

C WORLDWIDE

INVESTMENT REPORT | Q2 2025

Technology, Politics and Equity Market Outlook

C WorldWide Global Equities

C WorldWide Global Equities Ethical

C WorldWide Centuria

COMPOSITE | USD



Q2 2025

Technology, Politics and Equity Market Outlook

Looking at the investment world in 2025 and beyond, we have previously written about the new multipolar world where more countries play a bigger role. However, currently the world seems rather unipolar with the US and President Trump setting the agenda. Investors are kept busy trying to distinguish noise from reality. This has shortened investors' time horizon and created a more complex investment environment.

The US built the rule-based international order post-Second World War. They are now signalling change and are pulling back. Prioritising power over rules. What are the longer-term ramifications of this? Does it undermine the US leadership and economy, the global economy and equity markets?

A power-based leadership model is linked to military power, and the US seems to be shrinking

its global security umbrella. This has significant implications, forcing Europe to loosen the fiscal restraints and spend much more on its own defence. The future of war will be technology-driven, where drones are relatively cheap and defence domes are expensive.

Will AI FOMO create an investment bubble?

Technology and AI are the epicentre of a global battlefield, where tech giants, egos and nations participate in an investment race in the quest for global supremacy. There is a fear of missing out (FOMO), and the key participants have deep pockets with a lot of cash to spend. This cocktail contains a recipe for an investment bubble with potentially disappointing returns on investment.

“

Technology and AI are the epicentre of a global battlefield and the key participants have deep pockets with a lot of cash to spend.



Bo Knudsen
CEO and Portfolio Manager
C WorldWide Asset Management



It can be useful to put the current spending in a historical context. Over the past 100 years, there have been at least four major infrastructure capex cycles starting with the US electrification wave in the 1920s. In the 1950s and 60s, in particular in the US, we had the big highway buildout, and around the 2000s with the internet boom, we had the aggressive build-out of fibre optics. From 2010 and onwards there was a fourth wave with massive investments in cloud infrastructure.

These projects lasted for a number of years and although with some estimate uncertainty, the total investments during the built-out period were around 0.5 to 1% of GDP per annum¹. The current AI investment spending in the US is around 300 billion USD per annum, compared to a near \$30 trillion U.S. economy, or about 1%². The US semiconductor company Marvell recently predicted that AI capex will reach 1 trillion USD, or closer to 3% of GDP.

One must be humble when making historical comparisons, but we've had some impactful developments already this year with the Deep Seek moment driven by rapid innovations from China. Most recently as well, a critical paper from Apple highlighting that there is no direct road to super intelligence via the current large language models and the technology of AI.

Risk of overexcitement

We believe that there is a risk of overexcitement. The World Index and especially S&P500 have to a large degree been driven by AI-related companies. Among these, the key infrastructure suppliers provide the "picks and shovels" (primarily Nvidia, TSMC and Broadcom) to the infrastructure owners and operators (typically the Cloud providers like Amazon and Microsoft).

Capital expenditures are inherently cyclical, especially when they relate to newbuilds in contrast to replacement cycles. One supportive factor of this cycle compared to history is that it is not financed by debt, as the buyers are cash-rich, supported by strong operating cash flows. However, as always, these investments require a solid return to be sustained, so the key is how to make money out of AI. Who is going to pay for the benefits? AI will certainly yield productivity enhancements, but there are unanswered questions about the future business models.

“

AI will certainly yield productivity enhancements, but there are unanswered questions about the future business models.

1 ["Are we in an AI Capex Bubble"](#) by Ian Graham, May 2025
2 Google, US GDP 2025

“

We expect the companies that build and own the infrastructure will enjoy longer earnings streams and develop more sticky client relationships.

History shows that the infrastructure suppliers can have supernormal profits for a while, but eventually, competition will kick in. Nvidia is currently enjoying these benefits. Their Datacentre business was USD 3 bn. in 2020, with revenues expected to reach a stunning USD 257 bn. in 2027 according to UBS³. These revenues will constitute more than 0,7% of GDP, much higher than what Cisco Systems, the Nvidia of the telecom boom in the 1990s, reached back then.

As long-term investors and our process of “constant competition for capital”, we prefer the AI infrastructure owners over the infrastructure suppliers though with exposure to Taiwanese TSMC having a broad product and client base. We expect the companies that build and own the infrastructure will enjoy longer earnings streams and develop more sticky client relationships.

Wider range of economic outcomes

Politics, technology and the economy is inter-linked, especially if a US recession unfolds. A US recession would likely derail AI infrastructure investments as technology capex is cyclical and linked to the economic cycle.

There are crosscurrents analysing the economic outlook. The political uncertainty could dampen corporate investments, and the outcome and consequences of Trump’s trade policy and tariffs create uncertainty among corporations and consumers. Also, the mounting US government debt position and the increased cost of servicing the debt are a drag, pointing to a potential recession. On the other hand, government spending continues at high levels, more or less at a similar pace as under the Biden administration. The challenges of Elon Musk and the DOGE program have shown

that significant spending cuts don’t come easily. Combined with aggressive tax cuts, a markedly lower US dollar and potentially a new round of interest rate cuts, we have currents proving support for continued economic growth.

With a fluid political environment, both scenarios are likely, providing a wider range of outcomes than normal for the US economy and equity markets.



One headwind for investing in the US is the weakening dollar, and with fiscal stimulus and low valuation supporting European equities and a weaker dollar generally providing tailwind for Asia and emerging markets, we have a regional preference for equity markets outside the US.

“Golden rules of investing” breaking apart

When we try and predict the future, we usually base our analysis on financial theory, historical precedents and correlations. Sometimes we believe that “Things are different this time”. These are dangerous words in the world of investing. But change happens over time and some ‘golden rules of investing’ have been breaking apart lately. One of the true classics that we have been witnessing over the lifespan of our 40-year company history is that an inverted yield curve eventually is followed by a recession in the US. However, no recession occurred following the significant and fast rise in US short rates in 2022 (causing an inverted yield curve) on the back of rapidly rising inflation. Also, this happened in a debt-heavy global and US economy, which should, all things being equal, increase the interest rate sensitivity of the economy.

The US has a big domestic economy, and another long-standing fact is the enormous importance of housing and real estate for consumers and corporations. But like a super resistant boxer taking hits, the US economy has taken weak activity in housing and big problems in the commercial real estate sector on the chin and is still standing. Very short-term focused

So, are recessions in the US a thing of the past? Is the Teflon-covered US economy also going to weather tariffs, aggressive policy initiatives, a historically high level of geopolitical uncertainty and a rolling government debt funding crisis? And if the economy were to fall into a recession, would the final “iron law” of the link between recession and heavy falls in the stock market also falter? These latest developments certainly produce a high level of humility when it comes to

predicting a general setback in both the economy and equity markets.

What is going on - why is the system coping so well, and why is seemingly nothing breaking? And is the classic “recession-no recession” question the right question to focus on as an investor?

The rolling recessions

It is true that the overall economy is coping well not least with help from the AI-investments and the continued high levels of government spending. But there are a lot of breaking going in parts of the system with several “rolling recessions” hitting sectors and pockets of stocks significantly. Two examples of hard-hit areas in the US are commercial real estate and spending among low-income households.

Thus, it is not enough to look at the macrocycle overall. You need to analyse and understand the cycles of the end-markets and the thematic drivers driving each company to understand temporally cyclical variations from underlying structural changes.

“

There are a lot of breaking going in parts of the system with several “rolling recessions” hitting sectors and pockets of stocks significantly.

Sustainability of growth over magnitude

We certainly acknowledge and understand the unrelenting wave of indexation. The US and the technology sector have driven global indices like never before. As a result, today, index investors face huge concentration risk.

Our investment strategy favours the sustainability of a company’s growth over the magnitude of growth. However, companies with stable and predictable growth have been discounted in the current environment, where investors’ time horizon

have shrunk. Rising real rates on the back of the inflation scare starting in 2022 played an initial role, while today's political uncertainty has amplified investors' short-termism.

History shows that over time, the strategy of “sustainability over magnitude” yields superior returns as the momentum of “magnitude” starts to fade. Encouragingly, the portfolio companies in our global strategy have delivered solid earnings growth. Over the past 5 calendar years, earnings per share have grown appx. 13% CAGR⁴. This compares to MSCI ACWI, where EPS have grown appx. 5,5%⁵. The earnings of our portfolio companies have furthermore outgrown the market in the last 4 out of 5 calendar years. This illustrates the multiple compression among our quality com-

panies with sustainable earnings and the fundamental positive outlook for our investments. On our measures, several of these companies are now trading at reasonable multiples compared to their own history.

