BISO Invest Fund

Report date: 01 March 2024

Fund: BISO Invest Fund
Inception: 2017
AUM: 597,482 NOK
Benchmark: Oslo Børs Index

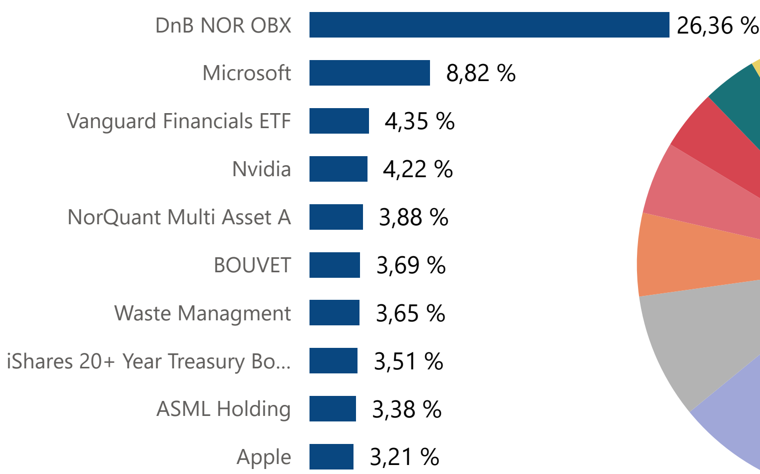
Category: Balanced fund
Domicile: Norway
Dealing days: All Norwegian business days

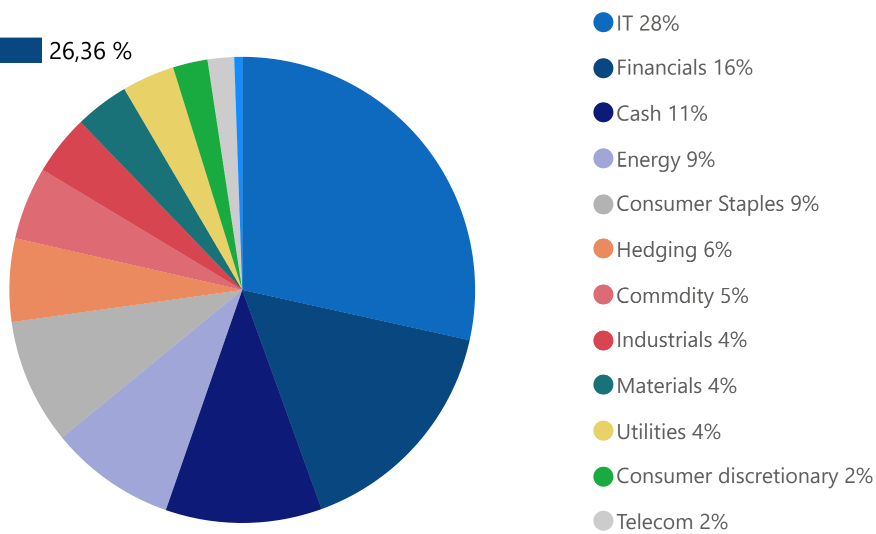
BISO Invest's mission is to safeguard and build financial wealth for BI Norwegian Business School's Student Organization while providing a platform for students to learn from and connect with businesses and other students with similar interest in investment

Investment criteria:

- **Equity and exchange-traded-funds (ETFs)**
- **Long term financial strength and earnings capacity**
- **High shareholder value creation**
- **Moderate risk tolerance**
- **Accomplished management and active owners**
- **Sector exposure varies over time**

Top ten holdings, sector allocation and geographical distribution





Key figures since Oct. 2023

	Fund	Index
Monthly return	3.36%	-1.01%
Best month	4.11%	1.67%
Weakest month	0.32%	-2.17%
Postive month	5	2
Negative month	0	3

