



Volume Analysis



INFLOWS INTO TECHNOLOGY ETF'S & NASDAQ OCTOBER 2020



EQUITY FUNDS
SEE THE
HIGHEST NET
INFLOWS IN
THE YEAR
IMMEDIATELY
AFTER THE
PRESIDENTIAL
ELECTION

- ✓ Inflows into Technology Stocks : Q4 Performance.
- ✓ Most of the gains in S&P 500 occur in November and December.
- ✓ The “flu season” is coming, and people will increasingly work from home again, but the most important point is that they will buy most Christmas gifts online.
- ✓ Election results have very little impact of returns.
- ✓ There is nowhere else to invest to get positive real returns. 10yr Bond in US is 0.77% and Germany is -0.62%. Bond Yields globally offer no real returns.
- ✓ Technology Stocks are their own ASSET CLASS.

INFLOWS INTO TECHNOLOGY ETF'S 8/10-14/10 OCTOBER 2020

Inflows Into Technology 8-14th October 2020

Top 10 Creations (All ETFs)

Ticker	Fund Name	Net Flows*	Details
QQQ	Invesco QQQ Trust	6,028.32	➤
NRGU	MicroSectors U.S. Big Oil Index 3X Leveraged ETN	2,208.76	➤
IWM	iShares Russell 2000 ETF	2,197.28	➤
ESGU	iShares ESG Aware MSCI USA ETF	1,477.16	➤
VTI	Vanguard Total Stock Market ETF	1,310.50	➤
MBB	iShares MBS ETF	1,113.20	➤
VXUS	Vanguard Total International Stock ETF	1,036.49	➤
HYG	iShares iBoxx USD High Yield Corporate Bond ETF	988.17	➤
RSP	Invesco S&P 500 Equal Weight ETF	625.30	➤
BNDX	Vanguard Total International Bond ETF	573.10	➤

* Net Flows in USD Millions

- ✓ Large Inflows last week show investor confidence returning to the markets

NASDAQ Futures Buying Indicates A Healthy Outlook

BUYING OF
NASDAQ
FUTURES AT
NEAR-RECORD



- ✓ NASDAQ futures have been heavily backed recently; indicating an upward market trend is likely.
- ✓ FAANG Stocks would benefit from this inflow.

