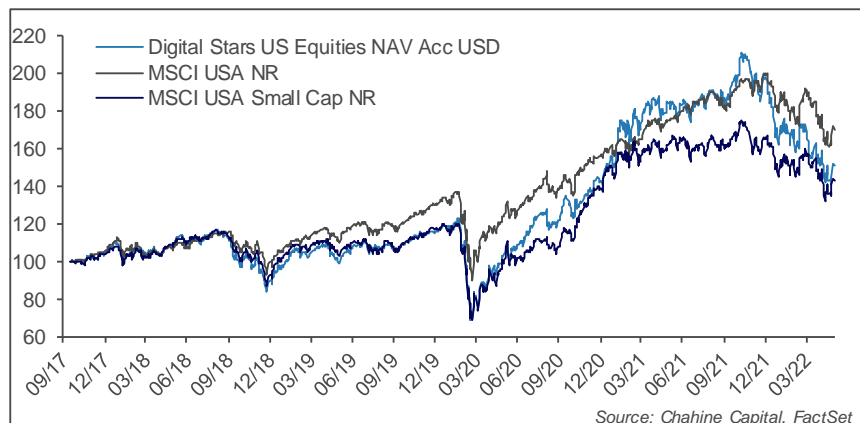


## Monthly update

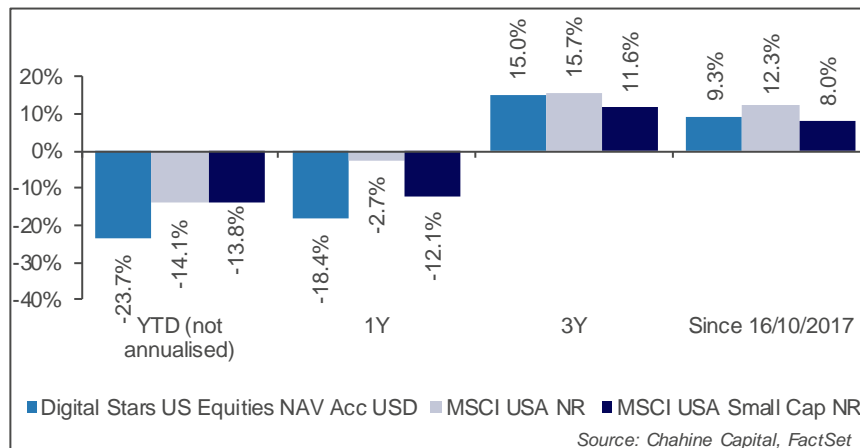
Nearly two and a half years after the discovery of the Coronavirus, we continue to observe a rare succession of major economic, monetary, geopolitical and health events, and this seems to have accelerated over the past year. On the health front, the Delta and Omicron variants have forced governments to implement the largest vaccination campaigns in history, and, in the case of China, to recently re-confine 300 million people. The war in Ukraine is emerging as one of the most important geopolitical events of the post-war era. Finally, powerful reflation, fueled by exogenous health and military shocks, is pushing central banks to adjust their accommodating monetary policies. In this unstable environment and lacking short-term visibility, equities gave up -0.3% in May in the US (MSCI USA NR). However, the fundamental situation remains attractive. The consensus earnings momentum continues to be positive (MSCI USA 2022 EPS up +1.8% year-to-date), and expected earnings growth in 2022 is now +10.1%, while the US market risk premium stands at +3.0%, close to the historical average since 2000.

Despite a turbulent US market in May, **Digital Stars US Equities Acc USD ended the month flat**, in line with the MSCI USA NR at -0.3% and the MSCI USA Small Cap NR at +0.1%. The energy sector was the best performer (Kinetik Holdings, Valero Energy), but the fund benefited most from technology, particularly semiconductors (Photronics, SiTime, Monolithic Power Systems, Axcelis). Conversely, real estate was a major detractor for the fund (Prologis, Jones Lang LaSalle, Public Storage).

## COMPARISON WITH MAJOR INDICES (IN USD)



## ANNUALISED RETURNS AS OF 31/05/2022



## PROFILE

A diversified portfolio, within the US universe, with a purely quantitative management style. The investment universe embraces approximately 2700 stocks originating in the US market. The minimum market capitalisation of the stocks in the investment universe is \$100M and each one must be followed by at least 3 analysts.

The latest monthly portfolio review strengthened technology, materials, industrials and consumer discretionary, and reduced financials, healthcare and energy.

