Portfolio Report

June 2026

Aachen Investment Club e.V. | Capital Team

Executive Summary

Over the past month, we have seen our portfolio break even for the first time, accounting for transaction costs. We have also initiated a second investment round, consisting of new and scaled positions, which we will come to later.

The portfolio returned −0.02% month-to-date and −0.11% year-to-date. Annualised volatility stands at 8.3%. Correlation to the S&P 500 is 0.10, reflecting the portfolio's low dependence on broad equity market direction. Markets saw a broad sell-off this week, which accounted for the loss in our performance.

In the second investment round, we aimed to allocate 20 % of capital to scale three positions, and add two new positions. One position, however, did not make it through the final vote due to the portfolio manager's veto. This meant that only 16.4 % of capital was deployed for investments.

We would like to thank Yuri for his contributions and wish him well in his future endeavours. Justus has also been appointed Head of Research, helping to structure our research methodology going forward.

Performance is evaluated against four benchmarks: MSCI Europe, MSCI World, the S&P 500, and a 60/40 balanced portfolio. For a comparison of daily returns, see Figure 1. The remainder of this report consists of investment memos detailing the thesis behind each of our starter positions, concluding with an overview of our current holdings and executed trades.

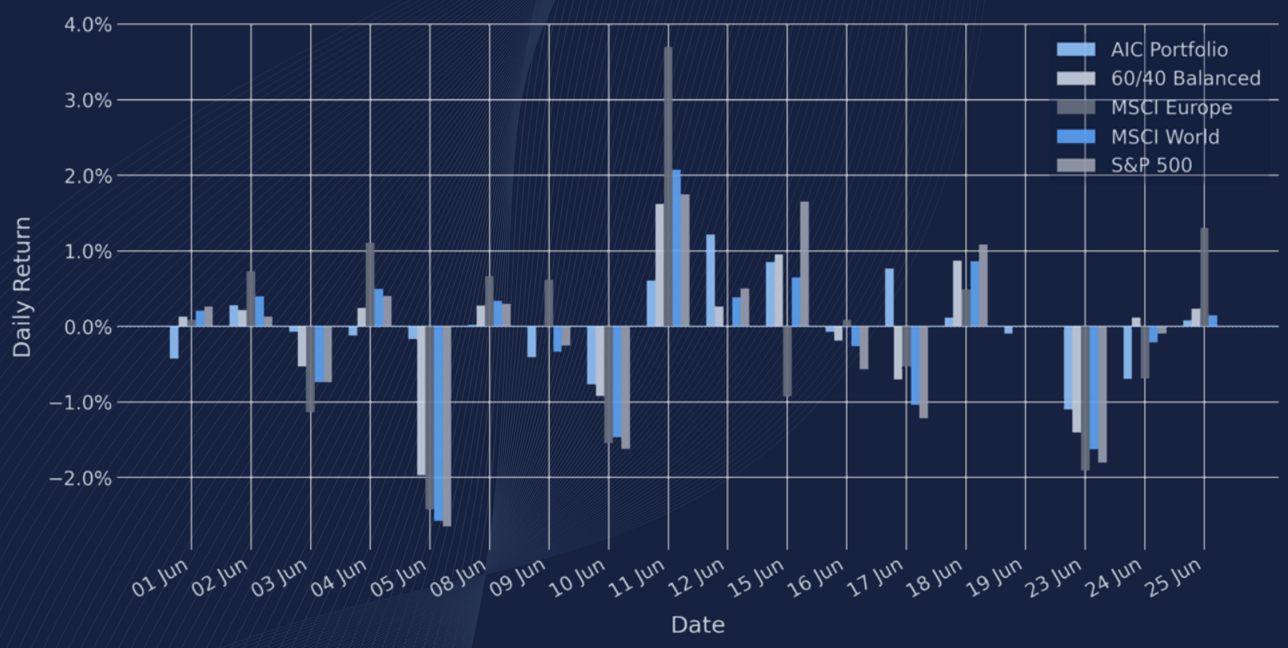

Figure 1: Daily Portfolio Returns vs Benchmarks

Our Team

Current Members

Mathis

Portfolio Manager

Isabelle

Analyst

Simon

Analyst

Justus

Head of Research

Yujin

Analyst

Nicolas

Analyst

Gerasimos

Analyst

Kah-Ming

Analyst

Mohammad

Analyst

Jamie

Analyst

Roua

Analyst

Market Environment

Fed Holds Rates Steady

On June 17, 2026, the first FOMC meeting ended with no change in interest rates, keeping the rate range between 3.5 % and 3.75 %. The Fed stated that a rate hike remained possible, consistent with the hawkish tone of the post-meeting statement, which laid out intentions to bring inflation back to the 2 % target. Nine members expected at least one hike in 2026, eight expected rates to remain steady, and one projected a cut. Kevin Warsh did not submit a forecast, consistent with his longstanding opposition to forward guidance. The median end-2026 rate projection rose to 3.8 %, up from 3.4 % in March, reinforcing the case for a hike later in the year. The FOMC also confirmed it would maintain an ample-reserves regime to keep short-term rates anchored. Supporting the hold, 5-year break-even inflation rates had been trending lower, suggesting that long-run inflation expectations remained well-anchored despite the near-term price pressures the Fed cited. Despite the Fed's hawkish stance, markets were pricing in virtually zero probability of a hike for the remainder of 2026, a sharp divergence from the committee's own projections. This raised the question of whether markets were overreacting to near-term disinflation signals.

ECB Raises Rates

The ECB raised all three key rates by 25 basis points, the first hike in nearly three years, bringing the deposit facility, main refinancing, and marginal lending rates to 2.25 %, 2.40 %, and 2.65 % respectively. Rates had last been raised in September 2023, when the deposit facility peaked at 4.0 %. The decision was driven by inflation pressure stemming from the conflict in the Middle East. Headline inflation rose to 3.2 % in May from 3.0 % in April, with core inflation up to 2.5 % from 2.2 %. Food inflation bucked the trend, easing from 2.4 % to 2.0 %. Energy inflation ticked up to 10.9 % and was expected to remain elevated until H1 2027, with a return to the 2 % target not expected until the second half of that year.

