

Eric Strand's Green-Gold 60/40 Alternative Roars Back to Life

After a two-and-a-half-year drought, including a rough start to 2025, AuAg Precious Green has taken off in recent months. The fund, Eric Strand's innovative twist on the traditional 60/40 stock-bond portfolio – replacing stocks with green tech equities and bonds with precious metals – has delivered standout performance since the end of April. AuAg Precious Green gained 4.4 percent in May, 6.6 percent in June, and an impressive 14.1 percent month-to-date through July 22, bringing its year-to-date return to 13.2 percent.

Launched in September 2020, AuAg Precious Green replaces the conventional 60 percent equity allocation with exposure to green technology companies, while the 40 percent fixed-income component is substituted with precious metals, primarily gold. AuAg Precious Green enjoyed a strong start, returning 19.4 percent in its first four months, 16.8 percent in 2021, and 8.1 percent in the turbulent markets of 2022. "As an alternative fund, it performed really well, especially in 2022, when both stock and bond markets had difficulties at the same time," recalls Strand.

Then came what Strand refers to as "the brown Trump period," during which high-flying green equities were hit hard. "Thanks to our exposure to precious metals, mainly gold, the fund still held up much better than other green-tech-focused strategies," he notes. The fund declined by 5.3 percent in 2023 and inched up 3.0 percent in 2024. Following a difficult start to 2025, AuAg Precious Green has surged 27 percent since the end of April, pushing its year-to-date return to 13.2 percent by July 22. The fund has matched the performance of the Swedish stock market since inception. "Now, those tough years seem to be behind us, and green tech is really cheap," says Strand. "In just the past month, we've seen some stocks rise by 30 percent, 60 percent, or even more."

The fund's green tech allocation is diversified across four sub-sectors: extraction of critical elements; production of clean energy; energy storage and power infrastructure; and technologies focused on energy efficiency, emission reduction, and recycling. The remaining 40 percent allocation to precious metals, primarily gold, provides what Strand views as a more robust portfolio hedge than traditional bonds.

"With gold supported by unabated debt expansion and rising money supply, and with green-tech companies and critical metal miners like those in lithium and copper rebounding strongly, the outlook looks really good," Strand concludes. "As we approach a five-year track record marked by extremely diverse investing climates, we look ahead to the next five years with high expectations for this unique alternative fund."