

### Investment Objective and Policies

The Fund aims to achieve long-term capital growth by investing in a diversified portfolio of collective investment schemes. The Investment Manager ("We") will invest in collective investment schemes ("CIS") (including UCITS, exchange-traded funds and other collective investment undertakings) that invest in a broad range of assets, including debt and equity securities. In instances, this may involve investing in CISs that are managed by the Investment Manager. The Investment Manager ("We") aims to build a diversified portfolio spread across several industries and sectors. The Fund is actively managed, not managed by reference to any index.

Minimum Initial Investment €5,000

### Sustainability

The Fund is classified under Article 6 of the SFDR meaning that the investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

### Fund Details

ISIN MT7000030672  
 Bloomberg Ticker CCGSCA MV

### Charges

Entry Charge Up to 2.5%  
 Exit Charge None  
 Total Expense Ratio 2.75%  
 Currency fluctuations may increase/decrease costs.

### Risk and Reward Profile

This section should be read in conjunction with the KIID

Lower Risk Higher Risk  
 Potentially lower reward Potentially higher reward



### Portfolio Statistics

Total Net Assets (in €mns) 4.97  
 Month end NAV in EUR 100.31  
 Number of Holdings 15  
 % of Top 10 Holdings 71.0

### Currency Allocation %

EUR	94.30
USD	5.70
GBP	0.00

### Asset Allocation %

Fund	89.50
Cash	10.50
ETF	0.00

### Asset Class %

Fixed Income	16.20
Equity	73.30

### Geographic Allocation %

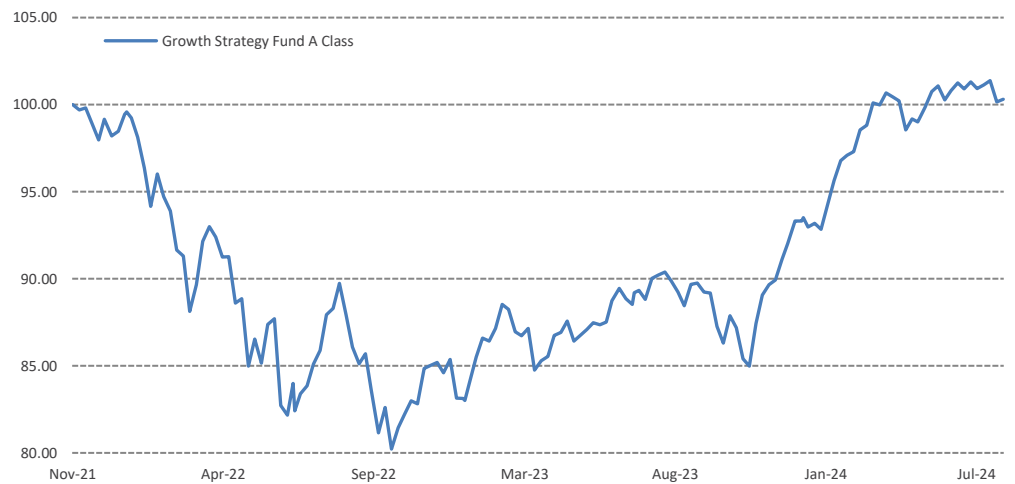
European Region	32.60
U.S.	22.30
International	21.30
Global	13.40

### Top Holdings

	SRI	%
Invesco Pan European Equity Fund	6	8.7
CC Funds SICAV plc - High Income Bond Fund	4	8.7
Morgan Stanley Investment Fund	6	8.7
Comgest Growth plc - Europe Opportunities	6	8.0
Fundsmith SICAV - Equity Fund	5	7.6
UBS (Lux) Bond Fund - Euro High Yield	4	6.5
FTGF ClearBridge US Large Cap Growth Fund	6	6.1
Robeco BP US Large Cap Equities	5	5.7
UBS Lux Equity Fund - European Shares	6	5.6
Vontobel Fund - US Equity Shares	6	5.4

### Historical Performance to Date \*

Unit Price (EUR)



Source: Calamatta Cuschieri Investment Management Ltd.

