

Monthly Gold Miners Market Report

November 2022

HANETF & AuAg Funds

AuAg ESG Gold Mining UCITS ETF

ESGO

60bps

IE00BNTVVR89

Product Inception Date: 02/07/2021

For Professional Clients Only. Capital at risk.

All data as of 31/10/22

This report was written by, and is the opinion of, the ESGO creators - AuAg Funds.

Highlights from last month

During the month, some of the world's largest and most influential companies released their Q3 reports. The noteworthy thing was that the mega caps: Amazon, Alphabet (Google), Microsoft, and Tesla all fell by -7 to -9% on the day of the report. Meta (Facebook) was the biggest disappointment, wiping out a quarter of its market value. The only company that managed to live up to expectations was the world's largest company, Apple.

Such large price movements in world-leading companies have given the market a new dimension of uncertainty. The gains in previous years in these companies have resulted in their share of various indexes becoming very high, and thus resulting in a concentration risk.

Macro Outlook

Interest rates continue to rise, and central banks around the world will not stop raising until something breaks down. It will be interesting to see if it is inflation or the system's financial stability that gives way first. Since we believe that inflation is rather due to de-globalization and increased money supply than increased consumption by consumers, the risk is high that the interest rate weapon will not work as hoped. We see it as likely with an interest rate reversal from the central banks (pivot) as well as more quantitative easing (QE). This as the sharply increasing costs for all dollar debts around the world are gradually pulling the system into a new financial crash.

The physical shortage of gold and silver is becoming increasingly noticeable. Current stock levels show that the volumes available to handle normal daily turnover will soon be completely exhausted.¹ The current positioning between the big banks (commercials) and speculators (non-commercials) is also ultra-bullish.² A dollar topping out and a market expecting an upcoming pivot from the central banks are also pieces of the puzzle in the bigger price rise that we see ahead.

¹ <https://www.lbma.org.uk/prices-and-data/london-vault-holdings-data>

² <https://www.cftc.gov/dea/options/deacmxlof.htm>

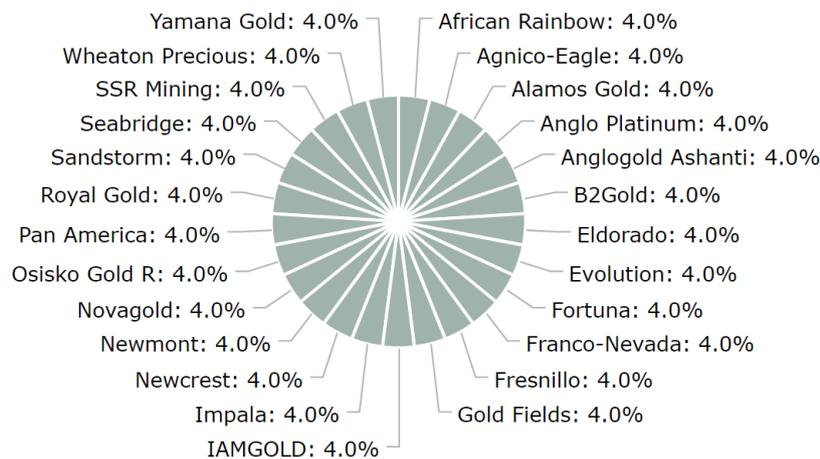
Gold Mining Performance Table

As of 31.10.22

	1M	3M	6M	YTD	12M	SI
AuAg ESG Gold Mining UCITS ETF (ESGO)	1.95%	-7.85%	-29.30%	-28.06%	-25.87%	-30.79%
<i>Solactive AuAg ESG Gold Mining Index</i>	2.09%	-7.73%	-29.09%	-27.78%	-25.51%	-30.39%

Please note that all performance figures are showing net data. Source: Bloomberg / HANetf. Data as of 31/10/2022. Performance before inception is based on back-tested data. Backtesting is the process of evaluating an investment strategy by applying it to historical data to simulate what the performance of such a 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 your capital is at risk.

Composition / Holdings



Portfolio Holdings Target Weight Allocation. Live percentage may differ due to holdings change of value/cash flows.

In the ordinary rebalance the above composition will be implemented over a period starting on 30.09.2022 cob and ending on 05.10.2022 cob. The new composition will be fully reflected in the index with opening on 06.10.2022.

Sustainability key statistics, Sustainalytics ESG Risk scores for the sector universe (market) range between 8 up to 65

AuAg Gold Mining ETF - Average: 24,18 (24,37) (25,31) (25,39) (26,48) (26,59)

AuAg Gold Mining ETF - Worst: 30,98 (31,01) (32,28) (32,28) (33,97) (34,48)

Morningstar sustainability rating: (5 globes), MSCI sustainability rating: AAA (triple A)

MSCI peer and global rank: 100th percentile within the peer group, 100th percentile within the global universe (34,000 funds)

Index key statistics, 2015-03-27 -- 2022-06-06, Total Return USD, Solactive AuAg ESG Gold Mining Index NTR: 112,63%, NYSE Arca Gold Miners Index NTR: 85,03%, S&P Commodity Producers Gold NTR Index: 88,72%

Source of all data: AuAg Funds / Bloomberg / Sustainalytics / Solactive. Data as of 31.10.2022

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.

