



MOONFARE

MOONFARE
MARKET PANEL

2021

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Introduction

“Every crisis offers opportunities,” wrote one Moonfare investor. “Always keep a cool head,” wrote another.

In the spring, Moonfare conducted a survey of our investor base. The goal? Pick our investors’ brains and try to develop a broader sense of what they expect in the near future across markets. We also asked them about the investment strategies they developed and the lessons they learned since the onset of Covid-19.

Given the shape of the Moonfare community — largely high-net-worth individuals across Europe and Asia, many of them with a background in entrepreneurship, financial services or investing — we thought their views would be interesting for the public as we all continue to make sense of our changing world.

“

In the following pages we are honoured to present responses from our investors to a series of about 30 questions answered in late April and early May.

We were very happy, to say the least, with the quality of responses we received and the level of participation. More than 200 Moonfare investors completed the survey.

Their responses reflect a sense of measured optimism and a pragmatic approach to navigating markets that are facing events with little precedent. But at the same time, many of the old rules hold true: “Never bet against the Fed,” noted one Moonfare investor.

In the following pages we present responses from our investors to a series of about 30 questions that we posed in late April and early May. Every question in the survey could be skipped, and we promised to keep all answers anonymous in publication.

We look forward to hearing your feedback on this first ever Moonfare Market Panel. We are also looking forward to continuing to welcome new investors to the Moonfare community.

Finally, we want to thank the Moonfare community of investors for taking time to participate. This project would not have been possible without you.

Berlin & London – July 2021



Zeke Turner
Fund Marketing Specialist



Winson Ng
Chief Investment Officer

Interview: Moonfare CIO Winson Ng and Zeke Turner in Conversation

Shortly before publication, Zeke and Winson sat down to discuss investor responses to the Moonfare Market Panel, changes wrought by Covid-19 and the outlook for markets in the near term.

Zeke Turner: The world has been changing at a rapid pace since the onset of Covid-19. What are your main takeaways from last year or so? Does it feel like we are at the end of a crisis?

Winson Ng: Despite the unknown, I'm not quite sure we should call it a crisis. There was unprecedented government support and stimulus in response to Covid, which is why the world is not in complete debt. Without the support we would still be in a worldwide shut-down.

ZT: What are some of the strategies fund investors have been using in response to all the uncertainty?

WN: The classic strategy in private markets is: Choose the team that is cycle-tested and resilient because of the investment period being longer than one or two years and usually up to five years for most strategies. That period usually encompass some peaks and troughs, so you want to have teams that can navigate any part of the cycle and handle whatever weather blows in.

“*These funds actually do a favour to retail clients by providing them with a template of discipline. And ultimately when you allocate to a the top private equity fund managers, you are aligning incentives with top investors. Even if you're in a hole, you know the team will do everything to dig you out.*”

ZT: Looking at the responses to the Moonfare Market Panel, do you have a sense of a general mindset shared by Moonfare investors?

WN: It seems like many investors initially considered a huge doomsday scenario much more akin to 2008, but this panic quickly faded. Investors soon realised things were not so bad and indeed after a while they saw that Covid was able to push some areas like technology and software into super performance. Of course, there were many areas that were hit hard, but I think a lot of our investors were able to catch tailwinds.

The other thing is of course because the private markets positions usually keep cash locked up it, these funds actually do a favour to retail clients by providing them with a template of discipline. And ultimately when you allocate to a the top private equity fund managers, you are aligning incentives with top investors. Even if you're in a hole, you know the team will do everything to dig you out.

ZT: How do you think this spirit played out on the Moonfare platform? Which funds were the most popular in this period?

WN: We continued to see continued and strong interest from our clients into the strategies we had on our platform. And there was a lot of boldness, optimism and bravery reflected in their choice of funds. In other words: They weren't strictly defensive. Growth, software and technology strategies continued to be some of the opportunities that interested our investors the most.

Graph p. 10

ZT: Good transition to talking about the bull market going on in public markets. Half of Moonfare's investors think it will end between next summer and 2023. It looks like there is general optimism about the post Covid new-normal.

WN: Look, the main force in markets is the amount of liquidity from central bank and fiscal stimulus. Other than that, in the mid-term, I think the market and real economy will really depend on how many restrictions there are as we continue the reopening process globally.

“

One idea that many people bring up is the idea of a two-track world between developed countries that had vaccines and are fully reopened but a bit protectionist versus emerging markets where vaccine roll out has lagged. The latter camp will likely face ongoing issues opening up and reintegrating the rest of the world.

ZT: What kind of a post-Covid “new normal” do you envision?

WN: One idea that many people bring up is the idea of a two-track world between developed countries that had vaccines and are fully reopened but a bit protectionist versus emerging markets where the vaccine roll out has lagged. The latter camp will likely face ongoing issues opening up and reintegrating with the rest of the world. In terms of the risks our investors are worried about, fallout from Covid is quite low, so people are acclimating to the idea that they can live with Covid. No one believes that a new strain will create havoc again, although let's see how the vaccines hold under pressure.

Graph p. 16

ZT: Let's talk about our investors' trading behaviour in public markets. When the pandemic first hit 45% of investors held their positions, but as markets recovered and the stimulus checks arrived people started upsizing their exposure to stocks. What do you make of that trend?

WN: The results are a testament to the investors being flexible, engaged and, simply put, not scared of volatility. They are willing to kind of look around at what's going on and act with conviction. Most of humanity always has a strong will to be inspired and to surge onwards — people are attracted much more to stories of growth than fear.

Graph p. 18

ZT: Through the survey, we learned that the average Moonfare portfolio is mostly made up of public stocks, followed by real estate, private markets funds and then cash? Is that what you would expect?

WN: Certainly in the past private markets would have been a smaller share of individual investors' portfolios. But I'm very happy to see that on average we are seeing Moonfare investors allocate between 15 and 20% to private markets funds. There's an increasing interest in the asset class. Good on them.

1. ASSET PRICE PREDICTION

In this section, Moonfare investors predict the performance of different types of assets through the end of the year.

They also discuss the duration of the current bull market and how long it will take for the world to return back to normal after the pandemic.

Growth stock outlook

Moonfare investors largely believe Tesla's share price will remain flat through the end of the year.

MEDIAN ●
\$701

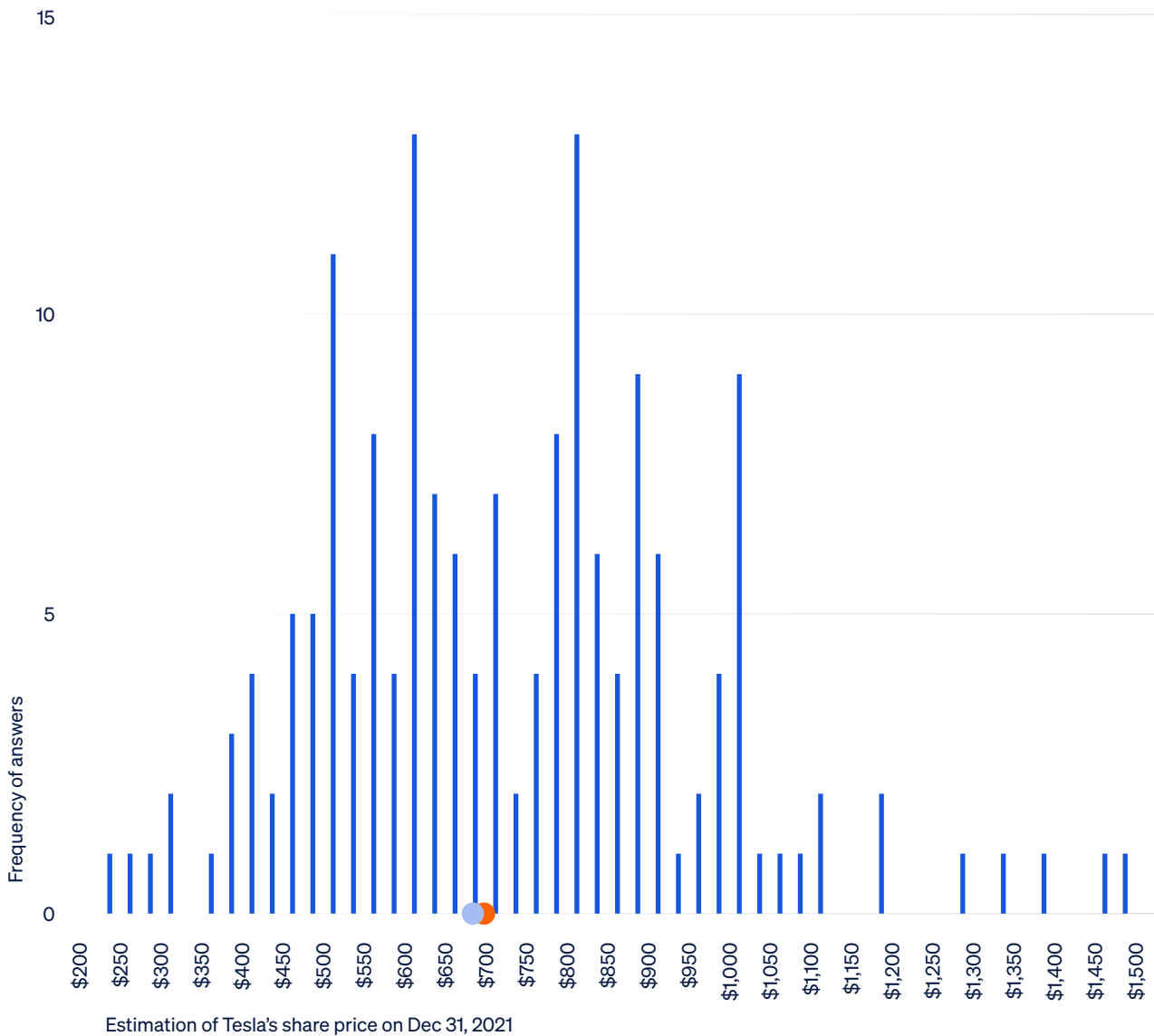
200-DAY MOVING AVERAGE ●
\$698

“

Tesla has gone up so much already. You might expect some to believe that Tesla will continue to charge-on, but it looks like there is scepticism.

Winson Ng
Chief Investment Officer

TESLA SHARE PRICE PROJECTION



Survey question: Where do you expect Tesla's share price to land on December 31, 2021? n= 169; 200-day moving average as of July 9, 2021, according to Yahoo! Finance.

Value stock outlook

Moonfare investors generally believe Berkshire Hathaway's share price will increase gradually through the end of the year.