### Performance History

Past performance does not predict future returns

Calendar Year Performance	YTD	2023	2022	2021	2019
Share Class A - Total Return**	7.28	12.62	-16.64	-0.41	N/A
Total Return	1-month	3-month	6-month	9-month	12-month
Share Class A - Total Return**	-0.98	1.31	4.89	17.46	11.18

\* The Accumulator Share Class (Class A) was launched on 3 November 2021

\*\* Returns quoted net of TER. Entry and exit charges may reduce returns for investors.

## Introduction

As so far, 2024 was a year of very positive surprises in both economic and financial markets terms. July started shaking the general feel good vibe to the core. First bringing to the spotlight the implications of the US elections outcome (whatever that might be), particularly on the geopolitical and trade implications spectrum, then raising some doubts about the wellbeing of the US consumer, it all brought pressure to an unusual extent initially on equities, and finally on bond markets. For the first time market participants started doubting about the FED controlling the soft landing process, while on the other side of the Pacific the exit from a decade-long dovish monetary policies seriously rattled investors caught in the famous Yen carry-trade. As the earnings season progressed, a distinct feeling of uneasiness has started creeping up on investors' minds, as positive surprises on sales have been the fewest in the post-covid era, and overall numbers just have not been able to sustain market optimism. Finally, the never-subsiding geopolitical tensions in the Middle East contributed to rising tensions on financial markets. Overall, a slew of negative developments has been enough to create a tantrum for markets that have been already riding high for too long on unfounded fundamentals as some have already argued. The amount of uncertainty about the short-term and long-term has increased symmetrically with markets volatility giving way to a lot of worries which so far have been muted in particular by AI dreams. Coming back to the US elections, they seem to come in play again as Democrats have received a boost from President Biden stepping down from the White House race. By the time of the actual elections, it looks like markets will have to live with uncertainty regarding both the economic and political perspectives.

From the monetary front, FED officials held short-term interest rates steady in their July meeting but indicated that inflation is getting closer to their target, which could open the door for future interest rate cuts. Furthermore, Chair Powell indicated that while no decision has been made about actions at future meetings, a cut could come as soon as September if economic data showed inflation is easing. While some market participants were actually expecting an interest rate cut in this meeting, generally markets welcomed the FOMC signal of shifting its focus from its low inflation mandate to its full employment one. While in the Eurozone the ECB made no sudden move in the month leaving the general consensus for expectations of two more cuts this year, it was the Bank of Japan that ultimately stole the spotlight. More than raising its target interest rate to 0.25%, a level unseen in 15 years, it also unveiled a detailed plan to slow its massive bond buying. The rate hike surprised markets which were expecting no change, taking another step towards phasing out its Abenomics-related huge stimulus.

In equity markets, the main story has been the casting of doubts as regards the sustainability of the AI-investment theme, which carried markets in the last twelve months. Earnings releases from the hyperscalers (read Microsoft, Alphabet, Amazon, Meta Platforms and Apple), which were the in the forefront of implementing AI in their regular business models, have displayed an industry status where after material capex spending there is no apparent obvious way of monetizing such endeavour in the very short-term. Adding to that the rapidly increasing worries about a US economy slowing and consequently the potential of overstated earnings forecasts for next year, the already historically above-average valuation levels where some of the most recognized names in the space are trading at seem ever more stretched. This brings a lot of logic into the market-heightened volatility as of late, and more so on the scenario of a rerating of the technology space by market participants. Should worries about the economic growth materialize eventually, such rerating process might easily expand to the entire market.

## Market Environment and Performance

In July the Euro area economy maintained a relatively steady economic trajectory, as evidenced by recent Purchasing Managers' Index (PMI) data. The Eurozone Composite PMI for July experienced a slight upward revision to 50.2, signalling minimal economic growth, but marking a deceleration from June's reading and representing the weakest expansion since the upturn began in March. Services continued to drive overall growth (reading of 51.9 versus the previous month reading of 52.8), while manufacturing saw output contracting sharply (reading stable at 45.8). Overall, this resulted in a loss of momentum for the broader private sector economy. Headline inflation unexpectedly edged up to 2.6% in July 2024 from 2.5% in the previous month, while core inflation held steady at 2.9%.

