

# Evli Silver and Gold A

Equity fund that invests in gold and silver mining companies globally.

## FUND MANAGER'S COMMENT



The fund rose by over 7% in July and the dollar price of gold by 5.3%, while silver fell by 0.1% and platinum by 2.4%. December gold futures have now challenged the 2,500 USD mark, a new all-time high, whereas the nominal price of silver and platinum are 42% and 50% below their respective historical peaks.

Gold miners are reporting their first half earnings and the higher average price of gold during the period is visible in the figures. Of the top 3 market cap gold miners (Newmont, Agnico Eagle, and Barrick) the first two have released 1H figures: the average selling price +19% and margin per ounce +40% (Newmont) and +30% (Agnico) compared to 1H23. The corresponding figures for the second quarter when the average price of gold was 2,340 USD were 60% and 40%, respectively.

Regarding the state of the US economy, which is crucially important to the price of gold, figures released in July saw US government debt hit the \$35 trillion level after increasing by \$2 trillion during the first 10 months of the current US fiscal year. US government debt continues to grow at a higher dollar amount rate than GDP. One cannot avoid thinking about what might happen to debt and the deficit during a possible weaker economy if they develop like this during periods of growth. And, perhaps most importantly from the point of view of the gold price, what that could mean for the Fed's balance sheet.

## BASIC INFORMATION

Fund Manager	Petter Langenskiöld
Benchmark	Fund has no benchmark
ISIN	FI4000188974
Fund Starting Date	25.1.2016
Morningstar Fund Category™	Sector Equity Precious Metals
Morningstar Rating™	★★★★☆
SFDR	Article 6
Responsibility Score	A
Carbon Footprint (t CO2e/\$M sales)	350
Subscription Fee, %	-
Redemption Fee, %	-
Management and Custody Fee p.a., %	1.20
Performance Fee, % <sup>1)</sup>	12.00
UCITS	Yes

<sup>1)</sup> A performance fee may be charged when the value of the fund unit series exceeds its highest historical value (known as the "high water mark" principle) and the return of the fund unit series exceeds the euro-denominated return of 50% MSCI ACWI Metals and Mining Index and 50% FTSE Gold Mines Index.

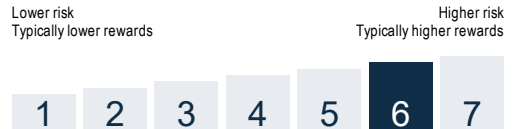
A more detailed description of the determination and calculation of the performance fee can be found in the fund prospectus.

## PERFORMANCE SINCE START



Past performance is no guarantee of future returns.

## RISK AND REWARD PROFILE



Read more about the fund risks and calculating the risk category from the Key Investor Document (KID).

## RECOMMENDED INVESTMENT HORIZON

at least 5 years

## PERFORMANCE, %

	Fund
Year-to-Date	24.93
1 Month	7.28
3 Months	9.72
6 Months	35.67
1 Year	26.02
3 Years, annualized return	3.62
5 Years, annualized return	12.19
Since Launch (25.1.2016)	319.92
Since Launch, annualized return	18.34
2023	4.36
2022	-11.77
2021	-2.54
2020	37.31

## KEY FIGURES, 12 MONTHS

	Fund
NAV per A Unit, EUR	419.916
Fund Size, EUR million	51.86
Volatility, %	30.42
Sharpe Ratio	0.72
TER, %	1.20
Portfolio Turnover	0.16

## RESPONSIBILITY SCORES

The Fund's responsibility scores are an assessment of the Fund's holdings from a responsibility perspective. The Fund's rating scale from best to worst is AAA, AA, A, BBB, BB, B and CCC. The ESG ratings distribution of the Fund's holdings are based on MSCI's analysis. MSCI is an independent ESG research provider offering a comprehensive global database.

Responsibility Score	A
Environment	BB
Social	BBB
Governance	A
Coverage of the Analysis (%)	83



**ESG** means factors related to Environmental, Social and Governance issues.

**ESG Rating:** companies are analysed and measured by how well they manage key risks and opportunities arising from ESG factors. The assessment is done within the industry.

**Responsibility Score:** based on MSCI's methodology and taking into account the market value-weighted average of the fund's individual companies' ESG ratings.

