



EQUITIES MARKETS HAVE HAD THEIR WORSE YEARLY START SINCE 1934

US COMPANIES HAVE ANNOUNCED OVER
\$400 BILLION IN SHARE BUYBACKS.
BERKSHIRE HATHAWAY SPEND'S \$51.1
BILLION BUYING EQUITIES IN Q1, 2022.

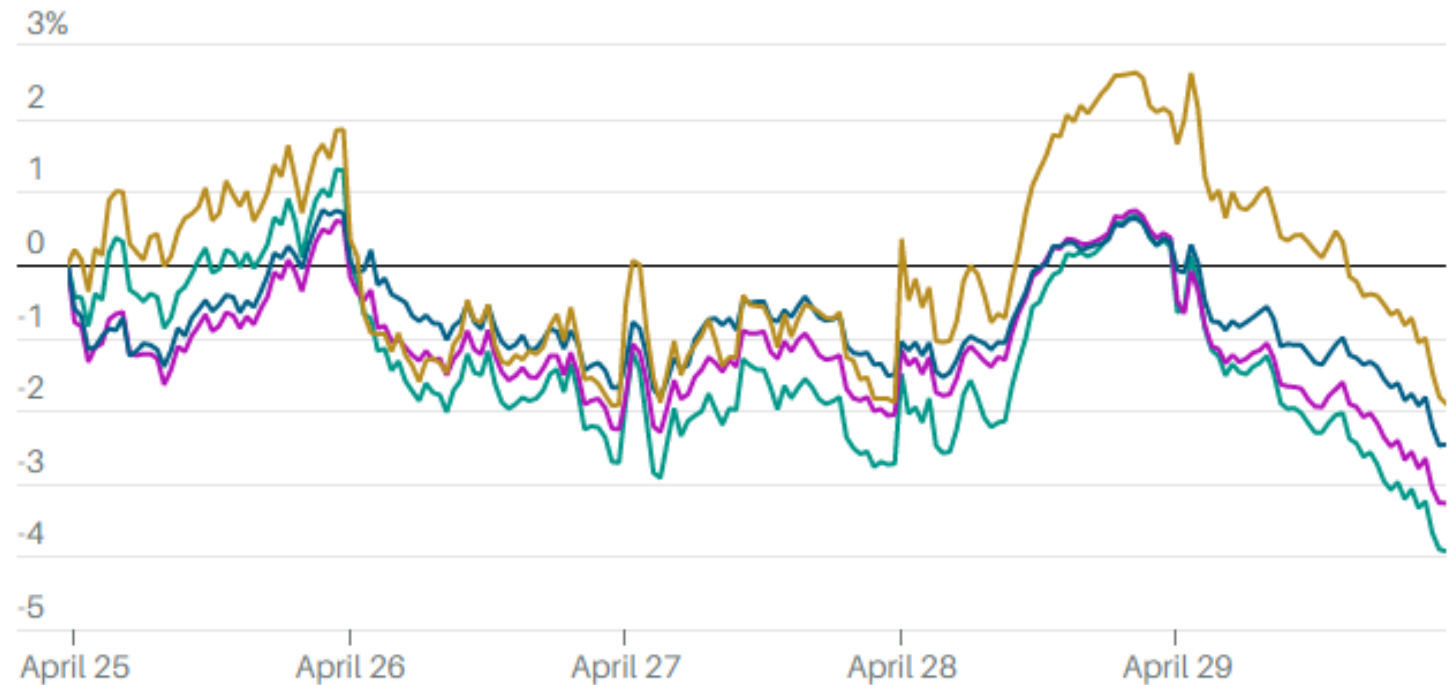


IT HAS BEEN THE
WORST FIRST
QUARTER OF THE
YEAR FOR EQUITIES
SINCE 1934

Equities Have Had A Poor Start To 2022

Market Performance

■ iShares Expanded Tech-Software Sector ETF ■ Dow industrials
■ S&P 500 ■ Nasdaq Composite