BEST TIME OF
THE YEAR FOR
S&P 500 INDEX
WITH MOST OF
THE GAINS
COMING IN
NOVEMBER
AND
DECEMBER

Historically Gains Have Come In Q4

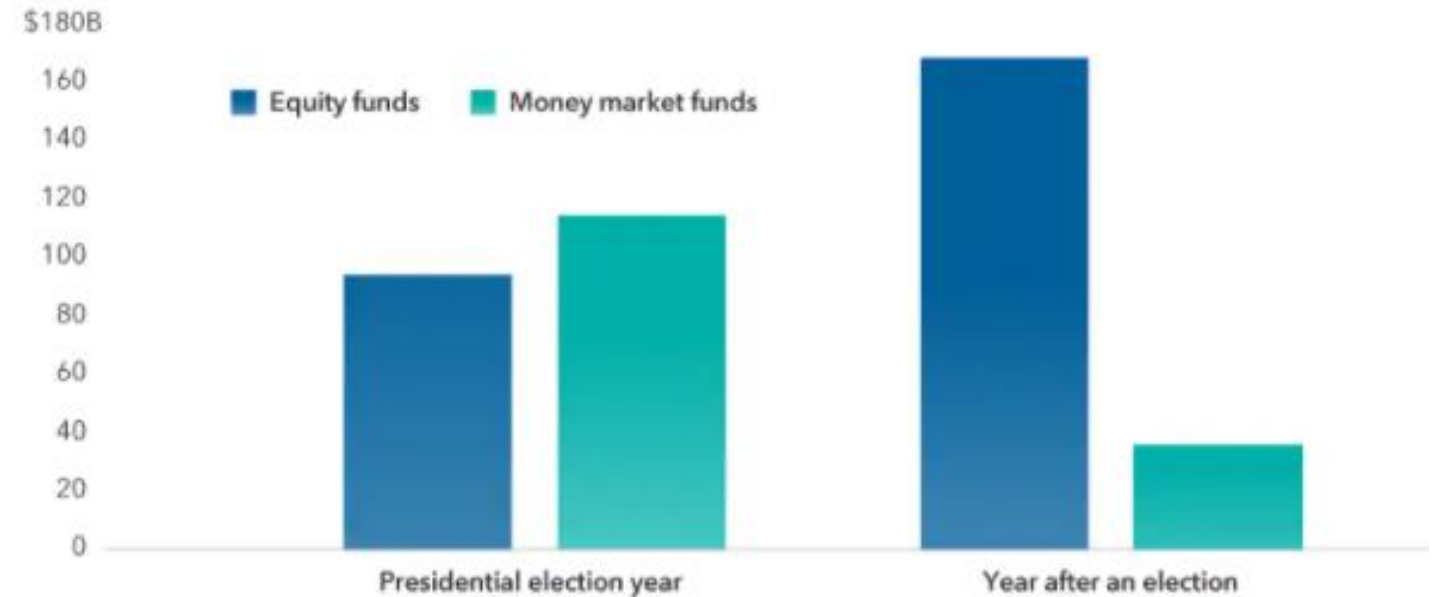


- ✓ November & December are historically strong months for returns.
- ✓ Investing now would help capture this potential upside.

EQUITY FUNDS
SEE THE
HIGHEST NET
INFLOWS IN
THE YEAR
IMMEDIATELY
AFTER THE
PRESIDENTIAL
ELECTION

Equity Inflows Increase After Election Years

Investors have tended to be more cautious leading up to elections
Average net fund flows by year of presidential term (1992-2019)

