

## DD EQUITY FUND

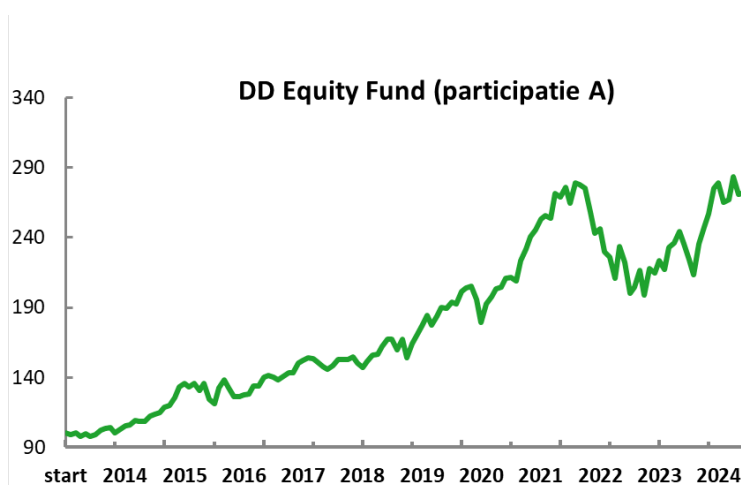
## Monthly report August 2024

## Profile

DD Equity Fund (DDEF) is an actively managed fund. DDEF invests in a globally diversified portfolio of high-quality companies that are at the forefront of sustainability. At DDEF, the analysis on sustainability and financial aspects is fully integrated. The fund aims for a net return of 8%\* per year in the long term and has no benchmark. DDEF is managed by an independent partnership with the conviction that sustainability makes a positive contribution to the return and risk profile of an investment portfolio. The partners of DoubleDividend also invest in the fund themselves. The fund can be traded on a daily basis.

## Return participation A\*

DD Equity Fund achieved a return of 0.4% in August 2024, as a result of which the net asset value per unit A rose to € 272.1.



\* The value of your investment may fluctuate. Results achieved in the past do not provide any guarantees for the future.

## Fund information

## Key facts

Fund size	€210 mln
# shares outstanding A	523,050
# shares outstanding B	151,739
# shares outstanding C	93,541
Net Asset Value A*	€ 272.08
Net Asset Value B*	€ 275.77
Net Asset Value C*	€ 278.31
# of positions	67
Beta	1.3

## Costs

Management fee A	0.80%
Management fee B	0.50%
Management fee C	0.25%
Other costs**	0.20%
Up/down Swing factor	0.25%

## Other

Start date	Part. A: April 2013 Part. B: January 2020 Part. C: January 2021
Manager	DoubleDividend Management B.V.
Status	Open-end, daily
ISIN (A)	NL0010511002
ISIN (B)	NL0014095127
ISIN (C)	NL0015614603
Benchmark	None
Currency	Euro

## Risk monitor

\* per participatie  
\*\* expect



This is a publicity notice. This information does not provide sufficient basis for an investment decision. Therefore, please read the DD Equity Fund's Key Information Document and prospectus for more information on, investment policy, risks and the impact of costs on the amount of your investment and expected return before making an investment decision. These are available on DoubleDividend Management B.V.'s website ([www.doubledividend.nl](http://www.doubledividend.nl)). DoubleDividend Management B.V. is manager of DD Equity Fund and is licensed as manager and supervised by the Netherlands Authority for the Financial Markets. The net asset value has not been audited by an external auditor.