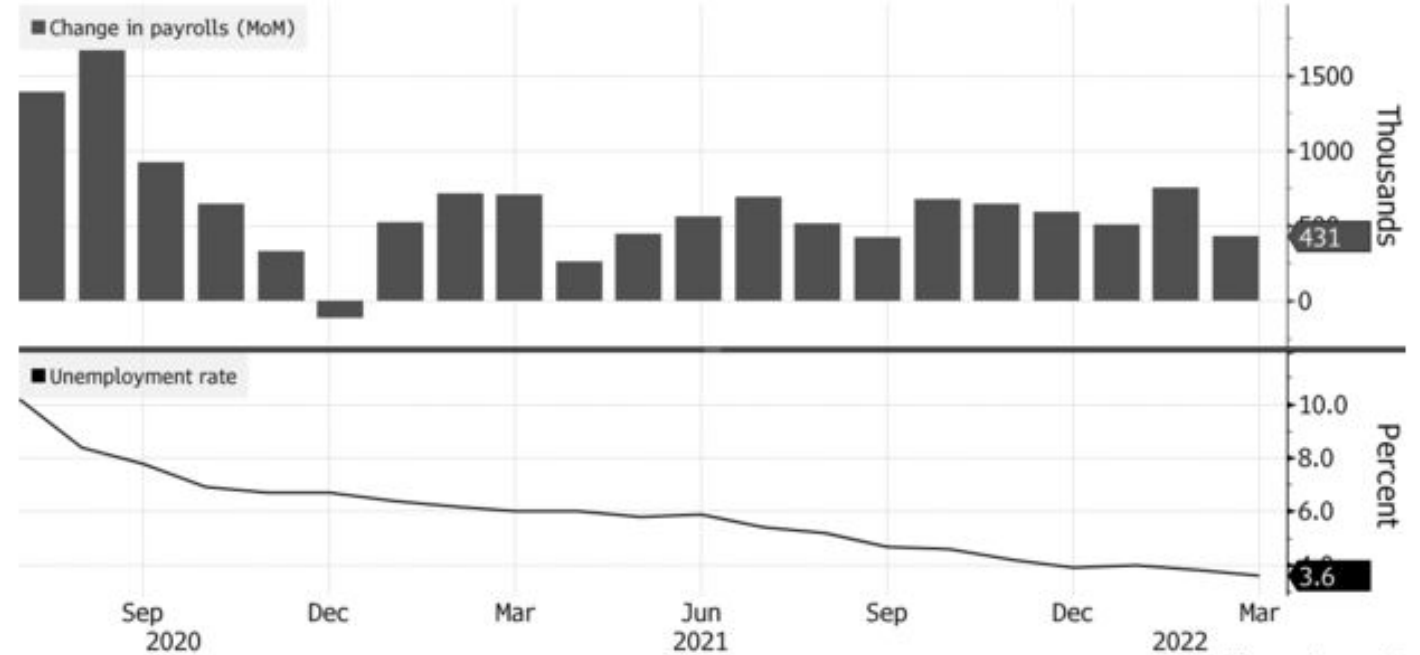
Source: FactSet

US JOB GROWTH
PROBABLY
REMAINED SOLID
IN APRIL 2022

Unemployment Is Low

Steady as She Goes

U.S. job growth probably remained solid in April, while unemployment stayed low

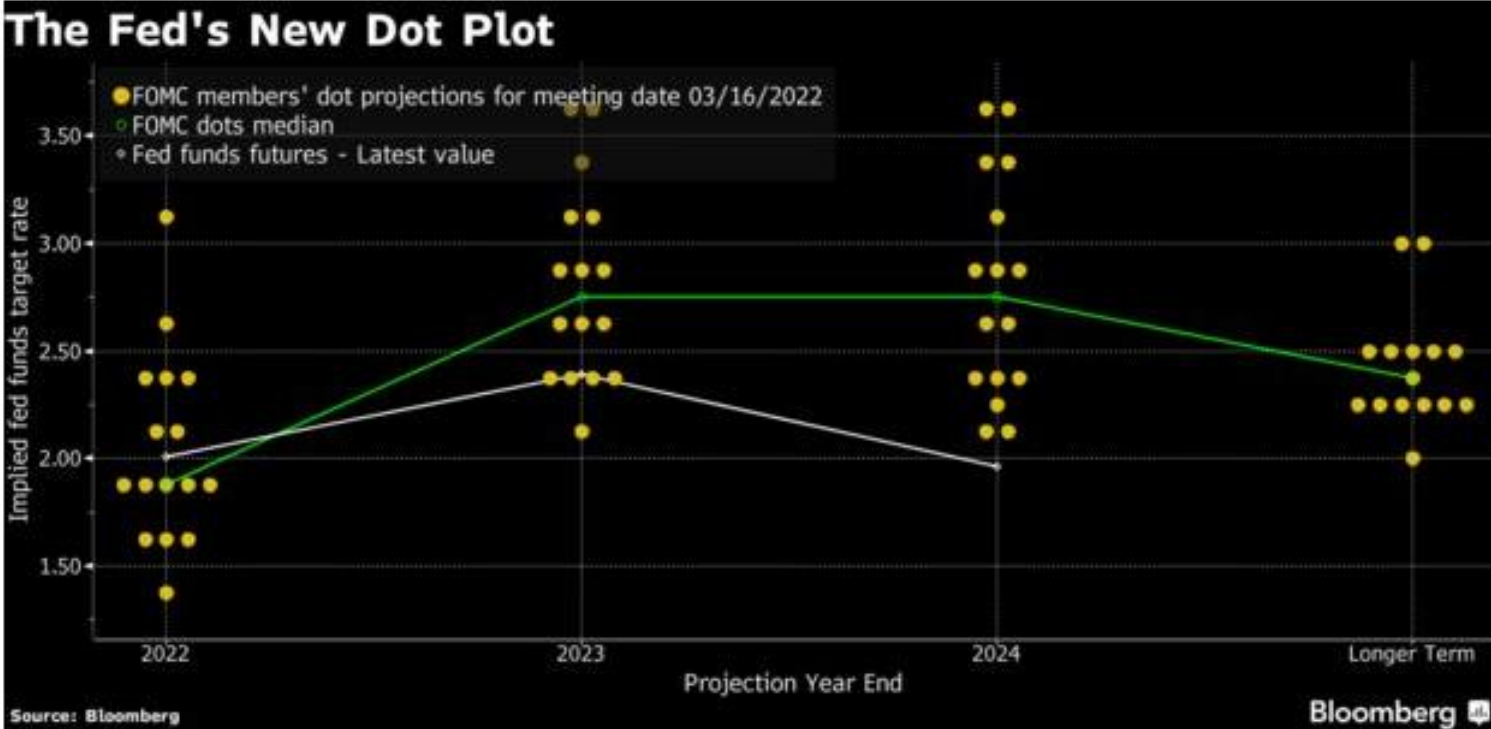


Source: Bureau of Labor Statistics

Bloomberg

Current Fed Dot Plot

THE US FEDERAL RESERVE USES THE DOT PLOT TO SIGNAL ITS OUTLOOK FOR INTEREST RATES. RATES WILL INCREASE AGAIN IN MAY 2022



- ✓ The Fed's Dot Plot Indicates interest rate increases are very likely in the short term over 2022.

