

# Monthly Tech Megatrend Market Report

May 2023

HANetf & GinsGlobal

HAN-GINS Tech Megatrends UCITS ETF

ITEK

59bps

IE00BDDRF700

Product Inception Date: 05/10/2018

For Professional Clients Only. Capital at risk.

All data as of 30/04/2023

This report was written by, and is the opinion of, the ITEK index providers GinsGlobal.



## Key Takeaways<sup>1</sup>

- **ITEK well diversified** - equal weight across 8 subthemes (12.5% per theme; 120 holdings).
- Returns for 2023 up 18.5% at end of April – outperforming Nasdaq.
- **Top 15 leaders for each subtheme** – all established and profitable.
- ITEK broader than **GICS** classification - includes EVs, Gaming/Streaming, Social Media (excluded by Tech Indices).
- Underweight **FAANGS**; Nasdaq almost 7 times more MegaCap exposure.
- ITEK top holdings far less concentrated than most Tech funds – Top 5 holdings (8.1%); Top 10 (13.8%).
- Benefits from **Global Digital convergence**. Digital Revolution powering how we work, live & play – boosting adoption rates across subthemes.
- **Best Subthemes**: Blockchain and Robotics/Automation were the top 2 subthemes for 2023.
- **April** best performers also Blockchain, followed by Social Media, Digital Entertainment, Genomics & EV cars.
- Global benchmark helped gains with China reopening: 56.5% US weight weighting vs Nasdaq at 100% now.
- ITEK has lower overall P/E ratio (23.1), Price/Book (2.7) & Price/Sales (3.5) versus Nasdaq.
- **Global mix**: US 56.5%, China 17.1%, Japan 9.4%, South Korea 2.3% & Australia 3.0%. (Nasdaq 100% US.)

## Macro Outlook

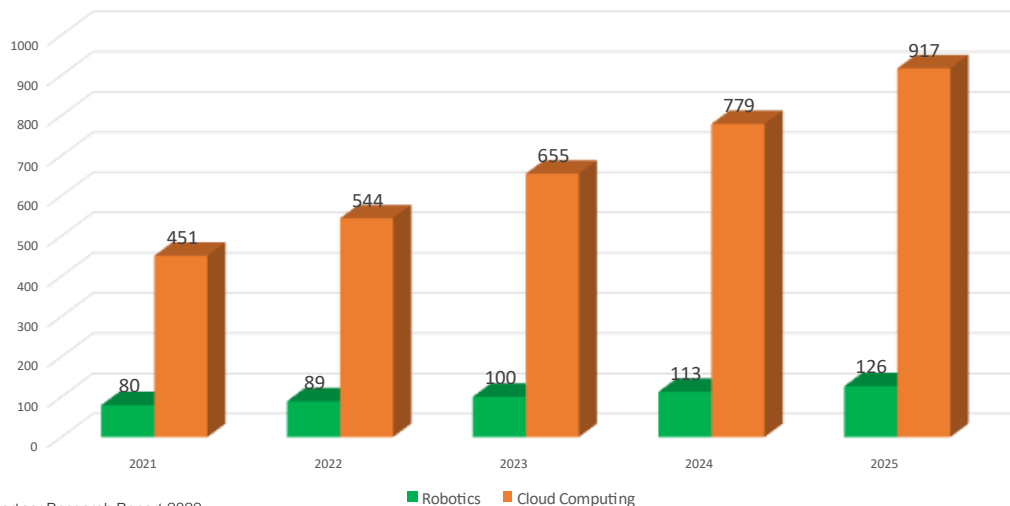
- **Tech enjoying positive rerating as Fed rate hikes near end, US inflation falling to 4% range.**
- Positive outlook for quality Tech Megatrend holdings.
- Cloud Tech adopting OpenAI - ChatGPT & BARD AI – boosting AI adoption.
- Onshoring to US/EU from China - positive for **Robotics & Factory Automation**.
- **EVs** were 10% of Global New Cars Sales in 2022. US expected to hit 10% within 2-3 years.
- US laws ban traditional cars by 2035 & introduce new \$7,500 subsidies.
- **Gaming**, Cloud, Social Media converging – Cybersecurity benefiting from WFH trends.
- **Social Media** platforms to enjoy revenues beyond digital ads - gaming a major new area.
- Video Streaming expected to double in 3 years.
- **Online Gaming** growth across Mobile - boosting Digital Entertainment.
- China Tech stocks benefiting from reopening – boosting ITEK.
- US\$1trillion Infrastructure Bill boosting rollout of EV Charging Stations.
- Genomics mainstream now - (Gene Editing & CRISPR), targeting cancer & key diseases.

