



Monthly Healthcare Innovation Market Report

June 2020

HANetf & GinsGlobal

HAN-GINS Indxx Healthcare Innovation UCITS ETF

WELL

59bps

IE00BJQTJ848

Fund Inception Date: 04/04/2019

For Professional Clients Only. Capital at risk.

Key Takeaways

- Biological Engineering (Biotech) has boosted WELL's performance - in the fight to combat COVID-19.
- Many WELL holdings are at the forefront of vaccine research, supplying PPE materials and producing ventilators.
- Innovative healthcare firms are benefiting from immediate healthcare changes (wearables, telemedicine, devices etc.)

Healthcare Innovation ETF (returns)

May	YTD*	12 Month
9.38%	6.06%	25.28%

Past performance is no guarantee of future performance.

Source: Bloomberg/HANetf

*YTD figures based on 01.01.20 - 31.05.20

Performance Review

Monthly Performance of Fund/Sector

HAN-GINS Indxx Healthcare Innovation UCITS ETF (WELL) recorded another excellent month of performance – gaining 9.4% for May, after posting a 12% return in April.

For the year 2020 it is up 6.06%, while over the past 12 months it has returned 25.3%. During May the leading subtheme contributors to the gains have been in Biological Engineering, Medical Devices, Neuroscience, Robotics and Genome Sequencing. (See Table) Medical Devices in particular had a very good May recovering almost all prior year losses.

For the 2020 year, Biological Engineering with its Biotech focus has dominated the subtheme performance, followed by Genome Sequencing, Neuroscience and Healthcare Trackers.

It is clear increased demand for remote healthcare (Telemedicine, Robotics, Wearables) and biotech/gene therapies - has played a key role in WELL's stock portfolio gains.

During May WELL's positive performance led it to significantly outperforming the MSCI World Health industry benchmark (see below). Leading contributors were Regeneron (16.5% gain), Dexcom (12.9%), West Pharma (14.2%), BioMarin (15.8%), Quidel (25.9%), Illumina (13.8%) and Livongo Health (49.8%).

During 2020, many of these same holdings have been the largest underlying contributors to performance. For the year to date period, WELL's leading contributors were as follows:

Regeneron (64.1%), DexCom (72.5%), West Pharma (42.4%), Quidel Corp (134.0%), Livongo Health (137.6%), Seegene (253.7%) and bioMerieux SA (60.1%).

Sub-theme Performance

	YTD	May
Biological Engineering	5.35%	2.92%
Healthcare Tracker	0.39%	0.13%
Neuroscience	0.57%	0.56%
Nanotechnology	0.00%	0.00%
Bioinformatics	-0.03%	0.00%
Genome Sequencing	0.58%	0.70%
Robotics	-0.13%	0.62%
Medical Devices	-0.50%	4.04%

