

# FAANG+

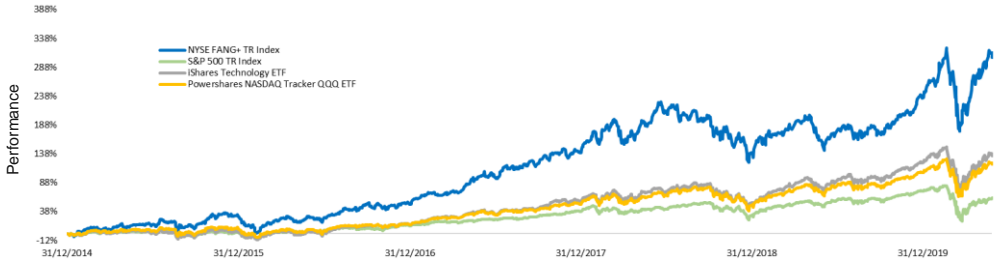
Platforms, SIPPS and Trusts will only (really) accept UCITS/FCA Regulated Funds



Only certain assets can be held within a UCITS Fund

Q2 2020

**Facebook, Amazon, Apple, Netflix, Google, Microsoft, Intel, Broadcom + Tencent, Alibaba, Samsung, Taiwan Semi-Conductor, Baidu**



Source: Data (Total return) sourced from Bloomberg - 31/12/2014 to 26/05/2020. Chart by Castlestone Management  
The performance figures quoted refer to the past and past performance is not a guarantee of future performance or a reliable guide to future performance. Your investment may be affected by changes in currency exchange rate movements thereby affecting your investment return therefrom.

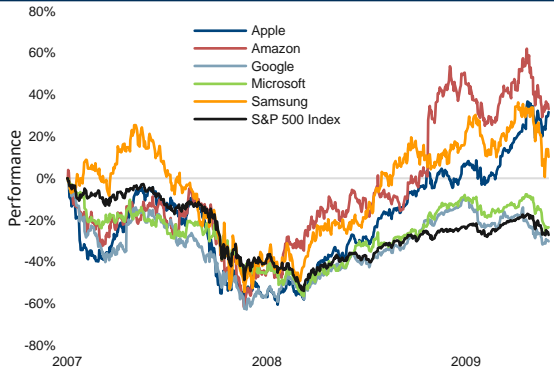
## MARKET CAPITALISATION WEIGHTED INDEX

FAANG+ Stocks represent appx. 20% of the S&P 500 Index and appx 10% of the MSCI EM Index as of May 2020

Estimated Net Flows (\$Bil), U.S. Large-Cap Funds (Includes ETFs, but excludes S&P 500 Funds)—Active vs. Passive Through March 31, 2020



Passive funds — including both exchange-traded and mutual funds — surpassed active funds in terms of assets under management in September 2019, according to Morningstar. This trend has continued in the first Quarter of 2020.



Source: Data sourced from Bloomberg - 12/31/2007 to 01/06/2010. Chart by Castlestone Management. The performance figures quoted refer to the past and past performance is not a guarantee of future performance or a reliable guide to future performance. Your investment may be affected by changes in currency exchange rate movements thereby affecting your investment return therefrom.

- ✓ FAANG+ Higher Growth/Technology Sector exposure may lead to better relative performance to the market
  - ✓ Inflows/Allocation to Passive & Index Funds have increased from 22% in 2006, to 47% in 2017
    - ✓ Since 2014, the NYSE FANGs+ TR Index is up 313% to the 05/26/20\*
    - ✓ Tech stocks quickly rebounded after the GFC of 2008
- ✓ FAANG+ Stocks represent appx. 20% of the S&P 500 Index & appx 10% of the MSCI EM Index as of May 2020

This means that with every \$100 being invested into the S&P 500 Index, approximately \$20 is being invested into FAANG stocks and Microsoft

\*Data on returns of the NYSE FANG+ Index sourced from Bloomberg—31/12/2014–26/05/2020



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