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# Monthly Report

## December 2021

**3.89 %**

Monthly return

**-9.61 %**

Gross annual return

After a strong recovery in 2020 (gross return +85%), 2021 turned out to be a correction year, which ended with a positive monthly return of 3.89% for the leading asset class. But the YTD performance returned a loss of -9.61%. In comparison, gold dropped 4%, partly because the dollar rose by almost 7%, while the silver price fell by almost 12%. The GDXJ, the main ETF for "Junior Gold Miners", fell a whopping 28% in 2021. The average return over the last five years has come to 10.23%.

The full extent of the correction in precious metals stocks that began back in August 2020 is even greater. The GDXJ fell 40% in these last 16 months, while the HUI index of the larger gold producers lost 36% in value. Our fund rose almost 9% in the same period. Such outperformance is almost entirely attributable to a wider diversification across the various metal investments in our portfolio, and the additional returns from best-performing exploration stocks, developing the hundred best metals discoveries worldwide. This self-compiled Top-100 has been a leading factor and core of our portfolio policy for the past two years and now accounts for the 70% of the portfolio. These are positions in companies with projects in both the exploration (50%) and development phases (20%).

The remaining 30% of the assets are invested in more liquid positions, such as the various commodity-related ETFs and companies focused on production (incl. royalty and streaming companies). The ETFs are also increasingly used to execute hedging strategies (including long volatility and short mining sector). We have had a stronger emphasis on risk hedging in the currencies too, this past year. Due to the high average gross annual return over the past five years, interest in investing in our fund has risen sharply in the last 18 months. Savers, in particular, who were confronted with zero or negative interest rates, have started looking 'en masse' for alternative investment options. The asset titles that traditionally do well in times of rising inflation, such as real estate and commodities, are receiving extra attention. This has led to a record inflow of funds last year, coming in from new and existing investors, as a result of which the assets under management (AUM) grew from more than EUR 100 million at the end of 2020, to EUR 137 million at the end of 2021. The number of unique participants grew rapidly from 936 at the end of 2020, to 1695 at the end of 2021. Due to the huge inflow of mainly relatively small investors, we have decided to increase the minimum deposit to EUR 50,000 starting 2022. We have also seen more participants invest larger amounts in recent times, as a result of which the New Asset Class has risen from 13% to 17% of the AUM.

### Gross return (%)

	2015	2016	2017	2018	2019	2020	2021
Jan	16.04	-2.64	19.46	-8.91	4.71	-1.18	-6.82
Feb	1.47	25.39	-1.64	-5.14	-0.06	-11.15	-0.75
Mar	-5.76	10.09	-3.41	-6.79	-1.00	-15.50	-2.94
Apr	2.60	29.43	-5.78	6.32	-7.33	38.86	9.04
May	1.82	-4.44	-3.08	2.52	-3.91	13.53	8.24
Jun	-7.32	17.17	-3.07	-5.67	5.55	15.57	-9.84
Jul	-19.75	10.24	1.62	-3.83	3.94	13.77	-1.88
Aug	-1.65	-7.19	0.54	-4.19	5.09	12.14	-6.02
Sep	-3.76	2.18	0.43	2.82	-5.86	-0.75	-7.77
Oct	8.90	-7.85	2.44	-3.74	-1.70	-4.17	10.16
Nov	-5.84	-6.75	-8.14	-4.55	-2.55	1.64	-2.77
Dec	-1.28	-2.78	1.36	-6.60	14.42	11.20	3.89

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CUM      -45.87      -7.92      -9.46      -39.05      -33.12      23.99      12.07

## Investments

2021 was also the year of the long-awaited recovery in the price of uranium. This increased by almost 40% last year to \$45 per pound due to the heavy unrest in Kazakhstan. This country is responsible for as much as 40% of the world's uranium production. We benefited from this through our investments in NexGen Energy, Mega Uranium, and URA, the uranium-related ETF. We are further expanding our uranium holdings to around 10% of the portfolio, as we believe this sector could see a very strong performance in the coming years, as more and more politicians understand that nuclear power is the only CO<sub>2</sub>-neutral alternative to solar and wind power. Even the EU has decided to officially add nuclear energy to the European energy mix. We see the current energy crisis, which is the result of a mix of circumstances for which no short-term fix is available, continuing in the coming years, so we have added more energy-oriented ETFs to our portfolio. Due to the very rapid rise in (European) energy prices, a number of aluminum and zinc manufacturers have decided to temporarily halt production.

