SOLID FUTURE DYNAMIC FUND

SHARE CLASS A

Factsheet as at 31st March 2024

Month end NAV as at 26th March 2024

Calamatta Cuschieri

Investment Objective and Policy

The Fund aims to deliver a return over and above that of the MSCI All Country World Index in Euro. To achieve the fund's investment objective, the Investment Manager shall invest in a flexibly managed and diversified portfolio of equities and ETFs, across a wide spectrum of industries and sectors. The Investment Manager may invest in these asset classes either directly or indirectly through UCITS Funds and/ or eligible non UCITS Funds. The Fund is actively managed and does not seek to replicate the MSCI All Country World Index. Therefore the Fund is not managed by reference to any benchmark index.

Sustainability

The Fund is classified under Article 6 of the SFDR meaning that the investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Key Facts

Asset Class	Balanced
Fund Launch Date	25-Oct-2011
Share Class Launch Date	25-Oct-2011
Fund Base Currency	EUR
Share Class Currency	EUR
Fund Size (AUM)	40.6 EUR
Benchmark	MSCI ACWI FP Equity
Fund Type	UCITS
ISIN	MT7000003679
Bloomberg Ticker	SFUDYNA MV
Distribution Type	Accumulating
Minimum Initial Investment	2,500 EUR
Month end NAV	243.98 EUR

Charges

Total Ongoing Charges		3.23%
Entry Charge		0.75%
Exit Charge	Y_1	5.00%
	Y_2	4.00%
	Y_3	3.00%
	After	Nil

Currency fluctuations may increase/decrease costs.

Risk and Reward Profile

This section should be read in conjuction with the KIID

Lower Risk — Higher Risk

1 2 3 **4** 5 6 7

Potentially lower reward — Potentially higher reward

Asset Allocation *

	%
Equities	84.4
ETF	8.8
Fund	4.3
Cash	2.5

Currency Allocation *

	%
EUR	23.3
USD	74.2
GBP	2.4

* Without adopting a look-through approach

Country Allocation **

	%	Benchmark Deviation
North America	69.1	2.5
Europe ex UK	12.9	0.8
Emerging/Frontier Markets ex China	10.3	2.9
Japan	4.0	-1.5
Asia Pacific ex Japan	2.8	0.7
UK	0.9	-2.4
China	0.0	-3.0

Top 10 Holdings

	%
Walt Disney Co/The	5.9
Bank of America Corp	5.0
Alphabet Inc	4.9
Amazon Inc	4.8
Samsung Electronics Co Ltd	4.8
Pfizer Inc	4.4
BSF - European Opp	4.3
Taiwan Semiconductor	4.1
Microsoft Corp	3.7
Xtrackers MSCI Japan	3.1
% of Top 10 Holdings	**45.0**

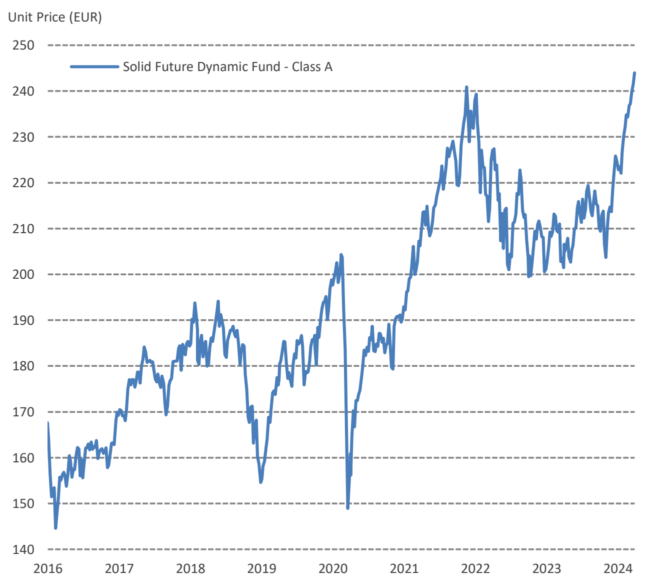
Sector Allocation **

	%	Benchmark Deviation
Technology	27.6	1.2
Financials	16.5	2.5
Consumer Discretionary	14.7	4.5
Communications	12.4	3.9
Health Care	10.2	-0.8
Industrials	5.1	-4.3
Basic Materials	3.7	-1.0
Consumer Staples	3.5	-3.1
Real Estate	2.0	-0.1
Energy	1.7	-3.1
Utilities	0.1	-2.4
Other	2.5	2.5

** Including exposure to CIS, adopting a look-through approach. 'Benchmark Deviation' refers to overweight/underweight exposure vs Benchmark

Historical Performance to Date

Past performance does not predict future returns



Performance History [1,2]

	Cum.	Ann.
YTD	8.65	
1-month	3.02	
3-month	8.65	
6-month	16.18	
9-month	15.47	
1-year	18.13	18.13
3-year	16.14	5.13
5-year	37.77	6.63
2023		11.67
2022		-15.44
2021		23.26
2020		-2.37
2019		27.85
2018		-16.15
2017		8.93

[1] Returns quoted net of TER. Entry and exit charges may reduce returns for investors.

[2] 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. Currency fluctuations may affect the value of investments and any derived income.

