



Income Analysis

# INVESTORS ARE BUYING ANY DIP IN THE EQUITY MARKETS

THERE IS NOWHERE ELSE TO PUT MONEY



INFLATION  
EXPECTATIONS  
HAVE CALMED  
SIGNIFICANTLY.  
INVESTORS ARE  
BUYING IN EVERY  
DIP IN THE EQUITY  
MARKET

- ✓ Inflation Expectations have calmed since the spike in US Consumer Spending soared in Q1, 2021 driving US GDP up 6.4%. 10 Year Bond up 1.56%
- ✓ Investors are buying the dip in equity markets via ETFs in 2021. Investors have limited choices for investments and equities are the most attractive.
- ✓ The use of technology will not change!
- ✓ Global minimum corporate tax rate set at 15% by the G7.
- ✓ Inflows continue into Technology Stocks and US Equities. Recovery of Ark Innovation Fund.

“INVESTORS ARE NOT PANICKING WHEN A SELL-OFF TAKES PLACE.” ETF AND MUTUAL FUND RESEARCH.

## Investors Keep Confidence In The Market



- ✓ So far in 2021, investors have been buying market pull backs.
- ✓ This demonstrates investors confidence in stock ownership.

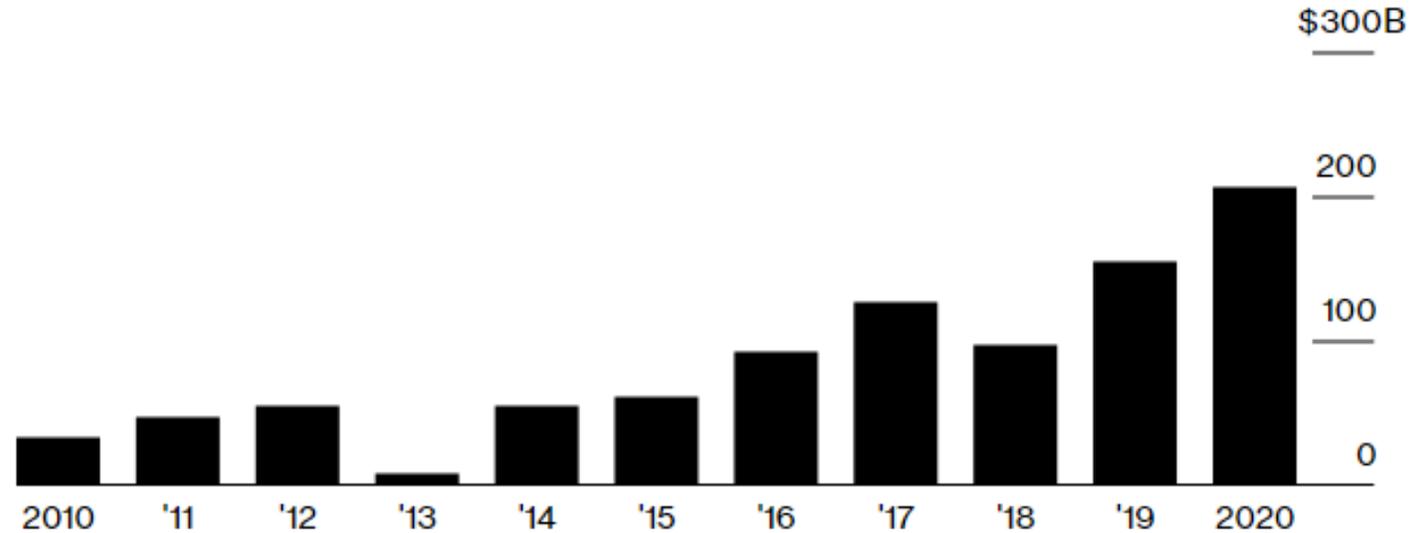
BOND ETFs TOOK  
IN A RECORD \$206  
BILLION IN 2020  
AND \$90 BILLION  
SO FAR IN 2021.

## 2020 Saw Fear Drive Investors Into Bonds

### **Booming Bond ETFs**

Debt funds absorbed record inflows in 2020

■ U.S. dollars (billions)



Bloomberg Intelligence

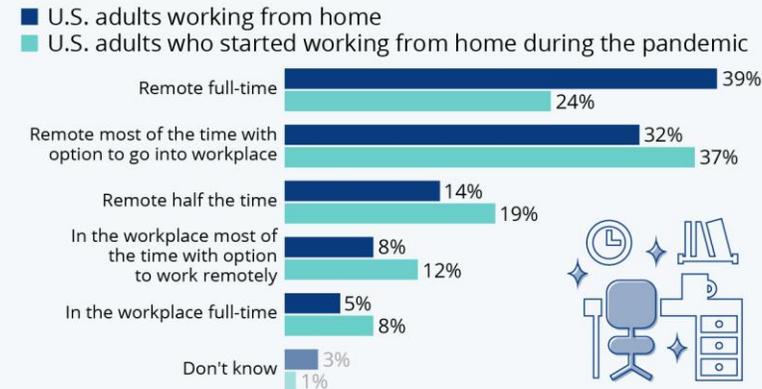
- ✓ 2020 was a record year for bond ETF inflows.
- ✓ Falling rates in 2021 may reverse that trend.