MEDIAN ●

\$301

200-DAY MOVING AVERAGE ●

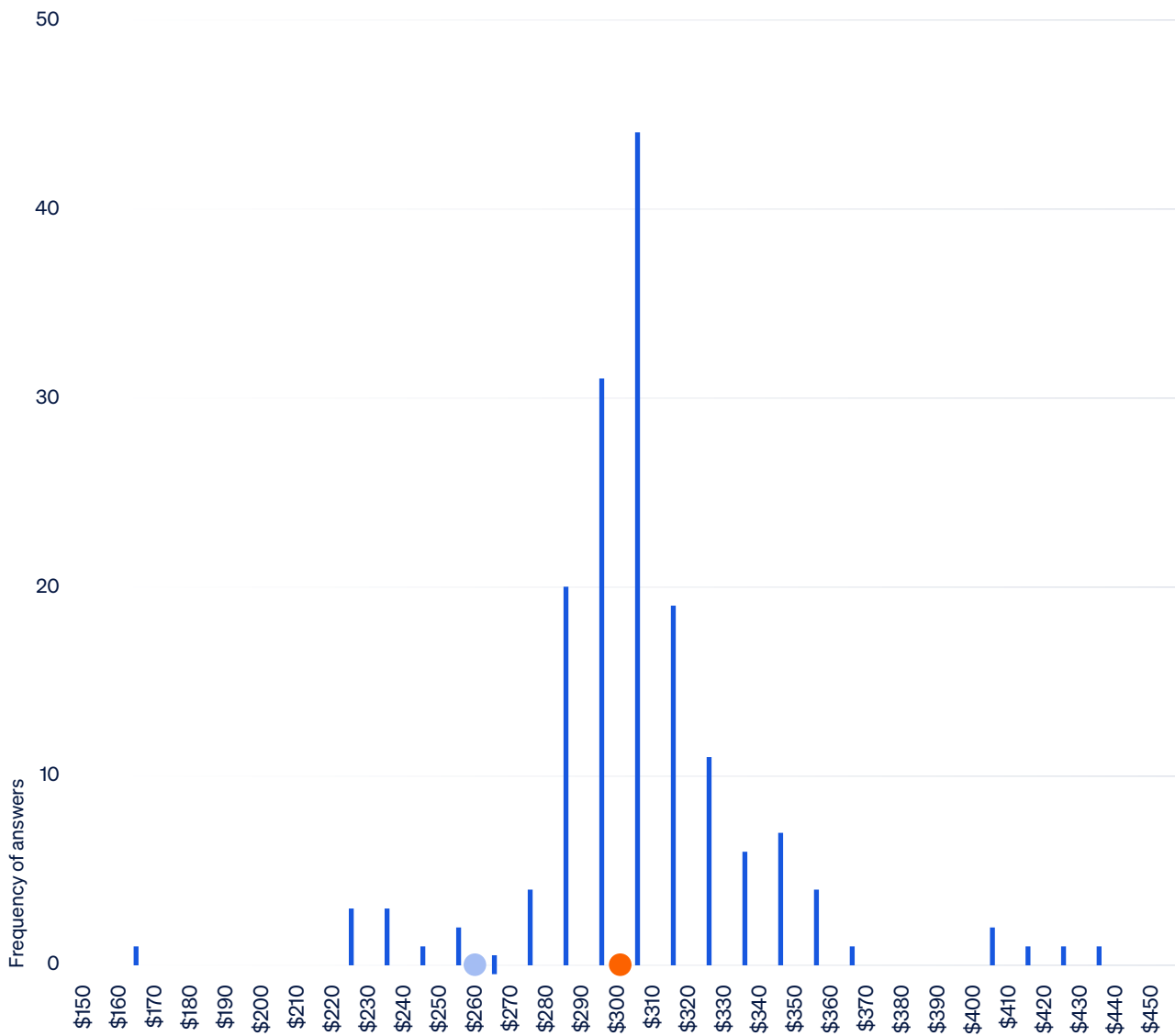
\$260

“

There's a stronger belief in Berkshire. It lines up with this idea that as the economy goes back to normal, there'll be some rotation from growth to value.

Winson Ng
Chief Investment Officer

BERKSHIRE SHARE PRICE PROJECTION



Estimation of Berkshire Hathaway's Class B share price on Dec 31, 2021

Survey question: Where do you expect value investing conglomerate Berkshire Hathaway's Class B share price to land on December 31, 2021? n= 163; 200-day moving average as of July 9, 2021, according to Yahoo! Finance.

Cryptocurrency outlook

Moonfare investors are generally bullish about bitcoin's performance through the end of the year.

MEDIAN ●
\$53,619

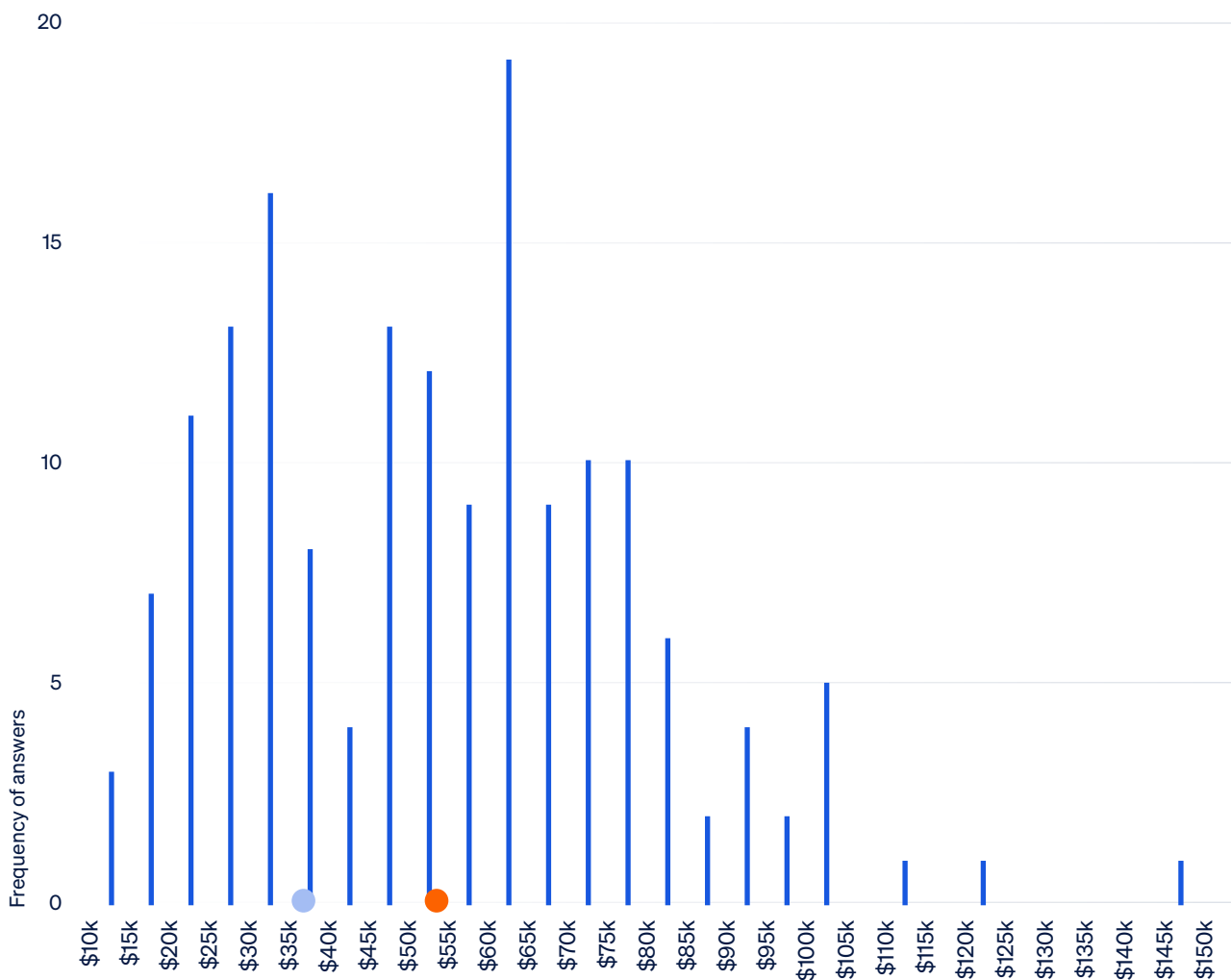
200-DAY MOVING AVERAGE ●
\$36,174

“

Bitcoin is all over the place. The results are not surprising considering it is the most volatile asset class of the three. It's much more difficult for investors to predict where the price will be.

Winson Ng
Chief Investment Officer

BITCOIN SHARE PRICE PROJECTION

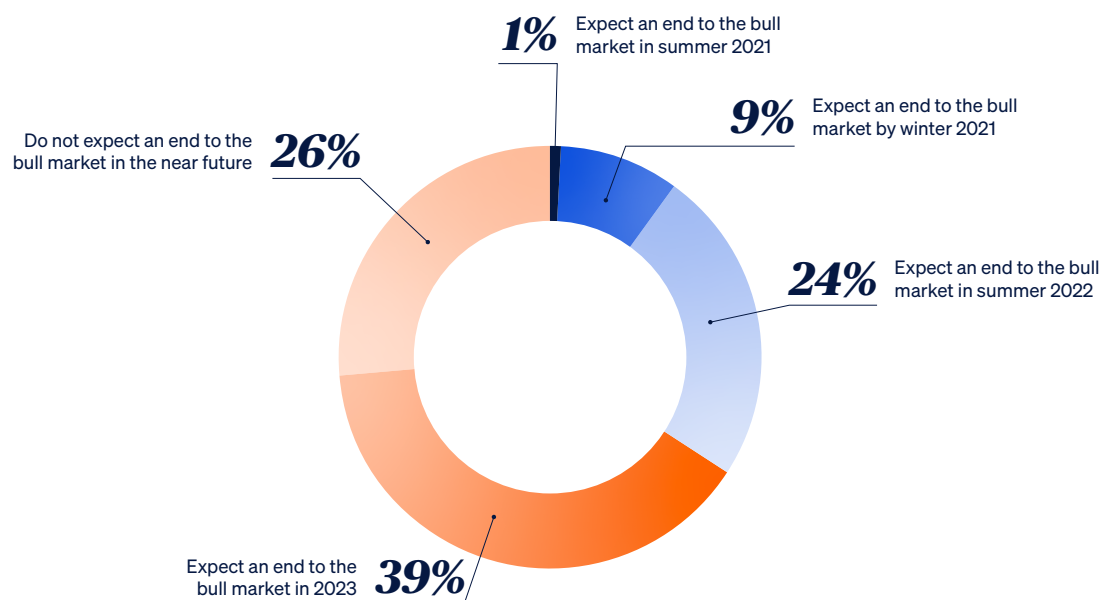


Estimation of Bitcoin's price on Dec 31, 2021

Survey question: Where do you expect bitcoin's price to land on December 31, 2021? n= 166; 200-day moving average as of July 9, 2021, according to Barchart.

Running of the Bull

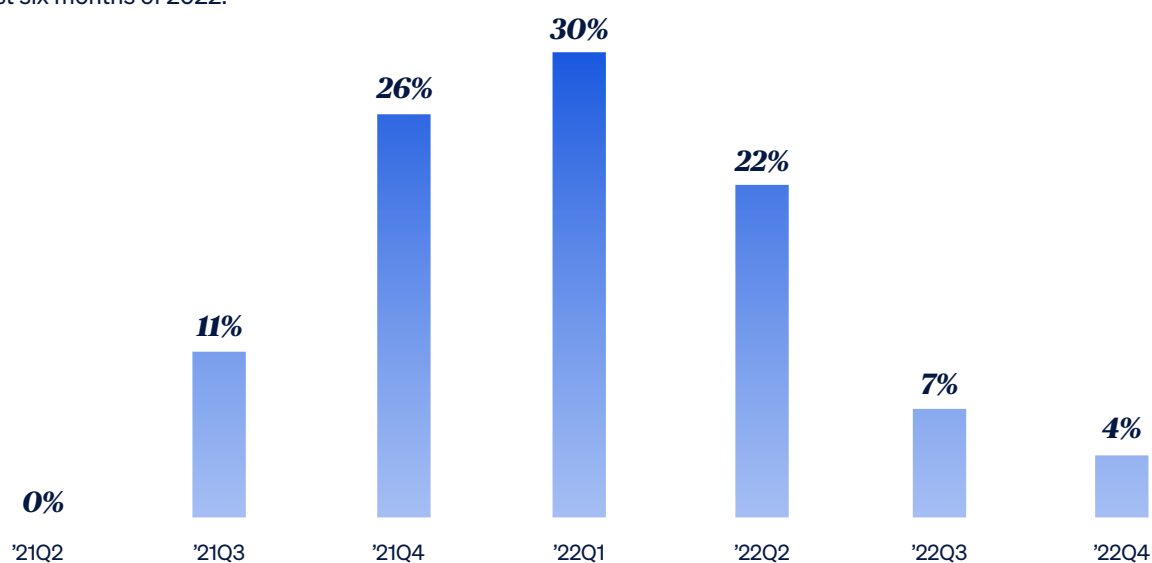
More than half of Moonfare investors believe the bull market will continue for two years or more.



