

## MONTHLY PORTFOLIO COMMENTARY

February 14, 2022

To:

**Leading Edge Investment Advisors**

ARI Account Number: U19A104

Client Name: NYCTRS

Custodian Account: N0TR

Account Representative: Amira Strasser, CEO

Contact: (212) 419-0573, [strasser@arinvgroup.com](mailto:strasser@arinvgroup.com)

Portfolio Commentary for the month of January 2022:

The portfolio underperformed the benchmark in January 2022, as technology and high multiple growth stocks experienced a violent valuation contraction. Financials and Energy sectors outperformed while Technology, Communications Services and Industrials performed poorly. Portfolio underperformance was led by Sea Ltd, Shopify, ASML Holding, Teleperformance and Sika. The portfolio's holdings in Emerging Market banks (such as HDFC Bank, ICICI Bank and Bank Rakyat) outperformed during the month.

Market Outlook:

- **The Quarter...** In Q4-21, U19A104 gained 4.56%, outperforming the MSCI ACWI ex. US index by 2.75%. For 2021, the account increased 6.25%, underperforming the benchmark by 1.58%.
  - Despite a volatile November, most global equity markets performed strongly overall in the final quarter of 2021 as investors focused on robust corporate earnings growth and resiliency, offsetting worries over the spread of the new Omicron variant and fears of runaway inflation. China was one of the worst-performing major equity markets in the quarter, along with neighbor Hong-Kong, on investor concerns about the government's stringent "zero COVID" policy and political scrutiny on certain domestic business models. The interest rate environment in Q4 reflected uncertainty, due to the spread of the Omicron variant in December.
  - Luxury goods names performed strongly in the period, recovering from the summer sell-off which was caused by the introduction of policies and scrutiny focused on "common prosperity" in China. During the quarter, the account benefitted from appreciation in its top European positions, including: Sika, Teleperformance, DSM and Atlas Copco. The strategy was negatively impacted by a decline in Sea Ltd.
- **ARI's View...**
  - The equity market risk-reward ratio is mixed with opportunities within certain business models and greater risks to valuation in others.
  - Supply chain constraints caused by labor shortages and stricter lockdown measures across SE Asia to increasingly add pressure on material and input costs. Corporate earnings for many exposed companies are likely to be negatively affected over the next few quarters.
  - China continues to experience regional COVID outbreaks, which may intensify and prove troublesome for a restart of the economy. In addition, ARI's view on the investing risks in China has not changed, ARI established a framework to categorize China's political events in 2021 (1) limiting the dominance of powerful corporate players (2) promoting common prosperity to reduce income/wealth inequality (3) evolving social values (4) reinvigorating long term population growth and therefore long term sustainable economic growth.
  - ARI expects further volatility in equity markets throughout 2022 as investors balance the effects of higher inflation, ongoing supply chain disruptions and increasing policy tightening actions from the US Fed. Relatively high stock valuations in growth and long-duration cash flow technology stocks could also add to meaningful market movements.
- **Risks ARI is Monitoring...** 1. Higher/permanent inflation and higher interest rates, 2. Spread and seriousness of Omicron COVID variant, 3. Relatively high equity market valuations, 4. Issues with China: (i) US-China tensions, (ii) China domestic policy scrutiny and, (iii) Chinese real estate and property financial deleveraging. 5. Supply chain disruptions, rising raw material costs. 6. Investor rotation to cyclical, energy, financials from growth and long-duration technology stocks.
- **Portfolio Positioning...** The account divested two positions during the period, the Japanese medical company M3, due to concerns over high valuation and Wuxi Aptec due to potential regulatory risks between US - China. Proceeds were used to initiate a new position in Nestle while weight was added to existing position, Infosys. As equity markets face uncertainties, ARI believes that investing in companies that have a clear growth path, funded by internally generated cashflow, relatively lower balance sheet leverage and strong market position offers a favorable risk/reward versus the broader market. ARI has seen market volatility and temporary sector rotations in the past, and continues to stick to its investment process.