Iran War Resolution

Some good news emerged as an initial deal was reached between the US and Iran, with the main priority of reopening the Strait of Hormuz. This resulted in a memorandum of understanding signed on 17 June at the Palace of Versailles during the G7 summit, guaranteeing free passage for vessels for 60 days. The US also committed to terminating all sanctions on Iran and unfreezing all frozen Iranian assets. On 18 June, around 25 vessels passed through the Strait, however complications arose with the creation of the newly formed Persian Gulf Strait Authority, as Iran continued to assert authority over passing ships. On 19 June, Trump announced a ceasefire between Israel and Hezbollah in an attempt to stabilise the region, but that came to an abrupt end as Israel continued to strike Lebanon. In direct retaliation, Iran declared the Strait closed again. Peace talks in Switzerland were ongoing. Only 12 ships crossed on 21 June. Markets appeared largely unmoved: Brent was down just 0.9 % at $80 a barrel, while Asian markets opened higher, with the Nikkei up 1.8 %, KOSPI up 1.5 %, and TAIEX up 2.6 %.

China Tightens Rare Earth Exports

China identified 10 US firms linked to the American military and imposed a ban on dual-use exports to these entities, prohibiting all global organisations from supplying or transferring Chinese-origin dual-use goods to the blacklisted groups. Among them was MP Materials, a Pentagon-backed company that operated the only active rare earth mine in the United States, a direct strike at Washington's efforts to build a domestic critical minerals supply chain. The Chinese Finance Ministry also imposed a procurement embargo on around 40 companies, barring Chinese government buyers from purchasing from firms such as Raytheon and Lockheed Martin, in direct response to the US adding Chinese firms to a Pentagon list of military-linked entities.

This mattered because China produced approximately 60 % of global rare earth output and processed around 90 % of all refining capacity, giving it significant leverage over the components that underpinned AI infrastructure. A survey of IT and semiconductor firms found 56 % faced export licence review times of over 180 days, with a third waiting more than 300 days, pointing to growing friction in the supply chain.

New US Tariffs

In February, the US Supreme Court struck down Trump's IEEPA tariffs, bringing the average effective tariff rate down to around 7 % by April. China remained the highest-tariffed major trading partner at around 24 %. On 2 June, the USTR proposed a new 12.5 % tariff on China under Section 301 of the Trade Act of 1974, following forced labour investigations into 60 trading partners launched in March. A 10 % tariff was applied to economies that have partially banned forced-labour goods, and a further 12.5 % to other partners including the EU, Brazil, and India. On 11 June, Trump announced a separate arrangement with China, leaving a 30 % tariff in place. Analysts noted that while the Supreme Court ruling had slowed the pace of tariff action, it had not deterred the administration from pursuing its broader trade agenda.

