



ASPEN FUNDS

FALL 2022

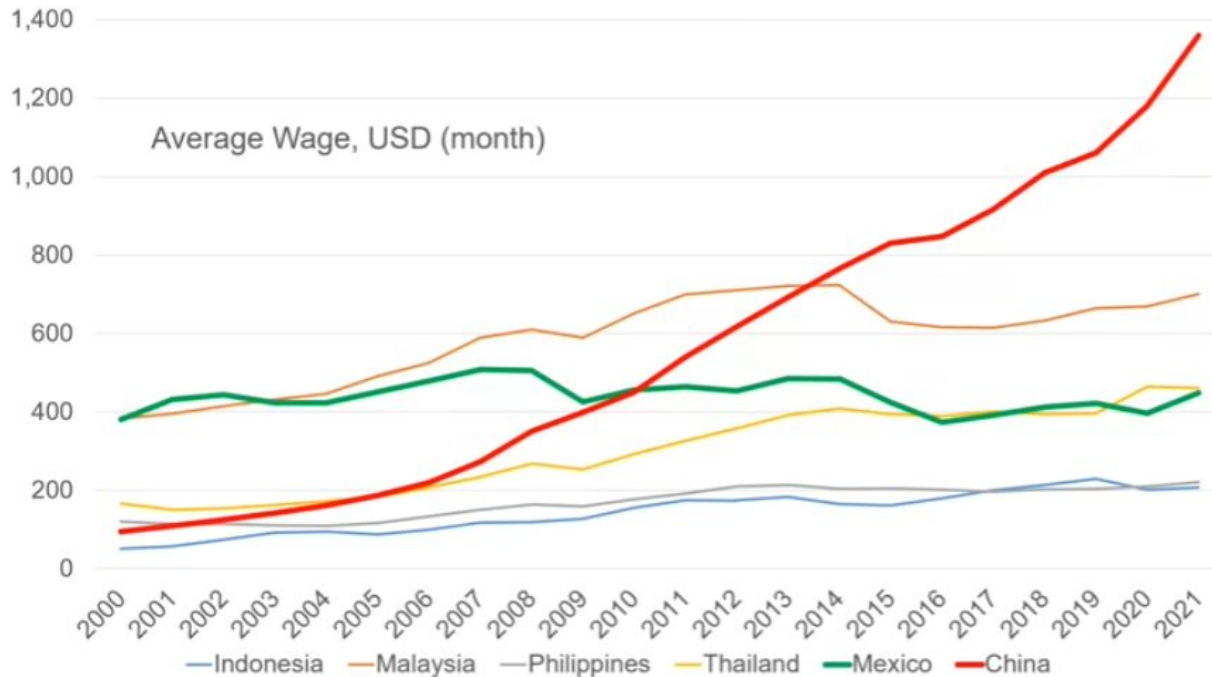
Megatrends 2022-2023





CHINA HAS SEEN ITS GREATEST DAYS AS A MANUFACTURING TITAN

- ❑ The fastest labor appreciation in human history
- ❑ 15-fold increase since 1999





