



WINTER CAPITAL

REPORT APRIL 2023



Change in portfolio

Inn

- **Microsoft Inc.**

Out

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Increase

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Winter Capital

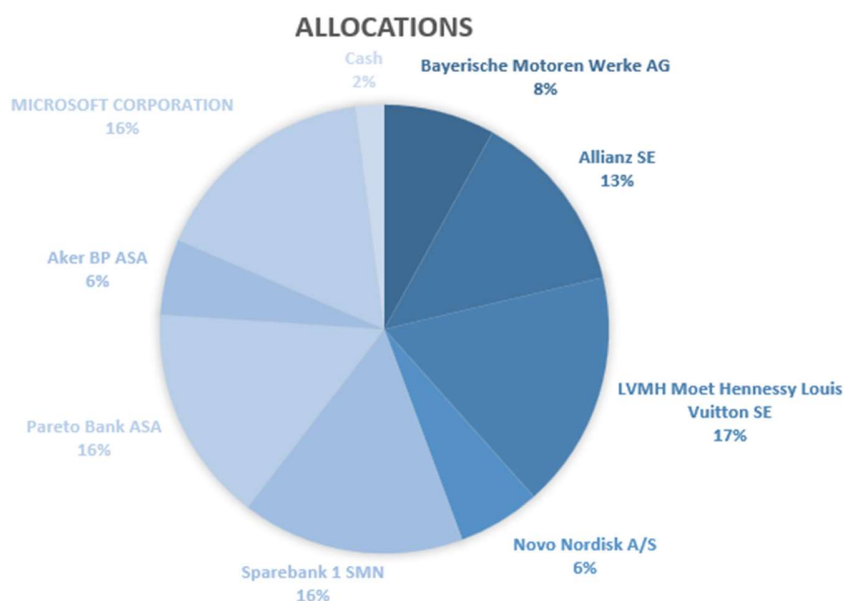
Business and investment

ALLOCATIONS

The market rebounded in April after a little dip in March, but inflation concerns, and bank issues are still ongoing. We have to invest in quality stocks that have a strong track record of performance, to remain the safety of our portfolio. We are not sure that we have seen the rock bottom yet. The macro situation is still too unstable for buying high-growth stocks.

Winter Capital's April strategy

In April, we maintained a stable portfolio with strong growth potential. Given the positive market conditions, we saw no need for significant changes to our holdings. We think our strategy is solid as we do follow the market when there are good times, and it helps us not decrease as fast as the market when the market is bad.



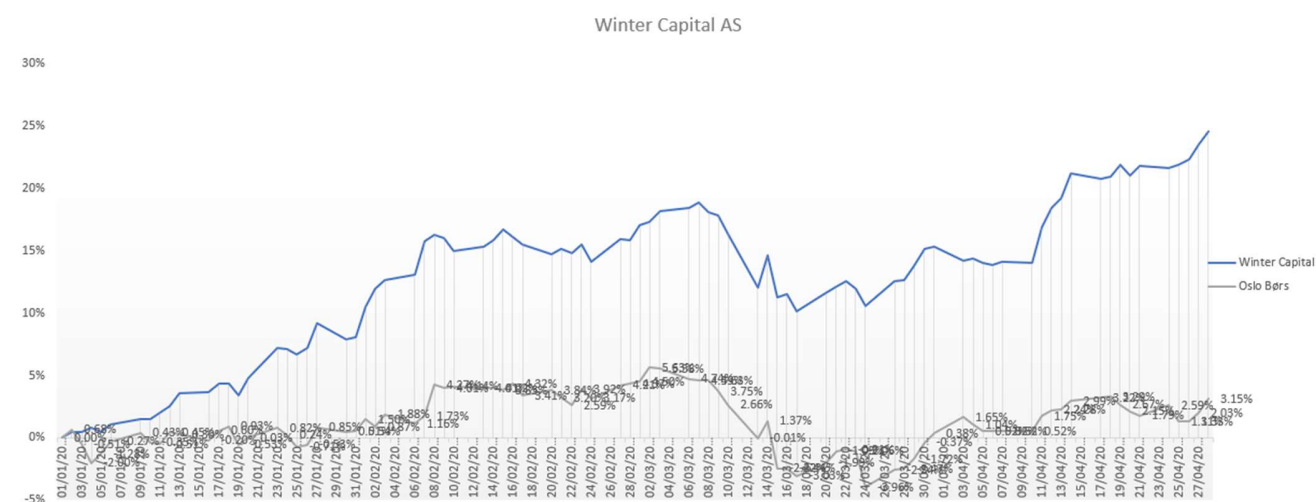
Winter Capital sold a large stake of Novo Nordisk stocks, as our mandate dictates that we cannot hold any position who has profits larger than 40% return. While we acknowledge the potential for the share price to continue to rise, our investment guidelines require us to make profits when a stock reaches this threshold. Microsoft gave out quarterly numbers a few weeks ago and we couldn't resist taking a position. Microsoft has a good position in the future of AI.