Factor Exposure Review

June 2026 average

Market-level style exposures are estimated using a Barra WLS regression across GICS sectors, as shown in Figure 2. Results are reported as Z-scores, reflecting the significance of each style in determining returns. A strong positive z-score indicates a large positive impact on returns, while a strongly negative z-score indicates a large negative impact.

	Value	Momentum	Growth	Volatility	Liquidity
Communication Services	+0.40	-0.34	-0.39	-0.08	-0.60
Consumer Discretionary	+0.62	-0.57	-0.45	+0.32	-0.45
Consumer Staples	-0.54	-0.50	-0.54	-0.58	+0.26
Energy	-0.04	+1.02	+0.70	-0.12	+0.04
Financials	+0.14	-0.03	-0.02	-0.47	+0.33
Health Care	-0.32	-0.03	+0.05	+0.34	+0.25
Industrials	-0.41	-0.01	-0.07	+0.24	+0.42
Information Technology	-0.53	+0.84	+0.97	+1.10	+0.09
Materials	+0.22	+0.03	+0.01	-0.14	-0.56
Utilities	-0.11	+0.10	-0.01	-0.96	-0.06

Figure 2: Factor Exposures by Market

Portfolio factor tilts are derived from Barra factor breakdowns of individual positions, averaged across the portfolio. This reveals the aggregate exposure of our holdings to each factor style, as shown in Figure 3.

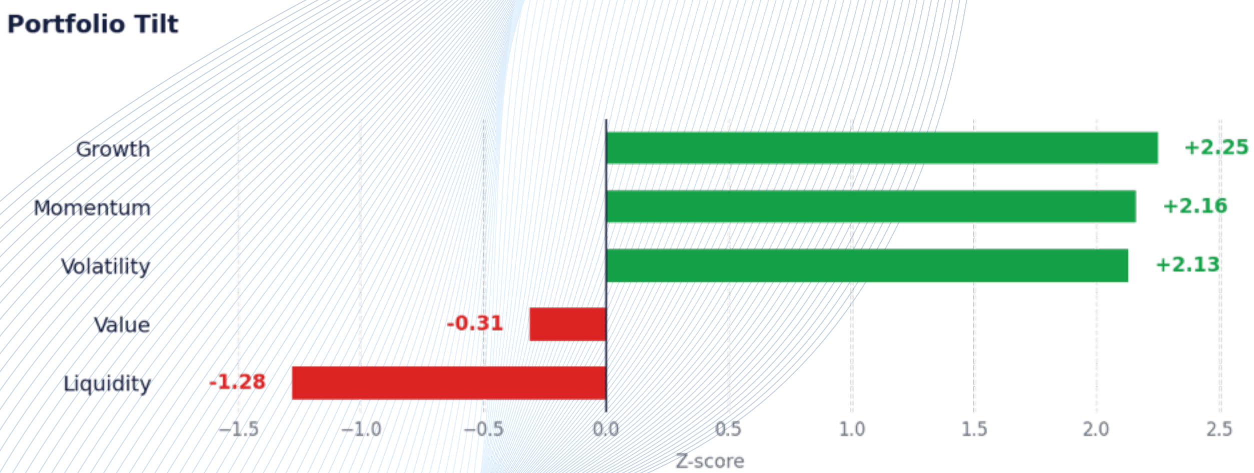

Figure 3: Portfolio Factor Tilt

PURR

Hyperliquid Strategies Inc.

Discounted public-market exposure to Hyperliquid, one of the fastest-growing decentralised derivatives exchanges.

ASSET CLASS	**Stock**	IDEA CATEGORY	**Asset Play**
ENTRY	**$8.03 (10/06/2026)**	STOP LOSS	**$6.82 (−15%)**

THESIS

Hyperliquid is a self-funded decentralised derivatives exchange generating $900M in annualised revenue at 90% operating margins. PURR holds 20M HYPE and $130M in cash while trading at an estimated 15% discount to NAV. Value can be created through both HYPE appreciation and a narrowing of that discount, with regulatory progress on perpetual futures providing an additional re-rating catalyst.

Edge: The market prices PURR on crypto volatility risk while underappreciating the underlying profitability and the discount to hard assets.