<sup>1</sup> Sources available upon request.

Source of all data: Gins Global / Bloomberg as of 30/04/2023. **Please note that all performance figures are showing net data.** Past performance is not indicative of future performance and when you invest in ETFs, your capital is at risk.



**Global Robotics vs Cloud Computing Market (\$bn)**



Source: Gartner Research Report 2022.  
For illustrative purposes only.  
Past performance is no guarantee of future performance. Graphs display estimated data.

For illustrative purposes only. Graph displays expected data.

### Subtheme Returns - April

Contribution	Total Return (%)	Average Weight (%)	Category Performance (%)
Blockchain	1.36	14.11	9.64
Robotics & Automation	-0.29	13.20	-2.21
Genomics	-0.17	12.44	-1.34
Cyber Security	-0.99	12.21	-8.10
Future Cars	-1.16	11.98	-9.67
Digital Entertainment	0.01	10.76	0.07
Cloud Computing	-0.41	12.41	-3.30
Social Media	0.14	12.72	1.14

Source of all data: Solactive. Past performance is no guarantee of future performance.

## Largest Contributors - April

HOLDINGS	Index Category	Average Weight (%)	Total Return (%)	Contribution to Return (%)
APPLIED BLOCKCHAIN INC	Blockchain	1.01	42.86	0.43
CLEANSARK INC	Blockchain	1.14	40.65	0.46
KUNLUN TECH CO LTD-A	Social Media	1.83	38.16	0.70
IRIS ENERGY LTD	Blockchain	1.22	30.72	0.38
BIT DIGITAL INC	Blockchain	1.25	28.57	0.36
RIOT PLATFORMS INC	Blockchain	1.48	19.72	0.29
INTUITIVE SURGICAL INC	Robotics & Automation	0.94	17.91	0.17
BEIGENE LTD	Genomics	0.86	16.69	0.14
MARATHON DIGITAL HOLDINGS	Blockchain	1.22	15.48	0.19
META PLATFORMS INC	Social Media	0.97	13.39	0.13
DRAFTKINGS INC	Digital Entertainment	0.82	13.17	0.11
JIANGSU HENGRUI MEDICINE CO	Genomics	0.84	12.69	0.11
GENMAB A/S	Genomics	0.83	9.05	0.07
NINTENDO CO LTD	Digital Entertainment	0.85	8.98	0.08
NEXTDC LTD	Cyber Security	0.86	8.29	0.07
ADEVINTA ASA	Social Media	0.78	8.19	0.06
BIO-TECHNE CORP	Robotics & Automation	0.85	7.67	0.07
SAP SE	Cloud Computing	0.89	7.57	0.07

Source of all data: Solactive. Past performance is no guarantee of future performance.