## Statement of Performance

For the Period: January 01, 2022 - January 31, 2022

**Account No : U19A104**

**Custodian Account No : N0TR**

### Account Activity Summary

Fund Balance Details:

Contribution Since Inception <sup>1</sup>	Beginning Market Value	Contributions/ (Redemptions)	Portfolio Profit/(Loss)	Gross Ending Market Value	Management Fees	Net Market Value
\$26,680,897.69 <sup>2</sup>	\$34,977,421.00	\$0.00	(\$3,714,616.93)	\$31,262,804.07	\$0.00	\$31,262,804.07

Contribution/(Redemption) Details

Date	Activity Description	Amount
<b>Account Performance Summary</b>		
		MTD %
		QTD %
		YTD %
		One Year %
		Since Inception <sup>1</sup> %
<b>Strategy</b> : U19A104	Gross	-10.62%
	Net	-10.62%
<b>Benchmark</b> : MSCI AC World ExUS NTR INDEX		-3.69%

Note: Unless specifically noted, the performance shown reflect the deduction for management fees, accrued performance allocations, all expenses of the strategy/account, net interest and the reinvestment of dividends, and include gains or losses from "new issues," if any. Actual returns for a particular investor will vary depending upon, among other things, the level of fees charged, whether such investor participates in new issues and the timing of subscriptions and redemptions. In the event of any discrepancy between the information contained herein and the information contained in an investor's monthly account statement, the latter shall govern.

1. Inception Date : February 01, 2020.

2. Initial contribution made on January 17, 2020.

All amounts reflected in USD

# Holdings Report

As of: 31 January, 2022

Security Description	Security Type	% of Fund	Quantity	Share Price	Listing Currency	Book Value (In Local Currency)	Mkt Value (In Local Currency)	Book Value (In Fund Currency)	Mkt Value (In Fund Currency)	% Div Yield
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Account No : **U19A104**

Custodian Account No : **N0TR**

FC - Fund Currency USD

## Net Assets

### Cash and Due Upon Settlement

#### United States

Cash	Currencies	2.9 %	911,813	0.00	USD	911,813	911,813	911,813	911,813	
Total for United States		2.9 %						911,813	911,813	
Total for Cash and Due Upon Settlement		2.9 %						911,813	911,813	

### Investments

#### Australia

CSL LTD	Equity	1.1 %	1,925	260.35	AUD	584,492	501,174	401,839	354,230	1.1 %
REA GROUP LTD	Equity	2.7 %	8,113	145.10	AUD	935,211	1,177,196	642,957	832,042	0.9 %
Total for Australia		3.8 %						1,044,796	1,186,272	

#### Canada

CANADIAN PACIFIC RAILWAY LTD	Equity	1.6 %	7,114	90.94	CAD	598,035	646,947	459,025	508,806	0.8 %
THOMSON REUTERS CORP	Equity	2.3 %	6,637	136.46	CAD	996,451	905,685	782,918	712,297	1.5 %
SHOPIFY INC - CLASS A	Equity	2.9 %	932	1,226.95	CAD	587,523	1,143,517	441,304	899,345	
CONSTELLATION SOFTWARE INC	Equity	4.5 %	814	2,189.35	CAD	1,197,929	1,782,131	929,163	1,401,597	0.2 %
Total for Canada		11.3 %						2,612,410	3,522,045	

#### China

YUM CHINA HOLDINGS INC	Equity	1.3 %	8,500	364.60	HKD	4,168,454	3,099,100	536,597	397,473	1.0 %
JD.COM INC - CL A	Equity	1.5 %	13,100	279.60	HKD	3,471,797	3,662,760	447,045	469,765	

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BYD CO LTD-H	Equity	1.8 %	20,337	221.40	HKD	6,180,161	4,502,612	794,397	577,480	0.1 %
Total for China		4.6 %						1,778,039	1,444,719	
Denmark										
NOVO NORDISK A/S-B	Equity	1.7 %	5,380	656.10	DKK	2,002,401	3,529,818	302,560	532,915	1.4 %
DSV Panalpina A/S	Equity	3.5 %	5,395	1,337.50	DKK	5,437,631	7,215,813	856,313	1,089,409	0.3 %
Total for Denmark		5.2 %						1,158,873	1,622,325	
France										
L'OREAL	Equity	1.5 %	1,134	376.85	EUR	358,462	427,348	434,887	480,083	1.1 %
PERNOD RICARD SA	Equity	2.2 %	3,193	189.00	EUR	547,182	603,477	606,989	677,946	1.7 %
TELEPERFORMANCE	Equity	3.4 %	2,800	333.40	EUR	637,849	933,520	707,566	1,048,716	0.7 %
AIRBUS SE	Equity	3.4 %	8,416	112.12	EUR	838,500	943,602	1,019,575	1,060,042	
LVMH MOET HENNESSY LOUIS VUI	Equity	3.9 %	1,497	722.60	EUR	640,242	1,081,732	709,369	1,215,218	1.0 %
Total for France		14.3 %						3,478,386	4,482,005	
Germany										
ZALANDO SE	Equity	1.5 %	5,969	69.98	EUR	586,328	417,711	714,357	469,256	
Total for Germany		1.5 %						714,357	469,256	
India										
ICICI BANK LTD-SPON ADR	Equity	1.5 %	21,808	21.73	USD	422,377	473,888	422,377	473,888	0.3 %
INFOSYS LTD-SP ADR	Equity	3.2 %	42,503	23.57	USD	971,088	1,001,796	971,088	1,001,796	1.7 %
HDFC BANK LTD-ADR	Equity	3.5 %	16,021	68.63	USD	988,738	1,099,521	988,738	1,099,521	0.4 %
Total for India		8.2 %						2,382,203	2,575,205	
Indonesia										
BANK RAKYAT INDONESIA PERSER	Equity	2.7 %	2,971,100	4,070.00	IDR	13,875,439,585	12,092,377,000	1,017,336	841,619	2.4 %
Total for Indonesia		2.7 %						1,017,336	841,619	
Japan										
DAIKIN INDUSTRIES LTD	Equity	2.4 %	3,600	23,825.00	JPY	57,266,619	85,770,000	519,849	745,372	0.7 %