YTD Performance

6.1%

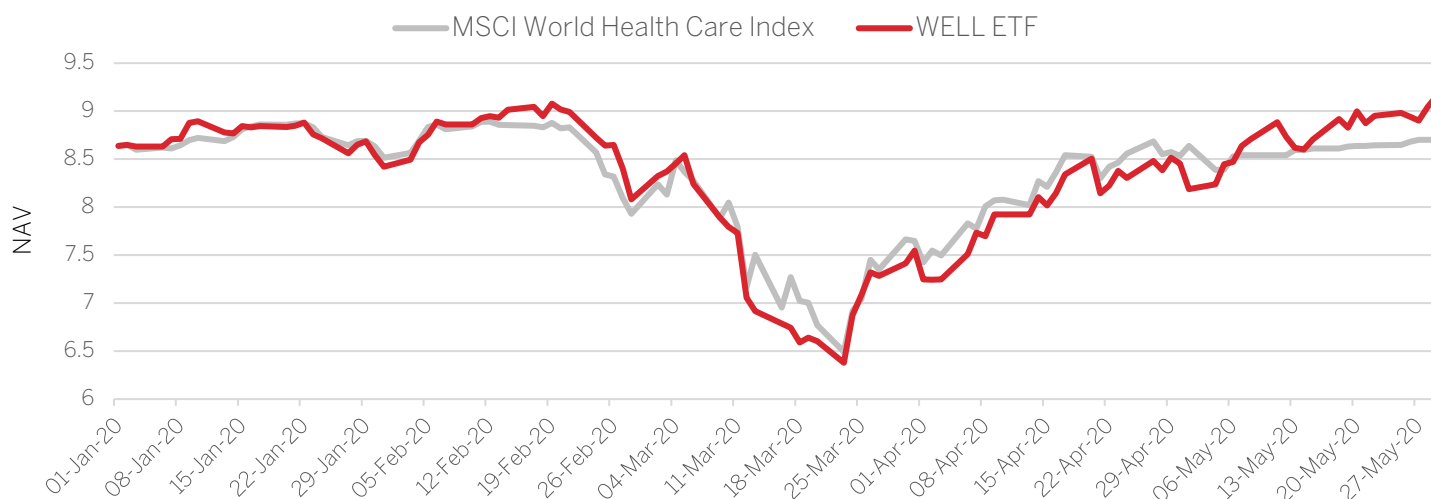
May Performance

9.4%

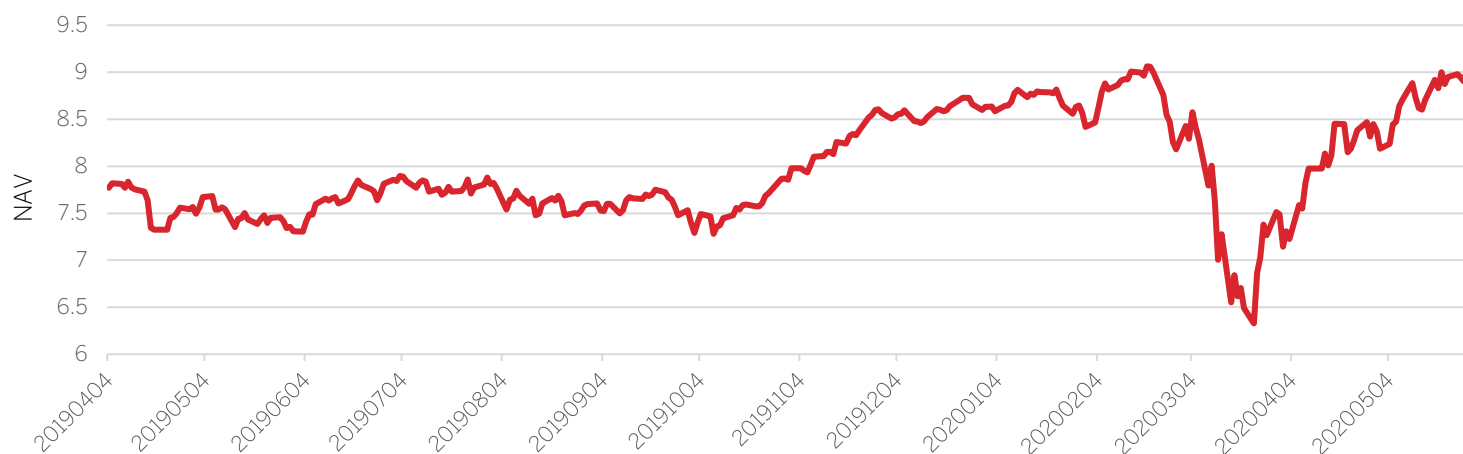
Past performance is no guarantee of future performance

Source: INDXX. Data as of 29/05/20

WELL vs MSCI World Health Index YTD (01.01.20 - 30.05.20)



HAN-GINS Indxx Healthcare Innovation UCITS ETF 2020 Performance – YTD (04.04.19 - 29.05.20)



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. Source: INDXX. Data as of 29/05/20

Constituent News

Currently WELL has 103 constituents, with the US country weighting dominating at 84%. There exist eight underlying subthemes, led by Medical Devices (55%), Biological Engineering (27%) and Neuroscience (8%). This is followed by Healthcare Trackers, Gene sequencing and Robotics.

Continued adoption of WELL products in the fight against the novel Coronavirus, has helped ensure good performance. The pandemic has exposed many flaws in the US healthcare system. It highlights the benefits of streamlined regulation and innovation in areas such as telemedicine and digital health technologies.

Tech companies will play a bigger role in meeting the need for greater transparency of data and individual electronic health records. Trends to watch include accelerated development of the Individual Patient Record, as health-care companies build data registries. Also the use of wearables and other consumer-facing technology may increase post-pandemic, integrating data from these devices with individual medical records. WELL is positioned to benefit from these trends. Not surprisingly it's now up 25.3% over the past 12 months.

Positive Impact on WELL:

Telehealth / Virtual care – Companies providing virtual services are becoming the standard of care in this environment as providers are limiting in-person visits to acute, emergent cases.

Home health – Companies providing in-home care have seen volume increase as self-quarantine becomes more pervasive across the country and the globe.

Medical device and product manufacturers – supply constraints are providing a boon to medical device and product manufacturers, particularly those focused on ppe & devices related to the pandemic (e.g., gloves, masks, respirators).

Prior to COVID - usage of telehealth services was estimated to be in the single digits in the US - largely in the areas of mental health. But according to a survey from IMS Health (US healthcare data provider) - telehealth services used by clinicians surged past 50% in April.