## CARBON FOOTPRINT

Evli uses weighted average carbon intensity to measure the carbon footprint according to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). According to MSCI's analysis, the weighted average carbon intensity is categorized as following Very Low (0 to <15), Low (15 to <70), Moderate (70 to <250), High (250 to <525), and Very High (>=525).

Carbon Footprint	350 (t CO2e/\$M sales)
------------------	---------------------------

[Read more about Fund's responsibility from its ESG-report](#)

## PORTFOLIO STRUCTURE

— Weight

### Sectors

Materials	98.10%
Consumer Discretionary	0.72%
Other	0.05%
Cash	1.13%

### Countries

Canada	47.89%
United States	10.49%
South Africa	9.65%
United Kingdom	8.00%
Peru	6.61%
Jersey	3.29%
Burkina Faso	3.21%
Australia	3.15%
Turkey	3.07%
Other and Cash	4.64%

## 10 LARGEST INVESTMENTS

	%
Fresnillo PLC	5.64
Hochschild Mining PLC	5.07
Agnico Eagle Mines Ltd	4.23
Newmont Corp	4.07
Pan American Silver Corp	4.03
New Gold Inc	4.02
Endeavour Silver Corp	3.33
B2Gold Corp	3.32
Centamin PLC	3.29
IAMGOLD Corp	3.21

## SHARE CLASS INFORMATION

Share Class	A	B	C
Launch Date	25.1.2016	25.1.2016	25.1.2016
Currency	EUR	EUR	EUR
NAV 31.7.2024	419.916	436.310	454.388
Management and Custody Fee per Year, %	1.20	1.00	0.80
Performance Fee, %	12.00	10.00	8.00
TER per Year, %	1.20	1.00	0.80
Sales Registration	FI	FI	FI
ISIN	FI4000188974	FI4000188982	FI4000188990
Bloomberg	ZENSGLA FH	ZENSGLB FH	ZENSGLC FH
WKN	-	-	-
Clean Share	No	No	Yes
Minimum Investment	100	100,000	3,000,000
Profit Distribution	Accumulated	Accumulated	Accumulated
Target Investor	Retail	Retail	Institutional

## DICTIONARY

**Active Share, %** measures how much fund portfolio (based on position weights) differs from the benchmark index. If active fund has same shares with same position weights as in benchmark, then its' active share is 0%. If active share % is high, fund portfolio differs largely from the benchmark.

**Alpha** describes the effect of the portfolio manager's investment choices on the fund's return compared with the return of an index portfolio with corresponding market risk, i.e. the additional returns attained by the fund in relation to its market risk.

**Beta** describes the sensitivity of the fund's value to changes in the benchmark index. If the value of the benchmark index changes by one percent, the expected change in the fund's value is beta x 1 percent. On average, the fund's value will change more than the value of the benchmark index if the beta value is greater than 1. A beta value less than 1 indicates the opposite, i.e. that the fund's value will change less than the benchmark value.

**Carbon Footprint** Evli uses weighted average carbon intensity to measure the carbon footprint according to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). The funds holdings' carbon intensity figures are based on the emissions figures produced by MSCI.

**Information Ratio** describes the long-term ability of a portfolio manager to add value through active portfolio management. If the Information Ratio is zero, the long-term return of the fund equals that of the benchmark index. In practice this means that the fund has outperformed the benchmark index, on average, for five years out of ten. The higher the Information Ratio, the greater the probability that the fund will outperform its benchmark. With an IR of 0.5 the fund has outperformed the benchmark, on average, in seven years out of ten, and with an IR of 1.0 in 8.5 years out of ten.

**Portfolio Turnover** is a measure of the length of time that a security remains in a portfolio during a given period. The portfolio turnover rate is calculated by subtracting the sum of subscriptions and redemptions of fund units (EUR S+T) from the sum of the securities bought and sold by the fund (EUR X+Y). The turnover is the abovementioned difference divided by the average market value of the fund, which has been calculated from the daily market values over the past 12 months. For example, if all assets have been sold and bought once it would equal to a turnover rate of 1. Portfolio turnover rate =  $((X + Y) - (S + T)) / M \times 100 / 2$ , where X = Securities bought, Y = Securities sold, S = Fund's fund units issued / subscribed, T = Fund's fund units cancelled / redeemed, M = Average total value of net assets.