Driver: NAV discount narrows as institutional access to HYPE improves and regulatory clarity on perpetual futures increases.

CATALYSTS

C1: PURR’s 15% NAV discount narrows as the market recognises the value of HYPE holdings and $130M cash

C2: CFTC approved first regulated U.S. Bitcoin perpetual futures contract on 29 May 2026, opening the path to institutional adoption

C3: Hyperliquid continues to gain trading volume and market share against Binance and Coinbase

RISKS

Risk	Monitor
Adoption slows materially	Trading volumes, revenue, user growth
Regulatory crackdown on perps	CFTC/SEC announcements; U.S. crypto policy
NAV discount persists or widens	PURR discount to NAV; weekly check

SCENARIOS

Scenario	Assumption
Bear	HYPE adoption slows; NAV discount persists or widens
Base	Hyperliquid grows steadily; NAV discount narrows to parity
Bull	Strong HYPE appreciation and institutional adoption; NAV premium emerges

Next review: CFTC regulatory updates · Quarterly NAV prints

COPAI

WisdomTree Copper ETC

Copper smelter margins collapsing; refined supply crunch incoming as grid and AI demand holds firm.

ASSET CLASS	**ETC**	IDEA CATEGORY	**Commodity**
ENTRY	**$54.46 (10/06/2026)**	STOP LOSS	**$45.00 (−16.5%)**

THESIS

Processing fees for copper concentrate are approaching zero as smelter margins collapse, forcing production cutbacks globally. Exchange-visible inventories are set to breach the 30-day consumption floor, triggering an acute squeeze on spot and front-month futures prices. The market is mispricing this supply crunch by failing to account for inelastic demand from grid infrastructure modernisation and AI data centre buildout. We are positioned ahead of the physical shortage before it registers in exchange inventories.

Edge: The smelter margin collapse leads visible inventory drawdowns by several months. We are buying before the deficit shows up in LME warehouse data.

Driver: Physical spot price repricing as exchange stocks decline and the structural refined copper deficit becomes undeniable.

CATALYSTS

C1: Spot processing fees approaching zero as Chinese copper smelters begin production cuts

C2: Global exchange inventories (LME, CME, SHFE) drawing down toward the 30-day consumption floor

C3: Global Joint Smelter Committee updates and monthly LME/COMEX inventory prints, Jun/Jul 2026

RISKS

Risk	Monitor
Inventory builds; curve shifts to contango	LME/COMEX/SHFE stocks; cash-to-3M spread
Macro demand destruction	China FAI in power grids; global PMIs
Roll yield drag and tracking error	Fund premium/discount to NAV; 30-day ADV

SCENARIOS

Scenario	Assumption
Bear	Manufacturing slowdown freezes industrial expansion; inventories stabilise
Base	Smelter cuts take effect with stable AI and grid demand; deficit priced in
Bull	Extreme mine disruptions trigger short squeeze and panic buying

Next review: Joint Smelter Committee updates · China PMI releases

Scaled Positions

Both positions were initiated in May 2026 and scaled in June 2026 following a review of performance and thesis integrity. The core investment cases remain unchanged; the following summarises the original rationale and current status.

SMH VanEck Semiconductor ETF

Broad semiconductor exposure as AI spending drives chip demand across the full value chain.

ASSET CLASS	Sector ETF	SCALE ENTRY	$94.58 (10/06/2026)

CATALYSTS

C1: NVIDIA Q1 2026 beat: data-centre revenue up 92% YoY, H2 outlook raised again

C2: Microsoft and Google both lifted FY26 CapEx guidance in April earnings calls

C3: TSMC raised its 2026 revenue forecast in May on sustained advanced node demand

RISKS

Risk	Monitor
Hyperscalers cut CapEx in H2	Q2 earnings guidance; Azure/AWS/GCP commentary
New US export controls on HBM	BIS rule updates; NVIDIA and SK Hynix response
Deepseek-style efficiency shock	Model release cadence; inference cost per token

AIXA Aixtron SE

Semiconductor equipment supplier with a strong position in GaN and SiC deposition tools.