## Tech Megatrends Performance

As of 30.04.2023

	1M	3M	6M	YTD	12M	2Y	3Y	SI
HAN-GINS Tech Megatrends UCITS ETF	-2.35%	2.24%	12.24%	18.47%	-8.35%	-36.91%	16.04%	31.60%
<i>Solactive Innovative Technologies Index (NTR)</i>	-2.31%	2.50%	12.71%	18.89%	-7.83%	-36.79%	16.86%	33.51%

Please note that all performance figures are showing net data. Source: Bloomberg / HANetf. Data as of 30/04/2023

Performance before inception is based on back tested data. Back testing is the process of evaluating an investment strategy by applying it to historical data to simulate what the performance of such strategy would have been. Back tested data does not represent actual performance and should not be interpreted as an indication of actual or future performance. Past performance for the index is in USD. Past performance is not an indicator for future results and should not be the sole factor of consideration when selecting a product. Investors should read the prospectus of the Issuer ("Prospectus") before investing and should refer to the section of the Prospectus entitled 'Risk Factors' for further details of risks associated with an investment in this product. When you invest in ETFs and ETCs, your capital is at risk.

\* The SFDR classifications for the funds are documented in their respective supplements and approved by the Central Bank of Ireland. The supplement for each fund can be found on their respective product page.

### Product Details

HAN-GINS Tech Megatrend Equal Weight UCITS ETF (ITEK) is a UCITS compliant ETF domiciled in Ireland. ITEK tracks the Solactive Innovative Technologies Index (Net Total Return), an index of leading companies that are driving innovation in sectors including Robotics & Automation, Cloud Computing & Big Data, Cyber Security, Future Cars, Genomics, Social Media, Blockchain and Augmented & Virtual Reality.

The Solactive Index is managed according to a published, rules-based methodology. It is designed to measure the performance of an investable universe of publicly-traded companies that are involved in innovative and disruptive technological trends across a broad range of industries mentioned. To be included, companies must derive a majority of revenue from one of these themes.

Please remember that the value of your investment may go down as well as up and past performance is no indication of future performance.

Visit the [ITEK Fund Page](#) for more information.

Exchange	BBG Code	RIC	ISIN	Valoren	SEDOL	Currency	TER
London Stock Exchange	ITEK LN	ITEK.L	IE00BDDRF700	-	BYVJ8Y3	USD	0.59%
London Stock Exchange	IPEP LN	IPEP.L	IE00BDDRF700	-	BYVJ9D9	GBP	0.59%
Borsa Italiana	ITEK IM	ITEK.MI	IE00BDDRF700	-	BFX1C86	EUR	0.59%
Deutsche Boerse Xetra	T3KE GY	T3KE.DE	IE00BDDRF700	-	BFX38M8	EUR	0.59%
SIX Swiss Exchange	ITEK SW	ITEK.S	IE00BDDRF700	43915667	BMYC3Q2	CHF	0.59%



### Anthony Ginsberg, GinsGlobal Index Funds

Anthony Ginsberg is the co-creator of the HAN-GINS Tech Megatrend UCITS ETF (ITEK), enabling investors to gain exposure to the eight leading subthemes driving the Fourth Industrial Revolution, across Developed and Emerging markets. ITEK tracks a rules-based index that equally weights these eight subthemes, including cybersecurity, social media, future cars to digital entertainment, gene editing and robotics.

Anthony Ginsberg is the Managing Director of GinsGlobal Investment Management, a global asset management company offering a broad range of innovative index-linked products, for both retail and institutional investors. GinsGlobal designs index products for a number of leading financial institutions, including global insurers, banks and asset managers. GinsGlobal was founded in 2000 and has operations in North America, Africa, Middle East and Asia-Pacific.

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  - ii. the carbon securities ETCs under the terms in the base prospectus approved by the UK Financial Conduct Authority (“FCA”) and the relevant final terms of the carbon securities (together, “FCA Carbon ETC Prospectus”); and
  - iii. the carbon securities ETCs under the terms in the base prospectus approved by the Central Bank of Ireland (“CBI”) and the final terms of the carbon securities (together, “CBI Carbon ETC Prospectus”).

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The ETF Prospectus, Metals ETC Prospectus, FCA Carbon ETC Prospectus, CBI Carbon ETC Prospectus and Cryptocurrency Prospectus can all be downloaded from [www.hanetf.com](http://www.hanetf.com).

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