SUPPLY CHAIN
ISSUES AND
CONSUMER
DEMAND HAVE
MADE THE
CONSUMER PRICE
INDEX JUMP

Shanghai Lockdowns Are Affecting Supply Chains

Inflation has exploded during the pandemic

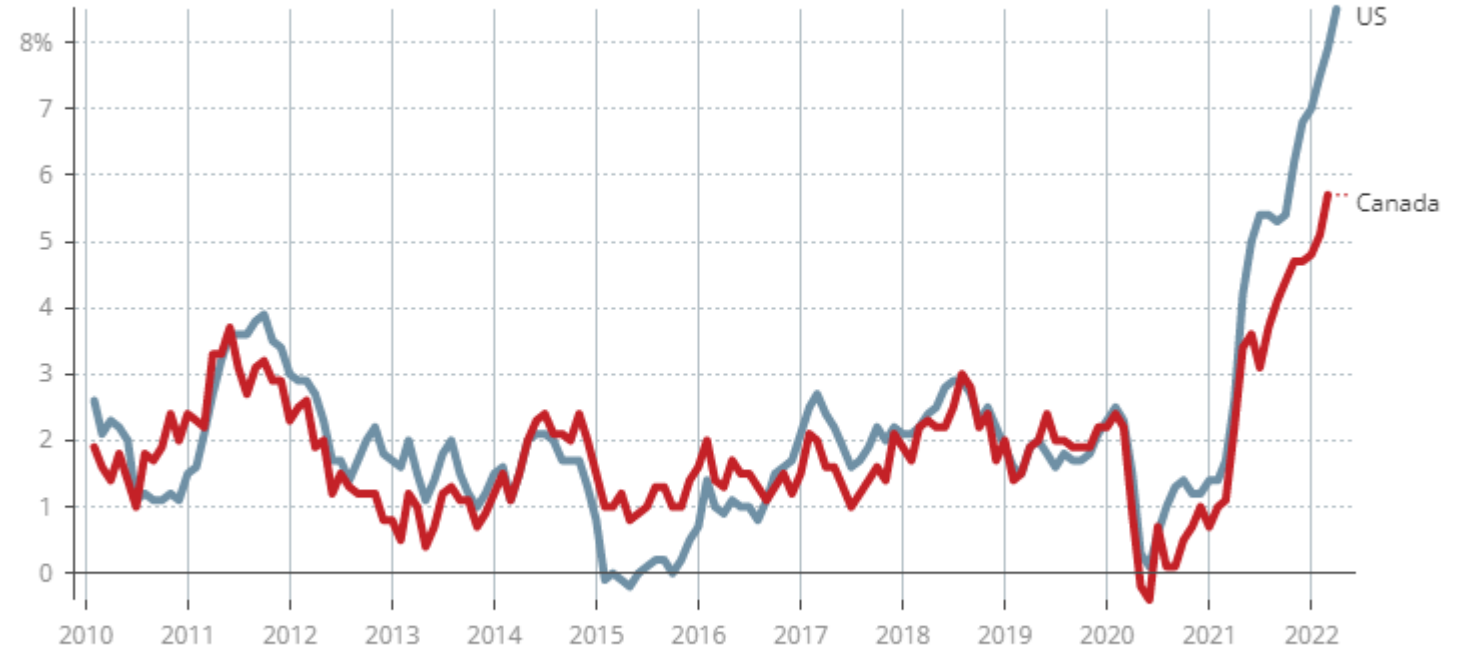
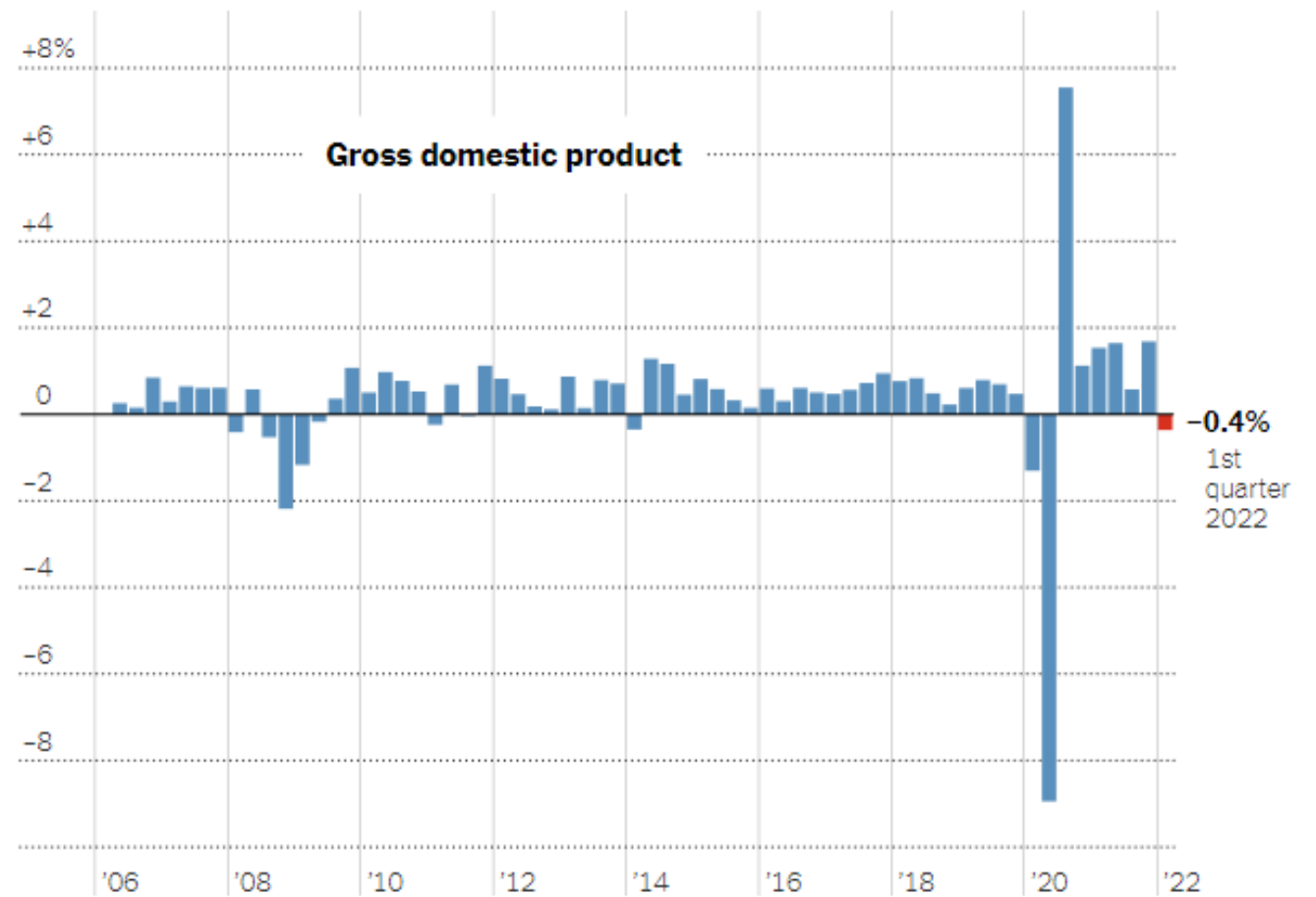