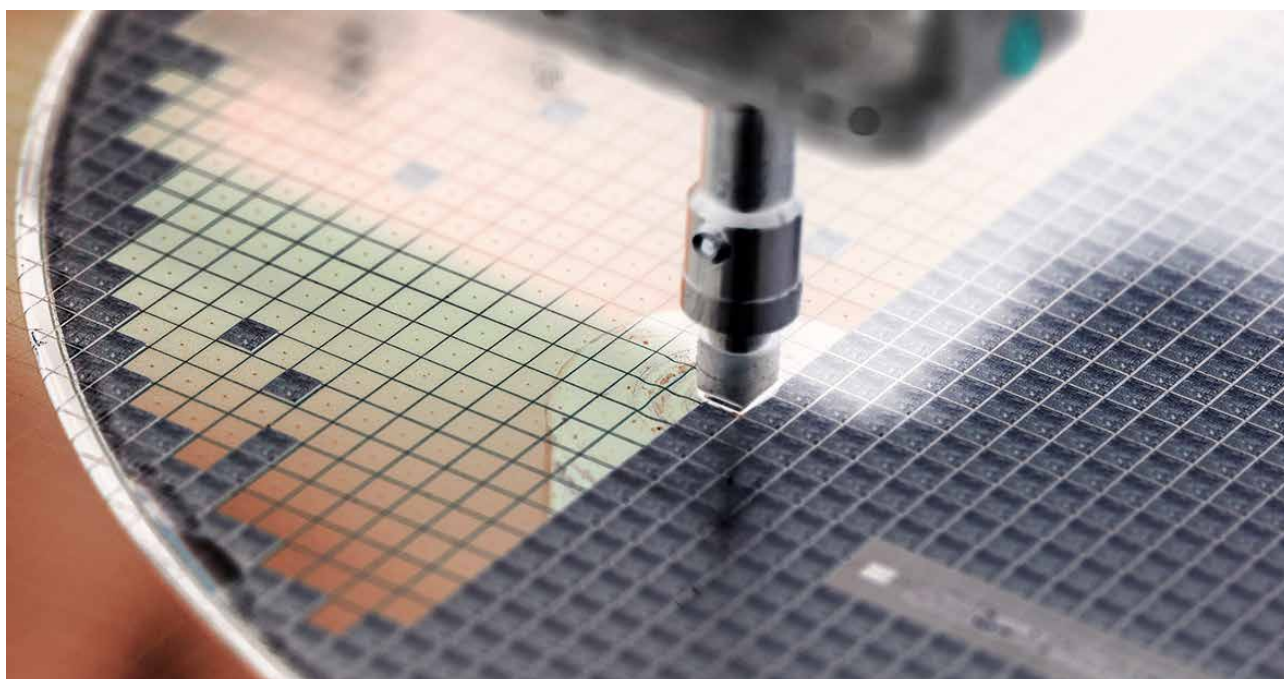
We will always emphasize the longer-term. Our strategy is to find the company with the clearest right to win in a long-term, attractive market and build a portfolio of some of the best quality companies in the world. In principle, these are stocks to own for the next ten years without worrying too much. Along that journey of ownership, thematic plays a central role, and the key risk management factor is to understand the thematic dynamics affecting the end markets of our portfolio companies.

4 Factset and own calculations. The calculations are based on holdings at the beginning of each calendar year and then measure the companies' earnings growth that calendar year. The method disregards portfolio changes during the year, however that factor shouldn't change results significantly.

5 MSCI, June 2025

“

Over time, the strategy of “sustainability over magnitude” yields superior returns as the momentum of “magnitude” starts to fade.





C WORLDWIDE
ASSET MANAGEMENT

Click to see our latest

Quarterly Sustainability Reports



Why the US outpaced Europe – and why it might not last

US and European stock markets have moved in tandem from 1996 to 2015, where the S&P 500 returned 8.2% per year, while the STOXX Europe 600 returned 8.0%. However, in 2016, their paths diverged, and until 2024, the S&P 500 returned 12.4% per year while the STOXX Europe 600 returned a more modest 7.3%.

This divergence has led many to conclude that the US is the promised land while Europe is a wasteland. While there are many reasons to be impressed by the US, investors should not disregard the Old Continent, Europe.



Key insights

- The outperformance of the US stock market vis-à-vis the European market can be explained by the rise of US tech companies rather than a considerable difference in economic growth.
- US tech companies' growth is slowing, and US GDP growth may slow too, as its budget deficit must shrink.
- We have seen a concentration of US stock market returns, a concentration of US incomes, a concentration of US political power, and a strong US dollar. It may be time for investors to rethink regional allocations.

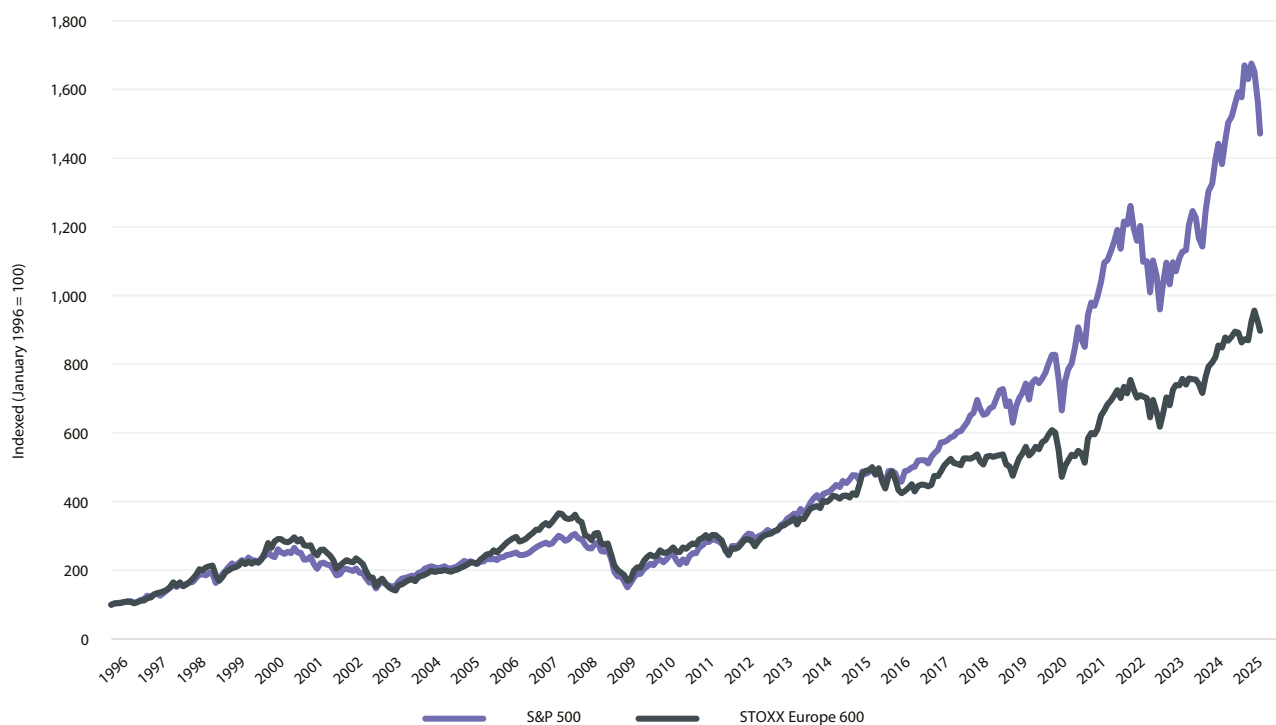
US and European GDP growth - not so different after all

While the divergence in stock market performance between the US and Europe (See figure 1) has been eye-watering, the difference in broader economic performance has not. In terms of GDP growth, the US has outpaced Europe, but only by a relatively modest 0.8 percentage points annually in the last ten years (and in the last thirty years – figure 2, page 3). Almost half of those 0.8%-points may be attributed to the increasing US budget deficit; from 2014 to 2024, the US budget deficit increased from 2.8% to 6.3% of GDP, or 0.35% per year. Meanwhile, European budget deficits were broadly unchanged, around 3.0%.

With a debt-to-GDP ratio of 123%, the US will eventually need to reduce spending. The tailwind created by an increasing deficit in the last ten years will then turn into a headwind. On the other hand, Europe seems keener than ever on spending; even

Figure 1

Divergence of equity market returns between the US and Europe



Source: Bloomberg, 29 April 2025

the frugal Germans are taking the foot off their so-called debt brake. With a debt-to-GDP ratio of 88%, there is at least some room for increased outlays.

Thus, the gap in GDP growth between the two continents may narrow considerably in the coming years, perhaps even widen in favour of Europe.

“

While there are many reasons to be impressed by the US, investors should not disregard Europe.

Tech stocks are the missing link

From 2015 to 2024, the average annual earnings growth of the S&P 500 was 9.7%. Excluding the information technology sector, that number drops to 5.9%. That is a mere 1.2 percentage points more

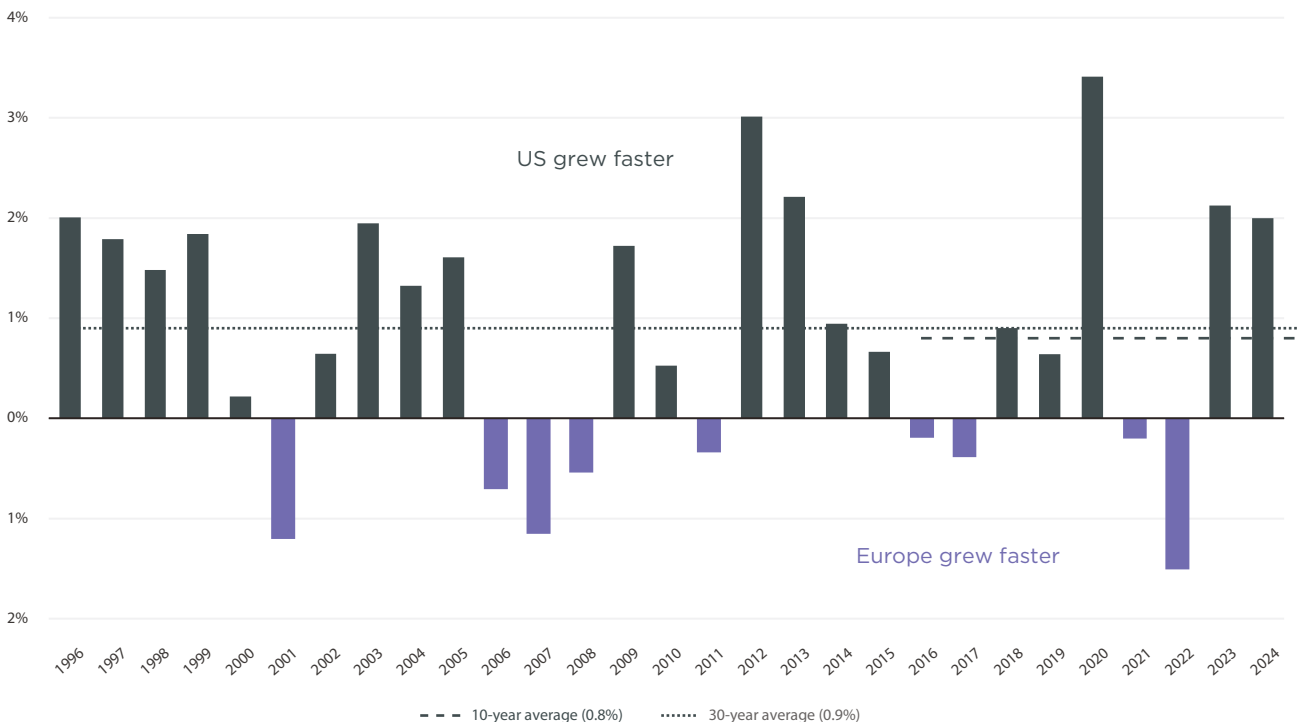
than the 4.7% average earnings growth of the STOXX Europe 600.