The portfolio is overweight in industrials, retail and banks, and underweight in pharma, media and technology.

## OBJECTIVE

Achieve long-term appreciation of its capital and outperform the US market, through the experienced usage of a sophisticated and proprietary quantitative model to identify the "stars" performers.

## FUND FACTS

**Launch:** 16.10.2017  
**Profile:** US Equities  
**Currency:** USD  
**Benchmark:** MSCI USA NR  
**AuM:** \$ 17.0 m  
**SFDR:** Article 8

### Share Classes

Acc USD:	LU1651323435	DFSUSUS LX
Acc1 USD:	LU2354769593	DISUE1U LX
Acc EUR :	LU1651323518	DFSUSEU LX
Acc1 EUR H:	LU2354266921	DISUE1H LX
R EUR:	LU1651323781	DFSUSRE LX
P EUR:	LU2005655175	DSTUSPE LX
I USD:	LU1651323609	DFSUSIU LX
I EUR:	LU2006281013	DSTUSIE LX
I EUR H:	LU2428494186	DISUEIH LX
EB EUR H:	LU2353478147	DISUEEH LX

**Mgt. Fees:** 1.5% (Acc), 1% (I), 2% (R), 2.2% (P), 1.25% (Acc1) 0.7% (EB)

**Perf. Fees:** 15% (20% R, P) of the outperformance vs index

**Valuation date:** Daily

**Cut-off:** 3pm, Luxembourg time

### TOP HOLDINGS AND BEST CONTRIBUTORS (31/05/2022)

Top positions	Weights	Top contributors	1 Month perf	1 Month contribution
Photronics, Inc.	1.80%	Photronics, Inc.	45.0%	0.59%
Perficient, Inc.	1.74%	SiTime Corporation	26.4%	0.34%
Penske Automotive Group, In	1.72%	Kinetik Holdings Inc. Class A	20.5%	0.28%
ExlService Holdings, Inc.	1.62%	BlueLinx Holdings Inc.	24.0%	0.24%
W. R. Berkley Corporation	1.62%	Valero Energy Corporation	17.2%	0.22%

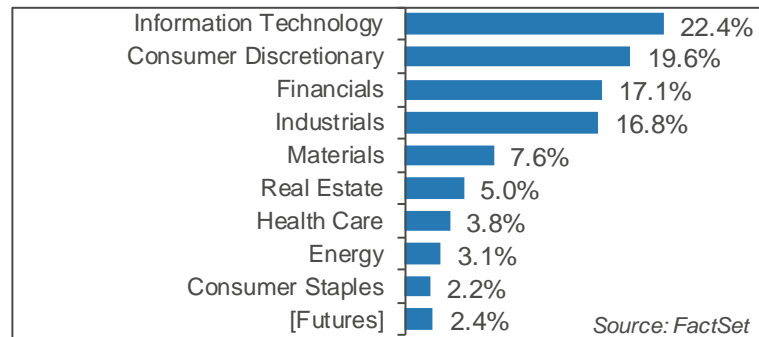
Source: FactSet

### PERFORMANCE ATTRIBUTION (EXCL. FEES) - MAY 2022

From 29/04/2022 to 31/05/2022	Average Weight	Total Return	Contribution To Return
<b>Total</b>	<b>100.0%</b>	<b>0.1%</b>	<b>0.1%</b>
Information Technology	20.0%	4.0%	0.86%
Energy	4.0%	10.1%	0.42%
Industrials	16.2%	2.2%	0.29%
[Futures]	2.4%	0.1%	0.01%
Communication Services	--	--	--
Utilities	--	--	--
Consumer Staples	1.9%	-1.2%	-0.01%
Health Care	5.6%	-1.2%	-0.12%
Financials	19.7%	-0.6%	-0.15%
Materials	6.4%	-4.0%	-0.24%
Consumer Discretionary	18.6%	-1.6%	-0.30%
Real Estate	5.1%	-11.8%	-0.64%

Source: FactSet

### SECTOR BREAKDOWN (31/05/2022)



Source: FactSet

### CALENDAR RETURNS

31/05/2022	2022	2021	2020	2019	2018	2017*	Since Inception
Digital Stars US Equities NAV Acc USD	-23.7%	+37.9%	+23.8%	+28.9%	-13.2%	+3.4%	+50.8%
MSCI USA NR	-14.1%	+26.5%	+20.7%	+30.9%	-5.0%	+4.8%	+70.7%
MSCI USA Small Cap NR	-13.8%	+19.1%	+18.3%	+26.7%	-10.4%	+3.5%	+42.8%