Chart: Pete Evans/CBC • Source: [U.S. Department of Labour](#)

CBC News

THE US ECONOMY
SHRANK IN Q1,
2022 BUT
UNDERLYING
MEASURES WERE
SOLID SUCH AS
CONSUMER
SPENDING



Quarterly changes in real gross domestic product • Source: Bureau of Economic Analysis • By The New York Times

SHARE BUYBACK
ANNOUNCEMENTS.
BERKSHIRE'S
ANNOUNCED
STOCK PURCHASE
WILL SHRINK CASH
TO \$106 BILLION.

- ✓ **Alphabet authorized \$70 billion** (2022) in share repurchases, a major step up from last year's authorization of \$50 billion and the authorization of \$25 billion in 2019
- ✓ **Apple extends share buyback by \$90 billion** and is raising its dividend 5% which was announced in Q1, 2022
- ✓ **Elon Musk to buy Twitter for \$44 billion.** Exxon triples share buyback to **\$30 billion** through end of 2023. Chevron said it repurchased a record **\$10 billion** of stock before the end of 2022. Facebook (Meta) announced \$50 billion in Q4, 2021. Cisco Systems announced \$15 billion buyback.
- ✓ **After complaining for years that high valuation were thwarting his stock-buying efforts, Berkshire Hathaway Inc. is back hoovering up other companies' shares. Berkshire Hathaway Inc. hasn't been this significant of a net buyer of common stocks in any quarter in data going back to 2008.**



US LISTED ETFS
HAD INFLOWS OF
\$900 BILLION IN
2021. US
COMPANIES HAVE
ALREADY
ANNOUNCED
OVER \$400
BILLION IN
BUYBACKS Q1,
2022