APRIL

Movements in April

Following a disappointing March, the portfolio and the market rebounded in a positive direction. While our investment strategy involves hedging against currency fluctuations, we recognize that we were fortunate with the weakening of the NOK. It is important to note that while we consider currency hedging an effective tool, we did not anticipate the magnitude of the NOK's depreciation. Our analysis suggests that approximately 4% of the total return is attributable to the NOK's decline.

Year to date

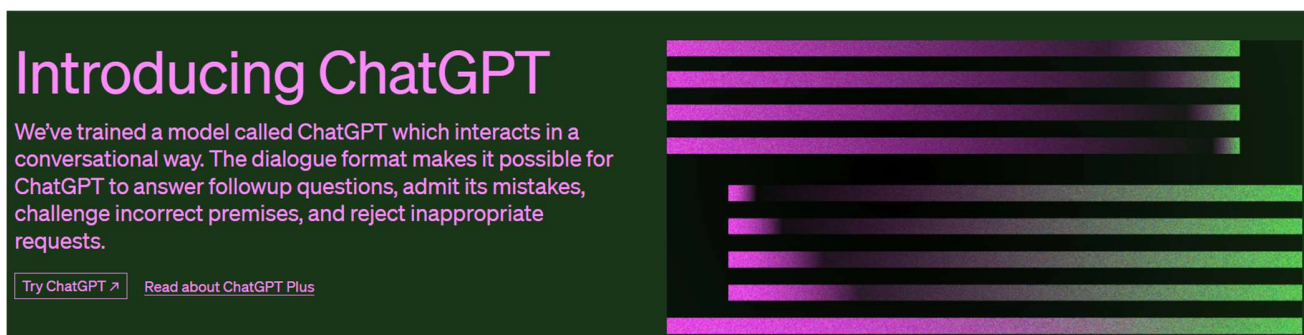


YTD: 24,55%

Winter Capital's performance continues to demonstrate strength, having achieved a YTD growth of 24.55% and a 9.23% increase in April. Our portfolio includes high-quality companies with low volatility, contributing to a relatively low-risk profile. Given the current inflationary environment, we remain selective in our investment approach, focusing on opportunities with a favorable risk-reward ratio. Our current beta of 0.68 provides a comfortable level of risk management, though as the market trend continues to improve, we anticipate adjusting our beta to approximately 0.75 to 0.90.

FUTURE AND STRATEGY

Winter Capital's growth and development have enabled us to create a robust investment strategy well-suited to current market conditions. Nevertheless, we continue to seek opportunities to expand into new markets or segments. In recent months, we have explored the world of artificial intelligence (AI) and have been particularly impressed by the potential of ChatGPT. Our research has revealed exciting opportunities in this emerging space.



Openai.com

Our thoughts

Artificial intelligence (AI) is widely recognized as the future, although its potential impact and implications are not yet fully understood. Our view is that, when utilized prudently and with appropriate questioning, AI represents a magnificent tool. However, it can also come at a significant daily cost. According to Digital Trends and Insider, the ChatGPT platform may cost up to \$700,000 per day, raising questions about potential return on investment. While some may view the high cash costs associated with AI with skepticism, Winter Capital is confident that some companies investing in AI will reap the benefits in the long run. We remain mindful of potential risks, including the possibility of a "bubble boom" similar to previous trends such as "dotcom" or the "green wave." Accordingly, we are carefully analyzing companies that we believe will endure even after the bubble has burst.

Here is some of the stocks Forbes mention as good investments: Adobe, Alphabet, Amazon, Microsoft, Baidu and more.