



# TRINITY SMF

STUDENT MANAGED FUND

## *Monthly Markets Review*

*March 2021*



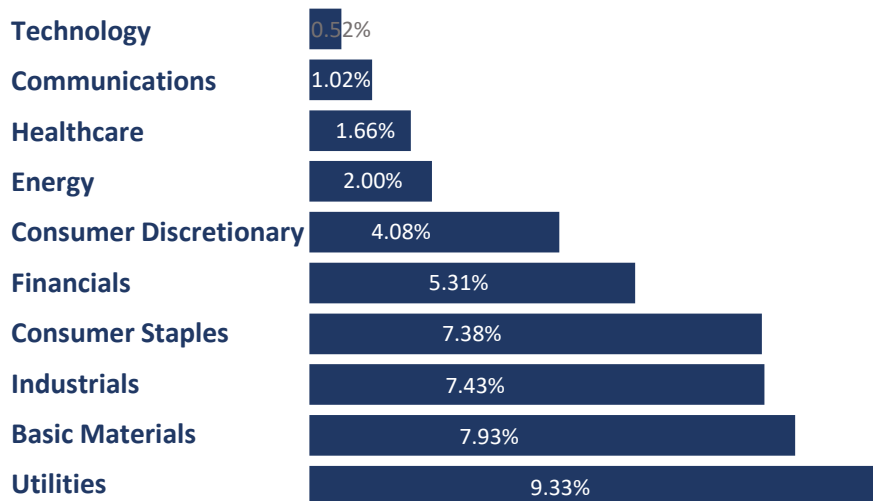
## **Introduction**

Welcome to the third edition of the Trinity SMF Monthly Markets Review. The aim of this report is to give SMF members a monthly roundup of what's been moving markets with short, informative summaries of the major headlines for the month.

Stocks notched a solid gain in March, with the S&P up 4.24%, the Dow up 6.62% and the Nasdaq composite up 0.41%. It was a rare month in that every sector went positive. The U.S. 10-Year reached 14-month highs amid inflationary fears. However, the Federal Reserve doubled down on their promise to keep interest rates unchanged for the foreseeable future and to continue with their bond purchasing scheme.

It was an interesting month, as NFT(Non-Fungible Tokens) went mainstream, with an NFT titled "The First 5000 Days" by the artist known as Beeple, selling for \$69M. Bitcoin broke \$60k, the SPAC market reached over \$700B in value and M&A activity continued to plough ahead. Further analysis plus more below.

## March Sector Performance



	March Close
S&P 500	3,972.89 (+4.24%)
Dow	32,981.55 (+6.62%)
Nasdaq	13,246.87 (+0.41%)
Gold	1,713.80 (-0.83%)
Oil (WTI)	59.16 (-3.80%)
Bitcoin	58,918.83 (+27.15%)
EURUSD	1.1724 (-3.59%)
GBPUSD	1.3747 (-1.86%)
US Treasury 10-Yr	1.7460%

## Top Stories

- **The U.S. Government** narrowly passed the \$1.9 trillion Covid-19 Relief Bill at the start of the month. It's among the largest economic stimulus packages in US history. The bill includes a \$1400 stimulus cheque for eligible citizens who have lost their jobs due to the pandemic. For a full breakdown, [click here](#).
- **Uber** has reclassified roughly 70,000 drivers as “workers” rather than independent contractors. This will entitle the drivers to vacation pay, pension contributions and minimum wage. It will prove a costly move for Uber and it also doesn't apply to UberEats drivers as they work under a different economic model. More legal battles are expected. [WSJ](#).
- **Non-Fungible Tokens, or NFTs for short**, are taking the internet by storm. They offer “scarce digital content represented as tokens”. Essentially the owner of the NFT owns the “original”. Twitter founder and CEO Jack Dorsey sold the first ever tweet for just under \$3 million, and the artist known as “Beeple” sold the most expensive NFT to date for \$69 million. [BBC](#).
- **Greensill Capital**, the financial services company that focused on the provision of supply chain financing, filed for bankruptcy earlier this month after being valued at roughly \$3.5 billion less than 2 years ago. It is one of the most high-profile bankruptcies in recent years, entangling SoftBank and Credit Suisse and threatening the steel empire of Mr. Sanjay Gupta. Combined losses for all involved is to be in the billions. [NYT](#).
- **The collapse of Archegos Capital**, a family office, caused a fire sale of stocks that were approaching \$30 billion in value as they were forced to liquidate due to one of the biggest margin calls in recent times. It led to a sharp drop in the share price of the banks involved and companies such as Discovery Inc and ViacomCBS. [WSJ](#).

## Deal Flow

- **Instacart**, the on-demand grocery delivery platform, raised a \$265 million funding round valuing them at \$39 billion. Existing investors such as Sequoia and D1 Capital Partners, among others participated in the round. [TC](#).

- **General Electric** is to wind down GE Capital after shedding its jet-leasing unit in a deal to Irish aircraft leasing company AerCap Holdings worth more than \$30 billion. KPMG led the deal. [WSJ](#).

- **Stripe**, the Irish-American online payment processing company, raised \$600 million in its latest funding round valuing the company at \$95 billion, making it the most valuable US start-up. Notable investors include Fidelity, Sequoia and the NTMA. [BBG](#).

- **ByteDance**, the parent company of the popular social media app TikTok, has been valued at over \$250 billion due to shares trading on the secondary market, which would make it more valuable than Coca Cola Co. ByteDance is yet to go public. [BBG](#).

- **Coursera**, the online education provider, went public raising \$520 million. Shares on the first day of trading closed 36% higher, giving the company a market cap of \$5.9 billion. [CNBC](#).

- **Deliveroo**, the food delivery service, went public in the UK in what is being dubbed the worst UK IPO ever. Deliveroo shares plunged 30% on the open, even after shares were priced at the bottom of its initial range. Doubts over the profitability of the company and the future of the gig economy in the UK has spooked investors. Theoretically they have until April 7 to cancel the IPO as it has opted for a "conditional offer". [CNBC](#).

## Looking Forward

- **Robinhood**, the mobile stock trading app, has confidentially filed to go public and has chosen to list on the Nasdaq. There is no official date set just yet, but it is expected to reach a valuation of \$50 billion when it does go public. [CNBC](#).

- **Microsoft** is in advanced talks to buy Discord, the video game chat community, for more than \$10 billion. However, no deal is imminent, and Discord may choose to go public instead. [BBG](#).

- **Coinbase**, the online crypto exchange and wallet platform, looks set to go public some time in April. It is anticipated that it will go public with a pre-IPO valuation of \$100 billion. [TMF](#).

### MSCI World (URTH) February

+3.21%



### MSCI World (URTH) 3 Month

+6.50%



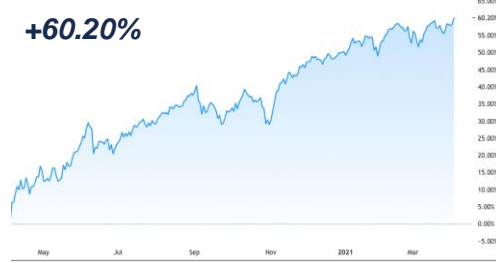
### MSCI World (URTH) YTD

+6.50%



### MSCI World (URTH) 1 Year

+60.20%



### MSCI World (URTH) 5 Year

+73.09%

