

Monthly Market Insights, Review of February 2023

- Global share markets had a positive month. After underperforming in the first two months of the year, markets rebounded as sentiment started to improve.
 - The S&P 500 was up 4.9%, while the Nasdaq rose 6.2%. European markets were also higher, with the Stoxx Europe 600 gaining 2.6%. Asian markets were also higher, led by a 7.1% gain in Japan's Nikkei 225. Emerging markets were generally higher as well, with China's Shanghai Composite posting a 3.5% gain.
- Commodity markets remained strong on the back of strong demand from emerging markets and increasing industrial activity in China. Prices for natural gas, oil, metals, and agricultural commodities all increased during this month. Furthermore, investors responded positively to the passage of the United States–Mexico–Canada Agreement (USMCA) as they expected increased trade between the three countries and further economic stimulus.
- In line with expectations, the Fed raised interest rates to 4.4%, reaching its highest point in 15 years and signalling further increases would be appropriate with a commitment to fight inflation.

Market Metrics for February vs YTD

(2.6)% S&P 500 (Feb)	3.8% S&P 500 (YTD)	(4.2)% DJIA (Feb)	(1.4)% DJIA (YTD)	1.3% FTSE 100 (Feb)	4.3% FTSE 100 (YTD)	(2.9)% ASX 200 (Feb)	4.5% ASX 200 (YTD)
(4.0)% S&P GSCI (Feb)	(1.5)% S&P GSCI (YTD)	(6.5)% ASX200 Res (Feb)	1.5% ASX200 Res (YTD)	(5.6)% Gold (US\$) (Feb)	(1.4)% Gold (US\$) (YTD)	(4.0)% Crude/Brent (Feb)	(0.1)% Crude/Brent (YTD)

Source: Bloomberg, S&P Global Market Intelligence, Investing.com, Trading Economics, MarketWatch, NASDAQ, KME

Commodity Highlights

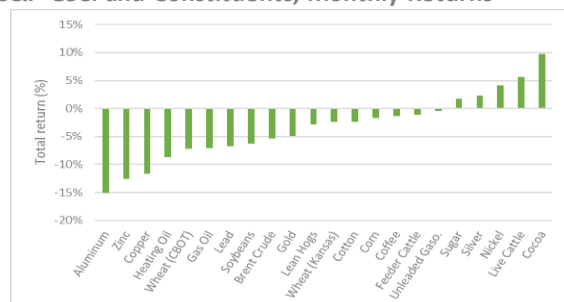
- The S&P GSCI slipped slightly in December, down 1.8%, but finished the year 8.1% higher than the same time last year, as inflation continues to put pressure on policy makers and global markets.
- The two main factors driving the broad-based increase in commodity prices were geopolitical conflict and inflation
- A wide range of commodities performed strongly during the month (S&P GSCI Constituents), including Cocoa (+9.74%), Live Cattle (+5.69%), Nickel (+4.13%), Silver (+2.28%)
- Gold and silver prices posted solid gains during the month, amid the volatility in other sectors as a result of its safe-haven status and a more cautious U.S Fed tightening expectations

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S&P GSCI Performance - LTM



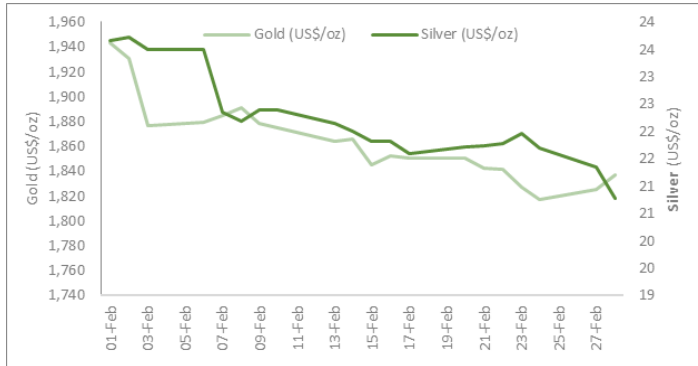
S&P GSCI and Constituents, Monthly Returns



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Precious Metals – gold, silver, palladium, platinum

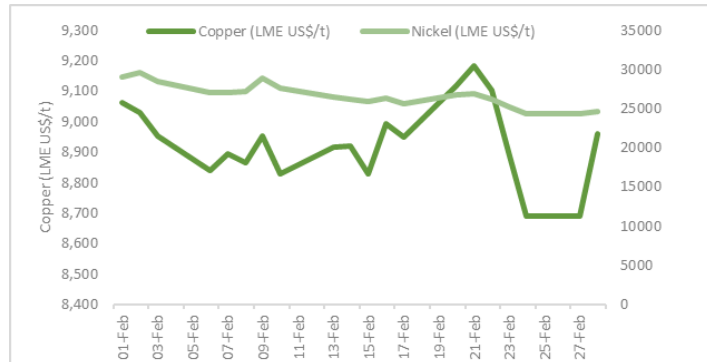
- The gold price, fell during February finishing the month at US\$1836.70/oz aided by its safe haven status as investors look to hedge against inflation
- Inflation, worries about a global recession, and ongoing war in Ukraine are among threats likely favourable to gold in 2023.
- The silver price lost 11.9% in February finishing the month at US\$20.91/oz
- The palladium price declined by 8.5% during the month to US\$1,719/oz
- The platinum price rose by 3% during the month to US\$1,069.57/oz



