

SOLID FUTURE DYNAMIC FUND
SHARE CLASS A

Factsheet as at 31st July 2025
Month end NAV as at 29th July 2025

Investment Objective and Policy

The Fund aims to deliver a return over and above major global indices 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.

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	Growth
Fund Launch Date	25-Oct-2011
Share Class Launch Date	25-Oct-2011
Fund Base Currency	EUR
Share Class Currency	EUR
Fund Size (AUM)	40.0 EUR
Fund Type	UCITS
ISIN	MT7000003679
Bloomberg Ticker	SFUDYNA MV
Distribution Type	Accumulating
Minimum Initial Investment	2,500 EUR
Month end NAV	248.8 EUR

Charges

Total Ongoing Charges	3.49%
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 conjunction with the KIID



Asset Allocation *

Equities	91.8
ETF	6.6
Cash	1.6

Currency Allocation *

EUR	13.7
USD	84.8
GBP	1.5

* Without adopting a look-through approach

Top 10 Holdings

Uber Technologies Inc	6.3
iShares S&P 500 Industrials	3.5
Alphabet Inc	3.3
Amazon.com Inc	3.2
Xtrackers MSCI Japan	3.1
Airbnb Inc	3.0
Nvidia Corp	3.0
Mercadolibre Inc	3.0
Salesforce Inc	2.8
Microsoft Corp	2.6

% of Top 10 Holdings	33.8
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Country Allocation **

North America	72.5
Europe ex UK	10.5
Emerging/Frontier Markets ex China	6.2
China	3.8
Japan	3.1
UK	2.3

Country allocation excludes cash

Sector Allocation **

Technology	27.0
Consumer Discretionary	19.2
Financials	14.7
Industrials	11.2
Communications	10.1
Health Care	6.9
Consumer Staples	5.7
Energy	2.6
Basic Materials	0.9
Real Estate	0.1
Utilities	0.0
Other	1.5

** 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	-3.85	
1-month	1.60	
3-month	7.59	
6-month	-6.66	
9-month	-0.49	
1-year	2.11	2.11
3-year	16.76	5.28
5-year	35.72	6.29
2024		15.23
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.

Introduction

July continued the bullish momentum from last month as global markets reached fresh highs based on strong corporate earnings and easing trade concerns – especially following the US – EU tariff deal lowering rates to 15% and a temporary US – China tariff truce. Additional trade deals closed by the US with other main Asian economies like Japan, Korea and Vietnam also fuelled investor optimism. Fiscal developments added to the benevolent backdrop as the One Big Beautiful Bill Act passed through the US Congress introducing more expansive tax cuts and spending. On the geopolitical front, a ceasefire between Israel and Iran in the final week of the month helped stabilize the oil market and ease inflation pressures, however rising yields in global government bonds reminded that fiscal sustainability concerns remain. The slowly overriding sentiment is that the Trump administration agenda despite being challenged initially from all corners has somehow managed overcoming all obstacles and might already claim victory having proven doubters wrong. All initial targets seem to have been checked: US tariffs have been successful levied without any retribution except from China, financial markets sentiment has fully recovered, the US dollar and energy prices weakened and the economy has not been hurt. However, history is a flux, not a snapshot, just like financial markets. Winning over the short term might prove just a transition to a bleaker long-term outcome. Of course, hoping it will not eventually happen is a human reflex. That is no excuse for not being prepared should it ultimately happen.

From the monetary front, the FED held rates steady, maintaining its “wait-and-see” approach amid tariff uncertainty and mixed data. The main obstacle to adopting a more dovish approach is the fact that determining how tariffs will affect inflation will require ongoing observation. However, dissenters within the FOMC have led a shift in the tone of monetary policy, and analysts are already aligning forecasting more rate cuts for this year. In Europe, the ECB also opted keeping interest rates unchanged, marking the first pause in a yearlong sequence of rate cuts – eight in total since the half of 2024. Such decision has been backed by the fact that in spite of inflation stabilizing at the 2% target, the economic backdrop remains uncertain, with risks stemming from trade tensions, a strong euro and potential import-driven disinflation.