In 2021, five of our positions were acquired or a takeover bid was received for all outstanding shares. (Note: The full list of acquisitions, since the start in 2008, can now also be viewed on a world map, see [CDFund Discovery Map](#)). For our portfolio, gold producer Kinross's bid for Great Bear Resources (GBR) in December 2021 had the greatest impact. Loyal followers know that, in both 2021 and 2020, we nominated GBR for the CDF Discovery Award, despite the fact that the company has still not published an official resource estimate of its Canadian gold discovery.

Over the past year, we have seen a takeover battle erupt in a number of M&A situations. Followers from the first hour may still own shares of Noront Resources. This company was responsible for a relatively small but high-quality nickel discovery in 2006 (!) in a very remote area in Canada. Even though we always assumed that this discovery was significant enough for a takeover by a producer looking to replenish its reserves, we could not have imagined that the takeover battle would take place more than 15 years later.

## Results December 2021

Participation price (euro)	112.07
Monthly gross return	3.89%
Gross annual return	-9.61%
Gross return (cumulative)*	12.07%
Net return (cumulative)	-3.17%
CAGR since inception*	0.85

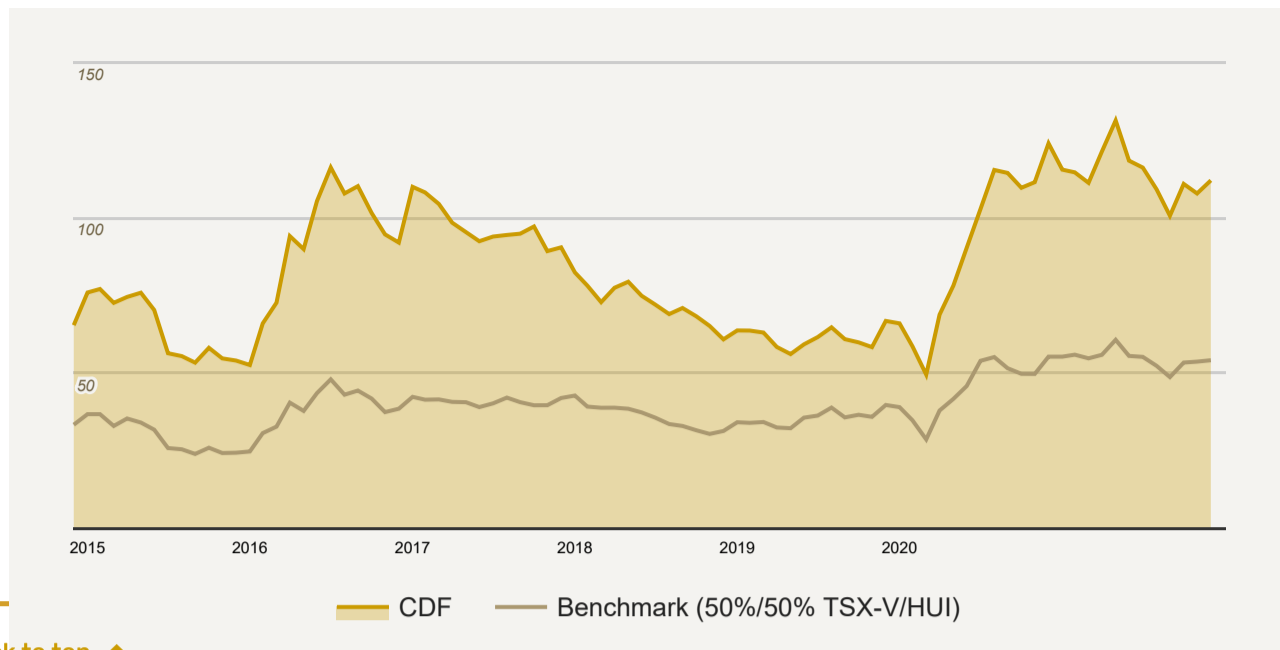
\* Compound Annual Growth Rate since 01-07-2008 before correction performance fee

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