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RECRUIT HOLDINGS CO LTD	Equity	3.2 %	20,500	5,595.00	JPY	86,530,277	114,697,500	785,496	996,763	0.4 %
Total for Japan		5.6 %						1,305,346	1,742,135	
<b>Mexico</b>										
WALMART DE MEXICO SAB DE CV	Equity	2.8 %	257,848	70.14	MXN	15,818,295	18,085,459	829,813	876,637	2.3 %
Total for Mexico		2.8 %						829,813	876,637	
<b>Netherlands</b>										
ASML HOLDING NV	Equity	3.3 %	1,528	594.20	EUR	431,088	907,938	473,209	1,019,977	0.6 %
KONINKLIJKE DSM NV	Equity	3.7 %	6,118	166.05	EUR	678,467	1,015,894	752,624	1,141,255	1.4 %
Total for Netherlands		6.9 %						1,225,833	2,161,232	
<b>New Zealand</b>										
FISHER & PAYKEL HEALTHCARE C	Equity	2.8 %	47,767	26.35	AUD	1,025,086	1,258,660	704,746	889,621	1.4 %
Total for New Zealand		2.8 %						704,746	889,621	
<b>Poland</b>										
DINO POLSKA SA	Equity	3.0 %	12,384	314.00	PLN	1,950,355	3,888,576	510,310	952,802	
Total for Poland		3.0 %						510,310	952,802	
<b>Singapore</b>										
SEA LTD-ADR	Equity	1.5 %	3,023	150.31	USD	678,395	454,387	678,395	454,387	
Total for Singapore		1.5 %						678,395	454,387	
<b>Sweden</b>										
ATLAS COPCO AB-A SHS	Equity	3.5 %	18,912	543.20	SEK	10,213,981	10,272,998	1,203,879	1,101,757	1.3 %
Total for Sweden		3.5 %						1,203,879	1,101,757	
<b>Switzerland</b>										
LONZA GROUP AG-REG	Equity	2.8 %	1,272	633.40	CHF	762,567	805,685	816,575	869,413	0.5 %
NESTLE SA-REG	Equity	3.1 %	7,493	119.08	CHF	844,642	892,266	889,540	962,843	2.3 %

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As of: 31 January, 2022

Security Description	Security Type	% of Fund	Quantity	Share Price	Listing Currency	Book Value (In Local Currency)	Mkt Value (In Local Currency)	Book Value (In Fund Currency)	Mkt Value (In Fund Currency)	% Div Yield
SIKA AG-REG	Equity	4.0 %	3,578	321.10	CHF	649,965	1,148,896	670,876	1,239,771	0.8 %
Total for Switzerland		9.8 %						2,376,991	3,072,027	
Taiwan										
TAIWAN SEMICONDUCTOR-SP ADR	Equity	3.9 %	9,944	122.63	USD	574,388	1,219,433	574,388	1,219,433	1.5 %
Total for Taiwan		3.9 %						574,388	1,219,433	
United Kingdom										
LONDON STOCK EXCHANGE GROUP	Equity	2.0 %	6,467	7,220.00	GBP	495,202	466,917	644,456	627,864	1.1 %
DIAGEO PLC	Equity	3.5 %	22,165	3,723.00	GBP	730,571	825,203	950,765	1,109,650	1.9 %
Total for United Kingdom		5.6 %						1,595,222	1,737,514	
Total for Investments		97.1 %						25,191,323	30,350,991	
Total for Net Assets		100.0 %						26,103,136	31,262,804	
Total for NØTR		100.0 %						26,103,136	31,262,804	