Weighting & Rebalancing

On each selection day, each index component is assigned an equal weight. The index is rebalanced quarterly with a four-day Asian rebalancing.

SFDR & ESG Risk Rating Methodology

The ETF is classified as Article 8 under the Sustainable Finance Disclosure Regulation (SFDR). The ESG Risk data is provided by Sustainalytics and is active, external, and independent.

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

The ESG Risk Ratings measure the degree to which a company's economic value is at risk driven by ESG factors or, more technically speaking, the magnitude of a company's unmanaged ESG risks. To calculate the ESG risk rating of each company, the Data Provider considers the corporate governance and material ESG issues.

Corporate governance is a foundational element in the ESG Risk Ratings and reflects our conviction that poor Corporate Governance poses material risks for companies. Corporate governance is based on six pillars and 15 indicator weights. Material ESG Issues (MEIs) contribute to the ESG risk rating. A company can have up to ten pre-selected, industry-specific MEIs plus any additional company-specific issues.

AuAg Funds

AuAg Funds is a boutique brand specialising in creating investor-friendly financial solutions with a strong focus on precious metals & green-tech elements. AuAg Funds also manage two daily traded UCITS funds, *AuAg Silver Bullet* and *AuAg Precious Green*. More information on www.auagfunds.com.

The authors of this report are Eric and Christopher. Feel free to reach out to us if you have any questions about the fund. Please visit the fund homepage [AuAg ESG Gold Mining UCITS ETF](#) or [AuAg Funds](#).



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Trade ESGO

Exchange	Ticker	RIC	SEDOL	ISIN	Valoren	WKN	CCY	Listing Date
LSE	ESGO LN	ESGO.L	BMTR0P0	IE00BNTVVR89	-	-	USD	07/07/2021
BMV	ESGON MF		BMZQG97	IE00BNTVVR89			USD	15/03/2022
LSE	ESGP LN	HAESGPL	BMTR0V6	IE00BNTVVR89	-	-	GBP	07/07/2021
Borsa Italiana	ESGO IM	ESGO.MI	BL6KDG7	IE00BNTVVR89	-	-	EUR	21/07/2021
Xetra	ZSG0 GY	ZSG0.DE	BL6KDH8	IE00BNTVVR89	-	A3CPAP	EUR	15/07/2021
SIX	ESGO SW	ESGO.S	BMX8D72	IE00BNTVVR89	111372653	-	CHF	01/03/2022
Euronext Paris	ESGO FP	HAESGP.PA	BPG9NB7	IE00BNTVVR89	-	-	EUR	09/12/2021

Important Information

Communications issued in the UK (ETFs and ETCs)

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Communications issued in the European Economic Area (“EEA”) relating to ETFs

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Communications issued in the EEA relating to ETCs

The content in this document is issued by the relevant Issuer.

The Issuers

1. HANetf ICAV, an open-ended Irish collective asset management vehicle issuing under the terms in the Prospectus and relevant Supplement for the ETF approved by the Central Bank of Ireland (“CBI”) (“ETF Prospectus”) is the issuer of the ETFs. Investors should read the current version of the ETF Prospectus before investing and should refer to the section of the ETF Prospectus entitled ‘Risk Factors’ for further details of risks associated with an investment in the ETFs. Any decision to invest should be based on the information contained in the ETF Prospectus.
2. HANetf ETC Securities plc, a public limited company incorporated in Ireland, issuing:
 - i. the precious metals ETCs under the terms in the base prospectus approved by both the Central Bank of Ireland (“CBI”), the UK Financial Conduct Authority (“FCA”) and the final terms of the precious metals (together, “Metals ETC Prospectuses”);
 - 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”).

Investors should read the latest versions of the relevant ETC prospectus before investing and should refer to the section of the relevant ETC prospectus entitled ‘Risk Factors’ for further details of risks associated with an investment in the ETCs. Any decision to invest should be based on the information contained in the relevant ETC prospectus.
3. ETC Issuance GmbH, a limited liability company incorporated under the laws of the Federal Republic of Germany, issuing under the terms in the Base Prospectus approved by the Bundesanstalt für Finanzdienstleistungsaufsicht (“BaFin”) and the final terms (“Cryptocurrency Prospectus”) is the issuer of the ETC Group ETCs. Investors should read the latest version of the Cryptocurrency Prospectus before investing and should refer to the section of the Cryptocurrency Prospectus entitled ‘Risk Factors’ for further details of risks associated with an investment in the ETCs contained in the Cryptocurrency Prospectus. Any decision to invest should be based on the information contained in the Cryptocurrency Prospectus.

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.

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class and currency, liquidity, operational, legal and regulatory risks. In addition, in relation to Cryptocurrency ETCs, these are highly volatile digital assets and performance is unpredictable.

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