
ST. PETRI CAPITAL

QUARTERLY REPORT
Q2 2021

Comments

St. Petri Capital is a long-short thematic hedge fund. The investment process focuses on structural changes and their implications for companies' cash flows. The fund uses operational investment themes to identify disrupters (long) and disrupted companies (short). The investment process is unchanged since the mid-1990s.

During Q2, the fund delivered a negative return of -2,94%¹. The fund made a positive contribution of 2,65% on the long side and lost 5,01%² on short positions.

The fund has had an average net-long exposure of 29.9%. The main positive theme contributions came from Financial Disintermediation (+1.26%) where the fund maintained a net-long exposure of 6.76% on average, as well as Personal Healthcare theme (+0.66%) with an average net-long exposure of 3.46%. Main negative contributors came from hedges within Low Volatility Exuberance (highly valued stocks, expected to be negatively correlated with increasing interest rates) where the fund lost 1.79%. The main reason for that is (against our expectations) significantly falling interest rates (approx. 30 bps) despite increasing inflation pressure. Furthermore, one of our core positions within AI, Sensyne Health, fell nearly 20% with no news, why the theme contributed negatively with -1.59%.

Statistical summary

Return & Risk Statistics

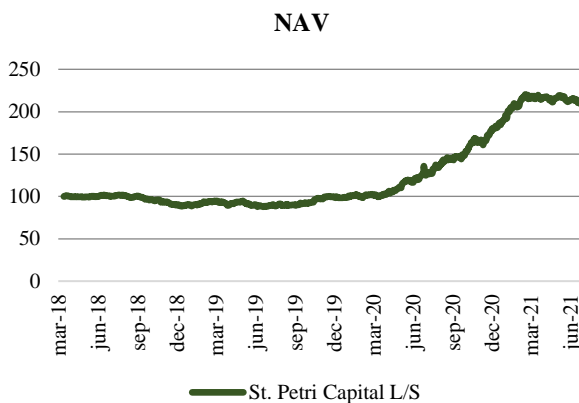
Return	ST. PETRI L/S ⁴	INDEX ⁵
July	-2.94	6.13
YTD	5.28	14.99
LTM	52.52	28.74
Since inception	106.28	31.08
Avg. Yearly Ret. (Since inc.)	26.81	14.85
Risk		
Standard Deviation (Annualized)	8.36	11.03
VaR 95%	1.21	1.41
Maximum drawdown (S.I)	12.83	
Max. drawdown length (Days)	5	
Risk/Return		
Sharpe ratio (Q2)	-0.92	2.51
Sharpe ratio (since inception)	7.64	0.60
Correlation w. Index (Q2)	0.58	
Correlation w. Index (S.I)	0.25	
Fund in numbers		
AUM	320 DKKm	
Average # of positions	58	
Net long (Q2)	29.90	
Largest sector exposure (long)	Materials (27.88%)	
Largest sector exposure (short)	Real Estate (11.29%)	

Thematic Exposure⁶

Long position	Weight (%)
Inflation Wave	17.16
Sustainability Wave	14.00
Green Energy Wave	12.14
Short position	
Distribution to Decline	-4.06
Digital Platform Dominance	-4.92
Low Volatility Exuberance	-25.53

Thematic Contribution⁷

Top contributor	Return (%)
Financial Disintermediation	1.26
Personal Health Care	0.66
Inflation Wave	0.56
Bottom contributor	
Digital Platform Dominance	-1.30
Artificial Intelligence	-1.59
Low Volatility Exuberance	-1.79



¹ Net of all costs.

² Gross of all costs.

³ Short and long positions of 59.30% and 89.17%, respectively.

⁴ Returns net of all costs.

⁵ Index is Bloomberg European 500.

⁶ Top three net exposures as per 30 June 2021

⁷ Gross top and bottom contributors as per 30 June 2021