If we also adjust for the slightly (0.4%-points) higher average inflation rate in the US, the difference in earnings matches the 0.8%-point gap in GDP growth. In other words, US exceptionalism rests heavily on the country's publicly listed tech firms. US tech firms still seem to have a bright future. They are in pole position to capitalise on the AI wave, which has just started washing over the economy. Most of them are global by nature and thus not bound by the growth of the domestic economy. The total revenue of the so-called Magnificent 7 “only” corresponded to 1.9% of global GDP in 2024 (up from 0.6% in 2014).

Yet there are signs of deceleration. The aggregate revenue of the Magnificent Seven (Alphabet, Amazon, Apple, Meta, Microsoft, Nvidia,

Figure 2

Difference in GDP growth between the US and Europe



Source: OECD, 29 April 2025

“

If the AI momentum moderates, earnings downgrades may be significant.

Tesla) grew by 16% annually from 2015 to 2024. Revenue growth is expected to be 10% per year from 2025 to 2027.

Much of that growth depends on one factor: artificial intelligence. The Magnificent Seven were arguably more diversified when Alphabet was an advertising company, Amazon was an online marketplace, Microsoft focused on operating systems, and Nvidia made graphics cards. If the AI momentum moderates, earnings downgrades may be significant.

Additionally, it seems regulators' scrutiny of Big Tech has increased. Multiple antitrust cases are now active, while very few existed a decade ago. And deals done ten years ago, such as Facebook's

acquisition of WhatsApp and Instagram, would likely face far more resistance today.

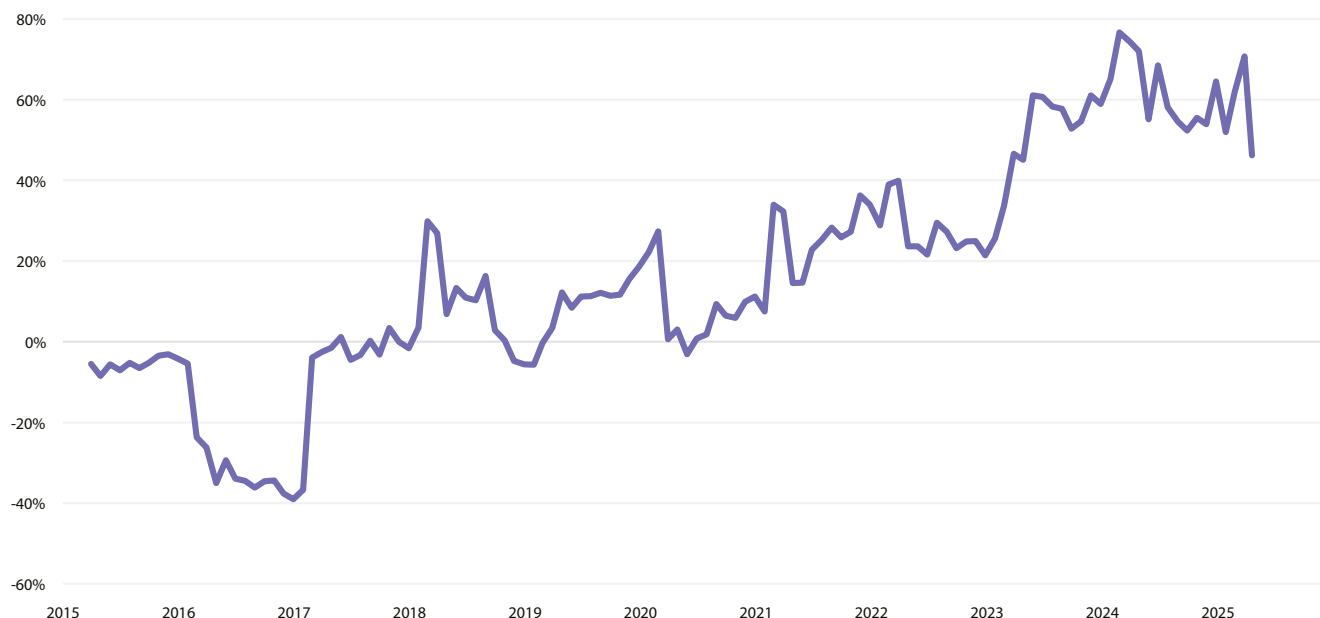
Perils to the left of me, dangers to the right

The valuation of tech firms reflects neither slowing growth nor increased risk concentration. At 46%, their valuation premium to other stocks is high (albeit down from recent peaks – figure 3). They now constitute 26% of the S&P.

Risk concentration in the US also occurs outside the stock market. According to Moody's Analytics, the top 10% of income earners in the US account for 50% of all spending, up from 36% three decades ago. Their spending power is partly linked to the stock market (they earn three-quarters of all US

Figure 3

The IT sector's premium vs. rest of S&P 500 (P/E)



Source: Bloomberg, 29 April 2025

capital income), meaning a downward spiral may be more pronounced than in the past if one were to start.

Furthermore, given the current administration's "break-eggs-to-make-omelette" politics, the range of possible outcomes for the US economy is wide. Black swans, such as a deep recession and/or a credit event related to US government debt, seem less improbable than a few months ago.

Lastly, the US dollar may weaken if the US economy and stock market falter. Indeed, the dollar is already starting to show some signs of weakness. It is at the high end (78th percentile) of the historical range against a basket of major currencies. In short, if the dominoes start falling, those heavily exposed to the US stock market may be hit hard.

The case for Europe

In Europe, fast-growing, large-cap tech stocks are rare. However, it offers other interesting investment opportunities. Many engineering and medical companies in northern Europe are global leaders in their areas, the French and Italian luxury goods companies are in a class by themselves, and more than a few of the continent's domestic energy companies have grown into world-class renewable companies.

European politicians' efforts to boost growth are not limited to increased government spending. Based on Mario Draghi's September 2024 report on European competitiveness, the European Commission is trying to close Europe's productivity gap versus the US. While the jury is still out, that is another factor that could help close the gap in GDP growth between the two blocs.



“

For active managers running concentrated portfolios, Europe offers plenty of high-quality companies to choose from.

Furthermore, the stock market's valuation is considerably lower in Europe than in the US. At a forward 12-month P/E of 14.0x, the STOXX Europe 600 is significantly cheaper than the S&P 500 at 19.2x (figure 4). This rather large gap seems unjustified given: 1) the small and possibly disappearing gap in GDP growth, and 2) the slowing earnings growth of US tech stocks.

Finally, risks are arguably fewer and smaller in Europe. In the EU20, the average government debt is relatively modest at 88% of GDP. Incomes, while lower on average than in the US, are more evenly distributed, and the link between the stock market and the economy is weaker. Finally, European institutions are not at risk of overnight disruption, and European leaders are not picking fights with everyone.

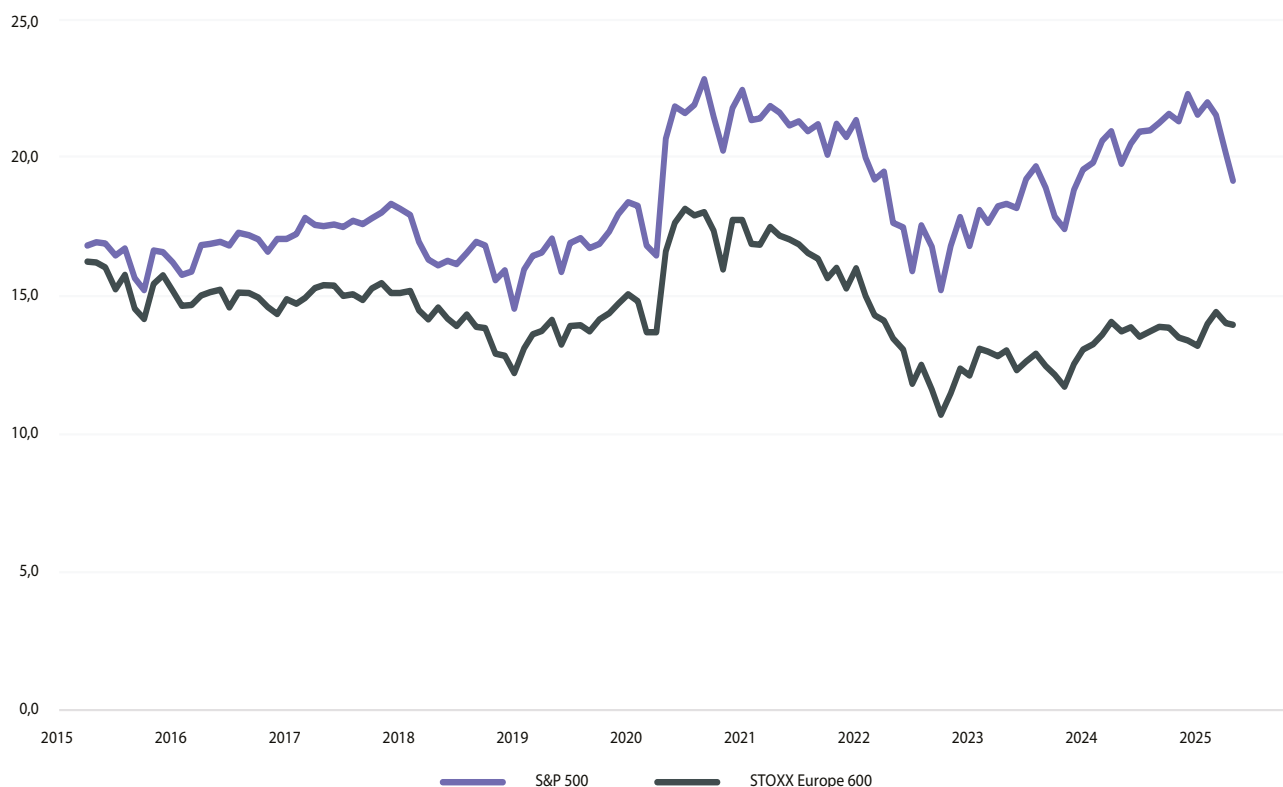
Conclusion

The US stock market has vastly outperformed its European counterpart over the last decade, but this is not due to a considerable difference in broad economic performance. Instead, it is due to US tech firms' strong growth and rising earnings multiples. The 'Frogs, Krauts and Limeys' may not have many big tech firms, but they offer stability. Furthermore, the modest (0.8%-points) gap between US and European GDP may close in the coming year as the US is forced to reduce its budget deficit.