| Net Flows (\$M) | 2020 Net Flows (\$M) | 2021 Net Flows (\$M) | Change (\$M) | Change (%) |
|----------------------------|-----------------------------|-----------------------------|---------------------|-------------------|
| U.S. Equity | 165,377.22 | 461,921.12 | 296,543.90 | 179.31% |
| International Equity | 72,407.92 | 210,700.74 | 138,292.82 | 190.99% |
| U.S. Fixed Income | 186,387.38 | 175,287.83 | -11,099.55 | -5.96% |
| International Fixed Income | 25,515.58 | 34,402.36 | 8,886.78 | 34.83% |
| Commodities | 40,016.74 | -4,207.33 | -44,224.07 | -110.51% |
| Currency | 562.29 | 1,760.53 | 1,198.24 | 213.10% |
| Leveraged | 394.29 | 5,414.20 | 5,019.91 | 1273.15% |
| Inverse | 13,510.84 | 5,571.92 | -7,938.92 | -58.76% |
| Asset Allocation | 2,911.88 | 6,023.95 | 3,112.07 | 106.87% |
| Alternatives | 359.55 | 3,140.46 | 2,780.91 | 773.44% |
| Total | 507,443.68 | 900,015.77 | 392,572.09 | 77.36% |

S&P 500 Q4, 2021
BUYBACKS WERE
\$270.1 BILLION,
UP 15.1% FROM
THE RECORD SET
IN Q3, 2021

"Companies **continued their record-breaking buybacks in Q4 2021 and accelerated their expenditures** prior to the year-end ahead of any expected policy changes in 2022," said Howard Silverblatt, Senior Index Analyst at S&P Dow Jones Indices. "The record expenditures led to one out of seven companies in the S&P 500 increasing their earnings-per-share by at least 4% thanks to their newly lowered share count, up from the one-in-thirteen in Q3 2021. While the EPS uplift remained well below the one in four rate of 2019, the direction is clear, with declared new programs setting the stage for increased buying in 2022."

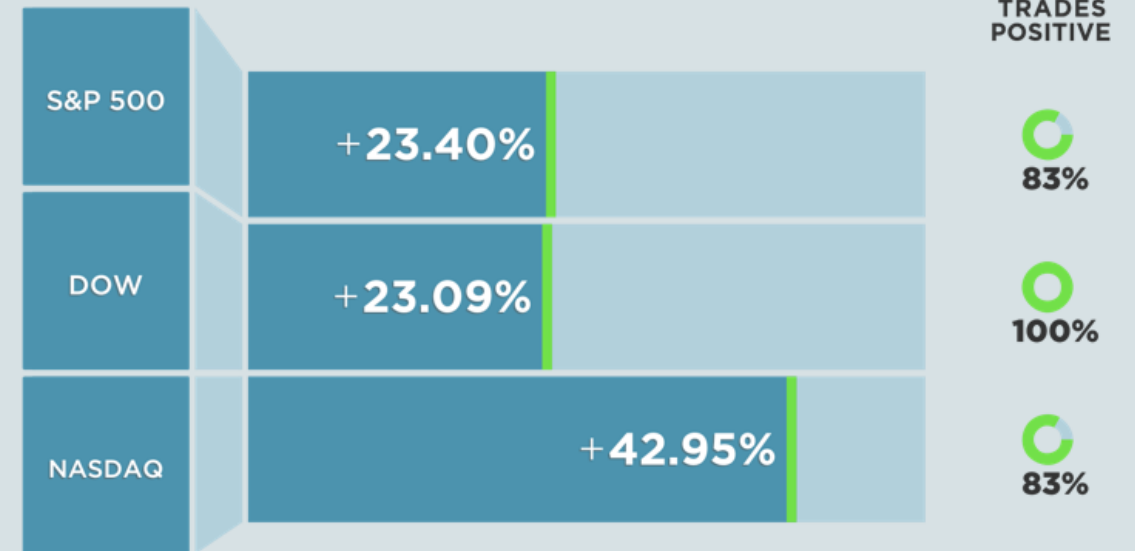
WHAT HAPPENS
DURING PERIODS
OF INCREASING
INTEREST RATES?
THERE WAS AN
AVERAGE POSITIVE
RETURN 6 TIMES
SINCE 1988