July turned better for equity markets as the earnings season progressed as initial fears of first blows from tariffs proved to be unfounded and companies managed to exceed expectations on a higher than usual ratio, albeit from a very low basis one should admit. But this really was not the whole story, as technology and communication names (essentially Magnificent 7 names) have managed shadowing the more restrained if not disappointing numbers coming from businesses having direct contact with the consumer. This has brought back the old matter of concentrated market performance in very few names, which usually means that momentum will last as long as these high flyers keep on delivering. An old feeling reminiscent of 2021 is in the air, with a very familiar, although not that vividly coloured view. Risk-on appetite filled with retail buy-the-dip episodes, a revival of the IPO market with exceptional listing day performances, semiconductor stocks rallying, sky-high valuation for the new kids on the block (read Palantir), and everything else that would qualify markets as “giddy”. Long gone are the days when markets were staring into the abyss of trade wars-led de-globalization, bond vigilantes could spoil the markets when asking uncomfortable questions about public debt deficits financing. It looks like financial markets have managed a workaround on commercial tariffs and are happy to look to the opposite direction when somebody is pointing to frothy valuations. What could go wrong here?

Market Environment and Performance

In the Euro area, GDP growth slowed to 0.1% in Q2, down from the 0.6% performance in Q1 2025, as per preliminary estimates. While slightly ahead of expectations, it does mark the weakest pace since late 2023. The deceleration reflects a more cautious stance by consumers, who are weighting easing inflation and lower interest rates against rising trade-related uncertainty, particularly stemming from US tariff policy. Business activity showed modest improvement, as the monthly Composite PMI rose to 51.0, its highest reading in 11 months, driven by strength in services and a less pessimistic tone in manufacturing. Headline inflation held steady at 2.0%, slightly above expectations and in line with the ECB’s target.

In the US, the economy expanded at a stronger than expected 3.0% annualized pace in Q2, recovering from a 0.5% contraction in Q1. The rebound was driven largely by a plunge in imports, which followed a front-loaded surge in Q1 as businesses and consumers rushed to secure goods ahead of anticipated tariff hikes. Forward-looking indicators suggest economic momentum carried into Q3. The July Composite PMI rose to 54.6 from 52.9 in June, the strongest reading this year. The improvement was led by a pickup in services activity, while manufacturing posted moderate gains.

In July, global equity markets put on a stunning rally led decisively by the US and in particular by its technology behemoths. While the earnings season provided some stellar results in particular from Meta Platforms and Microsoft, this has conveyed the message that AI capex does seem to be worth after all in terms of revenue growth and operating margins improvement. This brought new life to the AI-related stocks frenzy, with Nvidia becoming the first public company to reach a \$4 trillion market valuation. The risk-on sentiment has pushed indexes performance up, but index performance breath down, resulting in a US market even more concentrated compared to the latest bubble, namely 2021. As the US dollar found a bottom and started recovering some of the ground lost in the last quarter, it gave an even more competitive advantage to the US market. The US market outperformed again Europe, while China outperformed its emerging market peers, and Japan was the laggard during the period. The S&P 500 index gained a whopping 5.21% in EUR terms driven by the Magnificent 7 plus Oracle, Broadcom and Palantir. European markets delivered a decent, but by no means impressive performance. The EuroStoxx50 gained 0.31% while the DAX gained 0.65% as energy, financials and industrials sectors outperformed.

Fund Performance

In the month of July, the Solid Future Dynamic Fund registered a 1.60 per cent gain. The Fund’s allocation has been reviewed and rebalanced, as the Manager aligned it to the overriding market sentiment. New conviction name Mercedes-Benz Group AG has been added given expectations of improved return potential following the closing of the US – EU trade deal. In addition, exposures to Alibaba Group Holding, PayPal Holdings, Meta Platforms Inc, Fiserv Inc and Booking Holdings Inc have been increased on expectations of improved return potential over the short to medium term. Consequently, positions in Lam Research and Rheinmetall AG have been liquidated while exposures to Oracle Corp, Netflix Inc and Palantir Technologies have been trimmed for risk management purposes. Cash levels have remained constant.

Market and Investment Outlook

Going forward, the Manager believes that the economic landscape appears to show some initial signs of weakness, and this could accelerate in the near future as the impact from the US tariffs will slowly creep into the global trade and supply chains. While in particular the inflation situation might deteriorate going forward, a potential support could be expected from a swift change in attitude from the FED delivering interest rate cuts sooner than previously expected. Nevertheless, it is rather unclear how much this could help consumer sentiment, particularly in the short term, thus diminishing expectations for a positive economic outlook to the end of the year. There is a general sense that we are yet to see the worst part of the negative impact on the global macroeconomic landscape from the US tariffs. Consequently, the Manager remains cautious as regards the current momentum in equity markets as this does not seem to reflect any potential incoming upheaval, while the unfavourable seasonality factor remains in place. The strategic allocation remains based on long-term convictions to quality companies benefitting from secular growth trends agnostic to specific macroeconomic developments. The Manager shall deploy capital opportunistically in specific sectors, and using cash levels as dry powder during episodes of market overshooting.

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