

# Monthly Gold Miners Market Report

February 2023

## 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 31/01/2023

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

## Macro Outlook

Last time, we wrote about new upward momentum in the stock market, which became a reality at the beginning of 2023. We see a very high stock market optimism in a macro environment with many concerns.

A risk that many seem to ignore completely is the uncontrolled escalation of the war in Ukraine. In recent months, a concerning development in the use of various weapons systems has increased. This has, in turn, increased the risk of further escalation drastically.

In an environment of sharply rising interest rates, we see large profitable companies trying to protect their margins, e.g. through layoffs. At the same time, hyped tech companies with no profits are now struggling with increased debt costs, which can result in many bankruptcies and further job losses. Governments simultaneously report a substantial net increase in new jobs, which is a bit difficult to understand.

Today, the market is simply no longer controlled by the creation of growth but rather entirely by reactions to various "job reports" and central banks' communications. Since the financial crisis in 2008, the central banks have created many new "financial buzz-words", such as "Quantitative Easing", "Forward guidance", "Negative rates", "Whatever it takes", "Transitory", and most recently "Soft landing".

At the beginning of 2022, we still needed zero interest rates to keep the financial system under control, and soon we will have a 5 percent interest rate level, and everything seems to be working just as well. The central banks' vision of a "soft landing" may work, but only if the financial system continues to work well. The question is whether the stock market's current development relies too much on this. The reality of high-interest rates in combination with an enormous amount of global debt is that we can end up in a severe recession. Alternatively, it will first result in new stimuli with "Quantitative Easing" and lower interest rates to lift the financial system with rising asset prices (shares/commodities). We believe in the latter, i.e. new stimuli, something we wrote about in our last monthly newsletter. However, this does not solve the real problem but only makes it worse and pushes it forward a bit in time.

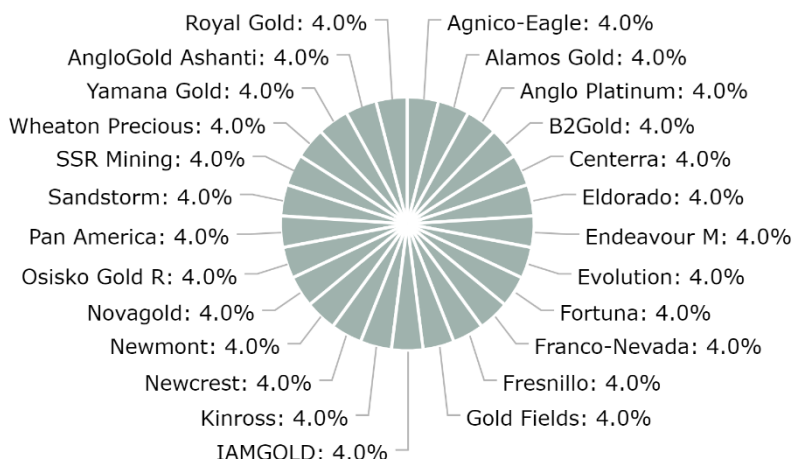
**Gold Mining Performance Table**

As of 31.01.2023

	1M	3M	6M	YTD	12M	SI
<b>AuAg ESG Gold Mining UCITS ETF (ESGO)</b>	8.44%	36.24%	25.54%	8.44%	5.77%	-5.70%
<i>Solactive AuAg ESG Gold Mining Index</i>	8.65%	36.65%	26.09%	8.65%	6.43%	-4.88%

Please note that all performance figures are showing net data. Source: Bloomberg / HANetf. Data as of 31/01/2023  
 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 (Target weight for ordinary rebalancing)**



**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 03.01.2023 cob and ending on 06.01.2023 cob. The new composition will be fully reflected in the index with opening on 09.01.2023.

**Sustainability key statistics:**

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

**Index key statistics, 2015-03-27 -- 2021-07-06, Total Return USD:**

Solactive AuAg ESG Gold Mining Index NTR: 159,55%  
 NYSE Arca Gold Miners Index NTR: 116,24%  
 S&P Commodity Producers Gold NTR Index: 129,87%

For more information on ESG-Data and Peers comparison, please read "[Fundsheets - Extended](#)"

Source of all data: AuAg Funds / Bloomberg / Sustainalytics / Solactive. Data as of 31.01.2023

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](http://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](#).



**Eric Strand**

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**COO**

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**Christopher Svensson**

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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](http://www.hanetf.com).

This communication has been prepared for professional investors, but the ETCs and ETFs set out in this communication (“Products”) may be available in some jurisdictions to any investors. Please check with your broker or intermediary that the relevant Product is available in your jurisdiction and suitable for your investment profile.

Past performance is not a reliable indicator of future performance. The price of the Products may vary and they do not offer a fixed income.

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