ASSET CLASS	Stock	SCALE ENTRY	€54.96 (10/06/2026)

CATALYSTS

C1: Q1 2026 results showed order intake recovering after four quarters of decline

C2: BMW and Stellantis resumed SiC tool orders in May, signalling EV floor

C3: Microsoft confirmed GaN-based PSU design-ins for next-gen data centre builds

RISKS

Risk	Monitor
EV demand softens again after May bounce	OEM production schedules; Q2 order intake
GaN data centre wins fail to materialise	Hyperscaler supply-chain announcements
Veeco closes MOCVD gap	Veeco Q2 earnings; customer win disclosures

Portfolio Snapshot

Symbol	Name	ISIN	% NAV	Cum. Return
AI & SEMIS			**13.06%**	**+6.66%**
SMH	VanEck Semiconductor ETF	IE00BMC38736	7.00%	+14.90%
AIXA	Aixtron SE	DE000A0WMPJ6	6.06%	-2.88%
COMMODITY			**5.56%**	**-5.63%**
COPAI	WT Copper	GB00B15KXQ89	5.56%	-5.63%
EU FINANCIALS			**8.29%**	**+7.02%**
SAN	Banco Santander SA	ES0113900J37	4.24%	+9.49%
ESIF	iShares Europe Financials EUR A	IE00BMW42306	4.05%	+4.44%
EU SOVEREIGNTY			**6.97%**	**-8.65%**
WDEF	WisdomTree Europe Defence UCITS ETF	IE0002Y8CX98	6.97%	-8.65%
ENERGY DEMAND			**3.90%**	**-11.84%**
XLUS	Invesco US Utilities S&P	IE00B3VPKB53	2.39%	-1.02%
URNU	Global X Uranium UCITS USD-A	IE000NDWFGA5	1.51%	-29.05%
SINGLE POSITIONS			**3.69%**	**-7.52%**
PURR	Hyperliquid Strategies	US44916Y1064	2.11%	-1.05%
TRNI	Trainline PLC	GB00BKDTK925	1.58%	-16.15%
CASH			**58.52%**	**+0.39%**
CASH_EUR	Euro Cash		42.64%	--
CASH_USD	US Dollar Cash		8.34%	+3.11%
CASH_GBP	British Pound Cash		7.54%	-0.44%

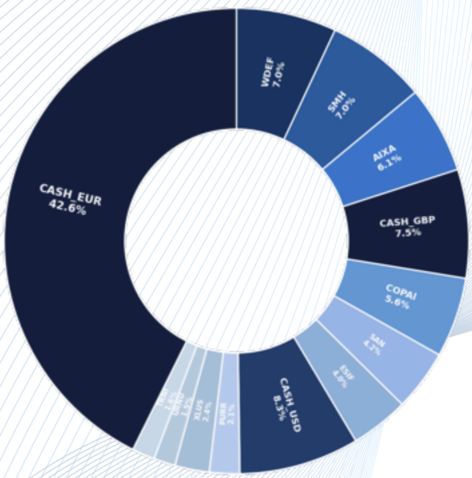

Figure 4: Positions Weighting

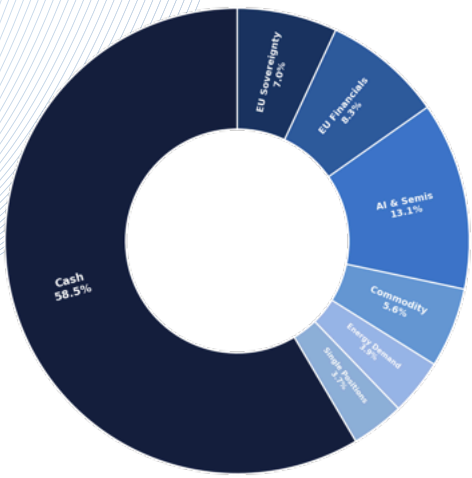

Figure 5: Themes Weighting

Executed Trades

Date	Symbol	Name	Side	Votes[1]	Notice
10 Jun 2026	AIXA	Aixtron SE	BUY	10 / 0 / 0	Scaled Position
10 Jun 2026	COPAI	WT Copper	BUY	9 / 0 / 0	Starter Position
10 Jun 2026	PURR	Hyperliquid Strategies	BUY	10 / 0 / 0	Starter Position
10 Jun 2026	SMH	VanEck Semiconductor ETF	BUY	10 / 0 / 0	Scaled Position
10 Jun 2026	WDEF	WisdomTree Europe Defence UCITS ETF	VETO	2 / 1 / 5	Portfolio Manager Veto

[1] In favour / against / abstain

Disclosures

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