For active managers running concentrated portfolios, Europe offers plenty of high-quality companies to choose from. US investors with a strong domestic focus may want to broaden their horizons and diversify into Europe.

Figure 4

Historical P/E S&P 500 vs. STOXX Europe 600



Control, Alt, Delete Pax Americana

"How did you go bankrupt?" Bill asked. "Two ways," Mike said. "Gradually and then suddenly."

Ernest Hemingway, *The Sun Also Rises*, 1926.

Key insights:

- The US-led global order of Pax Americana is being rebooted by the Trump administration and replaced by a multipolar world.
- Tariffs, transactional foreign policy, and abandonment of multilateral commitments have weakened alliances, fractured global trade, and undermined the dollar's credibility as a global currency anchor.
- The US's twin deficits and China's trade surplus are symptoms of structural flaws: suppressed consumption and inequality in China, and debt-driven overconsumption and deindustrialisation in the US. Sustainable rebalancing will require wealth redistribution, higher consumption in surplus nations, weakening of the US dollar and lower consumption, and strategic industrial policies in the US - tariffs alone cannot achieve the needed rebalance.
- As globalisation goes into reverse, the winners from globalisation - platform companies, will face headwinds, while national champions will be favoured because of their more defensible business models.
- The US will go from being a destination for capital to becoming a source of capital. For investors, now is the time to allocate to international equities.



“

Pax Americana, built after World War II on military dominance, trade interdependence, and the dollar's reserve status, is disintegrating due to unilateralism, institutional withdrawal, and economic nationalism.

The US-led global order, Pax Americana, built after World War II on military dominance, trade interdependence, and the dollar's reserve status, is disintegrating due to unilateralism, institutional withdrawal, and economic nationalism.

The **Ctrl+Alt+Delete** metaphor for Pax Americana captures the ongoing rebooting of a global system paralysed by dysfunction and conflict. Why is this happening now, and why did so few people see this only a few months ago? The brief yet poignant exchange above from Ernest Hemingway's 1926 novel "The Sun Also Rises" captures a fundamental truth about the nature of change and transformation in our lives and the world around us.

The idea that major shifts happen "slowly at first, and then all at once" has resonated across literature, economics, relationships, and nearly every facet of human experience.

At its core, Hemingway's observation speaks to the nonlinear way complex systems often evolve. Whether we're talking about technological progress, societal upheaval, or the decline of civilisations, the most consequential changes tend to follow a similar pattern – a long, gradual buildup followed by a sudden and dramatic tipping point few saw coming.

The post-WWII *Pax Americana* – a US-created and led order built on military dominance, alliances, and economic interdependence through trade—is rapidly being dismantled by the US. Key symptoms include:

1. **Debt explosion and economic fragmentation:** Aggressive US tariffs have been initiated as a solution, but will accelerate decoupling and regional trade realignments instead.

2. **Erosion of consensus:** Traditional allies increasingly question US reliability amid Trump's "America First" policies, while rivals like China and Russia exploit power vacuums.

3. **Institutional collapse:** Withdrawal from multi-lateral agreements (Paris Accords, WHO), unprecedented threats of annexation of Canada, Panama and Greenland, and attacks on NATO have weakened the rules-based order.

This sudden "freeze" mirrors a personal computer crash: the system cannot function without intervention. A reboot is inevitable, but unlike in the case of a personal computer, where one would expect the old operating system to reappear, the ongoing reboot of our economic system is guaranteed to return to a new operating system.





This paper examines the likely consequences following the current system's reset. Many observers argue that predicting Donald Trump's actions is almost impossible, given his highly transactional and unpredictable way of dealing with opponents. Therefore, attempting to forecast developments over several years is challenging and fraught with the risk of major misjudgements.

Nevertheless, we contend that several underlying "certainties" will shape the direction of travel, and that recent events can't easily be rolled back and most likely will have permanent consequences.

The emerging world will be profoundly different from the one we have grown accustomed to over recent decades, with established narratives fundamentally altered by this new era of the Rise of the Nation State. To identify the "certainties," we need to understand the current system's flaws.

From Bretton Woods to Control, Alt, Delete Pax Americana

The Pax Americana, anchored by the US dollar's reserve currency status, was born in the ashes of World War II at the Bretton Woods meetings in 1944. As warned by John Maynard Keynes at the time, and later by Robert Triffin (of Triffin Paradox fame), the system has fostered a self-reinforcing cycle of imbalances that threatens the long-term stability at the centre of our economic system.

“

The system has fostered a self-reinforcing cycle of imbalances that threatens the long-term stability at the centre of our economic system.

By enabling structural overvaluation of the dollar, the system has eroded US manufacturing competitiveness, fuelled overconsumption, resulting in a debt-driven model reliant on foreign capital to finance growing deficits.

Service economy and overconsumption

The hollowing-out of manufacturing coincided with a shift to a service-driven economy, which now constitutes almost 80% of US GDP¹. This transition prioritised sectors like finance and healthcare over the production of goods. Cheaper imports fuelled consumer spending, widening the current account deficit to \$1.1 trillion (3.9% of GDP) in 2024.² The US net international investment

1 [USA Share of services - data, chart | TheGlobalEconomy.com](#)

2 [United States Current Account](#)



position, the difference between US residents' foreign financial assets and liabilities, was -\$26.23 trillion or 93% of GDP at the end of 2024, as foreign investors financed deficits through purchases of US assets like treasuries and equities. Low interest rates, sustained by capital inflows, further inflated asset prices and encouraged debt-fuelled consumption, creating a feedback loop.

The platform economy and tax avoidance

The rise of the platform production model—R&D in the US, manufacturing in China, global sales, and tax booking in low-rate jurisdictions like Ireland—exacerbated these imbalances. This model maximised corporate profits and shareholder value while undermining domestic tax bases and labour markets. Ireland's role as a “centre of corporate tax avoidance” allowed firms to pay effective rates as low as single-digit percentages. This forced governments to seek alternative revenue sources, such as tariffs, which are now being implemented. It can be argued that the trade deficits result from US corporations taking advantage of what globalisation offers regarding tax arbitrage and maximising shareholder value by outsourcing low-value-added processes to low-cost countries.

The “Certainties”

Michael Pettis, a prominent China-focused economist, analyses the US-China trade imbalance through structural savings-investment mismatches, arguing that both countries' current account positions are inextricably linked and rooted in domestic economic policies.

China's persistent surplus is driven by excessive savings, which are driven by income inequality and suppressed household consumption. This forces the economy to rely on production exceeding domestic consumption, externalised as trade surpluses. Post-2008, China addressed falling external demand by ramping up debt-fueled infrastructure and real estate investment, worsening overcapacity and savings-investment gaps. By 2024, China's debt-to-GDP ratio reached more than 300%.

The US deficit mirrors the policies of surplus nations. Surplus countries like China channel excess savings into US assets, suppressing interest rates and inflating asset prices. This fosters overconsumption and deindustrialisation, as manufacturing shifts to surplus economies. By 2025, US net foreign liabilities reached 93% of GDP, sustained by foreign demand for dollar-denominated assets.

“

Resolving this requires addressing the root causes – exchange rates, income inequality in China, and fiscal profligacy in the US – rather than resorting to tariffs or protectionism.

This creates a feedback loop: cheap capital fuels consumption, widening the deficit further.

US tariffs alone cannot resolve deficits. China must address its internal imbalances by boosting household income and consumption through wealth redistribution (e.g., higher wages, social safety nets) to reduce savings and rebalance growth from exports and debt-driven investment. The United

States needs to address low savings rates and industrial policy gaps. Tariffs will be counterproductive. Instead, multilateral coordination is necessary.

Resolving this requires addressing the root causes—exchange rates, income inequality in China, and fiscal profligacy in the US – rather than resorting to tariffs or protectionism.



Lower consumption in the US and higher consumption in the rest of the world

The macro impact of this rebalancing will lower consumption in the US, which will meaningfully impact US corporate profitability, as described in our recent Insight.³ This will, at least in the mid-term, further handicap the narrative around US Exceptionalism. Companies exposed to private consumption in China will flourish if the needed rebalancing of growth away from exports and investments towards consumption happens. The Chinese government is fiscally stimulating the economy, but more will be required to drive structural change.

In some ways, Europe is in the same situation as China. Europe has too low consumption and a high dependency on external demand via exports to China and the USA. In a fragmenting world economy, Europe needs to develop a new growth model that will be more internally demand-driven. As we wrote in the quarterly report cited above, this is happening. After 15 years of austerity since the GFC, Southern European countries have rebalanced and have started to show robust growth. Furthermore, the US administration's falling commitment to NATO and aggressive tariff initiatives has focused the minds of politicians and populations. In a televised debate following his recent election victory, the German chancellor,

Friedrich Merz, spoke of the need to “*Strengthen Europe as quickly as possible so that we can be independent of the United States of America.*”

China’s, Germany’s, and the US’ consumption shares of GDP are around 40%, 50%, and 70%, respectively. These levels will have to converge to rebalance the world economy, likely in a more fragmented global economy going forward.