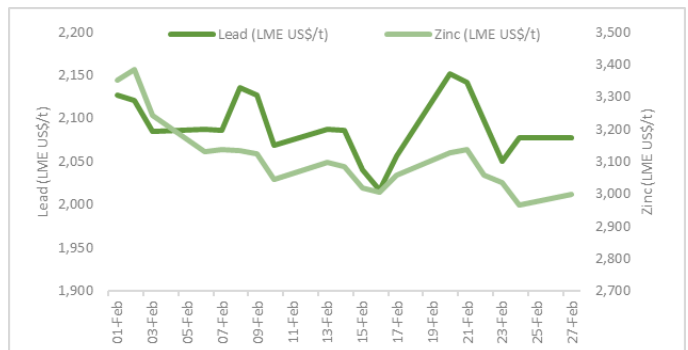
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Base Metals – copper, nickel, lead, zinc

- Base metals fell in February, after a volatile January:
 - Copper: -2.6% to US\$8,961/t;
 - Nickel: -18.4% to US\$24,591/t;
 - Lead: +0.6% to US\$2,140.50/t; and
 - Zinc: +1.9% to US\$3032/t.
- The Nickel price fell away in February following a strong January.
- Despite copper's fundamentals looking supportive, the metal has failed to hold onto its gains made in 2022, as global slowdown fears remain elevated.
- Whilst demand for Zinc has been on the decline supply of refined zinc has also been hit hard this year following further closures of smelters, in particular in Europe.



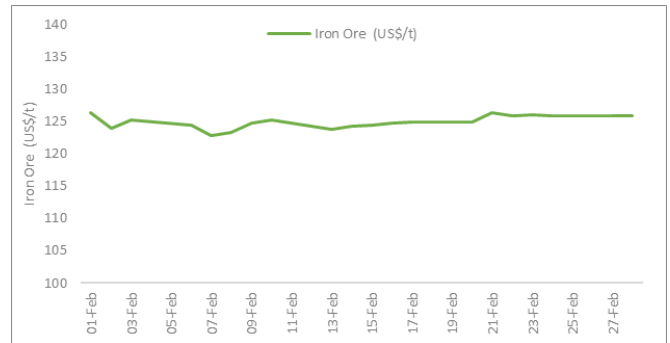
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Bulks – iron ore, coal

- The iron ore price (NYMEX 62% fines) was stable during February, gaining 1.9% to US\$125.8/t during February, off gains in January.
- Aside from the last few weeks, the second half of 2022 has been a period of weakness for iron as the Chinese economy faltered with COVID lockdowns limiting activity within the Asian superpower.
- December saw sentiment improve relating to the China economy and how it deals with COVID-19 in 2023.
- China also hinted at more support for its real estate sector which would have positive impacts for the iron ore and coal markets.

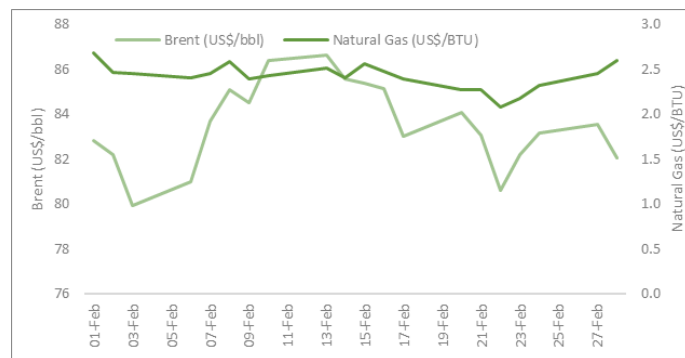


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Energy – oil & gas

- The S&P GSCI Energy fell during the month with by 3.4%, and Brent finished the month at US\$82.0/bbl
- Concerns about the global economic outlook leading into 2023 have resulted in declines across the energy markets. These declines were somewhat softened by a pick up in demand from China as lockdowns are relaxed.
- The market remains tight and volatile given low spare capacity to respond to supply shocks