Survey question: Do you expect an end to the bull market in the near future? If so, when? n= 170

Bouncing back

Most Moonfare investors believe the world will fully emerge from the pandemic in the fall of 2021 or in the first six months of 2022.



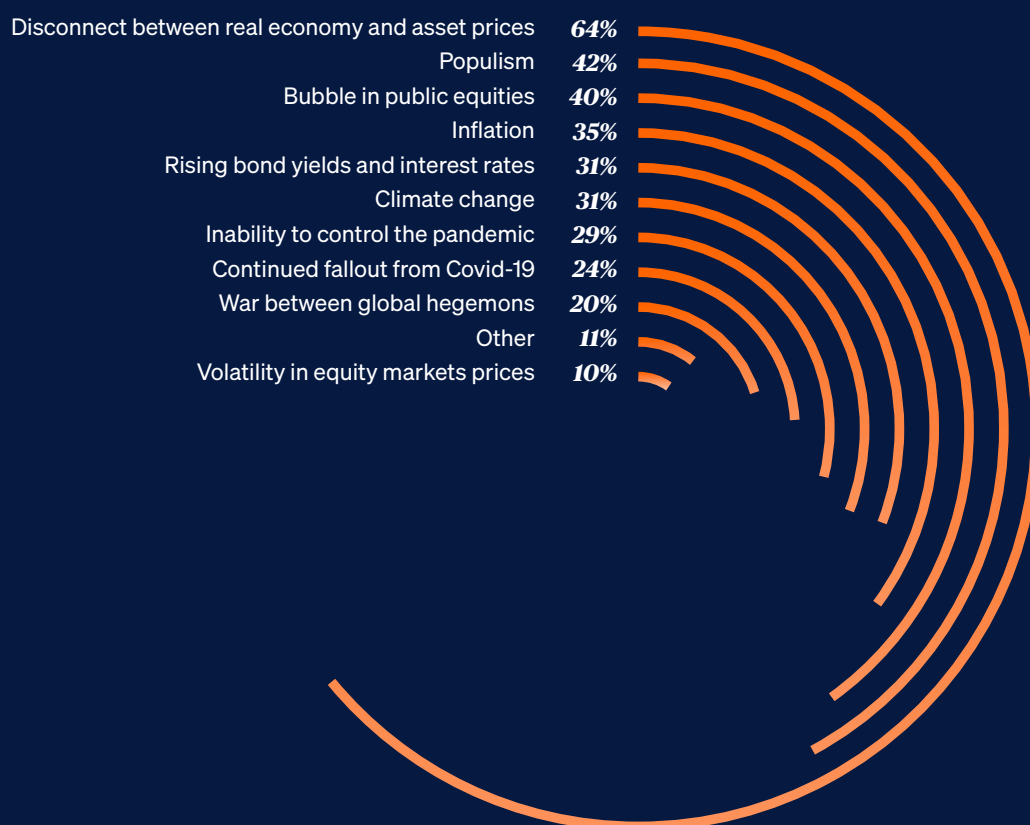
Survey question: When do you expect the post-Covid "new normal" to emerge? n= 163

2. MACRO OUTLOOK

In this section, Moonfare investors discuss which risks worry them the most and which investment themes they find most exciting. They also share mid-term predictions for the economy.

Macro threats

Asked which risks worry them the most, Moonfare investors mentioned the disconnect between the real economy and asset prices, populism and a bubble as key issues.



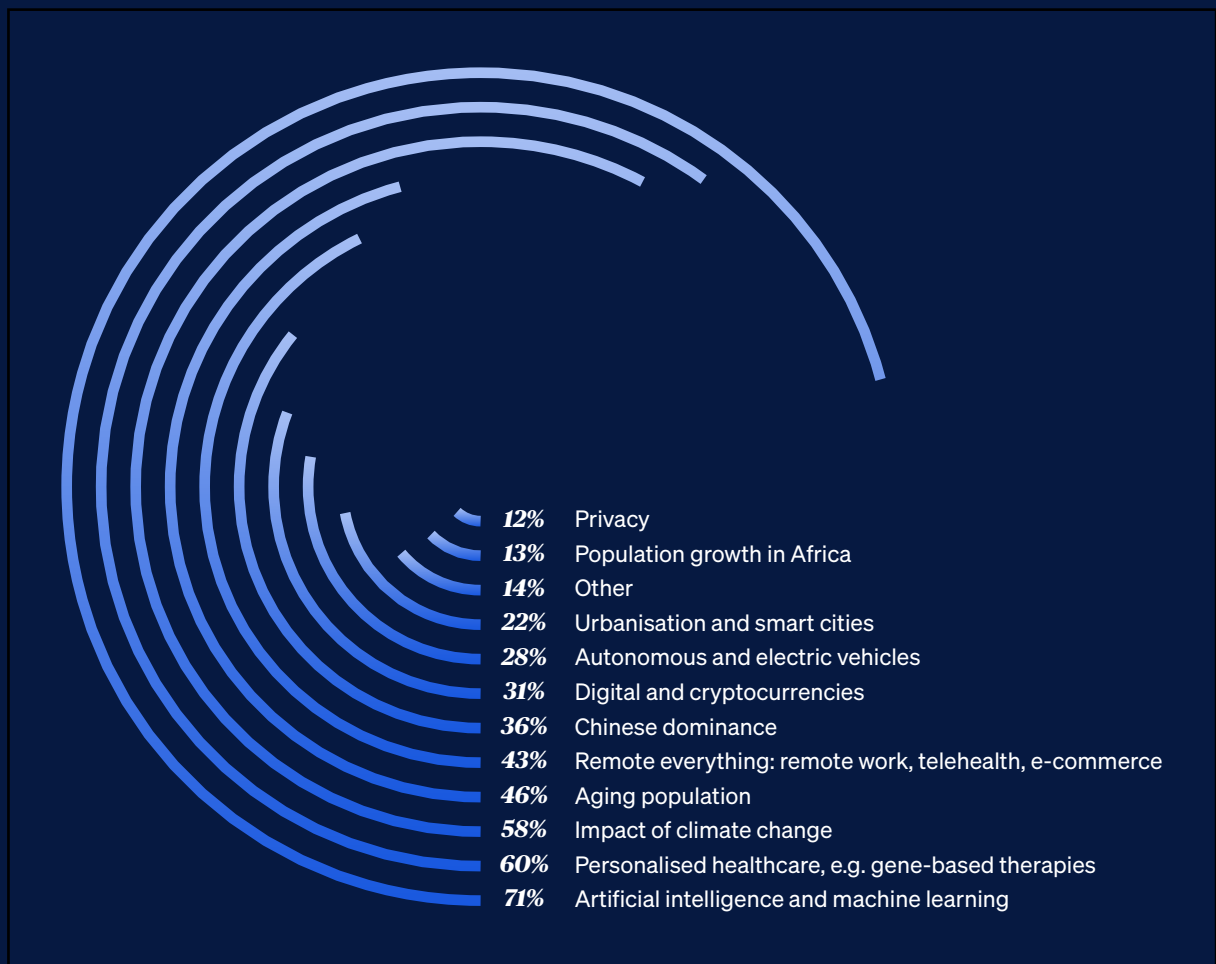
Survey question: When you think about investing from a macroeconomic perspective, which risks currently worry you? n= 170

Other risks on Moonfare investors' minds:

- Social turbulence
- Tax increases
- Increasing government control
- Growing inequality in many markets leading to rise of populist politics and unrest
- US housing bubble
- Bureaucracy and inability to act in Europe
- Excessive indebtedness
- Political tensions between China and US; Russia and Western World

High-conviction plays

Asked which investment themes attract them the most, Moonfare investors mentioned artificial intelligence, disruptive healthcare technology and climate-related investments as key areas of interest.



Survey question: When you think about your investing, which themes currently attract you? n= 169

Other answers:

- Digitalization
- Plant-based food
- Water
- Automation / Industry 4.0
- Synthetic biology
- New energy cycle
- Asian Century — not just China alone
- Passive investment in public market
- Biotechnology
- High-dividend stocks
- Better quality consumption
- Pet market
- Circular economy
- Base and industrial metals

Macro forecasts

Asked to make predictions related to markets and the economy in the near future, Moonfare investors named China, the pandemic and climate change as prominent themes.

→ For complete list of predictions see Appendix (p.32).

“

*Crises related to cryptocurrencies:
massive bubble bursts*

“

*Possible introduction of a universal
basic income*



Survey question: What predictions related to markets and the economy do you want to share with the Moonfare community? Think of political events, seismic shifts in markets or other dynamics that will reshape our world in the near future. n= 91

