

# GuardCap Global Equity Fund

Class: S (acc) EUR



Morningstar Analyst Rating



Morningstar Sustainability Rating

## Investment Objective

The investment objective of the Fund is to seek long-term growth of capital with lower than market volatility by investing primarily in equity and similar securities issued by high quality companies listed on recognised markets in countries, which are members of the Organisation for Economic Co-operation and Development ("OECD").

## Investment Approach

Philosophy: growth drives returns; quality protects against downside; valuation matters.

- Concentrated, long-only strategy with 20-25 high quality, sustainably growing companies
- Focused "total immersion", bottom-up analysis of selected high-confidence stocks
- Benchmark agnostic, unconstrained portfolio construction; high active share
- Genuine long-term investing with low portfolio turnover
- Large / Mid-cap focus

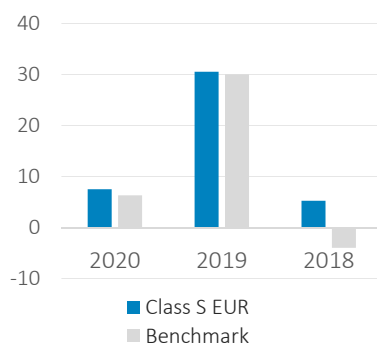
## Investment Team

	Joined GuardCap	Years of experience
Michael Boyd	2014	32
Giles Warren	2014	25
Bojana Bidovec	2016	16
Orlaith O'Connor	2015	10

## Performance\* (%)

	1 M	3 M	YTD	1 Y	Annualised	
					3 YR	5 YR Inception
Class S EUR	-1.41	1.41	19.49	22.14	15.66	15.74
Benchmark	-0.22	3.40	26.26	28.70	16.89	12.83
Relative return	-1.19	-1.99	-6.77	-6.56	-1.23	2.91

## Calendar Year Performance\* (%)



	2020	2019	2018
Class S EUR	7.54	30.51	5.23
Benchmark	6.33	30.02	-3.97
Relative return	1.21	0.49	9.20

\*Past performance results are no indication of future results

## Fund Facts

Legal Status	UCITS
Fund launch date	10 December 2014
Class Inception	31 January 2017
Benchmark	MSCI World Index (Net) €
Fund Size	USD 3.17 billion
Strategy Size <sup>1</sup>	USD 13.42 billion
ISIN	IE00BYQ67K80
Bloomberg	GCGLSE
WKN	A2DHB6

<sup>1</sup>Based on estimates and is not official

## Charges & Subscriptions

Annual management fee	1.50%
Ongoing charges <sup>2</sup>	1.58%
Minimum investment	EUR 5,000

<sup>2</sup>As at 31 December 2020; including Annual management fee

## Portfolio Characteristics

Number of stocks	25
Active share	91.8%
Net exposure	98.4%

## Risk\*\*

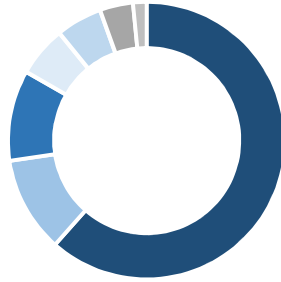
	Fund	Index
Tracking error	4.94	
Standard deviation	12.81	14.28
Information ratio	0.86	
Sharpe ratio <sup>3</sup>	1.10	0.69
Upside market capture	100.09	100.00
Downside market capture	77.34	100.00
Batting average	0.64	

\*\*USD I Share Class

<sup>3</sup>Sharpe ratio calculated using Bloomberg US Generic Govt. 3 Month Yield

### Geographic Allocation (%)

United States	61.48
Denmark	11.18
France	10.59
United Kingdom	5.90
Japan	5.38
Switzerland	3.87
Cash	1.60



### Sector Allocation (%)

Consumer Discretionary	21.19
Information Technology	16.69
Health Care	15.35
Consumer Staples	14.60
Financials	10.74
Industrials	8.11
Communication Services	6.96
Materials	4.76
Cash	1.60



### Top 5 Holdings

	% of assets
CME Group	7.19
EssilorLuxottica	7.09
Alphabet	6.96
Booking Holdings	5.36
Novo Nordisk	5.12

