

# Monthly Tech Megatrend Market Report

December 2024

HANetf & GinsGlobal

HAN-GINS Tech Megatrend Equal Weight UCITS ETF

ITEK

59bps

IE00BDDRF700

Product Inception Date: 05/10/2018

For Professional Clients Only. Capital at risk.

All data as of 30/11/2024

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

## Equal Weight ETF Key Takeaways

- ITEK gained an impressive 9.7% in November and is now up 20.9% in 2024.
- Largely driven by Blockchain, Digital Entertainment, Social Media, Cloud Computing & Cybersecurity.
- Big Tech 3rd quarter earnings impressed; 30%+ Cloud revenue gains for Google & Microsoft.
- Record AI chip spending powers NVIDIA to world's most valuable company, ahead of Apple.
- Tailwinds for ITEK included US election win for Trump, perceived as more business friendly.
- Lower US inflation – Federal Reserve expected additional rate cuts, positive tailwind for ITEK.
- ITEK P/E valuations remain at 50% discount to Nasdaq levels – well above 30X.
- For November – Blockchain, Digital Entertainment, and Social Media best performers. The only detractor was Future Cars, at -0.12%.
- Unlike 100% US centric Nasdaq and many Tech Indices/Funds.
- Fast adoption of OpenAI, ChatGPT & BARD AI – continues boosting Cloud Computing and AI spend.
- Equal weight across 8 subthemes (12.5% per theme; 120 total holdings, 15 per subtheme).
- Tech Convergence and AI – boosts broader Tech gains across ITEK holdings, beyond Magnificent 7.
- ITEK potentially well positioned for broader Tech rally beyond Mega-Caps.
- We expect soft landing will help Tech spending and earnings as economic confidence grows.
- Top 15 leaders for each Megatrend subtheme – all established firms.
- Top 5 holdings less than 10% weight; Top 10 under 14%. Nasdaq approaching 40% & 55% respectively.
- Mega-Cap weight still below 9% (Nasdaq 49%).
- Global mix: US 63.1%, China 9.4%, Japan 6.9%, Canada & Australia both 3.7%.
- Equal Weight – offers far broader diversity vs. Nasdaq and many active Tech funds.

Source of all data: Gins Global / Bloomberg as of 30/11/2024. Additional sources available upon request. 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.

## Macro Outlook

- Potentially significant ITEK upside following the US Election – given the upcoming removal of the FTC’s M&A blockages.
- Boosting smaller holdings values – likelihood of more acquisitions and corporate activity.
- Earnings beats for ITEK remain positive – ratio of at least 2:1 for Q3.
- Tailwinds from more Fed rate cuts, less red tape, and possible lower taxes also helpful!
- US Govt efficiency drive to drive outsourcing to more Tech players – Cloud, AI, Cybersec especially.
- Trump’s Tech friendly “America first” agenda, pushing major indices to record highs.
- US Consumer sentiment higher for November, Michigan survey highest in seven months.
- AI Convergence across Tech space – positive for Cloud, Social Media, Gaming, Future Cars & Cybersecurity.
- Tech gains broadening beyond Mega-Caps as Fed rate cuts likely – helps equal weight approach.
- Additional 2-3 Fed rate cuts expected between December-May, as inflation falling and unemployment rising.
- We expect Trump onshoring trend will boost robotics and tech spending in US.
- Big AI spending boosting Big Tech values & Cloud providers.
- Over \$2.6tn spending in AI expected within the decade, potentially boosting Cloud spending to \$2.3bn+ too.
- ITEK holdings still relatively cheap valuations, majority trading at PEs below 20X.
- Many ITEK holdings remain very undervalued versus Magnificent 7.
- Social Media boosted via gaming and video streaming to mobile (expected to double in 3yrs).