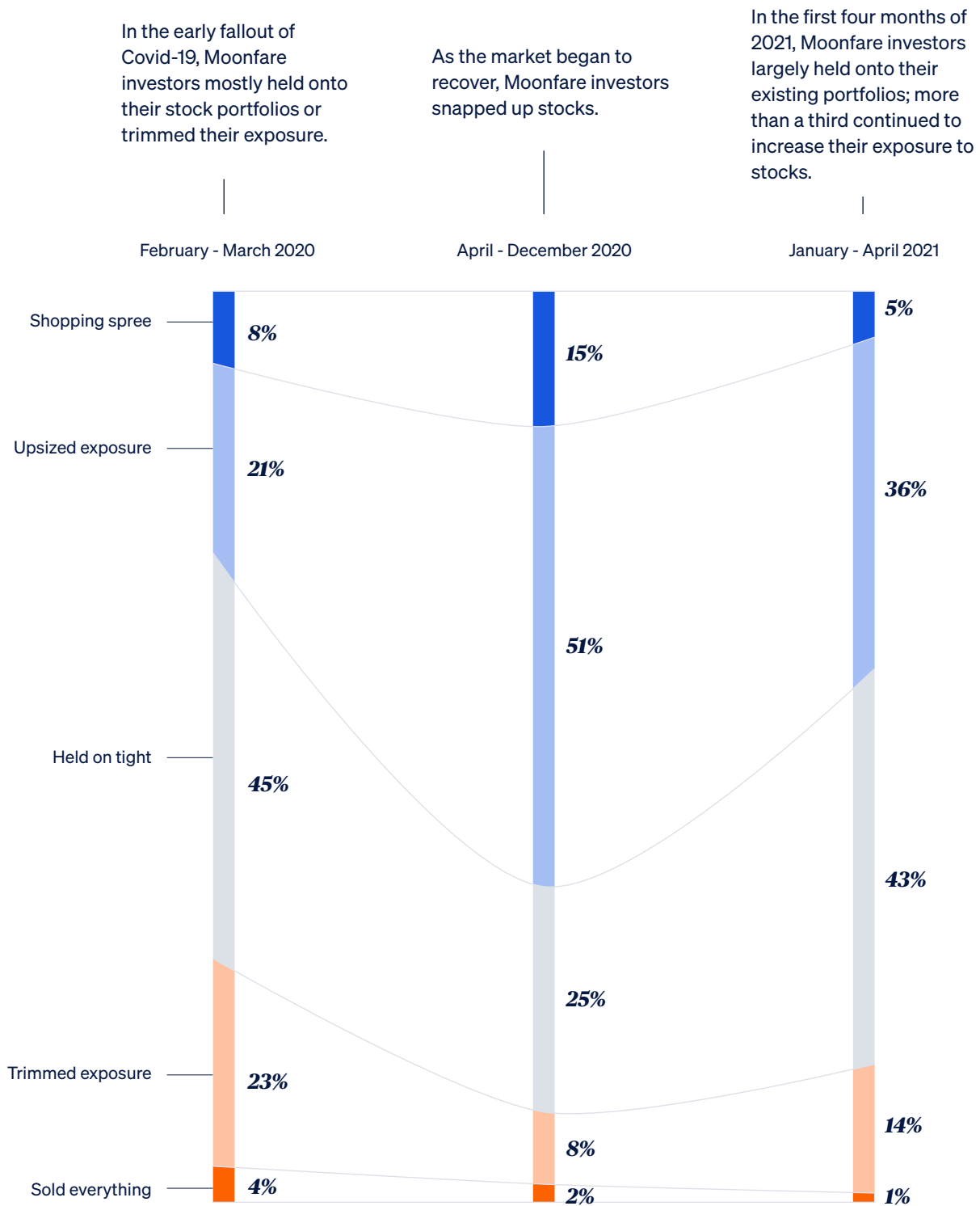
3. INVESTMENT STRATEGY

In this section, Moonfare investors discuss their investment strategies, including the mix of assets within their portfolios, their trading strategies and their investment motivations.

They also share certain lessons learned about investing since the start of the pandemic.

Buy the dip?

How Moonfare investors traded through the pandemic



Survey question: How have you been managing your portfolio of stocks? n= 170

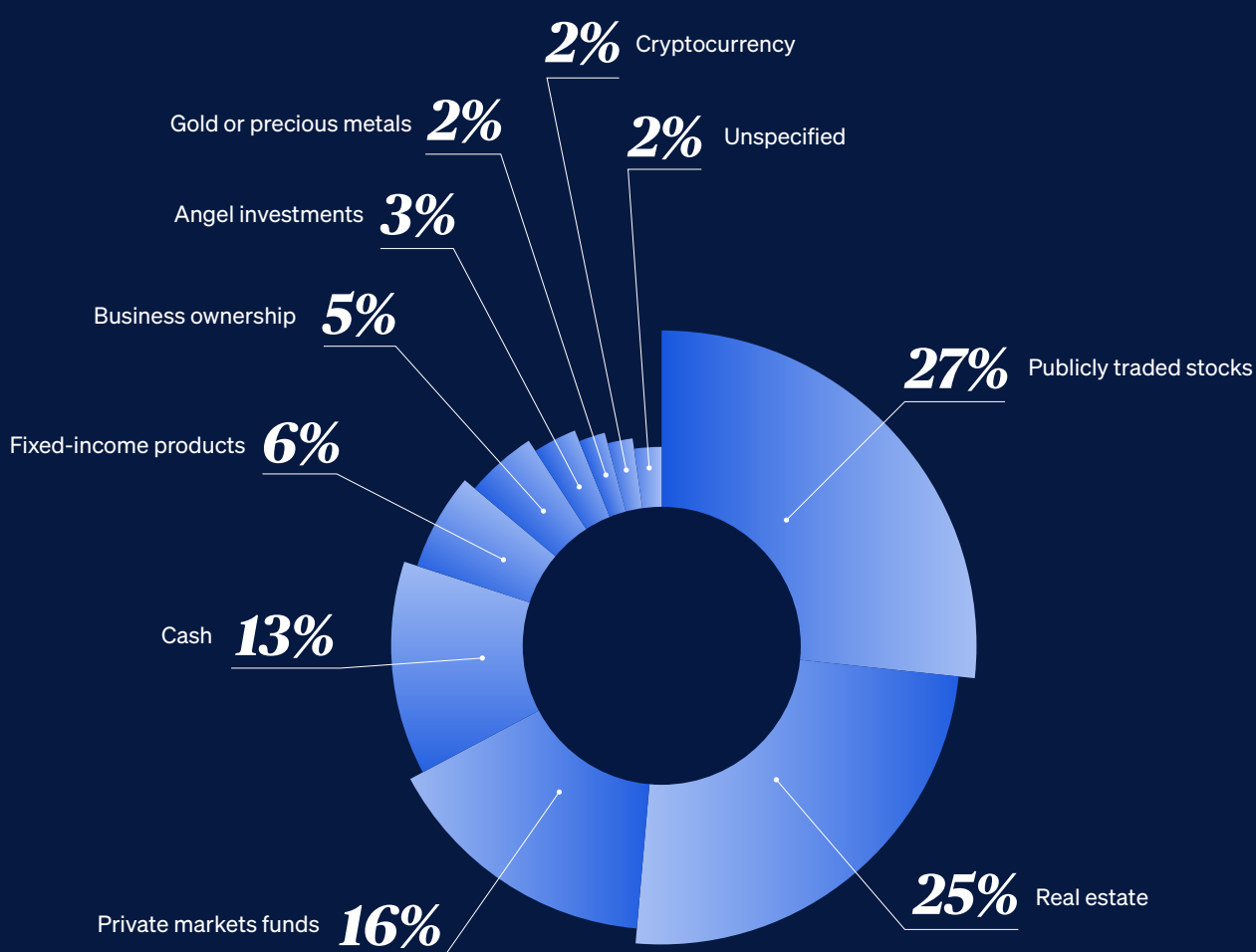
Asked about lessons they learned through the pandemic, Moonfare investors mentioned central banks and their role in investment performance as a key takeaway.

“*Stay invested. Stay relaxed, do not decide fast. Markets come back.*”

“Fear trumps greed until greed trumps fear.”

Goodbye, 60/40

Asked to share their portfolio breakdown by different asset types, Moonfare investors said they are holding most of their wealth in the stock market and real estate. In third place: private market funds, an area where they want to allocate more (see p.19).



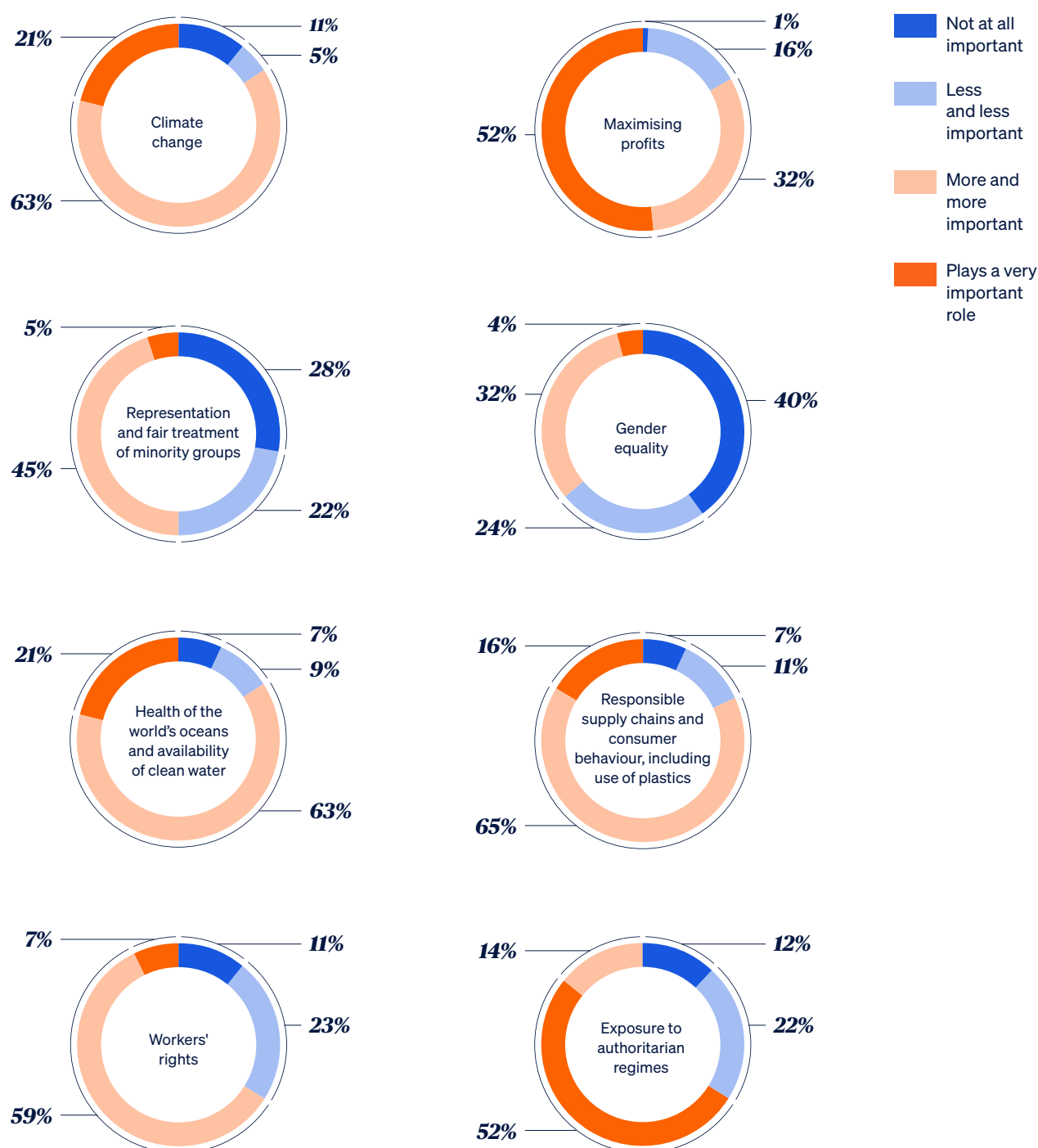
Underexposed

Asked which type of assets they would most like to add to their portfolios, Moonfare investors said private markets funds were on the top of their list.