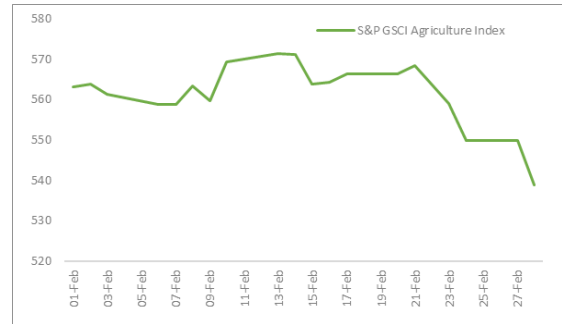


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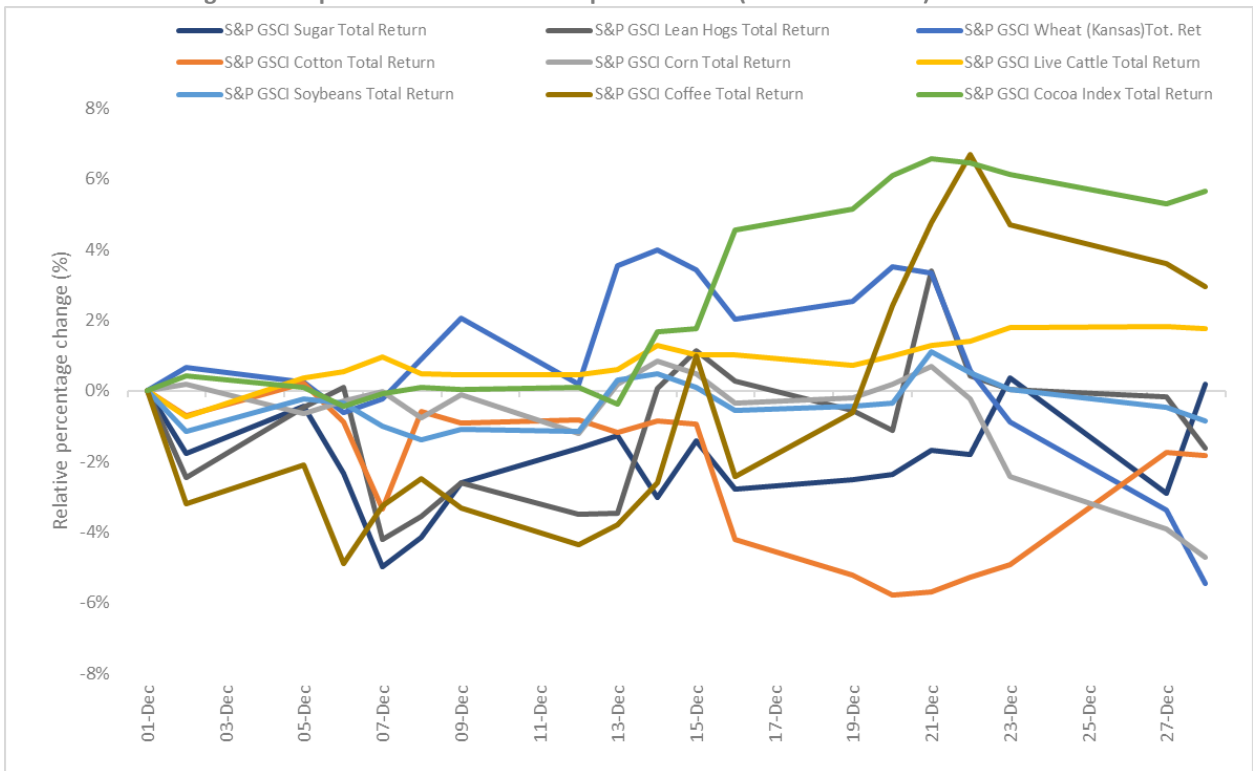
Agriculture

- S&P GSCI Agriculture fell in February by 4.8% led by Aluminium, Zinc, Copper and Oil which all saw prices drop
- Overall prices remain well above pre-covid levels and many producers are seeing their most profitable period in living memory.
- Livestock and grain market volatility sits at the heart of the recent Rural Commodities Index changes. Wheat saw a big runup coming into spring, but has now fallen away as markets weight global geopolitical events, USD weakness, an uncertain supply.
- Declines in the Cattle markets have softened off recent declines driven by feedlots and processors eased buying in a market with very strong young cattle supply and more challenging US beef conditions. Further volatility likely awaits producers in 2023.



Source: Bloomberg, S&P Global Market Intelligence, Investing.com, Trading Economics, MarketWatch, NASDAQ, KME

Selected S&P GSCI agriculture product returns relative performance (December 2022)



Source: Bloomberg, S&P Global Market Intelligence, Investing.com, Trading Economics, MarketWatch, NASDAQ, KME

Contact Details

Nicholas Boyd-Mathews

F Fin Chartered MCS1 MSAFAA

Executive Director /

Chief Investment Officer

nicholas@eden-asset.com

Eden Partners Pty Ltd

Australian Financial Services Licence ("AFSL") No: 296466 (held within Eden Asset Management Pty Ltd)

Phone: +61 8 6186 9711

Office: Suite 2, 38 Colin Street, West Perth, WA 6005 Australia

Web: eden-asset.com

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The Fund aims to achieve long-term growth by investing in equities in the global natural resources sector, incorporating the metals and mining, energy and agriculture sectors

ESG considerations are core to Eden's investment process, and potential investments which do not meet required ESG measures will be excluded from the Fund's investment universe. Eden employs a combination of negative/exclusionary screening, positive/best-in-class screening, ESG integration, and corporate engagement plus shareholder action

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