\* Performances 2017 calculated from inception date (16/10/2017)

Source: Chahine Capital, FactSet

### STRUCTURE AND MANAGEMENT

**Fund Managers:** Aymar de Léotoing  
Julien Bernier

**Location:** Luxembourg

**Man. Company:** J. Chahine Capital, a Luxembourg-based CSSF-regulated Asset Management Company

**Legal Form:** Sub-fund of DIGITAL FUNDS, a Luxembourg-based SICAV under Part I of the Luxembourg Law of 20/12/2002

**Custodian:** UBS Europe SE (Lux. branch)  
**Transfer Agent:** Northern Trust Global Services  
**Administration:** Northern Trust Global Services  
**Auditor:** PwC Luxembourg

**Registration:** Austria, Belgium, France, Germany, Luxembourg, Netherland, Spain, Switzerland, United Kingdom

### KEY FIGURES (31/05/2022)

VNI (Acc USD):	\$ 150.76
VNI (Acc1 USD):	\$ 85.66
VNI (Acc EUR):	€ 135.04
VNI (Acc1 EUR H):	€ 84.29
VNI (R EUR):	€ 132.25
VNI (P EUR):	€ 126.11
VNI (I USD):	\$ 153.76
VNI (I EUR):	€ 146.90
VNI (I EUR H):	€ 86.71
VNI (EB EUR H):	€ 80.01

Return since inception: +50.8%  
Return last month: -0.0%

Risk statistics	1Y	3Y
<b>Beta vs. Benchmark</b>	1.21	1.22
<b>Volatility</b>	25.7%	30.9%
<b>Sharpe Ratio</b>	-0.72	0.48

Source: FactSet

**SRRI (Acc Share) :** 7

Stocks: 76  
Equity Exposure: 99.3%  
Median Market Capitalisation: € 4 905 M  
% Small caps (< USD 3 Bio): 55.7%  
% Mid caps (< USD 10 Bio): 75.1%  
% Large caps (> USD 10 Bio): 42.4%

Find out more about the funds DIGITAL FUNDS on our website.

[chahinecapital.com](http://chahinecapital.com)



Important information: Digital Funds Stars US Equities is a sub-fund of Digital Funds, a SICAV incorporated under Luxembourg law, authorised in Luxembourg and regulated by the Luxembourg supervisory authority Commission de Surveillance du Secteur Financier (CSSF). The Fund complies with the requirements of the UCITS Directive 2009/65/EC. Investors are invited to carefully read the risk warnings and the regulations set out in the prospectus and/or in any appendices thereto, applicable in the country of distribution, and to seek professional counsel from their financial, legal and tax advisors. Information about DIGITAL FUNDS, its sub-funds and classes, the latest prospectus, annual and semi-annual reports, can be obtained free of charge, in English, French, German and Italian from the Central Administrator, the Custodian Bank or online at [www.chahinecapital.com](http://www.chahinecapital.com). The Fund's prospectus for Switzerland, the Key Investor information's, constitutive documents and annual and semi-annual financial reports can be obtained free of charge from the Fund representative in Switzerland, Carnegie Fund Services S.A., 11, rue du Général-Dufour, 1204 Genève, Suisse, Tel. +41 22 705 11 77, [www.carnegie-fund-services.ch](http://www.carnegie-fund-services.ch). The paying agent in Switzerland is UBS Switzerland AG, Bahnhofstrasse 45, 8001 Zürich. The Fund's centralizing agent in France is RBC Investors Services France. This document is confidential and is intended only for the use of the person to whom it was delivered; it may not be reproduced or distributed. The present document constitutes neither an offer nor a solicitation to subscribe for shares in the funds in any jurisdiction where such an offer or solicitation would not be authorised, or to any person to whom it would be unlawful to make such an offer or invitation. J.Chahine Capital is authorised in Luxembourg and regulated by the CSSF. The future performance of an investment cannot be deduced from previous market value, i.e. the value of an investment may fall as well as rise. An investment may also lose value due to changes in rates of foreign exchange. J.Chahine Capital cannot guarantee that any capital invested will maintain or increase in value.

The LuxFLAG ESG label for the Digital Stars US Equities fund is valid until 31 December 2022.

Investors must not rely on LuxFLAG or the LuxFLAG Label with regard to investor protection issues and LuxFLAG cannot incur any liability related to financial performance or default.