Investment drivers: thematic

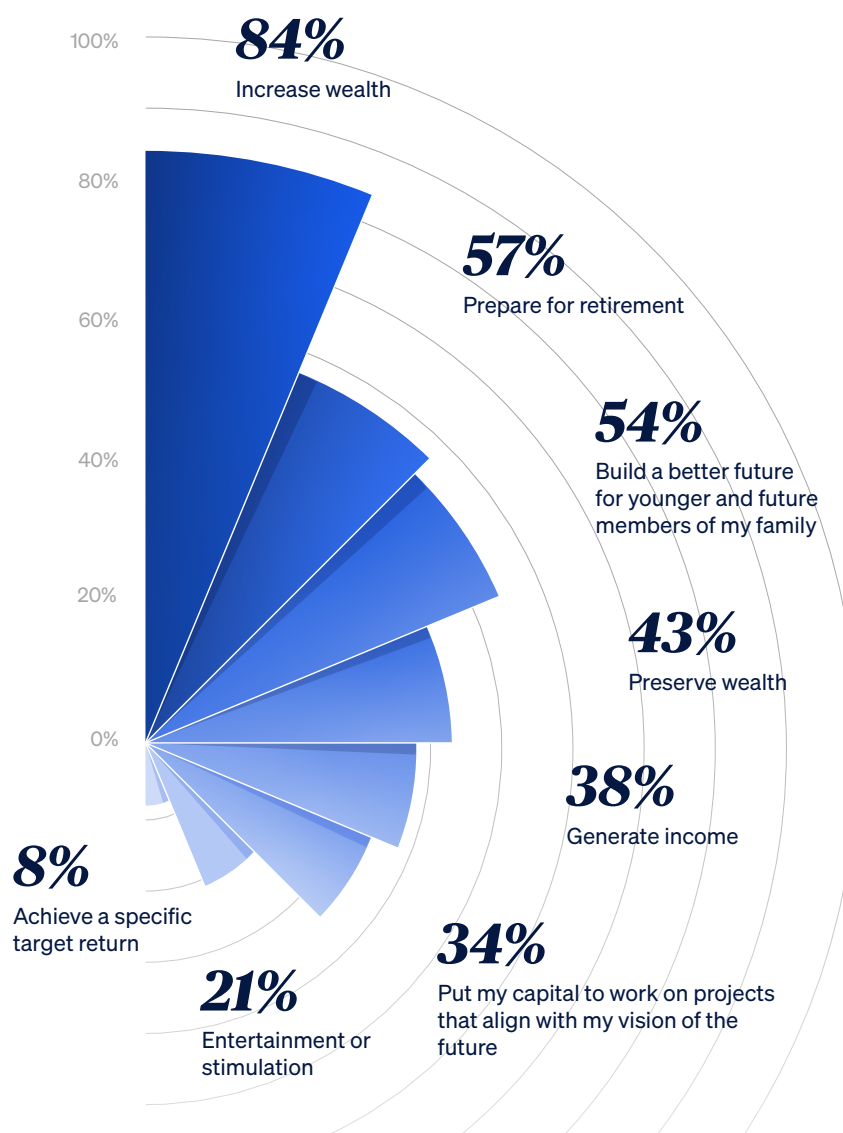
Moonfare investors are increasingly focused on climate change, the cleanliness of the world's oceans and responsible supply chains when making their investment decisions.



Investment drivers: personal

Asked about their investment motivations, Moonfare investors said they are focused on increasing their wealth, preparing for retirement and laying the financial groundwork for future generations.

Moonfare investors who selected “achieve a target return” as an investment motivation indicated 7% p.a. as a median value for those target returns.



Survey question: Which goals or impulses drive your personal approach to investment?
n= 168

Other answers:

- Find interesting projects to get involved with personally
- Personal education and development
- Financial freedom
- Experience and passion for PE
- Hand something over to the next generation
- Increase options in life
- Invest in companies that help to fight climate change
- Some philanthropy
- Beat market trends

<5%

2 answers

5-10%

9 answers

25-30%

1 answer

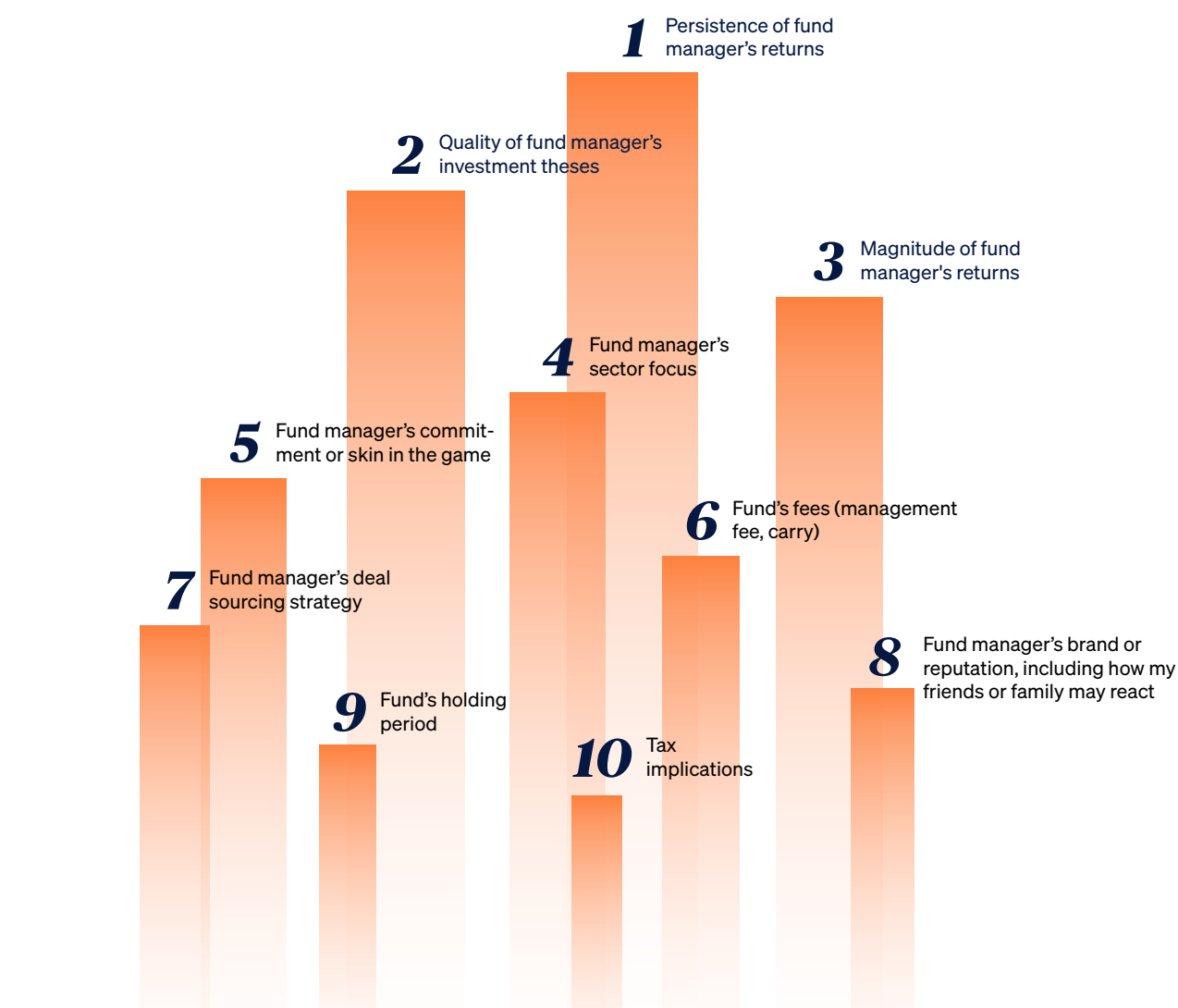
100-105%

1 answer

Survey question: You selected “Achieve a specific target return” for the last question. Please share the target annual return gross of tax you have in mind for the next five years. n= 13

Fund selection criteria

Asked about which criteria they use for selecting a private markets fund, Moonfare investors said they look first and foremost for fund managers with a strong, consistent track record and high-quality investment ideas.



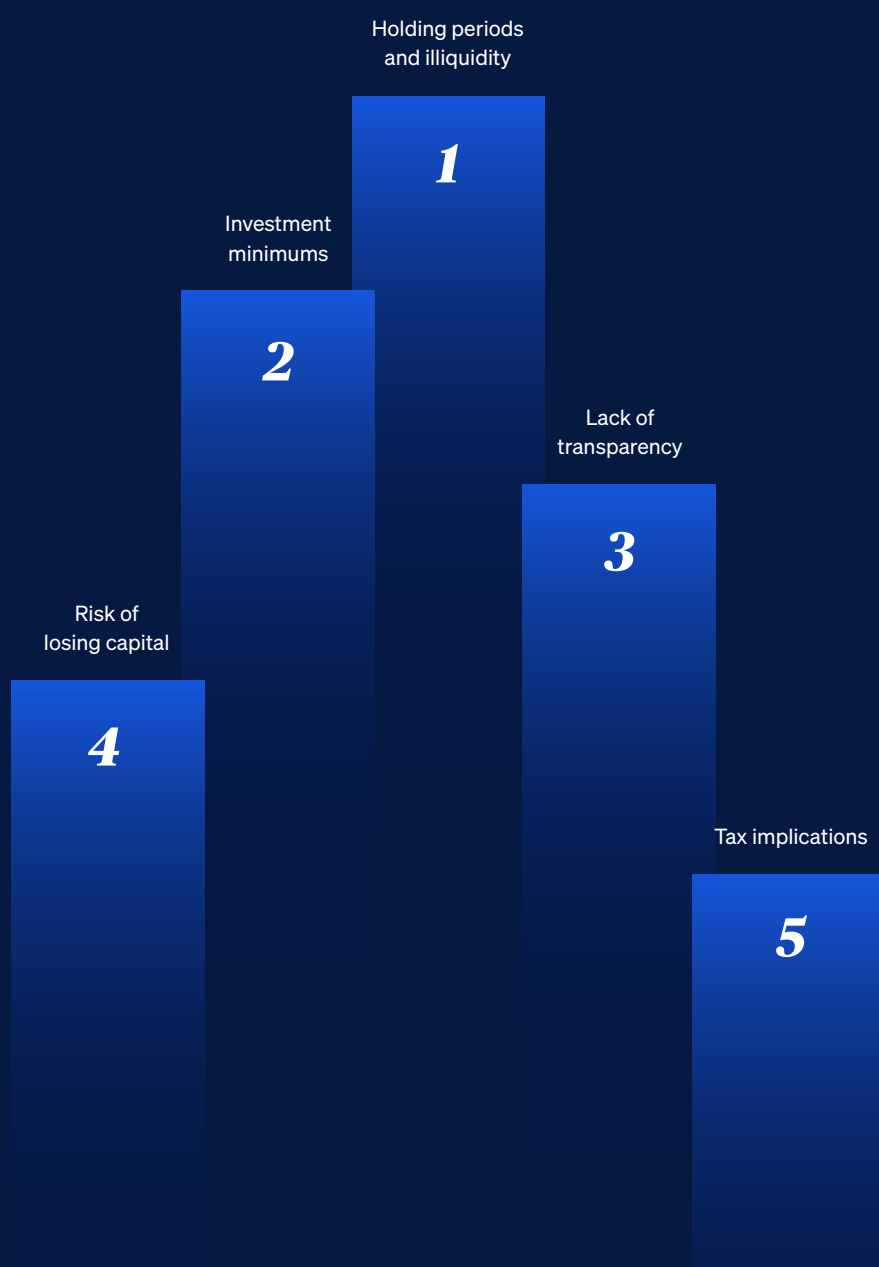
Survey question: When considering an investment in a private markets fund, rank the following characteristics in order of importance.
n=168

What other factors are important?