E-COMMERCE GROWTH IS SLOWING

Retail Sales Share by Pure E-commerce Retailers
% of Total Retail Sales



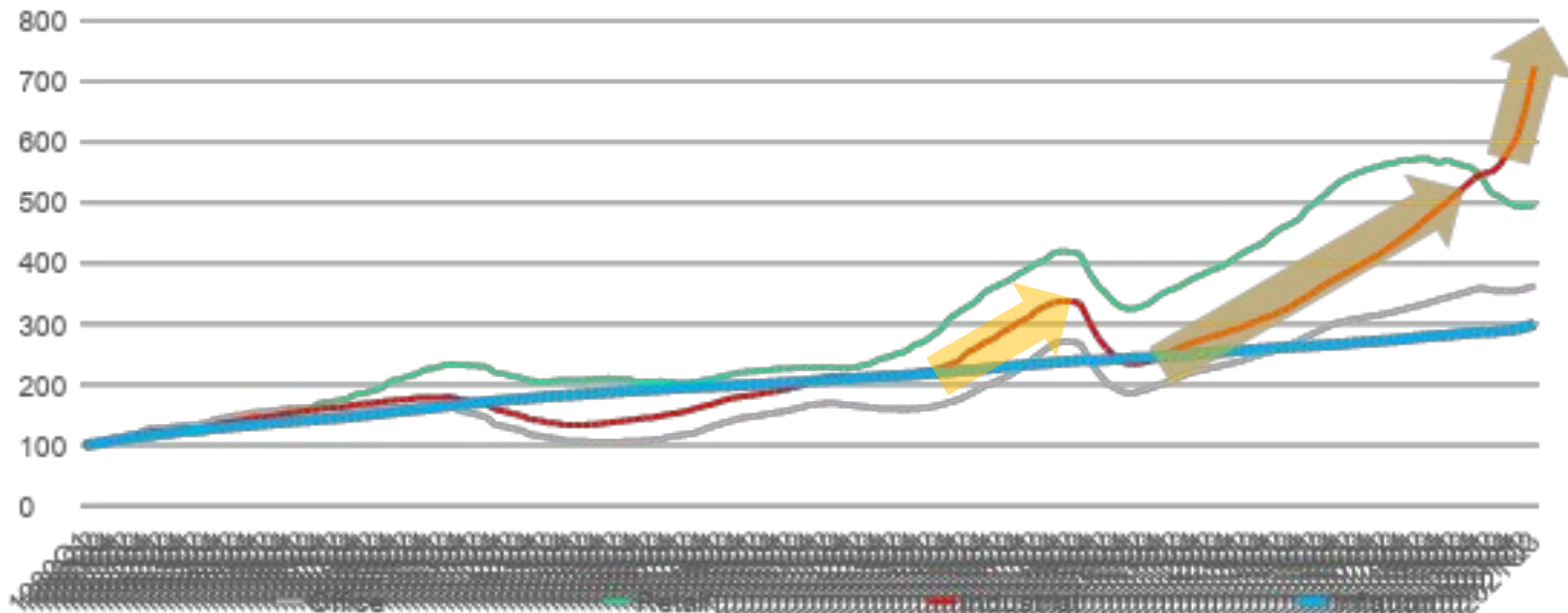
Core retail sales refers to total retail sales excluding auto, gas, and restaurant/bar sales.

Source: U.S. Census Advance Monthly Retail Sales, CBRE Research, Q4 2021.



IN THE LONG RUN CRE BEATS INFLATION

CBRE: Capital Values vs Inflation / Core PCE (Index 1980Q1 = 100)





INDUSTRIAL VACANCY 2.9%

RECORD ABSORPTION





LATEST DEMAND ESTIMATE RISES BY 800 MILLION SF

- ❑ “Melinda McLaughlin, senior vice president and global head of research at Prologis, said across the company’s some 5,800 customers, the increased demand amounts to an average of about 138,000 square feet per client.”
(800M sf)
- ❑ Prologis’s biggest customers include companies such as Amazon.com Inc., FedEx Corp. , Home Depot Inc. and United Parcel Service Inc.



WSJ: ENERGY PRICES DRIVING SHIFT TO U.S.

THE WALL STREET JOURNAL

Robert Fraser ▾

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High Natural-Gas Prices Push European Manufacturers to Shift to the U.S.