## Post COVID, The Work Environment Will Change

THE USE OF  
TECHNOLOGY WILL  
NOT CHANGE.  
REMOTE WORKERS  
RELUCTANT TO  
RETURN TO THE  
WORKPLACE.

### Remote Workers Reluctant to Return to the Workplace

Preferred post-pandemic working environment for U.S. employees currently working from home



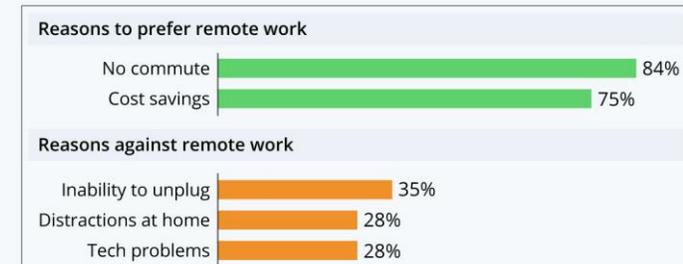
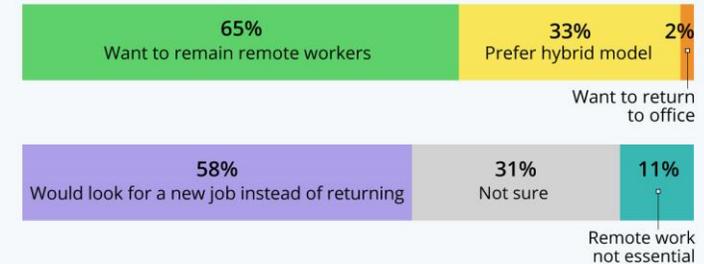
- ✓ Workers view of their workplace is changing.
- ✓ Companies will evolve to keep the best workers.
- ✓ Technology will play a large role as the workplace evolves.

MORE MONEY  
AND MORE  
TECHNOLOGY.  
HAVING NO  
COMMUTE AND  
SAVING MONEY  
WERE NAMED BY  
84% AND 74% OF  
REMOTE  
WORKERS.

## Workers Prefer The Home Office

### Workers Want to Stay Put in Home Office

Survey responses among workers who engaged in remote work during the pandemic (2021)



Survey of 2,181 pandemic remote workers (3/4 from U.S./Canada), Mar 17-Apr 5, 2021  
Source: Flexjobs

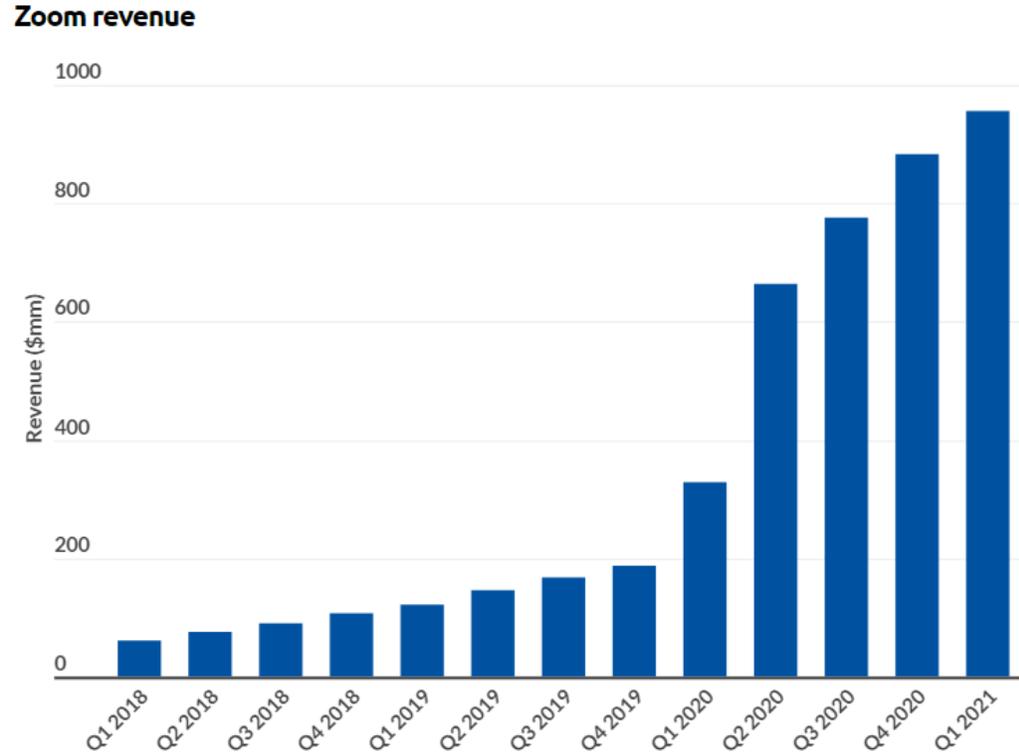


statista

- ✓ Use of technology in the workplace continues to grow.
- ✓ As more companies continue to work from home permanently, the use of technology will continue to increase.

