and high inflation dampened consumer spending.

Equity markets were conditioned by the induced FED sell-off at the Jackson Hole summit. A clear message from the FED which dashed hopes of a 2023 pivot was quite enough to change market sentiment. In the end, a classical risk-off positioning would have been a winning strategy during the month, with only energy and utilities sectors gaining ground. US markets were positively influenced by a surging dollar, while European markets have been conditioned by the prospects of a very difficult winter induced by Russia cutting its gas supplies. Emerging markets continued their attempt of forming a multi-year bottom, although the Covid 19 zero-policy practiced by China is still having a negative impact on its economic growth fortunes this year. The S&P 500 index fell by 2.88%, as energy had a positive performance, while healthcare and technology finished the month on the other end of the spectrum. In Europe, the EuroStoxx50 and the DAX lost 5.15% and 4.81% respectively, as all sectors except energy ended the month in negative territory.

Fund Performance

In the month of August the Global Opportunities Fund registered a 3.27 per cent loss. On a year-to-date basis the fund's performance closed with a 18.97 per cent loss, underperforming its hedged comparable benchmark by 393bp. The Fund's allocation has been slightly adjusted during the month in line with recent market volatility. Consequently, the Manager has deployed some of the sizeable cash position promoting the technology sector exposure to neutral by building on conviction names such as Apple, Visa and TSMC, as well as increasing the Alphabet position. A new conviction name in the US industrials space – United Parcel Service Inc was added to the portfolio, while trimming from the Xtrackers MSCI Consumer Staples ETF position was executed. Finally, benefitting form a good entry point, the Fund's position in Sanofi has been increased at the expense of the Lyxor Stoxx Euro 600 Healthcare ETF position.

Market and Investment Outlook

Going forward, the Manager holds to the conservative camp as regards the macroeconomic backdrop given expectations of a protracted inflationary environment and a recessionary environment in Europe. While the message from the FED regarding its commitment to tackling inflation has been clearly received, it is not clear at all how markets will associate future economic data points to such intentions. More precisely, how markets will interpret economic news in terms of future interest rates path remains unknown adding more potential volatility to the markets. Expectations for an erosion in earnings expectations consensus continue to build a rather negative sentiment regarding future market returns, particularly on the backdrop of increasing bond yields. The Manager keeps its conservative stance, particularly on the European geography economic fortunes, and consequently over its capital market performance expectations. Playing safe remains the preferred route in navigating this turbulent market.