



ASSET MANAGEMENT

SAGICOR SPECIAL OPPORTUNITY FUNDS

SAGICOR RENEWABLE ENERGY FUND

QUARTERLY NEWSLETTER Q3 | SEPTEMBER 30TH, 2022

INVESTMENT OBJECTIVE

Investment Objective: The Fund is a limited diversified sector fund with a primary focus of long term capital appreciation and income as its secondary objective. The Fund seeks to achieve this through investing primarily in securities of companies involved in the development, production, marketing, distribution and use of renewable fuels and alternative energy products for use in transportation, industry and power generation.

Fund Inception Date: January 31, 2022

Fund Manager: Sagikor Asset Management Inc.

Management Fee: 1.50% p.a.

Fund Statistics:

Total AUM (in millions) - \$19.7 BDS

Net Asset Value- \$0.94 BDS

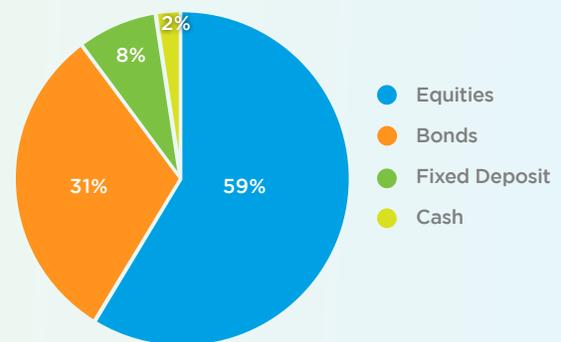
Fund Performance (%)

YTD	1-YR	3-YR	5-YR	10-YR
-6.0%	0.0%	0.0%	0.0%	0.0%

Fund Inception Return as at September 30th, 2022



Portfolio Asset Allocation



Equity and bond markets faced high volatility towards the end of the third quarter, as an unexpected high inflation report forced further aggressive policy action from the US Federal Reserve. This was a common policy stance observed by other Central Banks across the globe to reel in what is seen as generationally high inflation. The S&P 500, Dow and Nasdaq all reflected Q3 year to date losses of -23.9%, -19.8% and -32.0% respectively, with equities in I.T, Energy, Real Estate and Communications feeling the strongest downside pressure. As interest rates climbed, bond yields surged with short term US Treasuries offering attractive yields in the 4.0% - 4.5% range for investors that sought to move away from riskier assets.

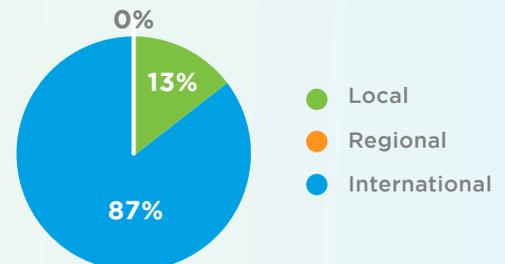
The Sagikor Renewable Energy Fund reported a net increase in total assets of \$0.63 million to \$9.35 million, primarily through capital raised. The Fund's Net Asset Value increased by \$0.01 to \$0.94 as the fund advanced during Q3 and reported a YTD return of -6.0% vs -6.8% at the end June 2022. Relative to the market, the Fund's solid Q3 was attributable to its hedged equity exposure which observed gains during July and August following the approval of the Inflation Reduction Act by the US Congress. This \$300 billion dollar legislation carried a significant chunk of fiscal support to climate change and related equities in the alternative energy space which saw an appreciation in asset prices following its passing. Some gains were partly given back as volatility peaked following September's CPI print and subsequently, the third consecutive 75 basis point rate hike by the Fed, threw caution to investors.

As US treasury yields climbed, we allocated excess cash to pick up moderate yield for the portfolio without adding taking too much risk. The portfolio's hedged equity strategies have performed well and offset the impact of the Fund's fixed income exposure as these strategies have either preserved capital (Ironwood) or advanced against volatile price movements by way of strong execution (Electron). As we move into the final quarter of the fiscal of a challenging year for markets, we urge our shareholders to maintain their long term investment goals and view of the structural theme of Renewable/Alternative Energy. We anticipate that the sector will benefit greatly from public, private and multilateral capital inflows that continue to grow year-on-year.

Top 5 Holdings (%)

Electron Global Fund	21%
BGF Sustainable Energy Fund	15%
Invesco US Dollar Liquidity Money Market Fund	12%
Ironwood	11%
Mirova Global Green Bond Fund	8%

Geographic Breakdown



INVESTMENT COMMENTARY
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