The dollar will weaken.

It is incongruous to have both large trade and capital imbalances in a deglobalising world where the major players can’t trust that the other major players won’t cut them off from the items they need or pay them the money they are owed. The old

monetary/economic order in which countries like China manufacture inexpensively, sell to Americans, acquire American assets, and Americans borrow money from countries like China to make those purchases and build up huge debt liabilities will have to change. These unsustainable circumstances are made even more so because they have led to a deterioration in American manufacturing, requiring America to import needed items from a country it increasingly sees as an enemy. These big trade and capital imbalances will have to shrink in an era of deglobalisation.

A single dominant currency is not the only possible outcome; scenarios involving multiple leading currencies remain plausible. Today, the core structures of the new trade architecture are beginning

“

It is incongruous to have both large trade and capital imbalances in a deglobalising world where the major players can’t trust that the other major players won’t cut them off from the items they need or pay them the money they are owed.

Figure 1

US Real Trade-Weighted USD (GSUSDRTW)



Source: Bloomberg, 31 March 2025

to appear, allowing trade between two countries without any requirement for US dollars. All that is needed is bilateral agreements between central banks. In this world, there is no need for a global currency. Instead, each country has credit lines in the currencies of its trading partners. In short, the centralised system based on the world currency is replaced by a decentralised system based on a series of bilateral agreements between central banks.

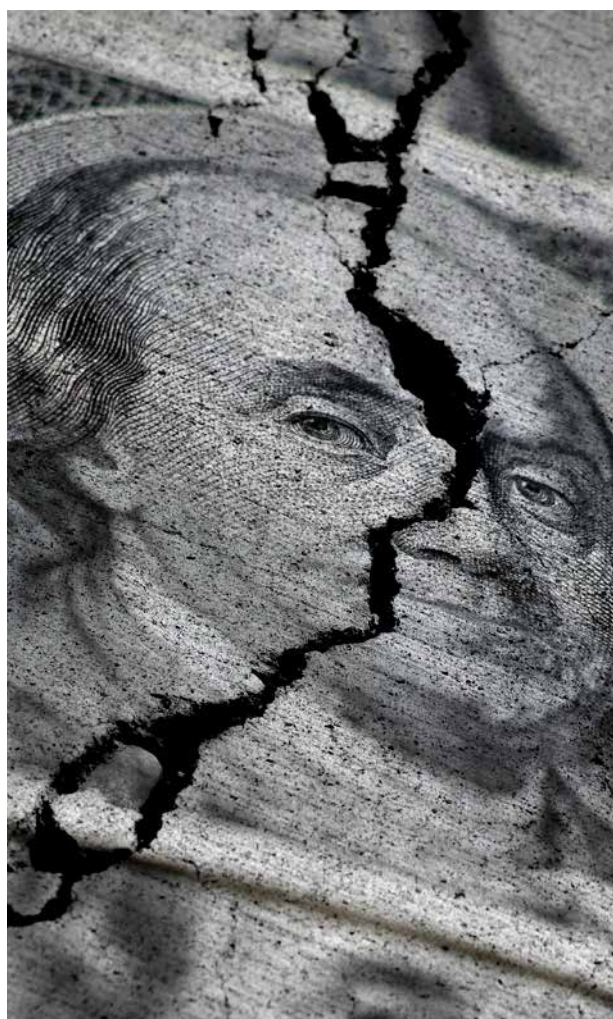
These bilateral agreements are rapidly proliferating. For example, the People's Bank of China has around 40 such agreements.

It is not just China opening swap lines. For example, Japan has signed a \$75 billion swap denominated in US dollars with India to insulate India from a future US dollar liquidity crisis without relying on the Federal Reserve.

What Ernest Hemingway said in the quote above about bankruptcy applies here, too: change is likely to come gradually, and then suddenly.

The US administration's policies are rapidly undermining the foundations of the dollar's global dominance. The US withdrawal from international organisations and agreements, cuts to foreign aid, weaponisation of the dollar against numerous countries, threats against FED independence, and the transactional approach to US security commitments have unsettled investors, allies, and rivals alike. At the same time, fiscal dysfunction in Congress has reached new heights, and markets are taking notice.

The current US administration's term started with the USD (on a trade-weighted basis), trading at its most expensive level ever, see figure 1 on previous page. So far in 2025, the dollar has depreciated by 5%. Perhaps, downgrading the dollar's status is the real goal, as Stephen Miran, chair of Trump's Council of Economic Advisers, has argued.⁴ Rebalancing trade with dollar depreciation will require a much



bigger move than what has been seen so far in 2025 and would have to be on a scale last seen in the aftermath of the Plaza Accord in 1985 to make a real difference.

US fiscal room for manoeuvrability is rapidly diminishing, and what matters for debt sustainability is a country's reliance on foreign financing, reflected in the tight correlation between global

“

The US administration's policies are rapidly undermining the foundations of the dollar's global dominance.

4 CEA Chairman Steve Miran Hudson Institute Event Remarks - The White House

bond yields and current account deficits. The US has been the exception to this rule, securing funding for its extreme twin deficits thanks to the dollar's exceptional status. However, the steady-state level of sustainable US fiscal deficits is decreasing due to recent policy disruptions. This reduces the flexibility of the US administration in pursuing an expansionary fiscal policy to support growth, much like when the UK had its Liz Truss moment in September 2022. US policy flexibility will become a lot more constrained going forward.

It is an oft-repeated phrase that a twin deficit country depends on the “kindness of strangers”. This now applies to the US, but by extension, it will make the stability of US markets more dependent on non-confrontational foreign and economic policy to ensure their funding. This is at odds with the administration's new “foreigners will pay” attitude, which drives foreign investors away. The US administration will have to adopt a more conciliatory stance in international relations to maintain stability in the bond markets.

Ultimately, it is all about valuations

Recent price action in the US resembles EM-like characteristics, with a falling currency, bond and equity markets. However, unlike emerging economies, the US has no significant foreign currency liabilities that would lead to explosive debt dynamics. In contrast, currency and bond market weakness should lead to cheaper valuations and a new asset pricing equilibrium that becomes attractive for foreigners to invest. The dollar's biggest challenge is its starting point of high valuation and high foreign asset allocations. US equity markets recently peaked at nearly 70% of global equity markets, and a confrontational foreign policy approach. This, on balance, significantly raises the valuation adjustments needed to make US assets attractive again.

While it is premature to speculate what new international currency regime will eventually replace the current system, it is fair to say that the dollar system is losing share because of a loss of confidence, which will be challenging to rebuild.

“

The US administration will have to adopt a more conciliatory stance in international relations to maintain stability in the bond markets.



Regional security in the broadest form

The fracturing of globalisation will reshape trade flows, military alliances, and energy flows, potentially ushering in a tri-polar world order with competing spheres of influence, see figure 2, below.

- **US Bloc:** This bloc is anchored by the USMCA's tightened rules and 40% intra-bloc trade. Time will tell whether this will develop into a modern version of the Monroe Doctrine, where the US retreats to its hemisphere, or whether the US wants to deepen engagement with Asian countries to try to contain China.
- **EU Bloc:** Intra-EU trade accounts for 66% of total trade. European manufacturing is larger than US manufacturing, second only to China in absolute terms, and highly specialised. Europe dominates in capital goods like jet engines, elevators, gas turbines, and mining equipment, so contrary to popular belief, Europe is not 'industrially dead', but specialises in high-quality manufacturing.

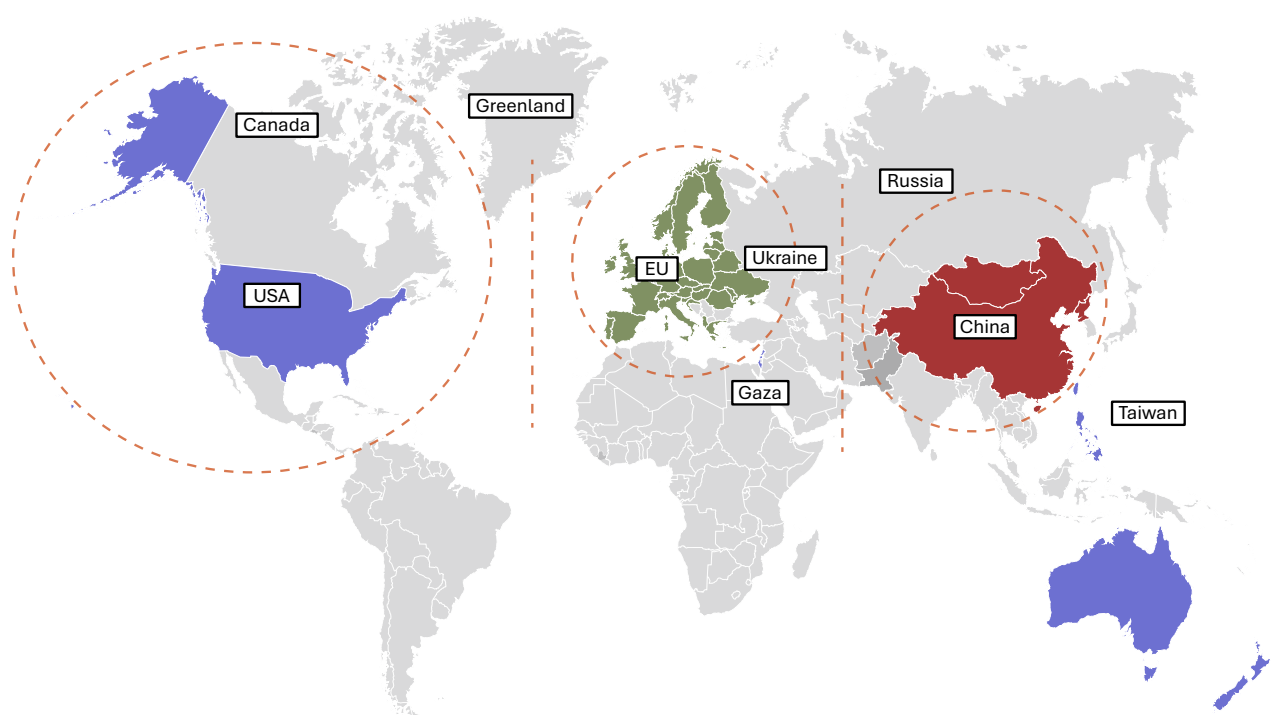
- **China Bloc:** Through RCEP and Belt and Road infrastructure, China consolidates Asian manufacturing, with 60% of trade being intra-Asian, while deepening ties with Russia, Belt and Road countries, and the Global South. China's massive manufacturing scale advantage in dual-use technologies challenges US extended deterrence and influence in Asia.