**Table: monthly returns in %, participation A (net of costs and fees) \***

\* The value of your investment may fluctuate. Results achieved in the past do not provide any guarantees for the future. As a result, you may lose all or part of your investment. You can read more about the risks in the Fund's Key Information Document and prospectus.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
<b>2013</b>				-0.84	1.37	-2.53	1.95	-2.01	1.31	3.02	1.26	0.35	<b>3.79</b>
<b>2014</b>	-3.29	2.58	2.17	0.43	3.26	-0.58	0.09	3.37	1.00	1.09	3.60	0.70	<b>15.17</b>
<b>2015</b>	5.01	5.81	2.05	-1.59	1.47	-3.44	3.71	-8.30	-2.70	9.50	4.12	-4.06	<b>10.66</b>
<b>2016</b>	-4.52	-0.31	1.46	0.44	4.09	-0.07	4.79	1.18	-0.95	-1.25	1.58	2.03	<b>8.44</b>
<b>2017</b>	-0.06	4.86	1.16	1.13	-0.17	-1.75	-2.16	-1.42	1.83	3.12	-0.13	0.10	<b>6.49</b>
<b>2018</b>	1.10	-2.62	-2.16	2.92	2.79	0.41	3.97	2.78	0.10	-4.42	4.50	-7.59	<b>1.01</b>
<b>2019</b>	6.37	3.36	4.19	4.25	-3.62	3.53	3.45	-0.28	2.10	-0.56	4.63	1.16	<b>32.08</b>
<b>2020</b>	0.73	-4.77	-8.16	7.40	2.32	3.02	0.56	3.19	0.39	-1.40	7.20	3.56	<b>13.73</b>
<b>2021</b>	3.83	2.21	2.87	1.10	-0.64	6.97	-1.07	2.71	-4.20	5.57	-0.56	-0.76	<b>18.94</b>
<b>2022</b>	-6.20	-5.97	1.35	-6.62	-1.81	-6.55	10.69	-4.92	-9.89	2.23	5.86	-8.19	<b>-27.82</b>
<b>2023</b>	9.60	-1.68	4.32	-2.99	7.46	1.33	3.50	-3.66	-4.91	-4.85	10.40	5.11	<b>24.30</b>
<b>2024</b>	4.04	6.98	1.35	-4.92	0.89	6.14	-4.41	0.37					<b>10.19</b>

**Periodic long term return in % (figures are after costs)\***

	1 year	3 year	5 year	10 year	Since start**
Total Return	15.7%	-1.3%	43.7%	142.8%	172.1%
Annualized Total Return	15.7%	-0.4%	7.5%	9.3%	9.2%

Source: Bloomberg/DoubleDividend

\*\* April 2013

**Market developments**

The global stock markets were under significant pressure at the beginning of this month due to a weak job market number in the US and panic on the Japanese stock market due to an interest rate increase by the Bank of Japan. Investors had doubts about the economic prospects and wondered aloud whether the FED had kept interest rates too high for too long and was slowly pushing the economy into a recession. The accumulation of uncertainties (inflation, interest rates, weak consumer spending, elections, economy, wars) became too much for investors, resulting in significant market volatility.

But as quickly as the stock market fell, it almost recovered during the month. A series of economic numbers has been able to allay many of the concerns of investors. The US economy grew by 3% last quarter. Inflation has fallen further in both the US and Europe and consumer sentiment has even improved somewhat. In addition, FED Chairman Powell announced during the annual meeting of central bankers in Jackson Hole that the time has come to change the direction of interest rate policy, laying the foundation for a first US interest rate cut in September. Powell indicated that The FED has sufficient confidence that inflation will move sustainably towards the 2% target. This suddenly brings a fairly favorable financial and economic scenario back into view. A scenario in which the economy grows, inflation falls and central banks are on the eve of a series of interest rate cuts, while at the same time consumer confidence increases. Corporate results were also generally positive last month, contributing to the market recovery. A number of software companies in particular delivered strong results, but by far the most attention went to NVIDIA's results. After a significant decline, the DD Equity fund ultimately managed to close the month with a modest gain of 0.4%, with the result somewhat negatively influenced by a decline in the dollar against the euro.

**NVIDIA figures give confidence**

NVIDIA presented excellent results. NVIDIA's quarterly turnover increased by 122% in the second quarter of 2024 compared to a year earlier to \$ 30 billion and the company managed to achieve a profit margin of no less than 62% on this record turnover. NVIDIA expects further strong revenue growth in the coming quarters thanks to the introduction of the Blackwell graphic chips (GPU) architecture as a successor to the H200 GPU. Blackwell, a GPU with 2x104 billion connections, is 4x faster and multi-factor more energy efficient than the Hopper 200. According to NVIDIA, the demand for its products still exceeds the available supply. Production will therefore

be increased in the coming quarters to meet this demand. NVIDIA's chips are made by the Taiwanese TSMC, which is also in the portfolio of the DD Equity fund.

Nvidia has recently developed into much more than a manufacturer of GPUs or graphics chips. Products such as Blackwell are more of a platform than a chip and consist of a combination of chips (GPUs and CPUs), racks and a cooling system that can be connected to the NVIDIA software platform (Cuda). By packaging multiple chips together and allowing them to operate as a system, "accelerated computing" is made possible. Accelerated computing is a modern style of computing that separates the data-intensive parts of an application and processes them separately, while processing control functionality on the CPU. This greatly improves the computing performance and energy efficiency of the system. For example, according to Nvidia Blackwell, it is 25 times more energy efficient than traditional CPUs when performing AI tasks.

### NVIDIA blackwell system



Source: NVIDIA

Broadening NVIDIA's product range is important for the stability of its business model. The offering is shifting from pure chips to complete data center systems including software, cooling systems and network hardware. Broadening the customer base (in addition to hyperscalers, governments, non-technology companies) and spreading it across different regions is important for NVIDIA. The company has made significant progress in all these areas recently, which benefits the risk and stability of the company.

### Largest positive and negative contribution

The largest positive contribution came from software company Workday, which achieved strong results. Workday is the market leader in software for HR departments. Cyber security company CrowdStrike, which was involved in the global computer outage last month, also recovered this month. The negative effects of the outage on CrowdStrike's business operations appear to be less than expected for the time being. Payment service provider Adyen also rose sharply following good results.

Alphabet's share price was negatively affected because the company lost an important lawsuit. According to an American court, the payment that Alphabet makes to Apple and Samsung, among others, to install Google's search engine as the default search engine on the equipment of these companies is not lawful and restricts competition. The court has not yet ruled on the solution, but the consequences for both Alphabet and Apple may be far-reaching. A number of companies that make equipment for the production of chips, including Applied Materials, Tokyo Electron and Lam Research were under pressure due to fears of additional trade restrictions by the US and poor results from chip manufacturer Intel.

**Table: top 5 positive and negative contribution to the monthly result (in €)**

Top 5 Positive			Top 5 Negative		
	Return	Contri.		Return	Contri.
Workday (US)	13.2%	0.3%	Alphabet (US)	-6.8%	-0.4%
Crowdstrike (US)	16.8%	0.3%	Amazon (US)	-6.7%	-0.3%
Adyen (NL)	17.5%	0.2%	Applied Material (US)	-9%	-0.3%
Palo Alto (VS)	9.2%	0.2%	Tokyo Electron (JP)	-15.9%	-0.2%
Mercadolibre (Uruguay)	20.7%	0.2%	Lam Research (US)	-12.9%	-0.2%

Source: DoubleDividend/Bloomberg

## Portfolio changes

We took advantage of the sharp price drops at the beginning of the month by adding to various positions, including NVIDIA, ASML, Oracle, Daifuku, Lam Research, Amazon, Stryker, United Health, Estee Lauder and Microsoft. The position in China Longyuan has been completely sold. Positions in TSMC, Salesforce, Alphabet, Danaher, Infosys, Servicenow and Thermos Fisher have also reduced somewhat. No new positions were added to the portfolio last month.

**Table: top 20 holdings in portfolio by the month end.**

Companies & weight in portfolio			
Amazon (US)	5.0%	AMD (US)	2.6%
Microsoft (US)	4.9%	Visa (US)	2.6%
Alphabet (US)	4.5%	Thermo Fisher (UUS)	2.4%
ServiceNow (US)	3.7%	Workday (US)	2.4%
Salesforce (US)	3.5%	Palo Alto (US)	2.2%
TSMC (Taiwan)	3.5%	LVMH (Frankrijk)	2.2%
Adobe (US)	3.4%	PayPal (US)	2.1%
Applied Materials (US)	3.0%	Mastercard (US)	1.9%
ASML (NL)	3.0%	Danaher (US)	1.9%
Nvidia (US)	2.8%	Crowdstrike (US)	1.7%

Source: DoubleDividend

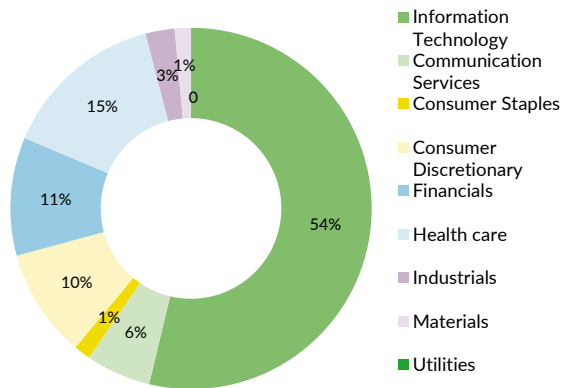
## Appendix: portfolio characteristics

**Table: Characteristics portfolio DDEF per month end**

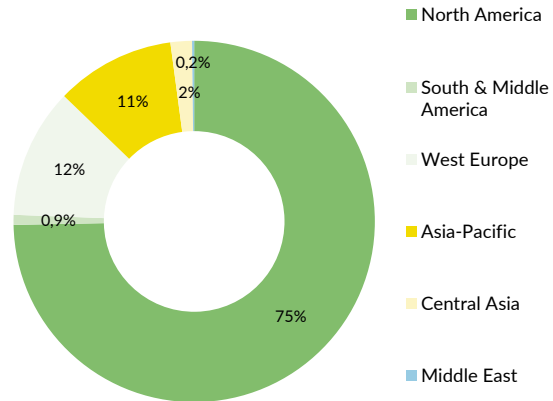
Valuation		growth	
P/E ratio	36.1	Revenue growth	-0.7%
P/E ratio expected	25.8	EBITDA growth	41.1%
EV/EBITDA expected	17.6	Gross profit margin	51.0%
Dividend yield	1.0%	Operational profit margin	16.1%
Price/cashflow	21.1	VAR (value at risk)	30.2%
Beta	1.3	Standard deviation	18.4%

Source: DoubleDividend/Bloomberg

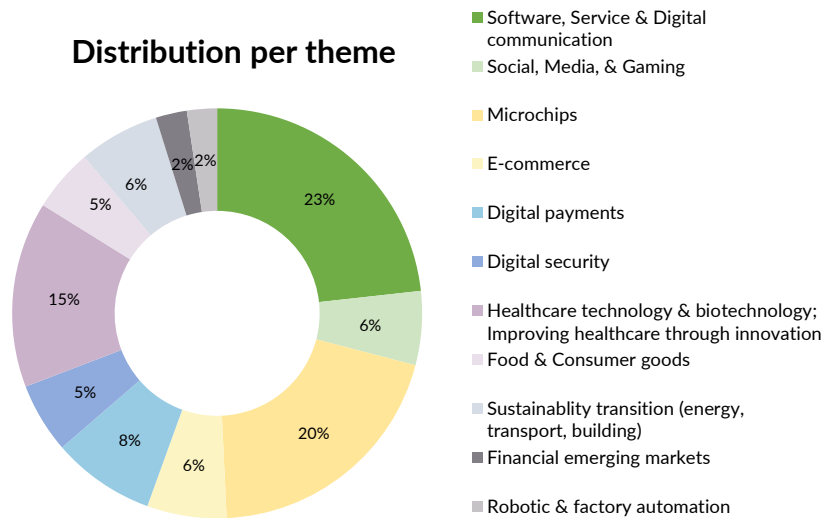
### Distribution per sector (GICS)



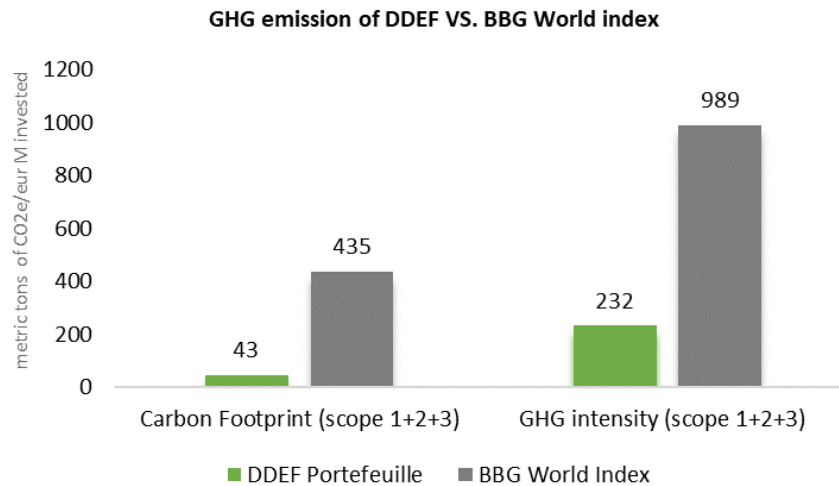
### Distribution per region



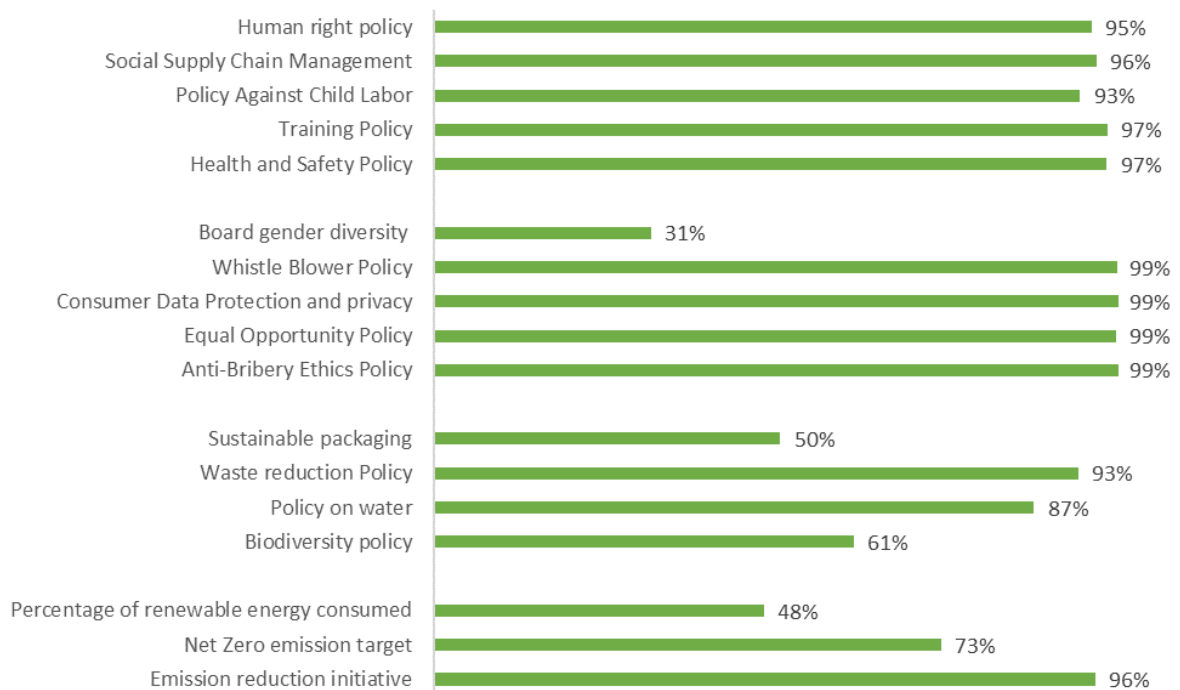
### Distribution per theme



DDEF ESG-Overview



**ESG Impact of DDEF Portfolio  
(% companies in the portfolio)**



Source: DoubleDividend/Bloomberg

More information on the fund's sustainability features can be found on our [website](#) and in the DD Equity Fund prospectus. It is important to consider all the features of the fund, as described in the prospectus, before making an investment decision.

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