ZOOM GENERATED  
\$2.6 BILLION  
REVENUE IN 2020,  
+317% YEAR-ON-  
YEAR

## Zoom Revenue Continues To Grow



Source: Company Data

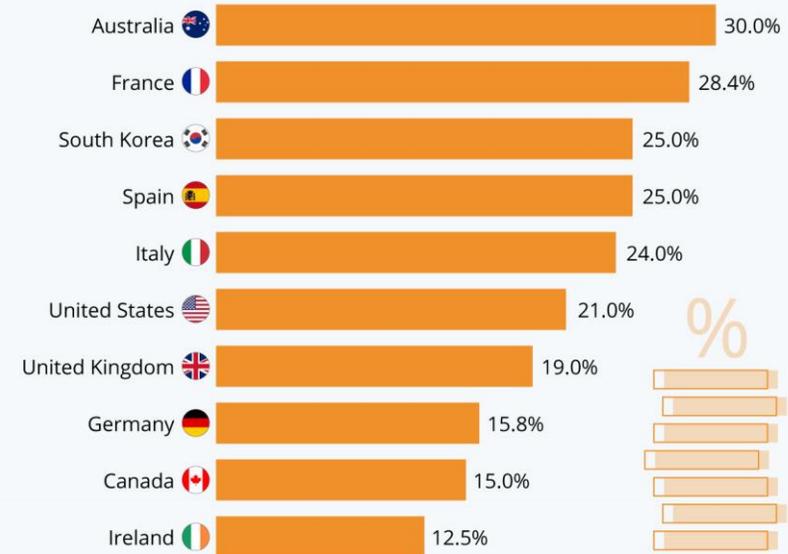
- ✓ The convenience of Zoom has moved meetings online.
- ✓ As more companies adapt to online communication, Zoom will gain share.

G7 EXPECTS  
COMPANIES TO PAY  
15% MINIMUM  
RATE REGARDLESS  
OF WHERE THEIR  
HEADQUARTERS  
ARE LOCATED.

## Global Corporate Tax Rates

### Global Corporation Tax Levels In Perspective

Corporate income tax rate  
in selected OECD countries in 2021\*



\* Shows the basic central government statutory (flat or top marginal) corporate income tax rate.

Source: OECD



statista

- ✓ G7 looks to level global corporate tax rates to 15%.

CAYMAN ISLANDS  
IS RESPONSIBLE  
FOR THE LARGEST  
GLOBAL TAX  
LOSSES.

## Countries That Stand To Lose If The Tax Code Changes

### The Biggest Facilitators of Global Tax Abuse

Countries/territories responsible for the highest annual tax losses to other countries\*



\* Through facilitation of international corporate tax abuse and private tax evasion. Representative of losses incurred on an annual basis. Corporate tax abuse estimates based on 2016 OECD data. Private tax evasion estimates based on 2018 bank data. Source: Tax Justice Network



ARK INNOVATION  
IS RECOVERING

## Next Generation Stocks Are Recovering

### ARK Innovation ETF (ARKK)

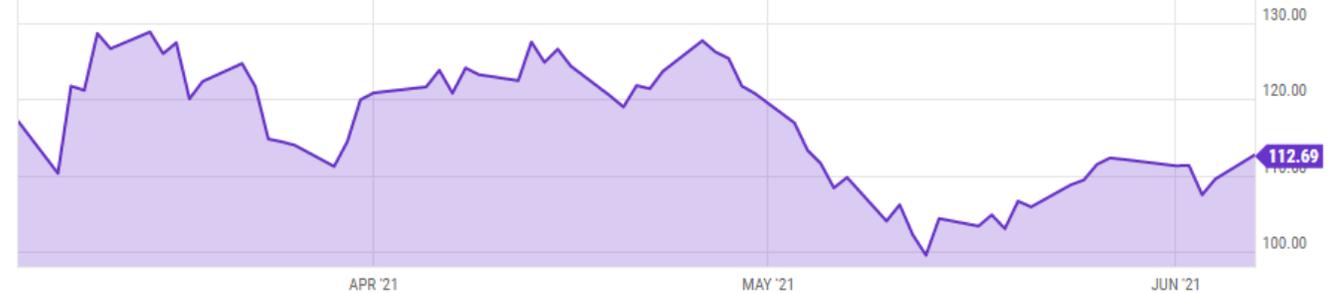
112.69 ↑ +3.18 (+2.90%) USD | Jun 07, 20:00

Quote Performance Allocations Holdings Fundamental Chart Tech Chart Data

#### Price Chart

PRICE RETURNS VIEW FULL CHART

1D 5D 1M 3M 6M YTD 1Y 3Y 5Y 10Y MAX



- ✓ Next Generation equities are on the recovery path.
- ✓ This will lead to larger inflows into Next Generation equities.

# 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.