## Subtheme Returns – November

Contribution	Contribution (%)	Average Return (%)	Sum of Weight (%)
Blockchain	5.98%	42.04%	17.07%
Robotics & Automation	0.16%	0.98%	11.20%
Genomics	0.26%	2.28%	10.94%
Cyber Security	1.07%	9.72%	11.26%
Future Cars	-0.12%	-0.24%	10.77%
Digital Entertainment	0.87%	6.56%	11.97%
Cloud Computing	0.75%	6.17%	12.45%
Social Media	0.86%	5.16%	14.34%
<b>Total</b>	<b>9.83%</b>		

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

## Largest Contributors – November

HOLDINGS	Index Category	Contribution (%)	Return (%)	Average Weight (%)
<b>BITDEER TECHNOLOGIES GROUP</b>	Blockchain	0.79%	83.18%	1.25%
<b>HUT 8 CORP</b>	Blockchain	0.99%	80.10%	1.74%
<b>COINBASE GLOBAL INC -CLASS A</b>	Blockchain	0.51%	65.24%	1.17%
<b>MARATHON DIGITAL HOLDINGS INC</b>	Blockchain	0.51%	63.51%	1.01%
<b>IRIS ENERGY LTD</b>	Blockchain	0.44%	48.14%	1.04%
<b>GALAXY DIGITAL HOLDINGS LTD</b>	Blockchain	0.39%	41.57%	1.17%
<b>NATERA INC</b>	Genomics	0.32%	38.71%	0.96%
<b>TESLA INC</b>	Future Cars	0.36%	38.15%	1.13%
<b>RIOT PLATFORMS INC</b>	Blockchain	0.36%	36.90%	1.21%
<b>NORTHERN DATA AG</b>	Blockchain	0.26%	35.99%	0.88%
<b>CIPHER MINING INC</b>	Blockchain	0.40%	35.90%	1.39%
<b>CLEANSARK INC</b>	Blockchain	0.28%	35.25%	0.97%
<b>CORE SCIENTIFIC INC</b>	Blockchain	0.36%	34.54%	1.20%
<b>QUALYS INC</b>	Cyber Security	0.22%	28.82%	0.90%
<b>SPOTIFY TECHNOLOGY SA</b>	Digital Entertainment	0.21%	23.85%	0.98%
<b>DRAFTKINGS INC</b>	Digital Entertainment	0.19%	23.58%	0.91%
<b>DATADOG INC</b>	Cloud Computing	0.19%	21.77%	0.89%
<b>PELTON INTERACTIVE INC</b>	Social Media	0.32%	21.65%	1.40%
<b>SUMITOMO ELECTRIC INDUSTRIES LTD</b>	Future Cars	0.17%	21.13%	0.83%
<b>RIVIAN AUTOMOTIVE INC</b>	Future Cars	0.12%	21.09%	0.58%
<b>TERAWULF INC</b>	Blockchain	0.25%	21.01%	1.27%
<b>BIT DIGITAL INC</b>	Blockchain	0.20%	21.00%	1.00%
<b>FORTINET INC</b>	Cyber Security	0.17%	20.84%	0.90%
<b>REDDIT INC</b>	Social Media	0.29%	17.93%	1.68%
<b>NETFLIX INC</b>	Digital Entertainment	0.15%	17.30%	0.90%
<b>CYBERARK SOFTWARE</b>	Cyber Security	0.13%	16.99%	0.81%
<b>CROWDSTRIKE HOLDINGS INC</b>	Cyber Security	0.14%	16.54%	0.93%
<b>TAKE-TWO INTERACTIVE SOFTWARE INC</b>	Digital Entertainment	0.13%	16.49%	0.84%
<b>MARVELL TECHNOLOGY INC</b>	Robotics & Automation	0.13%	15.70%	0.90%
<b>LIFE360 INC-CDI</b>	Social Media	0.13%	15.16%	0.87%

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

## Equal Weight ETF Performance

### As of 30.11.2024

	1M	3M	6M	YTD	12M	3Y	SI
<b>HAN-GINS Tech Megatrends Equal Weight UCITS ETF</b>	<b>9.71%</b>	<b>15.70%</b>	<b>23.82%</b>	<b>20.88%</b>	<b>35.56%</b>	<b>-9.04%</b>	<b>95.66%</b>
<i>Solactive Innovative Technologies Index (NTR)</i>	9.83%	15.67%	23.99%	21.43%	36.27%	-8.21%	100.48%

**Please note that all performance figures are showing net data.** Source: Bloomberg / HANetf. Data as of 30/11/2024. 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	ITEP LN	ITEP.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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