- | | | |
|--|---|--|
| → Tenure | → Fund manager's reporting and transparency | → Quality of the investment team |
| → Deal-by-deal return volatility | → Capital deployment schedule | → Team quality and incentives structures |
| → Fit within diversified portfolio | → Liquidity profile | → Fund manager's team building approach |
| → Fund manager's ability to create value | → Track record | → Operating experience |
| → Liquidity in secondary market | → Not a first time fund | → DPI consistency |
| → Consistency of returns | → Predictability of drawdown | → Fund manager's overall quality |
| → Risk minimisation approach | → Staff turnover/stability | |

Barriers to investment

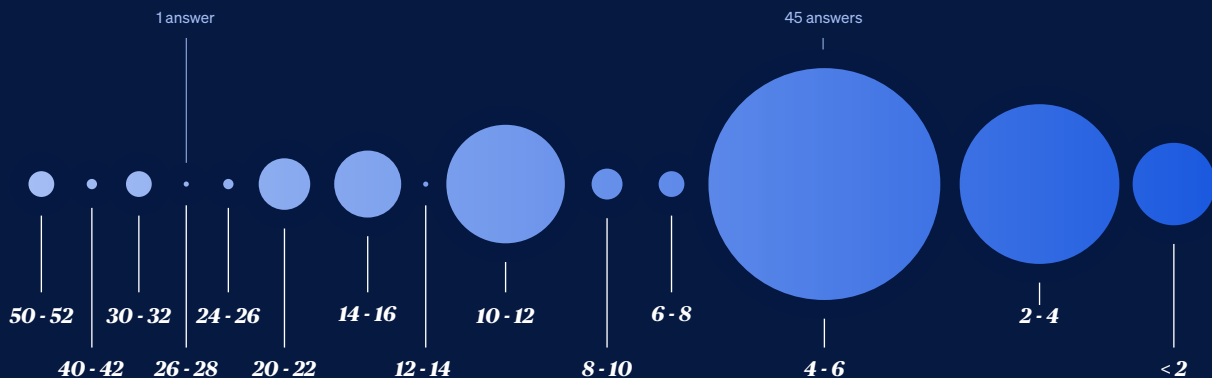
Asked which hurdles are standing between them and further investments in private market funds, Moonfare investors mentioned Illiquidity and investment minimums — two topics where Moonfare is doggedly innovating.



Survey question: In your experience, what are the most important barriers between you and investments in private markets funds?
n= 162

High-speed trading?

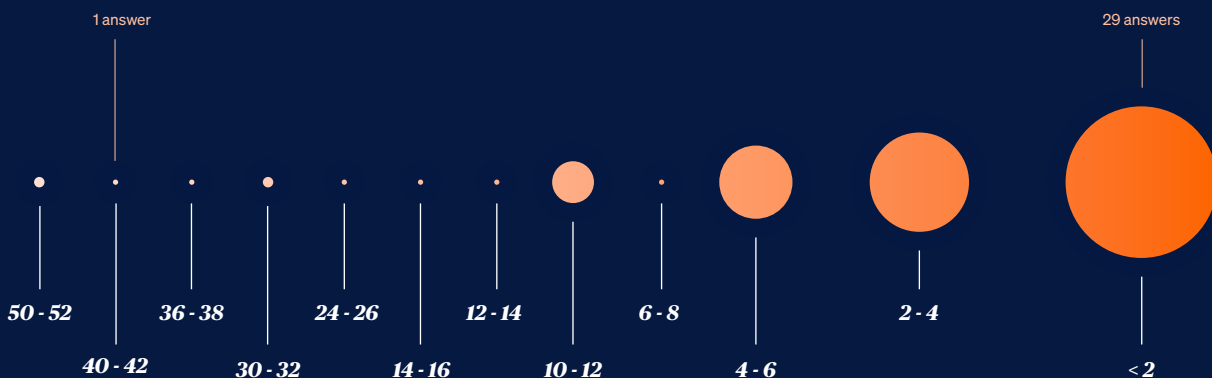
Based on how many stock trades they make per month, Moonfare investors have largely avoided the day-trading trend that emerged during lockdowns.



Survey question: How many stock trades have you made per month on average over the last year? n= 163

Options open

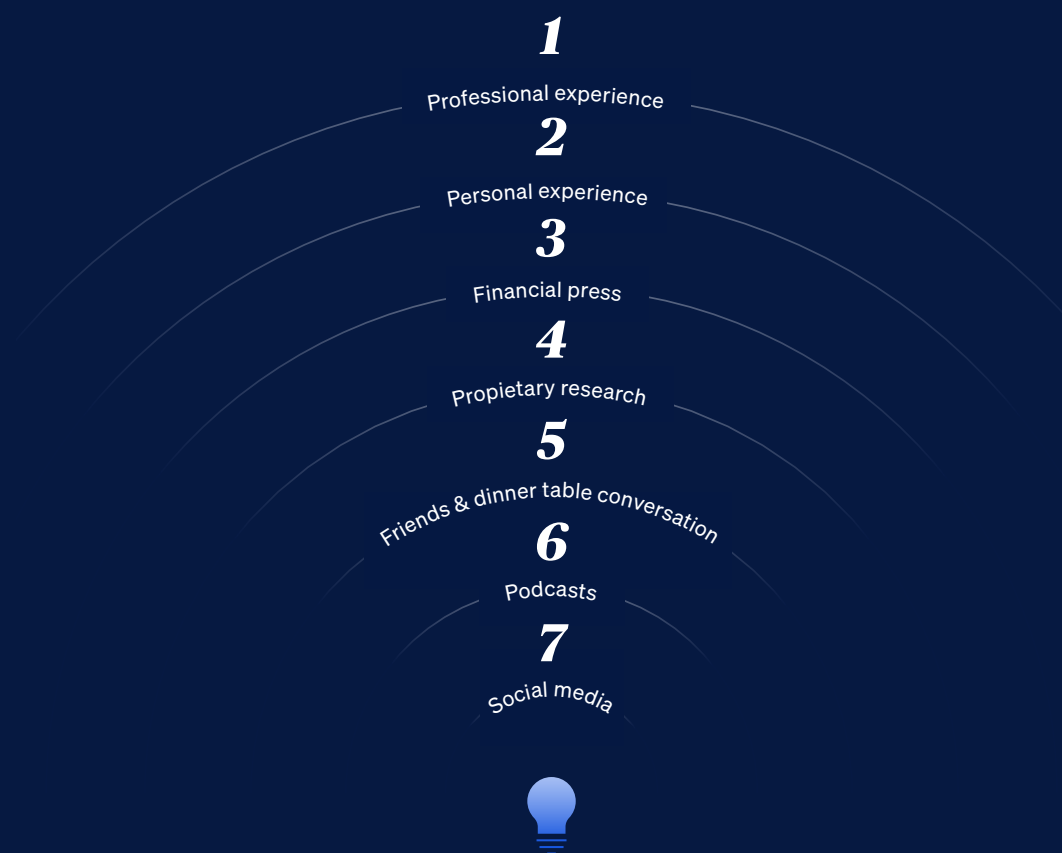
Based on how many derivatives trades they make per month, Moonfare investors have largely avoided the options-trading trend that emerged during lockdowns.



Survey question: How many derivatives trades have you made per month on average over the last year? n= 80

Forming an opinion

Asked how they make investment decisions, Moonfare investors said they largely leverage their professional and personal experience. Social media does not play such a strong role.



Investors ranked according to frequency of responses

Investment ideas

Asked to share personal investment ideas, Moonfare investors mentioned diversification as a recurring theme.

→ For complete list of ideas, see Appendix (p.39).

“

Focus on allocation across asset classes rather than individual instruments.

“

Do not underestimate the impact of single person when selecting a fund manager.

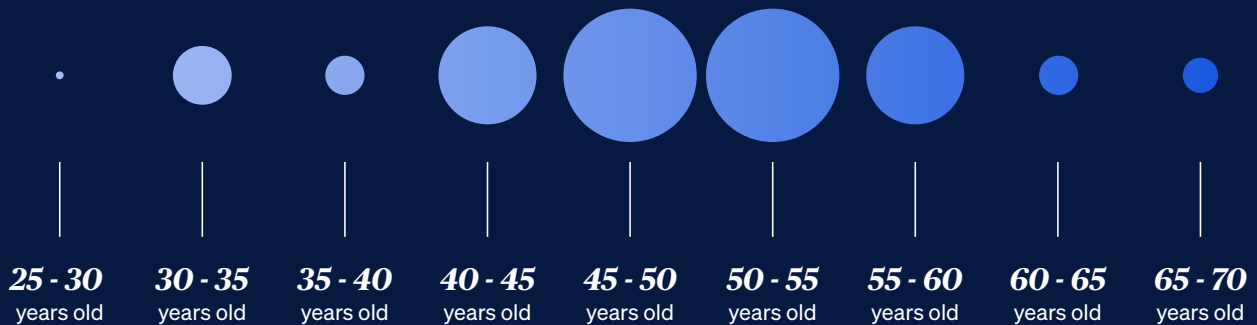


4. SAMPLE DEMOGRAPHICS

In this section, we provide demographic information volunteered by survey respondents. These statistics do not reflect the larger Moonfare investor base.

Age distribution

Respondents were largely clustered in their late 40s and early 50s.



Survey question: How old are you? n= 164

Gender distribution

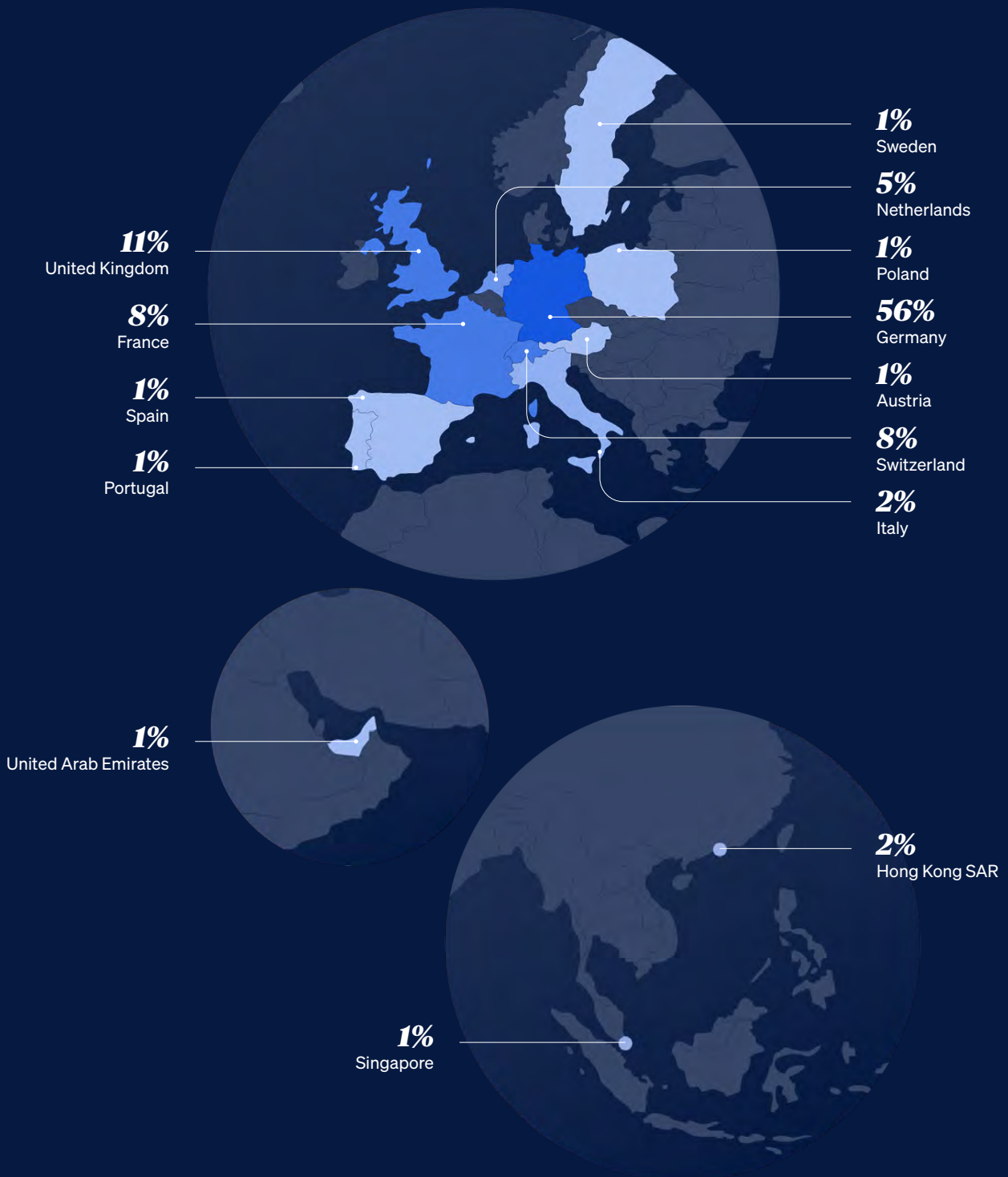
Respondents were largely male.



