



GRAYSWAN



**GraySwan Megatrend \$  
Commodities for Change ETN**

---

ROBERT ROBINSON  
October 2022

October 2022

# GraySwan Megatrend \$ Commodities for Change ETN



As noted in our previous snippet, investing as usual just won't do it for the next 10 years. As your long term investment thinking partner, we have to make sure our clients don't miss on the investment opportunities which disruptive shifts in the markets offer.

The newly launched and listed GraySwan Megatrend \$ Commodities for Change Exchange Traded Note ("ETN") compliments our GraySwan Megatrend \$ Global Equities ETN and is also now available.

The urgent transition toward a low-carbon economy will profoundly change our economy. Households, companies, and financial intermediaries must be ready to avoid the downside risks and seize the opportunities created by climate change. Our Commodities for Change ETN is reimagining how a well-diversified offshore commodity investment should look like to take advantage of this long-term climate change opportunity.

At GraySwan, we approached this opportunity by enhancing an existing well known offshore commodity index i.e. the Bloomberg Commodity Index with various offshore commodity investment Exchange Traded Funds (ETF's) focused on the future and the impact of climate change and therefore the name Commodities for Change.

Most traditional broad based offshore commodity indices are split into three main components namely, energy, agriculture, and metals.

Traditional energy is dominated by fossil fuels, but as the world shifts to a low-carbon future many of these industries will become stranded assets (stranded assets are defined as assets that have suffered from unanticipated or premature write-downs, devaluation, or conversion to liabilities). By adding exposure to industries focused on clean energy generation and storage, our Commodities for Change ETN is uniquely positioned to take advantage of this future low-carbon world.



KHI SOLAR ONE- UPINGTON, SOUTH AFRICA



Agriculture also faces headwinds from a low-carbon world. Agriculture is both directly and indirectly a major contributor to global greenhouse gases. Directly via deforestation which threatens biodiversity and indirectly via its dependents on fertilisation which can harm marine, freshwater, and terrestrial ecosystems. By adding exposure to sustainable food technologies, agricultural technologies and most importantly water technologies, our Commodities for Change ETN will be mitigating such future risks.

Lastly by supplementing traditional metal exposure with metals focused on renewable energy technologies, our Commodities for Change ETN takes advantage of the enormous expected infrastructural development drive, that stems from the urgent transition toward a low-carbon economy.

Reaching the 2-degree target set by the United Nations (UN) in the Paris agreement is possible but would require a “war effort” (coordinated mobilisation of society’s resources—both industrial and human—towards the support of a low-carbon future).

Now is the time to act boldly and be part of positive global change. Our forward-thinking megatrend thematic portfolios enable our client’s aspirations to take flight, giving them the freedom to generate long term wealth, to explore beyond the boundaries of traditional thinking.

**It is the freedom to shape the future.**



“We dedicate significant time and effort collecting data to anticipate investment opportunities as the world moves to a greener economy. Thorough research is the foundation of every such investment opportunity.

With access to global experts, and data-driven research, we generate insightful diversification strategies and thematic investing opportunities for our clients whilst always anticipating and managing risk over time.

**It is the freedom to confidently explore.”**



DUNCAN THERON  
CHIEF EXECUTIVE OFFICER

# FIND YOUR FREEDOM



GRAYSWAN

Find your Freedom at: [www.grayswan.co.za](http://www.grayswan.co.za)

Johannesburg	(011) 431 0141
Somerset West	(021) 852 9092
Stellenbosch	(082) 336 8615

Investment advice and wealth management solutions through a global megatrend lens to institutional, corporate family office and private client investors. Gray Swan Financial Services (Pty) Ltd is a registered Financial Services Provider (FSP no. 42290)