Considering the world's dependency on China's manufacturing capacity, an alternative scenario might be that the fallout from tariffs on countries like Canada, Mexico, and the European Union could present an unexpected opportunity for China. As these countries face challenges from the US's disruptive trade policies, they may look to strengthen trade relations with China. This could lead to a closer alignment with China, as the restructuring of global trade may make it more advantageous for these nations to partner with China in certain areas, such as technology, manufacturing, and critical raw materials. In that case, instead of a tri-polar trade system, the new system design would be more or less free trade between countries, except for the US, which would be "protected"

Figure 2

A world of three loosely integrated economic blocks emerging

US, Europe in separate economic blocks? US tariffs seem to target global supply chains.





behind steep tariff walls. The fault lines in this system would be Mexico and Canada, being part of the North American trade area, USMCA. Today, it is difficult to say which side of the fault line these two countries will fall on over the coming years.

NATO sclerosis and military realignments

US NATO scepticism is an existential threat to Europe. Explicit doubts about Article 5 commitments undermine deterrence, and there is a fear of Russia exploiting gaps through hybrid threats in the Baltic. Europe has been jolted into action, fundamentally altering its fiscal policy, defence spending, and economic growth approach. A European Security arrangement will have to be developed.

Europe is now in a wartime economy, which Ursula von der Leyen describes as “a new era of rearmament.” War economies fundamentally reshape national priorities, redirecting resources from civilian consumption to military needs and trashing economic orthodoxy.

War economies typically see an increase in centralised government control over industries and resource distribution to manage resource allocation effectively. This stage has not yet been reached, but governments are calling for consolidation amongst private sector defence contractors, and there have been calls for European capital to be invested in European defence and related businesses at the expense of products for private consumption and exports. One example is the uncompetitive European auto industry, which risks being hard hit by tariffs and competition from China. We are now on the verge of seeing this capacity shift as auto companies contemplate moving available industrial capacity to the European defence sector.⁵

Energy security is central to Europe’s path to independence.

Decarbonisation policies are not working. While \$9 trillion has been spent on energy transition, global emissions reached an all-time high of 54 Gtpa in 2024. Cheap domestic energy is prioritised for security and growth over decarbonisation. Europe is being directly threatened on both sides, with the relationship between Trump and Putin reminding some of 1939’s Molotov-Ribbentrop pact.⁶ Meanwhile, Chinese manufacturing prowess and low energy costs are a fundamental threat to European competitiveness. Europe is now in a fight for survival. Europe must consider why it enters this fight as the only fighter with one hand tied behind its back. Its industrial policies over the past decade have been riddled with contradictions, which somehow get justified via EU double-speak: “We are going to become competitive by decarbonising”, while adding €44 billion in direct

⁵ Volkswagen Willing to Re-Open Military Equipment Production for Germany

⁶ Trump’s secret pact with Putin: A warning from Lithuania

“

When the dust settles after a chaotic and disruptive period, the likely new operating system of the world, replacing Pax Americana, will be a multipolar system, with regional trade and security arrangements.

costs to the domestic industry in 2023 via EU ETS carbon taxes. Either Europe will decarbonise, or it will become more competitive.

Thus, it is probable that Europe will backtrack on its ineffective energy policies. Why pursue expensive⁷ “100% renewable energy”, leading to black-outs due to a lack of spinning baseload capacity, as recently seen in the Iberian Peninsula? Why have a moratorium on new oil & gas licenses in the North Sea when Europe will need more natural gas in the decades to come to back up renewables? Energy policy will have to become more pragmatic. Renewable energy, nuclear power, and electrification will be core to the strategy. However, a new energy policy will also mean accepting that fossil energy sources are central to a secure and reliable energy system for decades.

Conclusion: Fragmented interdependence

When the dust settles after a chaotic and disruptive period, the likely new operating system of the world, replacing Pax Americana, will be a multipolar system, with regional trade and security arrangements. The world is coalescing into three competing blocks, but not hermetically sealed. The emerging order resembles “fragmented interdependence” – less globalised than the 1990s/2000s, but more connected than the Cold War, and with a reduced role for the US dollar.

The dollar will continue to lose share, both as a settlement currency and as a reserve asset. However, there is no single alternative to the dollar, and a multipolar settlement and reserve system will emerge, including gold playing a larger role as a reserve asset.

The corporate platform model will face headwinds. Companies will want to reduce their fragility after bad experiences from disrupted supply chains in recent years, and therefore, at the margin, move towards verticalisation of production to improve resilience. Furthermore, countries will want a larger piece of the value creation through taxes. This will come at the expense of shareholders.

We began this paper quoting Hemingway. The idea that major shifts happen “slowly at first, and then all at once” resonates a lot with the investment philosophy of C Worldwide because of its relationship with the concept of compounding. Hemingway’s insight is a reminder of the power of compound growth and the importance of patience and persistence. The key is to stay attuned to the gradual shifts happening beneath the surface and to take proactive steps to prepare for the changes that will eventually shape the new operating system.

This means cultivating a long-term mindset and a tolerance for delayed gratification. It means building strong foundations and resilient portfolios with companies that can compound earnings through the changes that will be coming. Platform companies will be less favoured, and national champions, like recent additions to our global strategy, Republic Services and Progressive, will have more defensible business models. The importance of international diversification will grow as we transition further and further away from Pax America into a multipolar world, where the growth baton no longer resides in the hands of the US economy. The US will go from being a destination for capital to becoming a source of capital. For investors, now is the time to allocate to international equities.

7 [the-struggle-to-achieve-net-zero-emissions.pdf](#)



A GOOD
INVESTMENT
REQUIRES
**A GLOBAL
PERSPECTIVE**

Global Equities – Quarterly comment

Global equities posted solid gains in Q2 in dollar terms despite the large, tariff-induced drop in share prices in early April. However, as tariffs were watered down and put on hold, risk appetite gradually increased. U.S. and Asian stocks led the way, while European indices were more muted after a strong start to the year. The increased risk appetite allowed tech stocks to rally after previous losses. The dollar lost 8% versus the euro due to Trump's trade policies and concerns of the rising debt level in the US.

In the quarter, the strategy returned 6.2% (USD), lower than the MSCI AC World Index, which returned 11.5%. The lower return was partly due to the strong rebound in Nvidia, which we do not own, and the strong performance from the technology sector in general, where we are underweight. The biggest negative investment returns came from Fiserv, Thermo Fisher and Aon, while TSMC, Microsoft and Amazon contributed positively.

Investment strategy and portfolio changes

We initiated a position in **Intercontinental Exchange (ICE)**. ICE is a diversified financial infrastructure and technology operator spanning energy, equities, fixed income and mortgages. Its strategy centres on digitising analogue markets, capturing and monetising data through analytics and benchmarks.

ICE benefits near term from elevated volatility and longer term through the digital transition, which allows it to monetise its data and ecosystem better. ICE's exchange business (53% of revenue) benefits from network effects and intellectual property like Brent, USDx, and swap rates. It is the global leader in energy futures and has a stronghold in financial futures and NYSE listings. The fixed income unit (25%) provides essential data and compliance tools, benefiting from the ongoing shift to electronic bond trading. Its mortgage technology division (22%) is a dominant platform encompassing origination, servicing, and backend infrastructure, with over 80% market share in US mortgage data.

We sold **Fiserv**, which we bought in March 2021, to gain exposure to the “cash to card” theme. At the time, we were particularly positive on Clover, Fiserv's point-of-sale and business management platform, which we believed offered a differentiated value proposition versus peers. More recently, the payments space has experienced a deceleration, driven by macroeconomic slowing, intensifying competition, and market saturation. With Clover's volume growth slowing, we are increasingly uncertain whether Clover retains the right to win in this evolving landscape. Since its purchase, Fiserv's share price has appreciated in line with the benchmark.



Global Equities

[Read more about the strategy ↗](#)

Global Equities



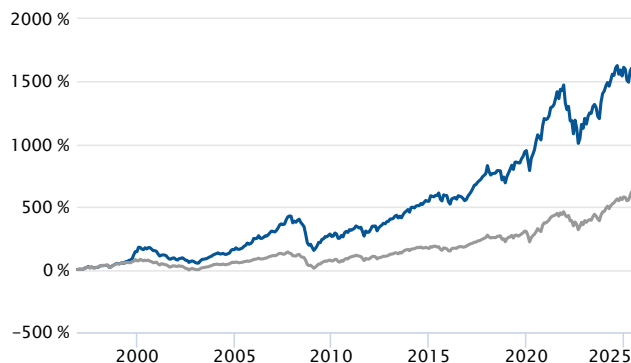
GROSS OF FEES IN USD AS OF 30 JUNE 2025

INVESTMENT PHILOSOPHY

Name	C WorldWide Global Equities
Inception date	31 December 1996
Benchmark	MSCI All Country World incl. net dividends
Read more	www.cworldwide.com

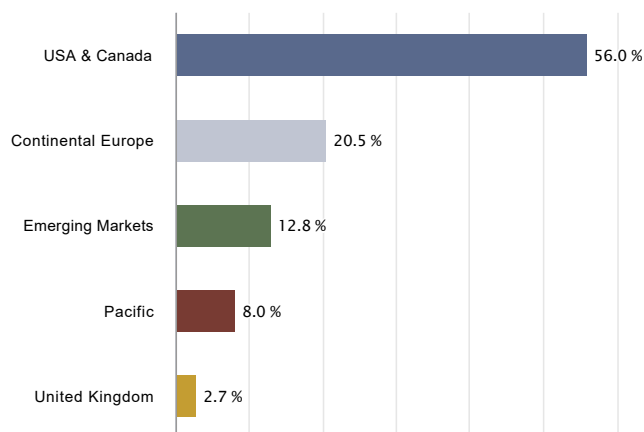
The strategy aims to achieve long-term capital growth exceeding the return of the market with a moderate risk profile as measured by standard deviation. The portfolio consists of 25-30 high conviction global large cap stock picks that ensure a sufficiently high-risk diversification. There are no geographic or sector restrictions in the strategy. This fact sheet has been prepared by C WorldWide Asset Management Fondsmæglerselskab A/S and is for information purposes only.