The US economy portrayed nascent signs of cooling. Manufacturing (reading 49.6 v 55.3 in the previous month) pointed to a deterioration in business conditions, while services (reading 55 v 51.6 in the previous month) noted a modest growth, albeit a softer pace. New business saw an increase with services outweighing the dip in manufacturing orders, while employment levels continued to rise. Regarding prices, disinflationary trends sustained, with the more recent data proving supportive for a first rate cut towards year-end. Indeed, the latest inflation release showed a modest slowing, as headline inflation fell for a fourth straight month to 2.9% in July 2024, compared to forecasts and June's reading of 3.0%. Core inflation too eased to an over three-year low at 3.2%.

In July equity markets continued trending upwards until about the middle of the month when a complex sequence of events has started eroding their outstanding performance record year to date. Trade policies from both parts of the US political aisle with potential negative implications on the semiconductors sector, as well as a direct scrutiny on the effectiveness of AI-related capex spending from the so-called hyperscalers have pushed the technology sector to the brink of a bear market. Some other noticeable developments like a swift weakening Japanese Yen has turned Japan as the winning geography during the month. The S&P 500 index gained 0.35% as financials, utilities and real estate unexpectedly outperformed. European markets were also negatively impacted by the semiconductor's debacle as the EuroStoxx50 lost 0.29%, suffering mostly from the ASML large index weight.

Performance for the month of July proved negative, noting a 0.98% loss for the CC Growth Strategy Fund – in line with the moves witnessed across equity markets during such period.

Going forward, the Manager believes that while recent leading macro data points are revealing a global economy cooling off with weakness coming now from both China and the US, the economic landscape remains benevolent. While the trend of gradual decreasing in inflationary pressures is clear, question marks have been raised as regards its sustainability as of late. The recent upward trend in US unemployment compounded with clear signs of weakness displayed by the US consumer as revealed by large corporates during their earnings reports, clearly warrant a cautious approach going forward. The Manager believes that in the current uncertain environment a cautious approach is warranted. The Fund continues having a diversified allocation with a focus on quality companies and business models benefitting from secular growth trends agnostic to particular macroeconomic developments. While the Manager remains cautious as regards the simple correction framing for the current phase in equities markets, he is nevertheless ready to invest in specific market pockets where value becomes readily available. To this end, cash levels remain elevated in order to optimize the Fund' positioning on the back of possibly market volatility in the coming months.

## Fund Performance

## Market and Investment Outlook

## Disclaimer

This document has been prepared for information purposes and should not be interpreted as investment advice nor to constitute an offer or an invitation by Calamatta Cuschieri Investment Management Limited ("CCIM") to any person to buy or sell units in the UCITS fund. Please refer to the Prospectus of the UCITS and any Offering Supplement thereto and to the Key Investor Information Document before making any final investment decisions which may be obtained from [www.ccfunds.com.mt](http://www.ccfunds.com.mt) or from the below address. Investors are advised that an investment in the fund relates to the acquisition of units in the UCITS fund, and not in any of the underlying assets owned by the UCITS. CC Funds SICAV p.l.c. is licensed as a Collective Investment Scheme by the Malta Financial Services Authority under the Investment Services Act and qualifies as a 'Maltese' UCITS. CCIM is licensed to conduct Investment Services in Malta by the Malta Financial Services Authority under the Investment Services Act.

This document may not be reproduced either in whole, or in part, without the written permission of CCIM. CCIM does not accept liability for any actions, proceedings, costs, demands, expenses, loss or damage arising from the use of all or part of this document.

Address: Calamatta Cuschieri Investment Management Limited, Europa Business Centre, Triq Dun Karm, Birkirkara BKR 9034.