**R2 (R-squared)** describes the extent to which the fund's performance is dependent on the performance of the benchmark index. R-squared is the square of the correlation coefficient.

**SFDR** In accordance with the Sustainable Finance Disclosure Regulation (SFDR), article 8 funds promote sustainability factors among other features, and article 9 funds aim to make sustainable investments. Other funds address only sustainability risks in their investments decisions (article 6 funds).

**Sharpe Ratio** indicates the size of return relative to risk taken. The Sharpe ratio measures the fund's return (with volatility of one percent) in excess of a risk-free return. The higher the Sharpe ratio, the more favorable the relationship between return and risk.

**TER** (Total Expense Ratio) is a measure of a fund's total expenses in relation to its average assets and is expressed as an annualized percentage. The expenses include all the fund's management and custody fees and any profit-related fees. Securities commissions are excluded.  $TER = A + B + C + D$ , where A = Management fee charged from the fund's assets, B = Custodian fee that may be charged separately from the fund's assets, C = Account maintenance and other bank charges that may be charged from the fund's assets, D = Any other fees which, according to the fund's rules, are charged directly from the fund's assets. As a rule, funds registered in Finland do not make such charges on top of trading fees.

**Tracking Error** indicates the risk of active portfolio management in relation to the risk of the benchmark index. The higher the number, the more the fund's performance differs from the benchmark's performance. If the tracking error is 5%, the fund's return will deviate in about two years out of three  $\pm 5\%$  of the benchmark's return. The tracking error is zero if the relative weights of the fund's investments are exactly the same as in the benchmark index. Tracking error increases if investment weights are changed relative to the weights of the benchmark index.

**Volatility** is a risk measure generally used in financial markets. It reflects variability in the return of an investment or a portfolio. The higher the volatility, the greater the variability in return and the risk involved. If the fund's expected return is 12% and the volatility is 20%, then the fund's return for two years out of three is  $12 \pm 20\%$ , that is, between -8% and +32%. Volatility is calculated on the basis of the standard deviation of weekly returns and expressed as an annual percentage.

## BASIC INFORMATION

Domicile	Finland
Trade Frequency	Daily
Clearing Time	Trade Date + 2
Cut Off Time	14:00 EET (Trade date)
Currency	EUR
Custodian	Skandinaviska Enskilda Banken AB (publ) Helsinki branch
Auditor	Ernst & Young
NAV Calculation, Fund Registry Keeper and Fund Management Company	Evli Fund Management Company Ltd
Global Investment Performance Standards (GIPS®) Compliant	No
Orders In	Currency only

GIPS® is a registered trademark owned by CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

## DISCLAIMER

### Evli

This report is intended only for the client's personal and private use. This report is based on sources that Evli considers correct and reliable. However, neither Evli nor its employees give any guarantee concerning the correctness, accuracy or completeness of any information, views, opinions, estimates or forecasts presented in this review, nor are they liable for any damage caused by the use of this publication. Evli is not responsible for any material or information produced or published by a third party that may be contained in this review. The information provided in the review is not intended as investment advice, or as a solicitation to buy or sell financial instruments. Past performance is no guarantee of future returns. This publication may not be copied, distributed, or published in the USA, and it is not intended for citizens of the USA. This material is not intended for persons resident in countries where the activities carried out by Evli have not been authorized by law. This publication, or any part thereof, may not be copied, distributed or published in any form without Evli's written, advance consent. All rights reserved.

Sources of data: Evli, MSCI, Morningstar, Bloomberg.

### Morningstar

©2024 Morningstar, Inc. All rights reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete, or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

### MSCI ESG Research

©2024 MSCI ESG Research Inc. Reproduced by permission.

Although Evli's information providers, including without limitation, MSCI ESG Research Inc. and its affiliates (the "ESG Parties"), obtain information from sources they consider reliable, none of the ESG Parties warrants or guarantees the originality, accuracy and/or completeness of any data herein. None of the ESG Parties makes any express or implied warranties of any kind, and the ESG Parties hereby expressly disclaim all warranties of merchantability and fitness for a particular purpose, with respect to any data herein. None of the ESG Parties shall have any liability for any errors or omissions in connection with any data herein. Further, without limiting any of the foregoing, in no event shall any of the ESG Parties have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.