INVESTMENT RETURNS



Portfolio 1,610.7 % Benchmark 624.2 %

GEOGRAPHIC DIVERSIFICATION



RETURN & RISK

	Q2 YTD		1 Y	3 Y	5 Y	10 Y	Lifetime
Portfolio (gross) (%)	6.2	4.0	3.1	13.1	10.1	9.5	10.5
Benchmark (%)	11.5	10.0	16.2	17.3	13.7	10.0	7.2
Relative performance (%)	-5.3	-6.1	-13.1	-4.3	-3.5	-0.5	3.3

	3 Y	5 Y	10 Y	Lifetime
Std. dev. portfolio (%)	15.3	15.7	14.7	16.2
Std. dev. benchmark (%)	14.7	15.3	14.9	15.6
Beta	1.0	1.0	0.9	0.9

Periods longer than 1 year are shown annualized

TOP 10 HOLDINGS

	Share in %
Visa	6.5
HDFC Bank	6.3
Microsoft	6.0
Amazon.com	5.6
Alphabet	4.5
TSMC	4.5
Siemens	4.5
Parker Hannifin	4.1
Linde	3.5
Nestlé	3.4

CONTRIBUTION (3 MONTHS ROLLING)

Top/Bottom 5	Contribution (%)	Return (%)
▲ Microsoft	1.7	34.3
▲ TSMC	1.2	32.8
▲ Amazon.com	1.0	20.0
▲ Parker Hannifin	0.7	19.8
▲ Alphabet	0.7	16.6
▼ Thermo Fisher Scientific	-0.7	-16.4
▼ Fiserv	-0.7	-*
▼ Aon	-0.3	-10.7
▼ LVMH	-0.3	-14.3
▼ Procter & Gamble	-0.2	-5.9

*Bought or sold during the last 3 months

All figures are based on past performance. Past performance is not a reliable indicator of future performance. The benchmark results presented are a combination of two indices. MSCI World Index net of dividends is used prior to 31 December 2009, whilst MSCI AC World net of dividends is used subsequently. The gross figures are gross of management fees, custodian fees and performance fees, if any, but after transaction costs. All figures include reinvested net dividends (with dividend tax deducted). C WorldWide Asset Management Fondsmæglerselskab A/S claims compliance with the Global Investment Performance Standards (GIPS®). GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. To obtain a GIPS Composite Report please send a request to info@cworldwide.com.

Global Equities Ethical – Quarterly comment

Global equities posted large gains in Q2 in dollar terms despite the large, tariff-induced drop in share prices in early April. However, as tariffs were watered down and put on hold, risk appetite gradually increased. U.S. and Asian stocks led the way, while European indices were more muted after a strong start to the year. The dollar lost 8% versus the euro due to Trump's trade policies and concerns of the rising debt level in the US. This lowered equity returns measured in Euros.

In the quarter, the strategy rose 7.6% (USD), while the MSCI AC World Index rose 11.5%. The lower return was partly due to the strong rebound in Nvidia, which we do not own, and the strong performance from the technology sector in general, where we are underweight. The biggest negative investment returns came from Fiserv, Thermo Fisher and Aon, while TSMC, Microsoft and Ferguson were positive investments.

Investment strategy and portfolio changes

We initiated a position in **Intercontinental Exchange (ICE)**. ICE is a diversified financial infrastructure and technology operator spanning energy, equities, fixed income and mortgages. Its strategy centres on digitising analogue markets, capturing and monetising data through analytics and benchmarks.

ICE benefits near term from elevated volatility and longer term through the digital transition, which allows it to monetise its data and ecosystem better. ICE's exchange business (53% of revenue) benefits from network effects and intellectual property like Brent, USDX, and swap rates. It is the global leader in energy futures and has a stronghold in financial futures and NYSE listings. The fixed income unit (25%) provides essential data and compliance tools, benefiting from the ongoing shift to electronic bond trading. Its mortgage technology division (22%) is a dominant platform encompassing origination, servicing, and backend infrastructure, with over 80% market share in US mortgage data.

We sold **Fiserv**, which we bought in March 2021, to gain exposure to the "cash to card" theme. At the time, we were particularly positive on Clover, Fiserv's point-of-sale and business management platform, which we believed offered a differentiated value proposition versus peers. More recently, the payments space has experienced a deceleration, driven by macroeconomic slowing, intensifying competition, and market saturation. With Clover's volume growth slowing, we are increasingly uncertain whether Clover retains the right to win in this evolving landscape. Since its purchase, Fiserv's share price has appreciated in line with the benchmark.



Global Equities Ethical

[Read more about the strategy ↗](#)



Global Equities Ethical

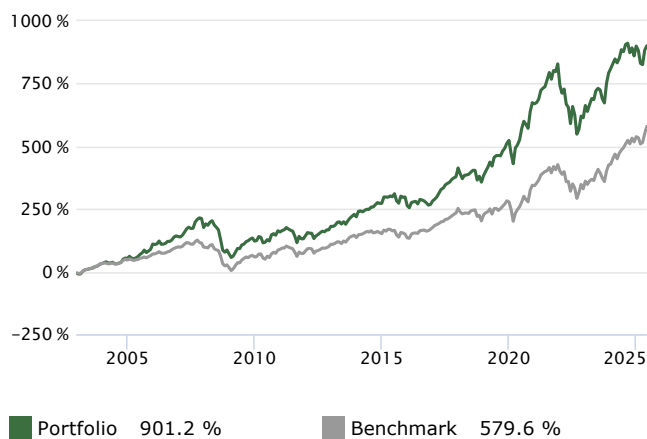
GROSS OF FEES IN USD AS OF 30 JUNE 2025

INVESTMENT PHILOSOPHY

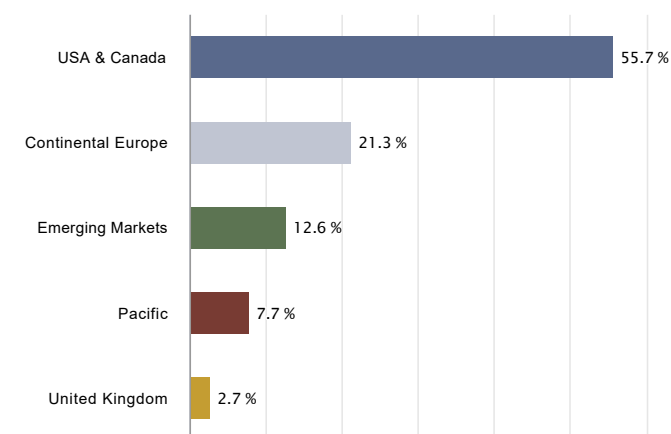
Name	C WorldWide Global Equities Ethical
Inception date	31 December 2002
Benchmark	MSCI All Country World incl. net dividends
Read more	www.cworldwide.com

The strategy aims to achieve long-term capital growth exceeding the return of the market with a moderate risk profile as measured by standard deviation. The portfolio holds companies considered to demonstrate socially responsible conduct. No investments are made in companies that have a substantial exposure to alcohol, tobacco, pornography, gambling, or weapons. This fact sheet has been prepared by C WorldWide Asset Management Fondsmæglerselskab A/S and is for information purposes only.

INVESTMENT RETURNS



GEOGRAPHIC DIVERSIFICATION



RETURN & RISK

	Q2	YTD	1 Y	3 Y	5 Y	10 Y	Lifetime
Portfolio (gross) (%)	7.6	4.2	1.6	13.2	9.9	9.6	10.8
Benchmark (%)	11.5	10.0	16.2	17.3	13.7	10.0	8.9
Relative performance (%)	-4.0	-5.8	-14.6	-4.2	-3.8	-0.3	1.9

	3 Y	5 Y	10 Y	Lifetime
Std. dev. portfolio (%)	15.1	15.5	14.7	15.8
Std. dev. benchmark (%)	14.7	15.3	14.9	15.2
Beta	1.0	1.0	0.9	1.0

Periods longer than 1 year are shown annualized

TOP 10 HOLDINGS

	Share in %
Visa	6.4
HDFC Bank	6.3
Microsoft	6.0
Amazon.com	5.2
Ferguson Enterprises	4.5
TSMC	4.5
Alphabet	4.4
Intercontinental Exch.	4.1
Linde	3.5
Nestlé	3.5

CONTRIBUTION (3 MONTHS ROLLING)

Top/Bottom 5	Contribution (%)	Return (%)
▲ Microsoft	1.7	34.5
▲ Ferguson Enterprises	1.4	39.0
▲ TSMC	1.2	32.8
▲ Amazon.com	1.0	20.2
▲ Alphabet	0.7	16.8
▼ Fiserv	-1.0	-*
▼ Thermo Fisher Scientific	-0.7	-16.3
▼ Aon	-0.4	-10.6
▼ Procter & Gamble	-0.2	-5.8
▼ Progressive	-0.2	-5.5

*Bought or sold during the last 3 months

All figures are based on past performance. Past performance is not a reliable indicator of future performance. The benchmark results presented are a combination of two indices. MSCI World Index Net Total Return is used prior to 31 December 2009, whilst MSCI AC World Net Total Return is used subsequently. The gross figures are gross of management fees and custodian fees, but after transaction costs. All figures include reinvested net dividends (with dividend tax deducted). C WorldWide Asset Management Fondsmæglerselskab A/S claims compliance with the Global Investment Performance Standards (GIPS®). GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. To obtain a GIPS Composite Report please send a request to info@cworldwide.com

Centuria – Quarterly comment

Despite significant headwinds—ranging from growing deficits, dollar weakness, and policy volatility equity markets continued to climb, driven largely by enthusiasm for technology and AI. The quarter began with the dramatic tariff escalations by Trump, sparking fears of rising inflation and weaker growth. This triggered an initial sharp selloff across equities, bonds, and the U.S. dollar. However, as trade tensions faded and policy backtracking set in, markets rebounded and attention shifted to solid corporate reporting, hopes for rate cuts and resilient economic data.