Survey question: Which gender are you? n= 169

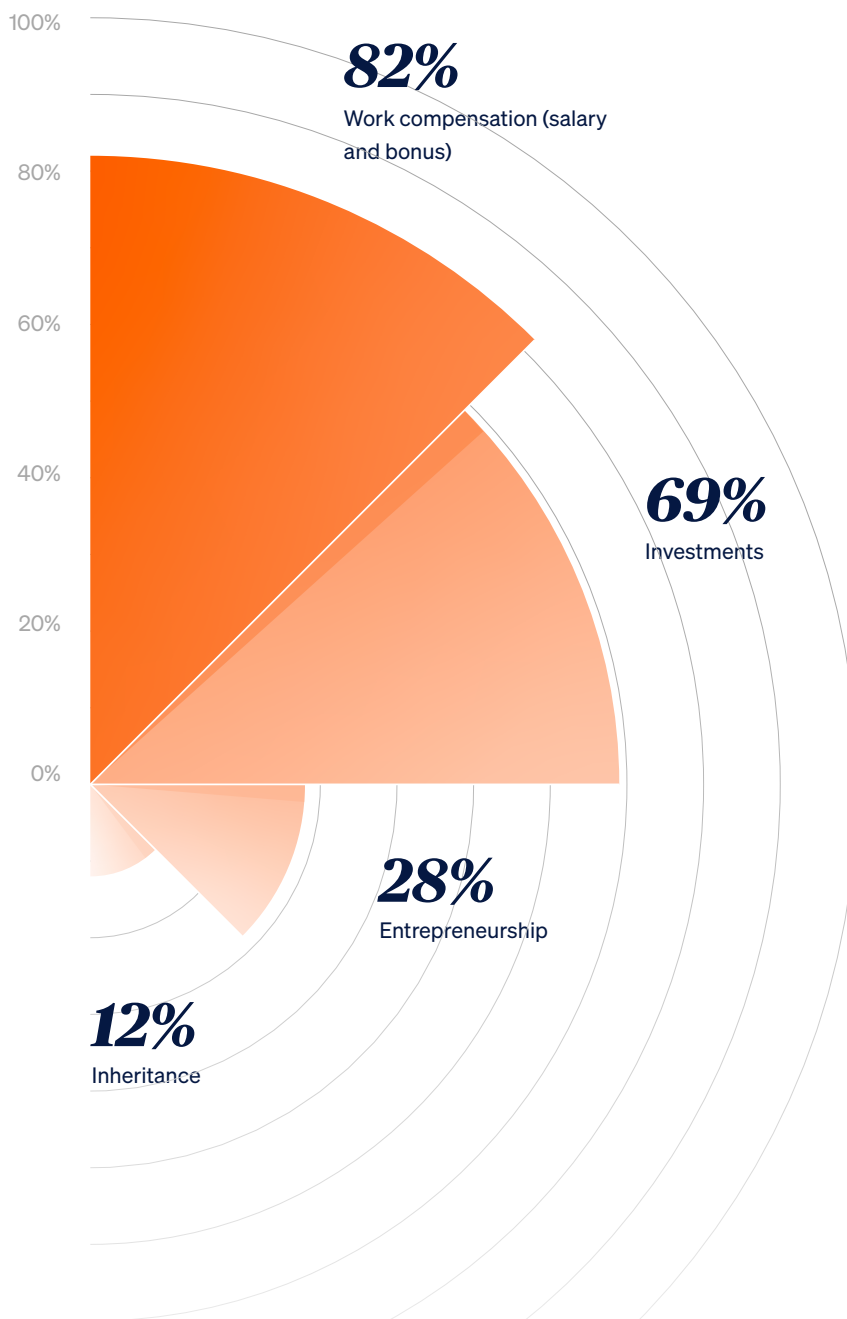
Geographic distribution

Respondents were clustered in Germany, the UK, France and Switzerland.

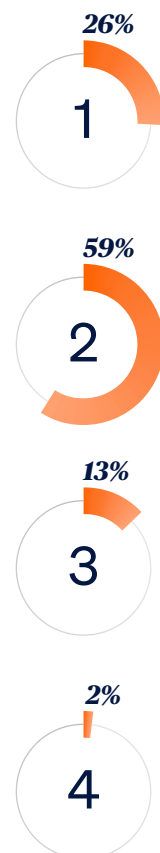


Sources of wealth

Moonfare investors who took the survey accumulated wealth largely from their professional careers or previous investments.



Quantity of sources of wealth selected by respondents:



5. APPENDIX

In this section, we provide Moonfare investors' written responses to certain questions throughout the survey. These responses have, at times, been condensed and edited for clarity.*

* The views and opinions expressed in this section — and throughout the Moonfare Market Panel — are those of Moonfare investors alone and do not necessarily reflect those of Moonfare GmbH.

What predictions related to markets and the economy do you want to share with the Moonfare community?

Think of political events, seismic shifts in markets or other dynamics that will reshape our world in the near future.

Full answers:

- Continuous internet segmentation between the superpowers i.e. China and Russia
- Asset inflation in line with QE with consumer inflation remaining relatively low
- Increased fear of higher taxation
- Technological inventions in energy transition landscape
- No return without risk
- The next crash will come — but just not yet
- Problems connected with migration, lack of water and climate change
- Impact from the progressive end of monetary easing
- Modern Monetary Theory; continued deficit spending
- Fragmentation of EU
- China/US conflict erupting
- Landing on the Moon and Mars
- Rise of local manufacturing to reduce dependency on China
- Growing pressure on the affluent to pay for the damages of the pandemic
- Crises related to cryptocurrencies: massive bubble bursts
- Governments trying to ban cryptocurrencies while coming up with their own, specifically China with a digital Yuan
- Multipolar world with political and market volatility
- Covid-19 will play a big part of fiscal and monetary policy for the years to come
- Loss of monetary stability
- Further falling back of Europe in digital value creation vs US and China
- Selective so-called high-growth stocks will crash bringing back to earth; increasing emphasis on traditional “brick-and-mortar” stocks that have done their transformation homework
- End of bull market cycle once economy fully reopens and central banks have to tighten
- The end of the government support packages will have a strong effect on the traditional economy, resetting the landscape and bringing the share prices back to the actual state of the economy
- Impact of robotics on traditional office / transactional roles and the possible introduction of a universal basic income
- AI will be the next driver of global growth. Regulation will struggle to keep up.
- Post-Covid digitalization of work, consumption and behaviour
- Central bank–supported markets continue long-term
- Huge deficits and debt levels will force low interest rates, which will continue



Growing pressure on the affluent to pay for the damages of the pandemic.

“

The pandemic has shifted power dramatically from market economy to government centralism. The aftermath of the pandemic may further manifest that trend, leaving big uncertainty about future regulations, taxation and overall political direction.

“

It seems too early to tell. The current rise of the markets seems irrational, time will tell if it was. The negative European interest rates pushes investors toward buying other asset categories and drives up prices. This seems like a very dangerous path.

to fuel all other asset classes valuations until the music stops again

- Continued economic war against China and Russia from the West.
- Covid being controlled in Asia but not in USA and Europe
- Populism and migration
- Cyber warfare
- Silver will triple its value within the next 4 years
- Taxation of capital gains to equalize personal income taxation
- Public markets becoming increasingly irrelevant
- Decline of Europe because of the EU's inability to act
- A split between the Vaccinated World and the Unvaccinated World
- The gap between poor and rich will bring political unrest to the Western countries
- Resurgence of oil as a result of under investment
- Terrorism
- The pandemic has shifted power dramatically from market economy to government centralism. The aftermath of the pandemic may further manifest that trend, leaving big uncertainty about future regulations, taxation and overall political direction.
- A severe set back in valuations across asset classes in 2-3 years caused by continued financial stimulus leading to inflation
- Fallout from climate change
- The pandemic and its political and economic effects will drag well into 2022
- Weakening of Europe in terms of political and economical influence and political instability of the US combined with a stronger influence and dependency of China
- Collapse of emerging markets because of inability to contain Covid
- Shift from machinery and chemistry towards biology vis-à-vis medicine, agriculture, food, fuels etc.
- Increased disparity between haves and have-nots: Covid winners and Covid outcasts. Asset inflation, excess cash — no value in anything. Everything and everyone is in a bubble!
- Rising inflation will lead to massive refinancing challenges for sub-investment grade borrowers
- Unsustainability of private equity deal prices
- Dominance of large tech players (Google, Facebook, Amazon) leads to regulated
- Recycling requirements
- Interest rates: If they increase, there are quite a lot of defaults due to covenant-light financing packages
- Tyrannical governments in developing world

How has Covid-19 and its impact on markets changed your approach to investing? What lessons have you learned?

Full answers:

“

Some lose some win: It's a wheel that keeps turning

“

Reality doesn't matter short to mid term – try to follow/guess what the Fed will do. In other words: don't fight the Fed.

“

Look through the crisis.

- Asset prices are disconnected from the real economy. The Fed has shown that they support asset prices in good times (with moderate interest rates) and support asset price inflation in bad times (extreme drop in interest rates). Effectively, asset prices are entirely decoupled with the real economy and have become somewhat of an arbitrary monetary tool used by central banks
- Increased interest in better understanding macro
- It seems too early to tell. The current rise of the markets seems irrational, time will tell if it was. The negative European interest rates pushes investors toward buying other asset categories and drives up prices. This seems like a very dangerous path
- Look through the crisis
- Shorter cycles make a tactical approach more important. Markowitz is dead, Eugene Fama as well. Focus on market-neutral strategies (options) and be highly opportunistic. Focus on flows. Focus on real yields when it comes to growth investments. Seize chances in East Asia
- Economy and stock prices are not correlated
- Importance of stock picking
- The pandemic has led to further government spending which can only sustain with continued loose monetary policy. Underrate bonds, overrate all other asset classes, especially equity
- Be patient, they always come back
- Everything can change immediately, digital applications are strong, equity helps
- Need to be diversified (value vs growth) to avoid a portfolio loss when others are making money. Excess liquidity repairs major market corrections in a heartbeat (March 2020).
- Stay optimistic
- A drawback is not a real problem with good investments
- Some lose some win: It's a wheel that keeps turning
- When blood is in the streets, opportunities abound.
- Stick to strategy: quality assets only, buy when there is blood in the streets
- Reality doesn't matter short to mid term — try to follow/guess what the Fed will do. In other words: don't fight the Fed
- Central Bank stimulus clearly overrules all else
- I am typically a longer-term fundamental investor trying to identify big themes and key companies that can allow me to get exposure to those themes/trends. I have become far more short termist in 2020 trading on volatility. Feels like I will be moving back to my default approach during 2021

“

A regular investing schedule makes it easier to sleep well during volatile markets.