Source: <https://www.morganstanley.com/ideas/coronavirus-us-healthcare-trends>

- US Government Medicare insurance (reimbursement) rules have already broadened to include various telehealth services. This ensures Medicare insurance will pay for virtual care now. Post-COVID, analysts expect hospitals to shift a larger volume of patient care to telehealth.

Latest trends show that main telehealth diagnoses include - diabetes, hypertension and cholesterol. Longer term, the shift will drive lower medical costs, benefitting payors and plan sponsors. The US already spends more than twice on healthcare per capita - than the average OECD country.

Source: <https://www.morganstanley.com/ideas/coronavirus-us-healthcare-trends>

- Digital health technologies could see accelerated adoption. Digital pharmacies could deliver opportunities for investors, and major e-commerce companies will likely speed up entry into the health-care marketplace.

In summary, key future Healthcare changes we see include:

- An explosion of telehealth visits.
- Remote inpatient consults and family visits.
- Online scheduling and the automation of patient triage.
- Artificial intelligence to allocate resources and make clinical decisions.
- Supporting remote work and communication for team members.
- Mobilizing teams to create PPE (equipment).
- Ensuring connectivity at remote COVID-19 testing sites and expanding capacity.

An example of such change is New York – it has finally put all area hospitals into a single statewide system, enabling the sharing of patient data, equipment and supplies, as well as doctors. Digital platforms that leverage the IoT and enable orchestration between machines and humans will make care more efficient. These will be expectations and not nice-to-haves going forward.

In the future, healthcare consumers will expect their pharmacies and home assistants such as Alexa to integrate with their health records and trigger actions.

Our largest holding Regeneron has identified hundreds of virus-neutralizing antibodies; plans to initiate large-scale manufacturing with antibody cocktail therapy. This biotech leader is at the forefront of the race to find a vaccine for COVID-19.

Top 20 May Performance Contributors (Holdings) – ranking by % contribution

Company Name	Sub-Themes	Price Performance		Contribution to Return	
		YTD	May	YTD	May
Regeneron Pharmaceuticals, Inc.	Biological Engineering	64.14%	16.53%	2.72%	0.70%
DexCom, Inc.	Medical Devices	72.45%	12.86%	1.96%	0.35%
West Pharmaceutical Services, Inc.	Biological Engineering	42.38%	14.15%	0.64%	0.21%
BioMarin Pharmaceutical Inc.	Biological Engineering	26.78%	15.79%	0.56%	0.33%
Quidel Corporation	Biological Engineering	133.96%	25.90%	0.49%	0.09%
Illumina, Inc.	Genome Sequencing	11.02%	13.80%	0.41%	0.52%
Livongo Health, Inc.	Healthcare Tracker	137.63%	49.79%	0.40%	0.15%
Bio-Rad Laboratories, Inc. Class A	Medical Devices	32.02%	11.64%	0.35%	0.13%
ABIOMED, Inc.	Medical Devices	32.63%	17.07%	0.34%	0.18%
Fisher & Paykel Healthcare Corporation	Medical Devices	24.95%	10.24%	0.30%	0.12%
QIAGEN NV	Biological Engineering	29.06%	5.04%	0.29%	0.05%
bioMerieux SA	Biological Engineering	60.13%	15.62%	0.29%	0.08%
Alnylam Pharmaceuticals, Inc	Biological Engineering	17.00%	2.71%	0.29%	0.05%
Olympus Corp.	Medical Devices	11.55%	7.58%	0.27%	0.18%
Systemx Corporation	Biological Engineering	16.36%	14.78%	0.24%	0.21%
Sarepta Therapeutics, Inc.	Biological Engineering	17.96%	29.17%	0.23%	0.37%
Biogen Inc.	Neuroscience	4.37%	3.46%	0.22%	0.17%
Neurocrine Biosciences, Inc.	Neuroscience	15.20%	27.12%	0.20%	0.36%
Shandong Weigao Group Medical	Medical Devices	48.76%	14.71%	0.19%	0.06%
ACADIA Pharmaceuticals Inc.	Neuroscience	20.85%	2.84%	0.18%	0.02%
STERIS Plc	Medical Devices	9.35%	16.41%	0.16%	0.29%
Seegene, Inc.	Genome Sequencing	253.72%	23.53%	0.16%	0.02%