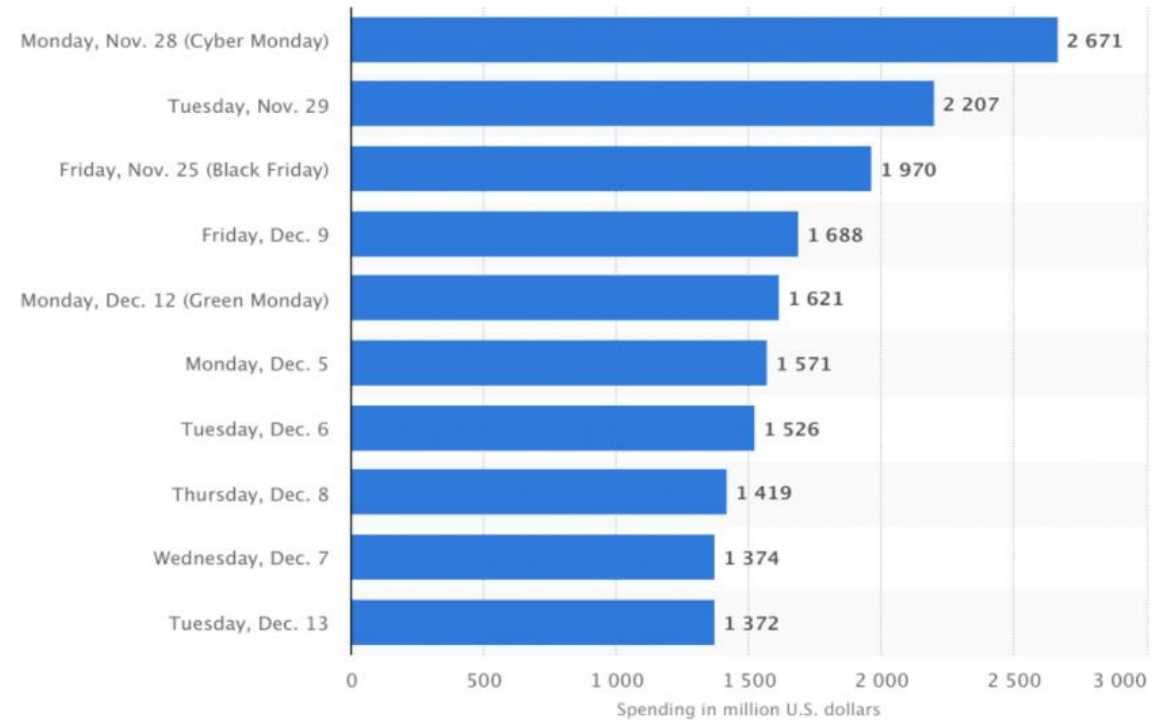


Source: Morningstar. Values based on USD. Equity funds include U.S. and international equity funds.

- ✓ This inflow into equities will only push prices higher, meaning investing now will be more beneficial.
- ✓ People increase their investment into equities once the outcome of the election has been decided.

E-COMMERCE
SALES WILL
EXPLODE THIS
HOLIDAY
SEASON
-FORBES

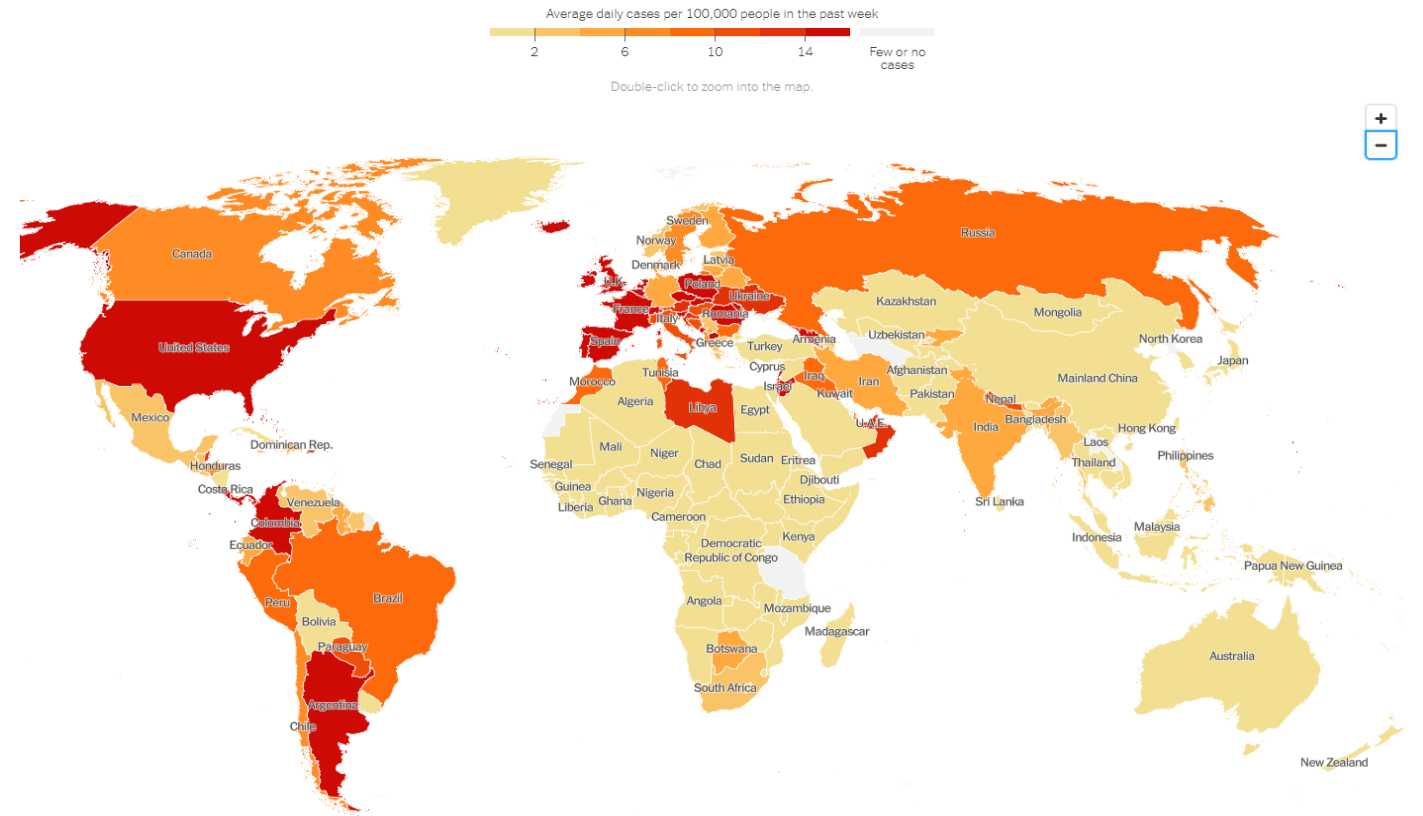
E-Commerce Set To Further Benefit From The Current Crisis



