

Turning point

In Germany, the term “turning point” is currently associated with future defense spending. But an incomparably deeper turning point is changing the entire world before our very eyes: the age of plenty is now being followed by the age of scarcity. The galloping inflation is the measurable effect. Whether affordable energy, affordable housing, building materials, intermediate products and much more, the unusual scarcity inevitably causes prices to rise. The fragility of the global economy suddenly becomes apparent and calls for solutions that go far beyond controlling interest rates or the money supply. The nervousness of investors remained high in May and was reflected in strong daily fluctuations on the stock markets. Despite all the imponderables, the respective key indices in local curren-

cies remained stable over the month: the S&P 500 was able to gain slightly at +0.18%, as did the Euro Stoxx 50 at +1.34%. Selling pressure on technology stocks slowed in May, but caused the Nasdaq to fall again, down -1.53%. The Asian markets, on the other hand, were able to post a recovery and rose by +1.72% in Japan (Nikkei 225) and +4.88% in China (CSI 300). The pressure on the bond side is continuing unabated for the time being, and price falls due to rising interest rates are continuing. In particular, the housing market, which is so important for the USA, is threatened with an interest rate-induced cooldown. The Fed is trying to calm things down with a more moderate choice of words but can only calm the market to a limited extent.



The **BlackPoint Evolution Fund** lost between -3.69% and -3.78% depending on the share class (-10.0% since fund launch on October 18, 2021). The loss contribution from the equity portfolio outweighed the other asset classes. While highly profitable companies like Pfizer, BMW, Illinois Tool Works, and Vodafone rallied in May, growth stocks had their ups and downs as stocks like CRISPR and Lemonade rallied, while Shopify and AirBnB came under pressure. Only a few titles in the bond portfolio were able to assert themselves positively, including Organon, EasyJet and Commerzbank, as well as government bonds from Colombia, the Dominican Republic and a short duration US government bond.

Our active risk management led to the sale of the Equifax share and the bank or bank and insurance ETFs from Europe and the USA in May. At the same time, we made an initial investment in Celsius Holdings and slightly increased our positions in Apple, Shopify and Target. On the bond side, investments were made in several US government bonds

with short maturities. The fund allocation is thus around 50% equities and 38% bonds (including ~8% short duration US government bonds as cash substitutes and ~2.6% CAT bonds). There are also ~2.2% gold, ~2.4% in commodities (ex-agriculture) and around 7% cash.

	BlackPoint Evolution Fund		Morningstar Peer Group**	
	Return*	Volatility	Return*	Volatility
1 month	--	--	--	--
3 months	--	--	--	--
6 months	--	--	--	--
1 year	--	--	--	--
since inception**	--	--	--	--

* The MIFID legislation prohibits the disclosure of performance data for funds with a track record of less than 12 months.

** Morningstar EAA EUR moderate allocation - global

*** 10/18/2021