Region Breakdown

Sector Breakdown

Country Breakdown	Weights	Sub-theme	Weight
United States	83.88%	Medical Devices	54.88%
Japan	5.60%	Biological Engineering	26.91%
Switzerland	2.62%	Neuroscience	7.51%
United Kingdom	2.26%	Genome Sequencing	5.26%
New Zealand	1.38%	Robotics	4.21%
Australia	0.96%	Healthcare Tracker	1.07%
Hong Kong	0.77%	Bioinformatics	0.11%
France	0.73%	Nanotechnology	0.04%
Sweden	0.55%		
Denmark	0.35%		
Italy	0.39%		
India	0.27%		
South Korea	0.24%		
Dividend Yield	0.35%		

Top 10 Holdings	Country	Industry	Weights
Regeneron Pharmaceuticals, Inc.	United States	Biotechnology	6.50%
Biogen Inc.	United States	Biotechnology	4.92%
Edwards Lifesciences Corporation	United States	Medical Specialties	4.45%
DexCom, Inc.	United States	Medical Specialties	4.39%
Intuitive Surgical, Inc.	United States	Medical Specialties	4.21%
Illumina, Inc.	United States	Biotechnology	3.84%
Medtronic Plc	United States	Medical Specialties	3.80%
Agilent Technologies, Inc.	United States	Biotechnology	3.60%
Boston Scientific Corporation	United States	Medical Specialties	3.49%
Zimmer Biomet Holdings, Inc.	United States	Medical Specialties	3.36%

Source of all data: FactSet, Indxx Data as of 29/05/20

Fund Details

HAN-GINS Indxx Healthcare Innovation UCITS ETF (WELL) is a UCITS compliant Exchange Traded Fund domiciled in Ireland.

WELL tracks the Indxx Advanced Life Sciences & Smart Healthcare Thematic Index (Net Total Return), an index designed to measure the performance of large, mid and small-capitalisation companies primarily listed on an exchange in Developed and Emerging Markets that are involved in the Advanced Life Sciences & Smart Healthcare sector.

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

- [WELL Factsheet](#)
- [WELL Video](#)
- [WELL Whitepaper](#)
- [WELL Fund Page](#)

EXCHANGE	BB CODE	RIC	ISIN	CURRENCY	INCOME
London Stock Exchange	WELL LN	HAWELL.L	IE00BJQTJ848	USD	Acc
London Stock Exchange	WELP LN	WELP.L	IE00BJQTJ848	GBP	Acc
Borsa Italiana	WELL IM	WELL.MI	IE00BJQTJ848	EUR	Acc
XETRA	W311 GY	W311.DE	DE00A2PE7K4	EUR	Acc
SIX	WELL SW	WELL.S	IE00BJQTJ848	CHF	Acc

Webinars

Please see our upcoming WELL webinar on July 2nd

Please register at www.hanetf.com/webinars

WELL Fund News

Next Rebalance

The next re-balance will take place on 30th June 2020

WELL was listed on **SIX Swiss Exchange** on 2nd June 2020

WELL passported in **Austria** on 28th April

Press

Recent Press Releases

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- [Austria Passporting](#)

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HANetf is an independent ETF specialist working with third-party asset managers to bring differentiated, modern and innovative ETF exposures to European investors via unique white-label ETF/ETC platform.

Founded by two of Europe's leading ETF entrepreneurs, Hector McNeil and Nik Bienkowski, HANetf provides a complete operational, regulatory, distribution and marketing solution for asset managers who want to successfully launch and manage UCITS ETFs.

HANetf's full products list includes:

Product Name	Ticker	ISIN	Sedol
<u>Emerging Markets Internet & Ecommerce UCITS ETF</u>	<u>EMQQ</u>	IE00BFYN8Y92	BYVJ906
<u>HAN-GINS Innovative Technologies UCITS ETF</u>	<u>ITEK</u>	IE00BDDRF700	BYVJ8Y3
<u>HAN-GINS Cloud Technologies UCITS ETF</u>	<u>SKYY</u>	IE00BDDRF924	BYVJ8T8
<u>FTSE Kuwait Equity UCITS ETF</u>	<u>KUW8</u>	IE00BGPBV544	BGY9KV5
<u>HAN-GINS Indxx Healthcare Innovation UCITS ETF</u>	<u>WELL</u>	IE00BJQTJ848	BJVBGL7
<u>The Medical Cannabis & Wellness UCITS ETF</u>	<u>CBDX</u>	IE00BG5J1M21	BGSXSL9
<u>The Royal Mint Physical Gold ETC</u>	<u>RMAU</u>	XS2115336336	BKT7175

For further information, please visit www.hanetf.com.



Anthony Ginsberg, GinsGlobal

Anthony Ginsberg is the co-creator of The HAN-GINS Cloud Technology UCITS ETF (SKYY), enabling investors to gain exposure to the top 50 cloud companies across Developed and Emerging markets. SKYY tracks a rules-based index that uses artificial intelligence to identify and select companies involved in the field of cloud computing.

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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