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ST. PETRI CAPITAL

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MONTHLY REPORT

*March 2023*

**Comments**

During March, the fund delivered a negative return of -0.25%<sup>1</sup>. There was a negative contribution of -2.03%-points<sup>2</sup> from long positions, a positive contribution of 2.57%-points<sup>2</sup> from short positions and cash had a negative contribution of -0.45%-points.

March was one of the most volatile months we have experienced in a while. The mini-banking crisis sparked by the collapse of SVB and fears of a more widespread banking crisis rippled through markets and created strong sell-offs in certain industries. However, markets recovered almost as quickly, when investor sentiment was steadied by an unwavering central bank and a clear message from US and EU authorities that they were not going to allow a widespread banking crisis.

*The Sustainability wave* theme (SW) underperformed contributing with -1.19%-points. Performance was driven by a selloff in small cap cyclical stocks, hurting our positions within critical metal recycling and paper. We however do not expect these stocks to follow their typical cyclical nature as their earnings growth will be driven by strong underlying trends, from the green transition and increasing sustainability awareness. *Financial Disintermediation* theme also underperformed with -1.07%-points, where our positions within the financial sector suffered from the wider sell-off from the aftermath of the SVB collapse.

*Low Volatility Exuberance* (LVE) was the best performing theme in March contributing 2.62%-points. Performance was driven by our short positions within Swedish real estate and construction, which has been one of our core short-themes for the past year.

**Statistical Summary**

**Return & Risk Statistics**

Return/Risk	ST. PETRI L/S <sup>4</sup>	INDEX <sup>5</sup>
Return (March)	-0.25	-0.08
YTD	-2.48	8.61
Since inception	93.87	40.07
Avg. Yearly Return (since inc.)	13.53	6.67
Standard Deviation (LTM)	11.13	16.09
VaR 95% (March)	1.30	
Correlation w. Index (since inc.)	0.21	

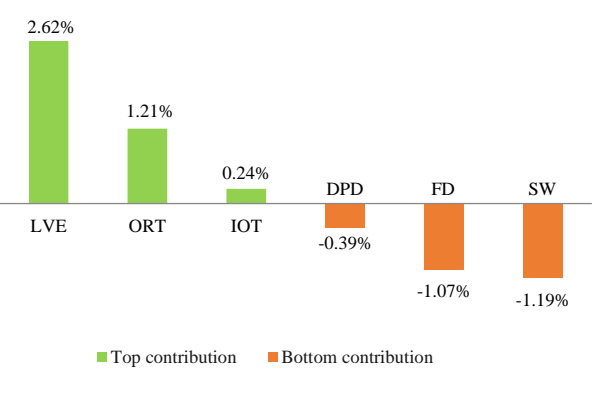
**Thematic Exposure<sup>6</sup>**

Long position	weight, %
Green Energy Wave	22.42
Sustainability Wave	21.56
Internet of Things	5.90
Short position	
Low Volatility Exuberance	-28.48
Real Income Destruction	-8.96
Digital Platform Dominance	-5.16

**Fund in numbers**

AUM	310 DKKm
Average # of positions	51
	<i>Short (#)</i> 22
	<i>Long (#)</i> 29
Net long (March)	17.18
Largest sector exposure (long)	Materials (21.16)
Largest sector exposure (short)	Real Estate (-18.62)

**Thematic Contribution<sup>7</sup>**



<sup>1</sup> Net of all costs

<sup>2</sup> Gross of all costs

<sup>3</sup> Short and long positions of 56.04% and 73.22%, respectively

<sup>4</sup> Returns net of all costs

<sup>5</sup> MSCI Europe NDR

<sup>6</sup> Top three net exposures as per 31 March 2023

<sup>7</sup> Gross top and bottom contributors as per 31 March 2023

- LVE: Low Volatility Exuberance
- ORT: Online Retail Transition
- IOT: Internet of Things
- DPD: Digital Platform Dominance
- FD: Financial Disintermediation
- SW: Sustainability Wave