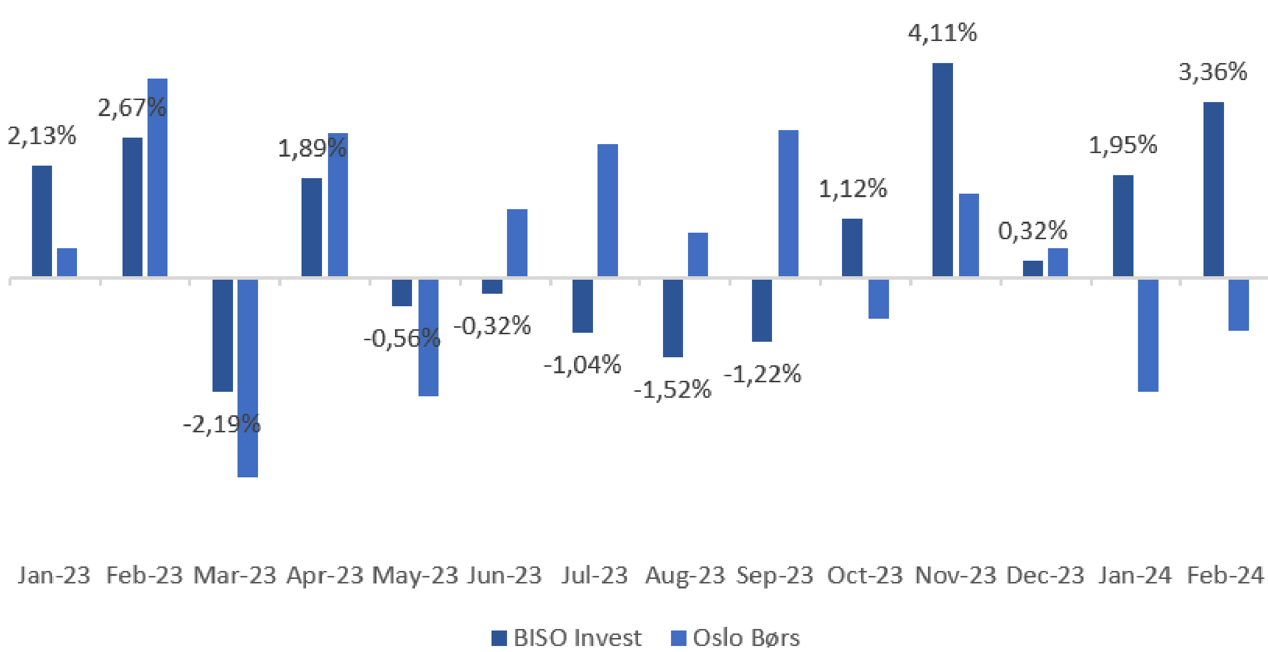
Risk figures

	Fund	Index
STD (Ann)	7.57%	11.59%
Tracking error (Ann)	12.10%	n.a
VaR 95% (Ann)	18.07%	
Sharpe ratio (Ann)	2.99	

Performance by periods

	Fund	Index
Last month	1.95%	-2.17%
Year to date	5.59%	-3.27%
Last 12 months	5.54%	2.15%

Monthly Return



Monthly Commentary - February 2024

By: Shenye Liu & Eirik Dalen Nyrén & Jarand Dragvik

Performance Overview:

In February, we had a return of 3.36%., while Oslo Børs experienced a downturn. Our largest investment, DNB NOR, which mirrors the Oslo Børs Index, negatively impacted our portfolio. Despite the positive performance of major global indices, the Oslo Børs lagged behind. The fourth quarter results season at Oslo Børs was marked by significant fluctuations, particularly in the industrial and energy sectors. These sectors were notably influenced by anticipated hikes in gas prices, leading to reductions in earnings forecasts and subsequent drops in stock prices. For instance, this situation prompted Equinor to reduce its dividends, resulting in a substantial stock price fall in February. Investors are under the impression that the mega cycle witnessed in 2022 has ended, projecting a challenging year ahead for the Oslo Børs.

Individual Equity Performances:

NVIDIA (NVIDA US)

Nvidia has experienced a remarkable 29.63% increase in its stock value, driven by a significant boost in revenues from $6.05 billion to $22.10 billion in the past year. This surge can be attributed to heightened demand for Nvidia's Graphics Processing Units (GPUs), especially in the context of their role in AI infrastructure. Given the current prominence of the technology industry, which is currently leading the market, Nvidia has benefited substantially. A key contributor to this impressive financial performance is the company's ability to provide suitable products for the booming AI sector. Moreover, Nvidia's recent strong financial results in the last quarter have generated positive momentum. This positive momentum is expected to further elevate the company's stock price, as more investors express interest in capitalizing on Nvidia's success.

Nordnet (SAVE SS)

Nordnet's stock price surged by 19.02%, driven by a combination of positive factors. Firstly, the company delivered strong financial results, showcasing its robust performance. Additionally, Nordnet experienced significant growth in its customer base, accompanied by an increase in customer savings and heightened investments in the stock market through their platform. Moreover, Nordnet witnessed growth in its brokerage and fund business, along with a rise in net interest income, facilitated by higher interest rates. Another contributing factor to Nordnet's stock price increase is the decision of other stock brokerages in Norway to halt accepting retail clients, defined as clients falling under the "non-professional" categorization per the MiFID II directive. Given Nordnet's inclusive platform designed to cater to all types of customers, it is anticipated to maintain steady growth in its customer base. This versatility positions Nordnet favorably for continued expansion and success in attracting a diverse range of clients.

Waste Management (WM US)

In February, Waste Management (WM) exhibited robust performance, closing the month at 10.58%. This strength is largely attributable to the company's exceptional fourth-quarter financials for 2023. WM's adjusted EBITDA reached $1.56 billion, with earnings per share (EPS) at $1.74, surpassing consensus estimates. The company's success is owed to reduced operational expenses and a 7.3% year-over-year surge in core prices, alongside an increase in collection and disposal volumes by 1.9% on a workday adjusted basis, propelled by municipal solid waste landfill and commercial collections. WM forecasts a 6-7% revenue uplift in 2024, with anticipated collection and disposal yield near 5% and volume growth of approximately 1%. As a leading entity in North American solid waste and landfill operations, WM is well-positioned to sustain its growth trajectory. In 2023, the firm escalated its investments in recycling facilities and the construction of renewable natural gas (RNG) plants, which are slated for completion by 2026. These initiatives are expected to contribute an additional $800 million in annual operating EBITDA, further buoyed by rising commodity prices for recyclable materials like old corrugated cardboard. Our outlook remains favorable for WM, especially considering the expected contributions from its recycling endeavors and its notable ESG profile.

Estee Lauder (EL US)

Estée Lauder (EL) reported a 13.51% return in February, catalyzed by a strategic restructuring that includes a workforce reduction by 5%. This move is part of a broader initiative to enhance profit recovery, projected to yield an operating profit of $1.1 billion to $1.4 billion for fiscal years 2025 and 2026. Despite these internal improvements, the company continues to navigate market volatility, particularly in China and the Asia Pacific region. Consequently, Estée Lauder has revised its EPS forecast for 2024 downward by approximately 8%. Given the ongoing challenges and uncertain recovery in Asia, we are closely monitoring the company's global outlook. We may consider exiting our position in Estée Lauder should the share price approach $155, reflecting our prudence in response to the current market dynamics.

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Capital Management

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