KENSHO
STATS BOX

Major periods of rising rates Average return | 6 times since 1988

BOUGHT
START
OF EVENT

SOLD
END
OF EVENT



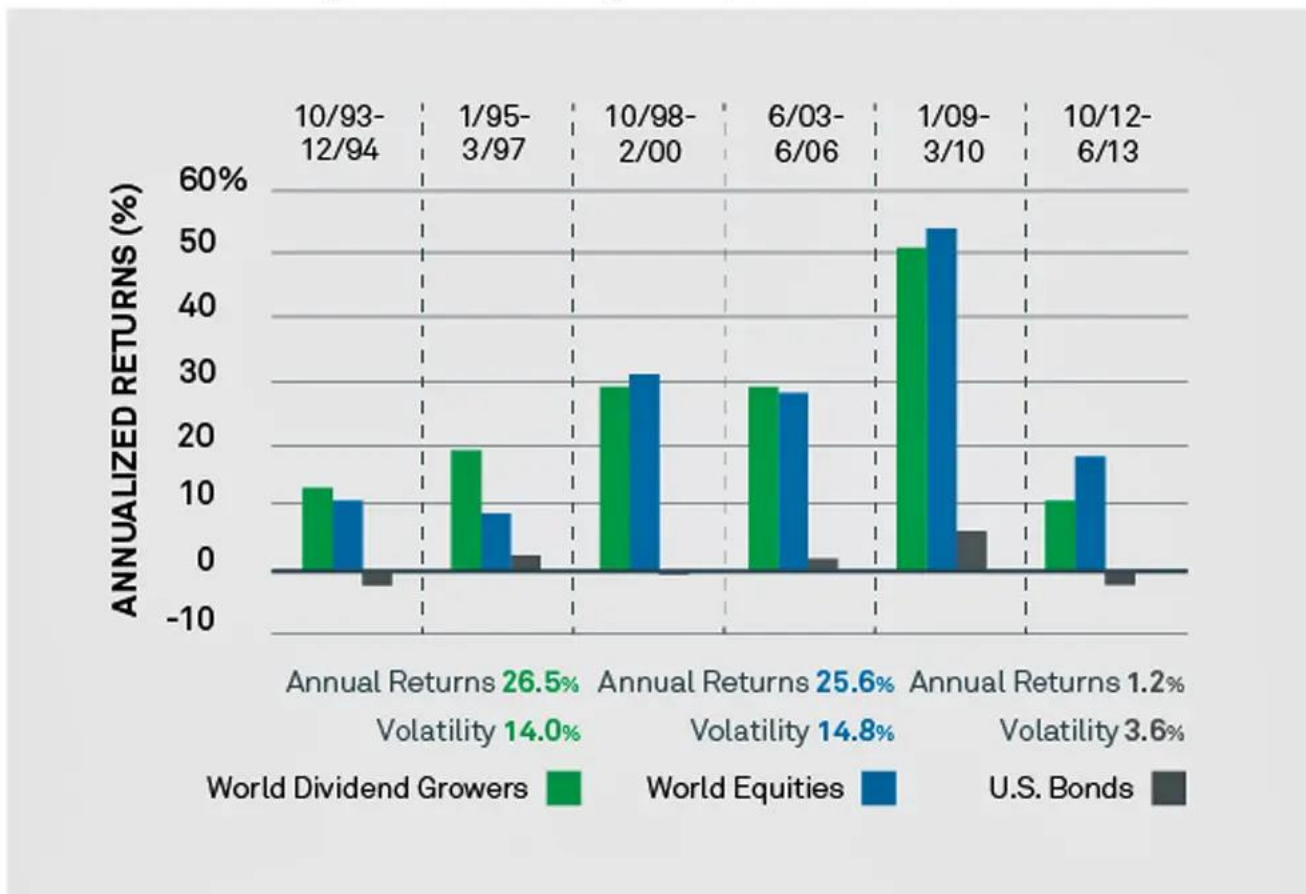
Study conducted on: Feb 8, 2018

CNBC

STOCKS ACTUALLY
OFFER
PROTECTION
DURING PERIODS
OF RISING
INTEREST RATES
(BLACKROCK)

STOCKS SEEK TO OFFER PROTECTION AMID RISING RATES

Performance During Periods of Rising Rates, October 1993–June 2013



Sources: Societe Generale, BlackRock, as of 6/30/13. World Dividend Growers represented by top quintile of dividend growers by five-year dividend growth across FTSE World Index; World Equities represented by entire FTSE World Index; U.S. Bonds represented by Barclays U.S. Aggregate Index. Volatility is measured by standard deviation. Past performance is no guarantee of future results. It is not possible to invest directly in an index. Index is shown for illustrative purposes only.

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.