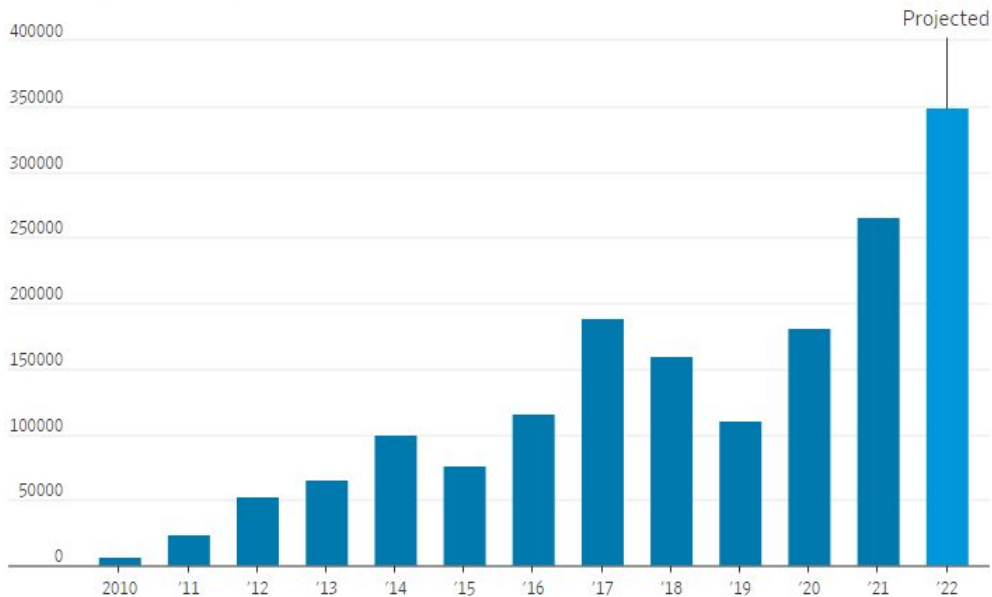
The Ukraine war is driving up energy costs in Europe, while relatively stable prices and green-energy incentives are luring companies to the U.S.



WSJ: US COMPANIES ON PACE TO BRING HOME RECORD NUMBER OF OVERSEAS JOBS

Reshoring

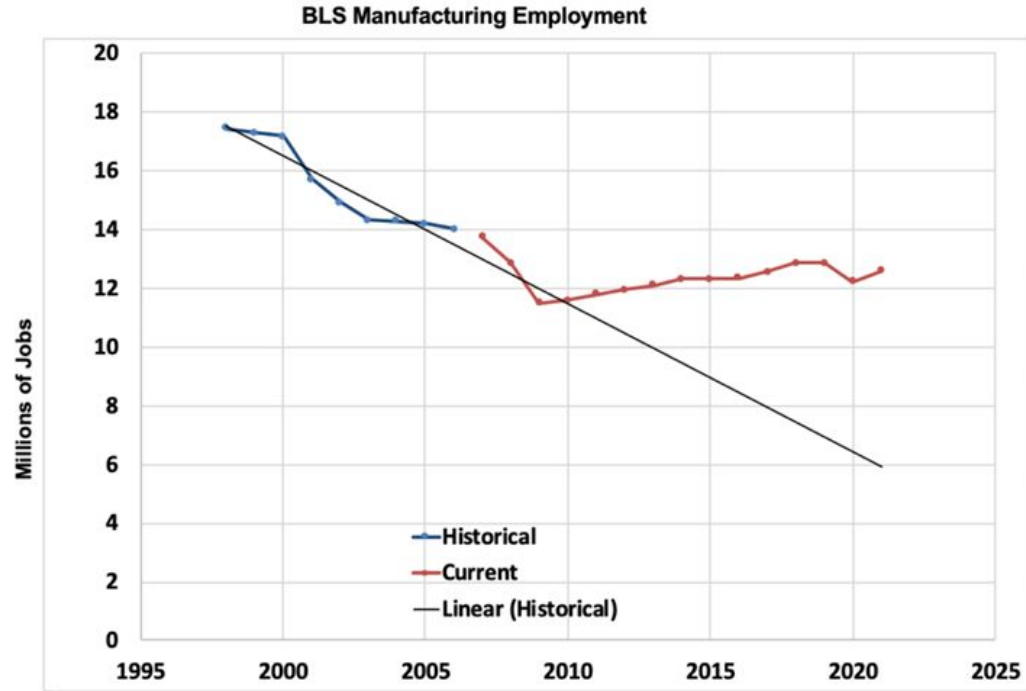
Number of job announcements per year



Source: Reshoring Initiative



US MANUFACTURING EMPLOYMENT RISING FOR THE FIRST TIME IN DECADES





TOP REASONS COMPANIES ARE RE-SHORING

Factors trending up	% up
Social/ethical concerns	700%
Walmart	700%
Inventory	300%
U.S. price of natural gas/chemicals/electricity	300%
Freight cost	129%
Automation	107%
Manufacturing/engineering joint innovation (R&D)	59%
Green considerations	32%



MOODY'S ANALYTICS: CAP RATE FORECASTS