- ✓ While there are known strong days for E-Commerce (Black Friday/Cyber Monday), the above graph shows the whole period towards the end of November and Early December performs very well.
- ✓ With people less likely to travel out to stores due to Covid-19 & the Flu season, expect these sales to be even stronger this year.

The Majority of the Developed World is Struggling to Contend With Covid-19

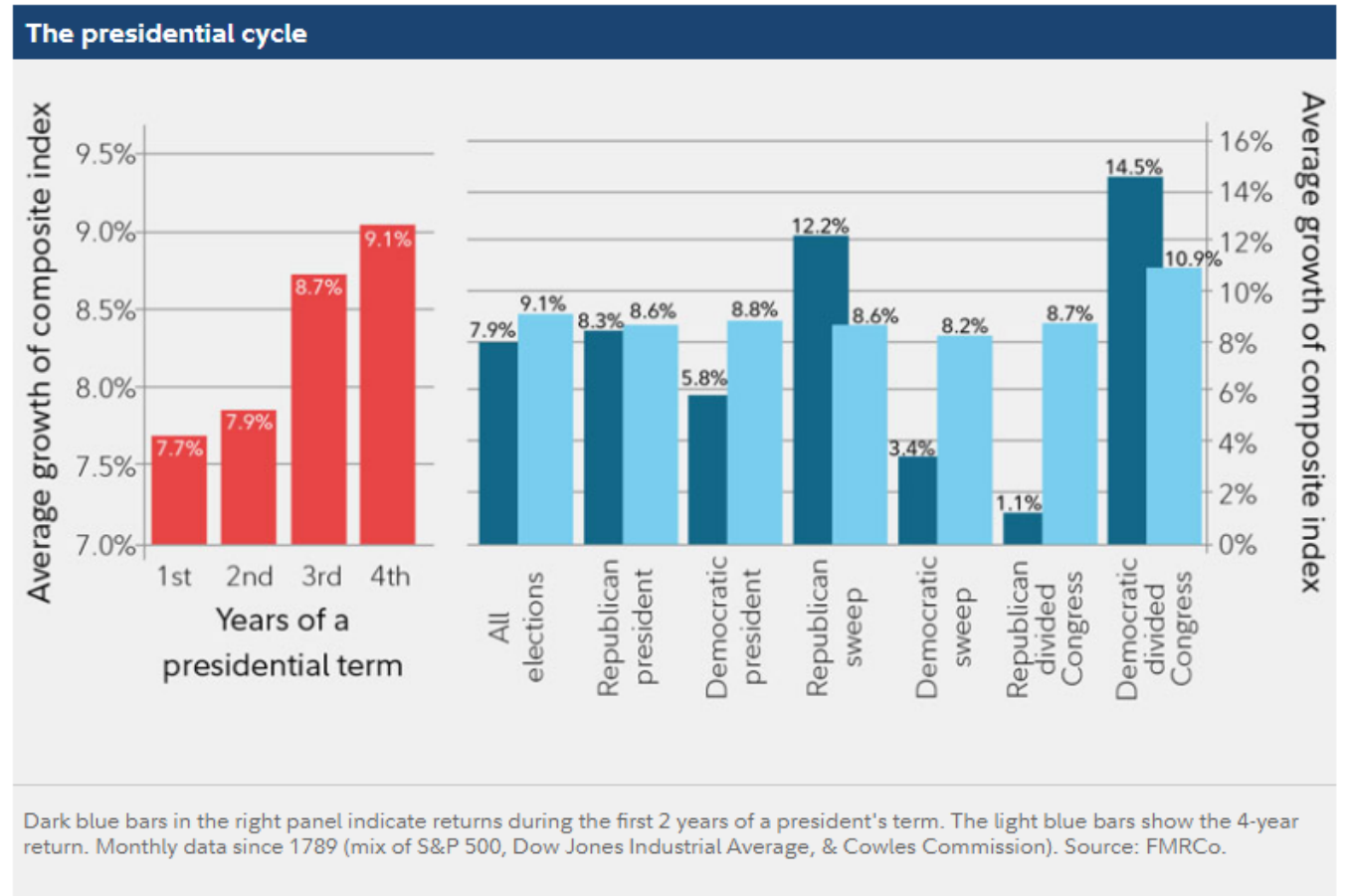
HOT SPOTS
AVERAGE DAILY
CASES PER
100,000



