



INSYNC JUNE 2018 FUND COMMENTARY

STRONG PERFORMANCES FOR JUNE & OVER 12 MONTHS

The Fund performed strongly again in June at **+3.51%**, after the cost of protection, and significantly ahead of the benchmark return of 1.81%. Similarly, the 12-month return was also strong, in what has been a volatile year, increasing by **17.25%**, after the cost of protection compared to the unprotected benchmark return of 15.00%.



and Google. The main negative contributors in the month were eBay, Estee Lauder, Booking Holdings and Stryker Corp.

Global Stocks

Global stocks overall rose despite signs of softening economic growth in Europe and Japan, a worsening in trade relations, more of Trump's unpredictability and rising interest rates in the US. The strengthening US dollar also weighed on emerging markets currencies, which contributed to EM equities continuing to sell off after outperforming earlier in the year. Among the major markets, the US was a stronger performer benefitting from tax cuts driving profit-growth. Energy led the way on rising oil prices, while financials were the weakest, due in part to tightening financial conditions and flattening in the US yield curve.

The Fund continues to have no foreign currency hedging in place as Insync consider the

A Megatrend® Profile: Omni-channel Payments

This month we examine one of the highly promising sub-trends of the move to a cashless society Insync invests within. Whilst this is a well understood global megatrend® with a significant runway of growth ahead, the use of digital payments for goods and services is still in the earlier stages of evolution. This embraces both online payments and in-store payments using smart devices. Within this the mobile device share of e-commerce transactions is accelerating.

Mobile E-Commerce is up and Poised for Further Growth

Estimated mobile e-commerce sales worldwide



Today's consumers are becoming increasingly connected embracing tablets, smartphones, wearables, messenger apps and social media. This connectivity is significantly impacting their shopping experience. People are starting to purchase anywhere, at any time, from any device, from any channel, and using any payment means of their choice. Mobile devices and the Internet are seen as game changers for the payments industry and for retailers. The number of connected devices on the so-called Internet of Things will, in 2019, reach 24.6 billion devices, up from 10.1 billion in 2014. This will, in turn, impact the way consumers interact with the merchant's online shop

- Click & Collect – online purchase with delivery and payment in outlet or by postal service

Even more, consumers demand to be able to use new types of payment.

Examples include:

- In-store payments with mobile devices
- In-app payments directly from the bank account
- Mobile payments on cards and/or on digital wallets (MasterPass, Visa Checkout, PayPal)
- Payments with messenger apps (e.g. Alipay, WeChat App), initiated by QR-code or 1D-barcode
- Online buy-buttons with one-click payments (e.g. Facebook, Google, Amazon)
- Online payments on cards, from bank accounts, or using messenger apps (e.g. Alipay, WeChat App)



As connected consumers shop using more and more touch points and checkout channels, it has become more difficult for the individual merchant to analyse the consumers' purchase and payment patterns at an individual level in order to understand how to improve their respective sales strategy accordingly. It is about creating a seamless customer dialogue through every stage of the customer journey, from pre-purchase research and showrooming to post-sales touch points. Retailers are expected to be able to offer the answer to this new consumer behaviour pattern and deliver seamless 'omni-channel' consumer experiences.



New fund from next month

From July a new fund option will be available. Basically, this is the same fund as our current Global Titans Fund minus the put-option protection. Thus, its ongoing expenses are also less.

Name changes

The Insync Global Titans Fund has been renamed to the Insync Global Capital Aware Fund. The new unprotected fund mentioned above is called the Insync Global Quality Equity Fund.