Market Commentary

Introduction

As March draw to a close there is a clear feeling that market participants have moved on from what was considered so far to be the main game-changer in town, namely central banks, and focus more on other factors that move markets, namely corporate earnings and GDP growth. This achieved the feat of pushing markets higher in spite of decreasing odds of monetary easing in the immediate to medium term. With every month of leading macroeconomic indicators showing no negative impact in the real economy from high interest rates the discussion slowly moves to what part of the economic cycle are we currently experiencing. Beyond the ad nauseam AI talks in the main media, it is quite extraordinary how the global economy managed to weather not only a higher cost of capital, but also the impact of tariffs levied in recent years by de-globalization trends or supply chain bottlenecks caused by geopolitical conflicts. One can ask himself whether we have already achieved a new normal economic state where higher cost of capital warrant less economic mobility, therefore what markets are left with are only global economic corporate behemoths with competitive position delivering earnings generating powers that guarantee increasing stock prices in perpetuity. But financial markets history and the economic cycle theory do make a case for a return to normality sooner or later. This will translate at some point into economic recession, corporate defaults and declining stock markets. When this will happen is anyone's guess, but one basic error is relying on economists and analysts' opinion on when such events will occur. Let us not forget that 2023 was supposed to have been the most anticipated economic recession in history, which eventually did not materialise.

From the monetary front, the FED has opted to maintain its federal funds interest rate unchanged as widely predicted by market participants. Along with the decision, FED officials pencilled in three quarter-percentage point cuts by the end of the year, while the updated "dot plot" also indicates three cuts next year, one fewer than last December. Additionally, revised forecasts for 2024 GDP growth were adjusted upwards, suggesting resilience in the face of tighter monetary policy. In Europe, the ECB also opted to hold its key interest unchanged, while latest comments from its main representatives do paint a pre-committal for a June rate cut. While there is a high bar for this not to be delivered, there is a wide range of possible outcomes in subsequent months, depending on further progress with disinflation.

Equity markets seem to having reached a levitating state as they posted the strongest rally in the last 5 years while reaching all-time highs in all major geographies – US, Europe and Japan. As this happened on a backdrop of ever diminishing number of FED interest rate cuts expected this year, even the most positive forecasts regarding global economic growth could not shadow the stretched valuation picture painted currently in the market. Some things that have to happen in order to prop up current market levels include a significant increase in market breath (i.e. strong performance in names other than recent performers) and a least a temporary range trading (i.e. under par market performance for a while). While the first has already become apparent in the last month, it is the second factor that worries most market participants, particularly in a very attractive yield offered by bond markets. With all most compelling investment-themes in the last 18 months having already performed for their faithful, it looks like the next couple of quarters will be more difficult to navigate than the usual, as there is no clear growth driver markets could rely on.

Market Environment and Performance

March Purchasing Managers' Index (PMI) indicators showed that the Euro area economy moved closer to stabilization, amid a modest recovery in services (reading of 51.1 versus the previous month reading of 50.2) largely offsetting the weakening manufacturing segment (reading of 45.7 versus a previous month reading of 46.5). New orders declined at the slowest rate in ten months, and backlogs of work were depleted at the weakest rate in nine months, while employment saw modest growth. Headline inflation declined to 2.4%, marginally down from February's 2.6%. The core rate excluding volatile food and energy prices also cooled to 2.9%.

The US economy continued to defy some earlier sings of slowdown displaying signs of continued strength. Consumer spending, business activity and employment all indicated a healthy expansion to start the year, advancing on an upwardly revised 3.4% QoQ growth in Q4 2023. The labour market remained particularly robust, with the March jobs report showing a significant increase in nonfarm payroll jobs and sustained low unemployment rate. Annual inflation rate in the US accelerated for a second consecutive month to 3.5%, the highest level since September 2023, compared to February's 3.2%. Core consumer prices eased to a near three-year low of 3.8%.

Somewhat surprisingly, March continued the rally in equity markets, probably on a momentum factor from the positive fourth quarter earnings season. However, there was a change in market leadership, as technology underperformed, while unusual leaders like energy, materials and utilities rebounded nicely. Other unexpected trends for the month include the continuation of Europe outperforming US and the Magnificent 7 slowly losing steam compared to the rest of the market. The S&P 500 index gained 3.14% supported by benevolent numbers continuing to pour in from the real economy. European markets also reached all time high levels as the EuroStoxx50 and the DAX gained 4.22% and 4.61% respectively, with real estate, materials and energy names leading the way.

Fund Performance

In the month of March , the Solid Future Dynamic Fund registered a 3.02 per cent gain. The Fund's allocation has been adjusted, as the Manager repositioned it to better respond to the recent market developments. New conviction names Adobe Systems, KLA Corp, Booking Holdings and GSK PLC were added based on compelling in-house valuation models' fair values and a very interesting risk-adjusted entry levels. As well, holdings in Palo Alto Networks and the Xtrackers MSCI Japan UCITS ETF have been slightly increased as they reflect some of the Manager's most compelling investment themes currently. Holdings in ConocoPhillips, HSBC Holdings and Cisco Systems have been liquidated as recent earnings reports and market trends showed limited upside potential in our view. As well, positions in Lowe's Corp, Apple and Amundi MSCI Emerging Markets ex China ETF have been downsized with a view to cashing in some of the sizeable profits already achieved. Cash levels have been slightly increased.

Market and Investment Outlook

Going forward, the Manager believes the global economic landscape remains complex, as inflationary pressures seem to have stopped their receding trend particularly on the back of services, driving further central bankers' hesitations on decisively cutting interest rates. Geopolitical tensions have also recently upended global energy prices adding further uncertainty as regards future developments in the macroeconomic landscape. While the skies of the US economy are still clear of any material cloud and the Chinese economy has recently posted encouraging signs as regards a potential improvement in economic growth, there might be some other potential tensions building up beneath the apparently positive picture. On such backdrop, the Manager continues having a conservative view on equity markets over the coming quarters, as the very strong market rally recorded in the last months, raises the odds for a retracement. The Fund will continue its diversified allocation with a focus on quality companies. Specific allocation to companies benefitting from secular growth trends irrespective of the next move in interest rates should be expected going forward as tactical plays. Cash levels will be used as a tool for proactive action in case of markets deterioration.

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