- ✓ Covid-19 cases are rising exponentially across the world, meaning people will be less likely to risk their health shopping at stores when they can do it all online.

ELECTION
RESULT HAS
VERY LITTLE
IMPACT ON
RETURNS

Presidential Election Has Little Bearing On The Markets



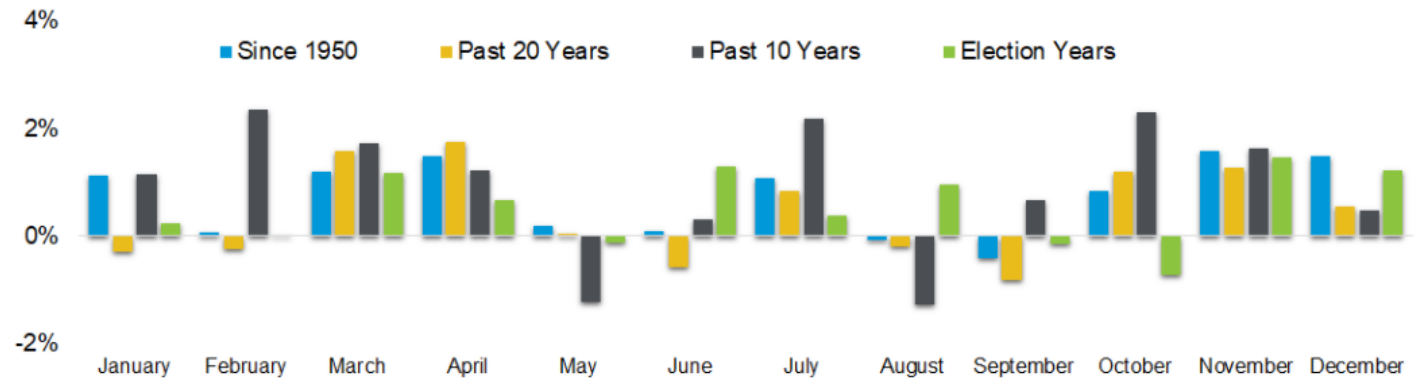
- ✓ The trend is for markets to continue an upward trajectory regardless of an Election.

NOVEMBER
AND
DECEMBER
HAVE GOOD
PERFORMANCE
IN AN ELECTION
YEAR

Coming Months Historically Perform Very Strongly

September Is Historically Weak

S&P 500 Index Average Monthly Returns (1950 - 2019)



Source: LPL Research, FactSet 08/27/20 (1950 - Current)

All Indexes are unmanaged and cannot be invested in directly. Past performance is no guarantee of future results.