The U.S. market was the best-performing of the major regions, driven by AI-related names and adjacent stories, although the U.S. dollar saw its worst year-to-date performance since 1973. Technology, communication services, and industrials were the leaders, while healthcare and energy lagged. Growth companies outperformed value companies.

The strategy rose 10.6% (USD), while MSCI ACWI rose 11.5% in the second quarter. The strategy has underweighted the best-performing sectors in the quarter like technology and communication services and overweight healthcare, the worst-performing sector. Stock selection was positive from our healthcare holdings such as Galderma, Resmed, and Exact Sciences, along with names

like Ferguson and MercadoLibre, although Tyler Technologies, Global Payments, Ryan Specialty, Kingspan, and PTC contributed negatively.

Given the narrowness of this market cycle, we believe there are still meaningful opportunities in parts of the market that have not been major beneficiaries of recent exuberance particularly in the mid-cap space.

Investment strategy and portfolio changes

The portfolio strategy focuses on emerging and established growth companies with a bias toward those in the mid-cap range exposed to long-term growth trends, strong addressable markets and leading market positions. The strategy has a long duration and invests with a long-term time horizon. Therefore, the strategy tends to be more vulnerable to periods of multiple compression and sharp interest rate increases. Longer term, while our portfolio companies are not immune to cyclical, in the event of a global recession, we expect earnings growth for the overall portfolio to continue to remain relatively robust, given our strong exposure to secular growth trends.

During the quarter we bought **Legrand** and **Galderma** and sold **Allegion** and **Cooper Companies**.



Centuria

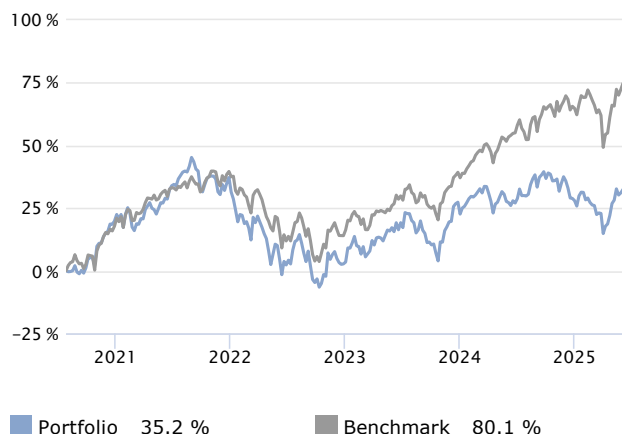
[Read more about the strategy ↗](#)

INVESTMENT PHILOSOPHY

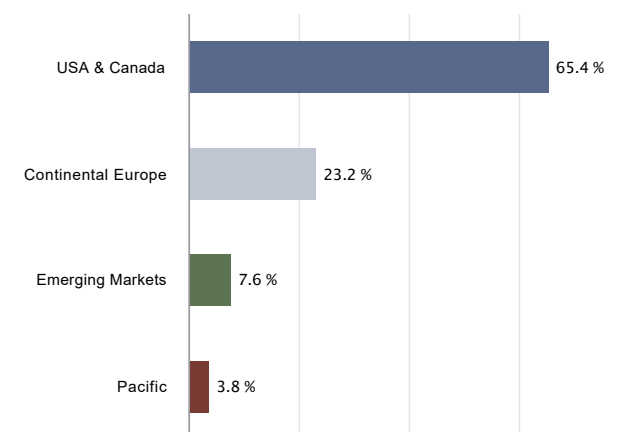
Name	C WorldWide Centuria
Inception date	31 July 2020
Benchmark	MSCI All Country World incl. net dividends
Read more	www.cworldwide.com

The strategy aims to achieve long-term capital growth exceeding the return of the market with a moderate risk profile as measured by standard deviation. The portfolio consists of 25-30 high conviction stock picks that ensure a sufficiently high-risk diversification. All equities invested in are listed on stock exchanges. Investments are made globally. This fact sheet has been prepared by C WorldWide Asset Management Fondsmaeglerselskab A/S and is for information purposes only.

INVESTMENT RETURNS



GEOGRAPHIC DIVERSIFICATION



RETURN & RISK

	Q2	YTD	1 Y	3 Y	5 Y	10 Y	Lifetime
Portfolio (gross) (%)	10.6	5.9	6.5	10.3	-	-	6.3
Benchmark (%)	11.5	10.0	16.2	17.3	-	-	12.7
Relative performance (%)	-0.9	-4.1	-9.7	-7.1	-	-	-6.4

	3 Y	5 Y	10 Y	Lifetime
Std. dev. portfolio (%)	17.8	-	-	17.7
Std. dev. benchmark (%)	14.7	-	-	15.2
Beta	1.1	-	-	1.1

Periods longer than 1 year are shown annualized

TOP 10 HOLDINGS

	Share in %
Mercadolibre	5.8
Service Corporation International	5.0
Synopsys Inc	4.6
ASM International	4.2
PTC Inc	3.9
Resmed Inc	3.9
MSCI	3.8
Hoya	3.8
Tyler Technologies Inc	3.7
Kerry Group	3.7

CONTRIBUTION (3 MONTHS ROLLING)

Top/Bottom 5	Contribution (%)	Return (%)
▲ Galderma Group	1.3	-*
▲ Mercadolibre	1.1	22.8
▲ ASM International	1.0	30.6
▲ Legrand	0.8	-*
▲ Ferguson Enterprises	0.8	27.3
▼ Global Payments	-0.7	-23.7
▼ Ryan Specialty Holdings	-0.7	-16.1
▼ Cooper	-0.5	-*
▼ Waters Corp	-0.4	-10.3
▼ Service Corporation International	-0.3	-5.3

*Bought or sold during the last 3 months

All figures are based on past performance. Past performance is not a reliable indicator of future performance. The gross figures are gross of management fees and custodian fees, but after transaction costs. All figures include reinvested net dividends (with dividend tax deducted). C WorldWide Asset Management Fondsmaeglerselskab A/S claims compliance with the Global Investment Performance Standards (GIPS®). GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. To obtain a GIPS Composite Report, please send a request to info@cworldwide.com.

**C WorldWide Asset
Management
Fondsmaeglerselskab
A/S**

Dampfaergevej 26
DK-2100 Copenhagen

Tel.: +45 35 46 35 00

cworldwide.com

info@cworldwide.com

Q2 2025

EU: This is marketing material. This publication has been prepared by C WorldWide Asset Management Fondsmaeglerselskab A/S (CWW AM). CWW AM is a registered Danish investment firm located at Dampfaergevej 26, DK-2100 Copenhagen, Denmark. CWW AM's Danish company registration no. is 78420510. The publication is provided for information purposes only and does not constitute, and shall not be considered as, an offer, solicitation or invitation to engage in investment operations, as investment advice or as investment research. Opinions expressed are current opinions only as of the date of the publication. The publication has been prepared from sources CWW AM believes to be reliable. All reasonable precautions have been taken to ensure the correctness and accuracy of the information. However, the correctness and accuracy is not guaranteed and CWW AM accepts no liability for any errors or omissions. C WorldWide Asset Management Fondsmaeglerselskab A/S claims compliance with the Global Investment Performance Standards (GIPS®). GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. To obtain a GIPS Composite Report please send a request to info@cworldwide.com. All figures are based on past performance. Past performance does not indicate future performance. Returns may increase or decrease as a result of currency fluctuations. The publication must not be reproduced or distributed, in whole or in part, without the prior written consent of CWW AM.

UK: This is marketing material. This publication has been prepared by C WorldWide Asset Management Fondsmaeglerselskab A/S (CWW AM). CWW AM is a registered Danish investment firm located at Dampfaergevej 26, DK-2100 Copenhagen, Denmark. CWW AM's Danish company registration no. is 78420510. The publication is directed at persons having professional experience of participating in unregulated schemes (investment professionals) and high net worth companies (as defined under art. 14 and 22 of the Financial Services and Markets Act 2000 (Promotion of Collective Investment Schemes) (Exemptions) Order 2001). The publication and any investment or investment activity to which it relates is available only to such persons and will be engaged in only with such persons. Any other person should not rely or act on the statements made in the publication. The publication is provided for information purposes only and does not constitute, and shall not be considered as, an offer, solicitation or invitation to engage in investment operations, as investment advice or as investment research. Opinions expressed are current opinions only as of the date of the publication. The publication has been prepared from sources CWW AM believes to be reliable. All reasonable precautions have been taken to ensure the correctness and accuracy of the information. However, the correctness and accuracy is not guaranteed and CWW AM accepts no liability for any errors or omissions. C WorldWide Asset Management Fondsmaeglerselskab A/S claims compliance with the Global Investment Performance Standards (GIPS®). GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. To obtain a GIPS Composite Report please send a request to info@cworldwide.com. All figures are based on past performance. Past performance does not indicate future performance. Returns may increase or decrease as a result of currency fluctuations. The publication must not be reproduced or distributed, in whole or in part, without the prior written consent of CWW AM.