### Monthly Contributors / Detractors

	Contribution to return
+ Verisk Analytics	0.22
+ Intertek	0.22
+ CME Group	0.19
- Booking Holdings	-0.62
- MarketAxess	-0.43
- Yum China	-0.40

### YTD Contributors / Detractors

	Contribution to return
+ Alphabet	4.89
+ Novo-Nordisk	2.80
+ Essilor-Luxottica	2.42
- MarketAxess	-1.28
- Fanuc	-0.40
- Mastercard	-0.14

### Manager Commentary

The top contributors to performance year to date were **Alphabet**, **Novo Nordisk** and **EssilorLuxottica**.

**Alphabet** reported very strong Q3 results with organic revenue up 40% year on year, driven by continued broad-based strength in digital advertising spend, high consumer online activity and a strong contribution from Google Cloud, and operating margins up 800bps. In recent years, its addressable market has expanded from the digitisation of traditional advertising to include broader marketing and product placement budgets as well as the cloud opportunity. **Novo Nordisk**, the leader in the global diabetes and obesity market, has raised guidance three times in 2021. The diabetes franchise is gaining market share and its new obesity drug Wegovy had a very successful US launch. There is a large unmet need, with over 450 million diabetics worldwide, of which only 50% are diagnosed, 25% receive care and only 6% achieve glycemic control, and 650 million people living with obesity, most of whom are untreated. **EssilorLuxottica**, the global leader in the design, manufacture and distribution of ophthalmic lenses, frames and sunglasses, reported stronger than expected Q3 sales on the back of pent-up demand and upgraded its annual guidance. Ageing demographics, lifestyle (use of tablets and smartphones) and growing appetite for premium branded products are strong long-term drivers of growth.

The top detractors year to date were **MarketAxess**, **Fanuc** and **Mastercard**.

**MarketAxess** is strongly positioned to benefit from increasing penetration of electronic bond trading. Lower interest rate volatility due to extensive central bank intervention has temporarily put pressure on its volumes, revenues and market share and the stock has underperformed following a very strong performance in 2020. **Fanuc** is a Japanese provider of automation products and services. Global shortages of semiconductors, machinery and raw materials led to weaker than expected calendar Q3 results. Guidance for the year was reduced in anticipation of further component shortages and cost inflation, but underlying demand for its industrial automation solutions remains strong. **Mastercard**, one of the world's largest payment networks, reported a strong bounce back in credit and cross-border volumes and revenue in Q3 and set out objectives for high teens and low twenties revenue and EPS CAGRs for 2022-24 at its recent Investor Day. The stock has been weak this year as investors have focused their attentions on hard financials, such as banks.

### Share Class Ratings

Morningstar Analyst Rating™
Overall Morningstar Rating™
Quantalys Rating™
Sauren Fondsmanager Rating™



### Fund ESG Ratings

Morningstar Sustainability Rating™
Morningstar Low Carbon Designation™



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\*Morningstar Analyst Rating™ is Morningstar's forward looking fund rating. Overall Morningstar Rating™ is an assessment of a fund's past performance, based on both return and risk and shows how similar investments compare with their competitors. The Morningstar Sustainability Rating™ is a measure of how well the portfolio holdings are managing their ESG Risk relative to the portfolio's Global Category peer group. Sustainalytics provides company-level analysis used in the calculation of Morningstar's Historical Sustainability Score. The Morningstar Low Carbon Designation™ is Sustainalytics' evaluation of the degree to which a firm's activities and products are aligned with the transition to a low-carbon economy. Investment decisions should not be based on a high rating alone. All data is as at the document date unless indicated otherwise. © 2021 Morningstar, Inc. All rights reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete, or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results. For more detailed information about Morningstar's Analyst Rating, including its methodology, please go to: <https://shareholders.morningstar.com/investor-relations/governance/Compliance--Disclosure/default.aspx> and <http://corporate1.morningstar.com/SustainableInvesting/>. Quantalys Rating™ is Quantalys' fund rating. For more information about Quantalys ratings and Quantalys' ratings methodology, please see <https://www.quantalys.com/espace/listeProduit/3480> and <https://quantalys.com/Whoarewe/Methodology>.



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