- ✓ The above data shows November and December have strong positive returns regardless of Elections.
- ✓ Investing now will give a chance to benefit from the strong months to come.

Disclaimer

Note: **Disclaimer: This document is intended for and directed at investment professionals and not intended for retail customers. Persons who do not have professional experience in matters relating to investment should not rely on this document.**

AQA UCITS Fund SICAV plc is licensed in Malta by the Malta Financial Services Authority as an undertaking for collective investment in transferable securities (UCITS).

This document is issued by Castlestone Management LLC (“We”). The information contained in this document is not directed at, nor is it intended for distribution to, or use by, persons in any jurisdiction in which the investment products are not authorized for distribution or in which the dissemination of information regarding the investment products is not permitted. This document is not offering to sell any product. Any investment in the Fund is required to be undertaken in line with the Offering Supplement of the Fund. Copies of the Offering Supplement, audited annual financial statements and half-yearly reports and the key investor information documents (in English Language) are available free of charge upon request. We will not be liable for any use you make of any information in this document. We are not your advisor or fiduciary. We are not recommending or making any representations as to suitability of any product or the tax, legal or accounting treatment of any product. We are not responsible for information stated to be obtained or derived from third party sources. All opinions are given as of the date hereof and are subject to change. We are not obliged to inform you of any such changes. Any projections and opinions expressed herein are expressed solely as general market commentary and do not constitute investment advice or guaranteed return. They represent the views of Castlestone Management LLC at the time of publication and are subject to change without notice. Any simulated performance data and/or past performance data contained herein is not a reliable indicator or guarantee of future performance. An investment in the Fund may include a commission or sales fee which is charged at the time of the initial purchase of the investment and may be deducted from the invested amount therefore lowering the size of your investment. A redemption / contingent deferred sales charge may be charged at the time you redeem your investor and such charge may have an impact on the amount of money you receive back upon your redemption. Income from investments may fluctuate and investors may not recoup the amount originally invested. An investment in the Fund may be effected by changes in currency exchange rates. If you redeem your investment before 6 years, you may be at higher risk of losing some, or all of, the money you invest. Any forward-looking statements concerning the financial condition, results of operations and businesses of Castlestone Management LLC expressed or implied, are based on management's current expectations and assumptions, which may change without notice, and are no guarantee of future results, performance or events. Nothing in this document constitutes a representation that any investment strategy or recommendation is suitable or appropriate to an investor's individual circumstances or otherwise constitutes a personal recommendation. Investments involve risks, and investors should exercise prudence and their own judgement in making their investment decisions. Investors and prospective investors should make reference to the risk warnings set out in the Offering Supplement of the Fund. This document is confidential. No part of it may be reproduced, distributed or transmitted without Castlestone Management's written permission. Neither this document nor any copy of it may be distributed, directly or indirectly, in the United States of America or its territories or possessions (the “United States” or to any US Person as defined in Regulations under the United States Securities Act of 1933 (as amended)). Any failure to comply with these restrictions may constitute a violation of United States securities law. This is not exhaustive; other regional-specific wording may apply. If in doubt, please consult with Castlestone Management's Compliance department.

Castlestone Management LLC is a registered investment adviser in the state of New Jersey. Being registered does not imply a certain level of skill or training. Investment in any Fund involves significant risks. A prospective or continuing investor should not invest in any Fund unless satisfied that it and/or its investment representative or professional adviser has/have asked for and received all information which would enable it or both of them to evaluate the risks in terms of an investment or continued investment in the Fund. The information in this document has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. No invitation to the public in Hong Kong to buy or subscribe for any product is permitted to be made. You should consult your own attorney, business adviser and tax adviser as to legal, business, tax and related matters concerning any of the contents of this document.

Additional information about Castlestone Management LLC is available on the United States Securities and Exchange Commission's website at <https://adviserinfo.sec.gov/firm/summary/170379>.

W A R N I N G

The contents of this document have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice.