



TEA TSAKOS – Megaron Macedonia, 367 Syngrou Ave., 175 64, Athens, Greece

## MONTHLY INVESTOR LETTER – JUNE 2022

## Investment Objective

The fund's objective is to increase its value at a constant growth real rate no less than global developed economies growth rate. To implement this investment objective, the fund is adopting an investment policy with a long term horizon aiming to invest in asset classes offering maximum returns at the lowest possible investment risk. Periodic fund flows coupled with systematic investing have historically been proven a very robust strategy creating gains while being resistant to potential market risks.

## Investment Strategy

The risk of recession has increased: US and European economic indicators have weakened amid tightening financial conditions, for instance in the interest rate-sensitive US housing market. Rising energy and food prices are eating into real disposable income, dampening consumer sentiment globally. China remains on a different growth trajectory, as the easing of COVID-19 restrictions has triggered an economic recovery that is now reinforced by strong policy stimulus. We maintain a moderate equity overweight in portfolio, expressed through an overweight in US and Chinese equities. The unfolding recovery in China should support earnings and thus a continued market recovery. As a word of caution, although we see a good chance of a temporary relief rally, the macroeconomic backdrop is likely to remain challenging for equities in the medium term. A confirmation of peak inflation in the USA and Europe might still be several months away. Should the US Federal Reserve stay focused on headline instead of core inflation, which has already peaked, recession worries could increase further.

The fund's net asset value stands at € **6.680.969,28**, year to date (YTD 2022) return standing at -6.29% while the fund's performance since inception date January 14<sup>th</sup> 2019 currently stands at 17.49%.