- The Fed will save us all
- Expect the unexpected
- Follow central bank liquidity
- Rebound can be swift. Economies rediscover themselves, traditional sectors are relatively easy and fast replaced by innovative counterparts
- I underestimated the transformational power of emerging technology, both in the US and China
- To hold tight and ignore equity market volatility ... buy when others are fearful
- Don't listen to the news media and politicians (which I actually knew before)
- Crises come and go. Focus on fundamentals and value
- The momentum of stocks such as Tesla, Bitcoin and the larger tech stocks surprised me. I had expected a longer correction in early COVID. Not really any lessons, more the fact to always keep a calm head
- Stay calm, don't jump on the train too early and ride the bull longer
- The glut in liquidity that Central banks are providing needs to be seriously taken into account for investment decisions
- Never bet against the Fed. Lost significant capital when shorting Dow and DAX as Q1 results did not yet factor in negative trading expectations due to Covid crisis
- The impact on the service and entertainment economy hasn't slowed down economies as expected. Looking at zombie companies in the next 2 years
- Corrections and recoveries might be faster than before
- Don't go against the central banks and the flows
- Being a true contrarian requires courage and substantial risk appetite
- Being bold proved to be the right approach in Feb 2020. The ability to quickly change strategy when directly managing your own portfolio in turbulent times proved considerably more profitable than funds managed by a fund manager where there are constraints and inertia that constrains the ability to respond decisively
- Keep your overall strategy and think beyond cycles
- Keep calm and carry on. Short term crises will not derail mega trends. Diversification is king
- Solid stocks will perform well so don't sell too early
- Good to think long term and invest in asset classes that are not affected by macro movements too much
- More into healthcare and technology
- hodl
- Be prepared to buy on dips
- The key lesson learned was that an external event can trigger from one day to the next a panic in markets and that then the market will clearly differentiate between winners and losers from the pandemic in a never-before-seen manner. It is absolutely key to really think about what the reaction of central banks and governments is, to shy away from panic, and invest with confidence into companies seeing tailwinds from this external event

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Every crisis offers opportunities.

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Stay invested. Stay relaxed, do not decide fast. Markets come back.

- A regular investing schedule makes it easier to sleep well during volatile markets.
- Governments in the end will always step in, thus providing a safety net for investors
- Don't worry and make sensible use of your dry powder. Make sure your succession is in place and your portfolio is easy to handle for whoever will be in charge
- Stay calm, markets will come back, you will never find the right timing, be bold and use the opportunities
- Stay with your long-term investment decisions. Don't be blinded by the media or politicians
- Stick to your investment rationale and double down when market drops irrationally
- Stop worrying about sudden impact — money will always flow back to the market
- No upside in fixed income. Long oil. Long Asia. Long 5G. Avoid momentum plays
- The same profile as in extreme crises before — the decline of prices brings extremely good investment opportunities!
- Markets were more resilient than expected and recovered more rapidly than expected. For example, I expected a second decline in Q4-2020 due to the second wave. Despite the pandemic hitting much harder than in the first wave, markets continued to rise
- No sense of overreacting in falling markets. Think long term and bottom up
- Buy the dip. Buying good quality names is much much more important than market timing. Focus on trends, especially mega trends that will shape the future. Market volatility is not the risk; poor-quality names resulting in permanent capital loss is
- Pandemics will happen once in a while. External shocks are difficult to predict, but likely to happen
- Every crisis offers opportunities. Invest theme driven to benefit
- Real investment risk is often quite significantly higher than the perceived risk. Stay calm and reflect — that is always the best advice
- Do not sell but actively buy. Do not try to predict the bottom of the market
- I was lucky in that I sold 3 apartments during 2020, so I had cash to invest from March 2020 onwards and did well — but I realise that this was as much by luck than judgement. The volatility of 2020 followed by what seems to me to be an overly rapid and optimistic recovery shows that the markets are not as rational as I would like them to be!
- Keep the macro-view with cheap money to continue
- Stay invested. Stay relaxed, do not decide fast. Markets come back
- Each time provides opportunities to invest in specific topics. Setbacks offer attractive prices to buy
- Fast recovery and continued growth
- Big development of e-commerce and strong acceleration of digitalization
- Sell fast if you are going to exit. Hold fast when you miss the timing
- Democracies are able to react to huge and unknown events so don't panic with investment decisions, take it as a chance...

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Fear trumps greed until greed trumps fear.

- Keep positions
- Do not react too fast; keep calm and carry on
- Overweight quality businesses, don't panic sell
- It is highly important to select sectors and markets carefully
- Stay positive and be more courageous when a crisis hits. Especially in bonds when spreads widen so much as they did
- Covid was mainly a catalyst that fuelled pre-existing developments
- Everything looks expensive. Asset inflation is the new normal! In the mid-term, there will be a run on all assets. Inflation and interest rates will not be an issue. I have concerns around USD stability, US and European fiscal debt, specifically PIGS. Investing is risky but standstill is costly (and in real terms very costly)!

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Do not assume all information is priced into stock markets. Be courageous to go against the mainstream during extreme volatility.

- Fear trumps greed until greed trumps fear
- Do not assume all information is priced into stock markets. Be courageous to go against the mainstream during extreme volatility
- Always think long-term
- Markets always rebound — pick the right moment for risk on and off
- The markets are much more robust than expected after the strong initial decline
- I sold too quickly and did not expect the market to return and exceed previous heights
- The biggest surprise was how quickly the global community was able to develop vaccines and constrain the impact of the virus. In the next pandemic I would invest even more at the outset of the crisis (i.e. engage in contrarian behaviour)

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All equity. Music going on is more important than fundamentals.

- Just buy the index
- Now using options and more frequently to hedge my portfolio
- All equity. Music going on is more important than fundamentals
- Do not hesitate to buy (if enough liquidity) during downturns
- Manage cost and risk like a pessimist – invest like an optimist
- On stock market, focus on systemic event opportunities... and shift to alternative asset classes, away from stock market volatility
- Become a bit more short-term oriented and monitoring investments more closely
- Exploiting market rupture. Further focus on shares away from cash/bonds. Further focus on tech away from value. Further focus on private markets away from public markets
- Made me focus more on healthcare as a sector
- Shorting less often and buying fewer put options. Markets can go up despite bad fundamentals
- I had a buy-and-hold strategy before and will stick to it, no matter what
- Made me more cautious. Really worried about the disconnect between the real economy and stock markets
- No general change, but bought some stock that was extremely impacted (aerospace for example) and sold when decent profit was achieved

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Manage cost and risk like a pessimist – invest like an optimist.

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Further focus on private markets away from public markets.

- More individual stocks, more diversified, willing to have a longer holding period
- I significantly increased private equity investment in my portfolio, taking the view that shifts/opportunities will arise globally and that private equity will seize them
- More healthcare
- Higher cash ratio for setbacks. (Even) stronger investments after crises
- Revised geographical allocations since recovery will be different according to countries/ continents. Necessity to be more analytical within a dedicated sector and have a stronger stock picking research rather than relying purely on sector allocation
- Moved more from tech to US broad market plus more two-legged investment geographically: US on the one hand, China on the other. Zero Europe
- Stronger focus on digital-only business models

Do you want to share any investment ideas or rules of thumb with the Moonfare community?

Full answers:

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Focus on allocation across asset classes rather than individual instruments.

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Moved more from tech to US broad market plus more two-legged investment geographically: US on the one hand, China on the other. Zero Europe.

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Do not underestimate the impact of a single person when selecting a fund manager.

- Dynamic all-weather portfolio. Mix between equities, commodities, debt, metals. Rotation within these sub-brackets is possible
- Don't invest without doing your homework
- Don't believe the experts. Diversify, diversify, diversify (over asset classes, sectors, vintages)
- Don't assume you are smarter than everyone else
- Private debt
- Invest in mega trends, indirect and diversified investments via ETFs
- Time in the market and reduce costs
- Complexity of portfolio structure based on time available for investment activities. Focus on allocation across asset classes rather than individual instruments. Broad diversification across cash, bonds, stocks, PE, Venture and real estate. Broad diversification of private and public markets (specifically within stocks). Broad diversification direct and fund investments (specifically within real estate and Venture). Broad diversification across liquidity levels (specifically within private markets). Only small parts of the portfolio should be traded frequently
- Think long term, focus on winners and cut losers
- The whole “democratization” process which will move forward through online availability, digitalization, blockchain etc...
- Buy and hold, ideally forever
- Avoid cryptocurrencies
- It takes courage to do nothing!
- Do not follow the crowd
- Focus on themes or market sectors rather than trying to cover everything
- Keep focused on diversification. I have been too slow to move out of cash at times, waiting too often for a market drop that should have happened but didn't. I also sold out of stocks I shouldn't have. I have learnt from all of these, more than any paid service I could have acquired
- Bar-bell strategy with ultra-high growth stock and high dividend defensive stocks.
- Cheap stocks are staying cheap if they have poor profit margins. Expensive stocks are getting more expensive with great profit margins.
- Cost-average investing
- Do not underestimate the impact of single person when selecting a fund manager. You invest alongside person A and B and not alongside a specific fund management team. These top figureheads are usually not good at building a management team that outlasts them.
- Buy low
- Avoid momentum plays. Avoid anything you don't understand. Only diversify as much as you can watch

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Buy good companies in bad times, not the opposite.

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Do not try to be smarter than the market. Do not pick single stocks. Do not pick single PE funds. Do not try to time entry and exit. It is all about diversification in all these dimensions.

- Be relaxed and do not forget to think!
- Think bigger and longer. Basing diversification on earnings drivers is the right way (across asset class, sectors and risk exposure)
- Watch hydrogen and biotech penny stock as outsiders to have a small part of your portfolio allocated to
- Just because it's halved, doesn't mean it won't halve again!
- Buy good companies in bad times, not the opposite
- Be brave and run winners but always have your radar on to move fast when needed. Have both longer term portfolios aligned to key themes and shorter term active portfolios. 5-10% in angel investing is engaging and fun
- Markowitz portfolio allocation
- I would choose from a practical basis what are the five best ideas people had. A few of mine are US big tech stocks, Global consumer companies and blue chip bonds
- Do not try to be smarter than the market. Do not pick single stocks. Do not pick single PE funds. Do not try to time entry and exit. It is all about diversification in all these dimensions
- From my professional life: investments in top notch companies with top management teams at high prices perform better than mediocre assets at a mediocre price
- I don't pick stocks of individual corporations because I lack the time to study them carefully. I do pick well diversified portfolios (e.g. ETFs) on particular themes



CONTACT OUR TEAM

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