For the Period: 1 January, 2022 - 31 January, 2022

## Transaction Report

Transaction Type	Description	Quantity	Trade Date	Settlement Date	Price	Cashflow	Notes
<b>Account No : U19A104</b>							
<b>Custodian Account No : N0TR</b>							
<b>EUR</b>							
Sell	PERNOD RICARD SA	332.00	12 Jan 2022	14 Jan 2022	200.8790 EUR	66,658.48	Compliance trade
DivIncome	L'OREAL	50.71	13 Jan 2022	13 Jan 2022	1.0000 EUR	50.71	Dividend and dividend tax from pay date 29 April 2021
Sell	Euro	66,658.48	13 Jan 2022	14 Jan 2022	1.1447 EUR	-66,658.48	
Sell	Euro	50.71	13 Jan 2022	14 Jan 2022	1.1451 EUR	-50.71	
<b>Total for EUR</b>						<b>0.00</b>	
<b>MXN</b>							
Sell	WALMART DE MEXICO SAB DE CV	41,402.00	24 Jan 2022	26 Jan 2022	69.9741 MXN	2,896,653.67	Compliance trade
Sell	Mexican Peso	2,896,653.67	25 Jan 2022	26 Jan 2022	0.0484 MXN	-2,896,653.67	
<b>Total for MXN</b>						<b>0.00</b>	
<b>USD</b>							
DivTaxes	TAIWAN SEMICONDUCTOR-SP ADR	1,203.93	16 Dec 2021	13 Jan 2022	1.0000 USD	-1,203.93	Dividend tax on cash dividend
DivIncome	TAIWAN SEMICONDUCTOR-SP ADR	5,733.01	16 Dec 2021	13 Jan 2022	1.0000 USD	5,733.01	Cash dividend
DivIncome	CONSTELLATION SOFTWARE INC	814.00	17 Dec 2021	11 Jan 2022	1.0000 USD	814.00	Cash dividend
DivIncome	CANADIAN PACIFIC RAILWAY LTD	1,066.14	30 Dec 2021	31 Jan 2022	1.0000 USD	1,066.14	Cash dividend
IntIncomeNonTrading	United States Dollar	15.71	03 Jan 2022	03 Jan 2022	1.0000 USD	15.71	Interest income
Sell	INFOSYS LTD-SP ADR	5,667.00	12 Jan 2022	14 Jan 2022	25.7550 USD	145,896.17	Compliance trade
DivIncome	TAIWAN SEMICONDUCTOR-SP ADR	9.15	13 Jan 2022	13 Jan 2022	1.0000 USD	9.15	Dividend and dividend tax adj
Sell	Euro	66,658.48	13 Jan 2022	14 Jan 2022	1.1447 USD	76,301.23	
Sell	Euro	50.71	13 Jan 2022	14 Jan 2022	1.1451 USD	58.07	
Sell	TAIWAN SEMICONDUCTOR-SP ADR	1,615.00	14 Jan 2022	19 Jan 2022	140.3637 USD	226,670.07	Compliance trade
Sell	Mexican Peso	2,896,653.67	25 Jan 2022	26 Jan 2022	0.0484 USD	140,144.84	

## Transaction Report

For the Period: 1 January, 2022 - 31 January, 2022

Transaction Type	Description	Quantity	Trade Date	Settlement Date	Price	Cashflow	Notes
<b>Account No : U19A104</b>							
<b>Custodian Account No : N0TR</b>							
MiscAdjExp	United States Dollar	87.72	26 Jan 2022	26 Jan 2022	1.0000 USD	-87.72	Invoice paid
<b>Total for USD</b>						<b>595,416.74</b>	



***Commissions 01 Jan 22 - 31 Jan 22***

	Total \$ Consideration FC	Total Commission FC	% Commission	Trade Count	# of Shares
<b>Account No : U19A104</b>					
<b>Custodian Account No : N0TR</b>					
<i>FC - Fund Currency USD</i>					
<b>Loop Capital Global Cash</b>	222,213.46    USD	94.85    USD	72.34 %	2	5,999
<b>Pictet</b>	367,380.64    USD	36.26    USD	27.66 %	2	43,017
<b>Total</b>	<u>589,594.10    USD</u>	<u>131.11    USD</u>	<u>100.00 %</u>	<u>4</u>	<u>49,016</u>