

31 December 2019

EUR S CLASS

## Fund Information

|                       |                                                            |
|-----------------------|------------------------------------------------------------|
| Fund Name             | GuardCap Global Equity Fund                                |
| Fund Manager          | GuardCap Asset Management Limited                          |
| Fund Inception        | 10 December 2014                                           |
| Share Class Inception | 31 January 2017                                            |
| Share Class           | Euro S Class                                               |
| Style                 | Growth / Quality<br>Large-Mid Cap<br>Bottom-Up Fundamental |
| Legal Status          | UCITS                                                      |
| Bloomberg             | GCGLESE                                                    |
| ISIN                  | IE00BYQ67K80                                               |
| WKN                   | A2DHB6                                                     |
| Number of Holdings    | 20-25                                                      |
| Liquidity             | Daily at NAV                                               |
| Annual Management Fee | 1.5%                                                       |
| Minimum Investment    | €5,000                                                     |
| Benchmark             | MSCI World Index (Net) €                                   |
| Number of Stocks      | 24                                                         |
| Net Exposure          | 97.0%                                                      |
| Fund Size             | \$1,354.8 million                                          |
| Strategy Size         | \$3,145.0 million                                          |
| Active Share          | 94.9%                                                      |

## 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 Process

- Investment philosophy: Growth drives returns; quality protects against downside; valuation matters
- Focused "total immersion" bottom-up analysis of selected "high confidence pool" of stocks
- Concentrated global equity long-only strategy with 20-25 high quality growth companies
- Benchmark agnostic, unconstrained portfolio construction; high active share

## Performance Analysis

|                             | Fund % | Benchmark % | Relative Return % |
|-----------------------------|--------|-------------|-------------------|
| 1 Month                     | 0.97   | 1.04        | -0.07             |
| 3 Months                    | 5.44   | 5.41        | 0.03              |
| YTD                         | 30.51  | 30.21       | 0.30              |
| 1 Year                      | 30.51  | 30.21       | 0.30              |
| Annualised 2 Year           | 17.19  | 11.70       | 5.49              |
| Annualised Since Inception* | 16.91  | 10.37       | 6.54              |

\*Inception date 31/1/17.

Past performance results are no indication of future results.

## Discrete Yearly Performance

|                          | Fund % | Benchmark % |
|--------------------------|--------|-------------|
| 31/12/2017 to 31/12/2018 | 5.23   | -3.97       |
| 31/12/2018 to 31/12/2019 | 30.51  | 30.21       |

\*Past performance results are no indication of future results.

## Risk Analysis

| Since Inception*        | Fund   | Benchmark |
|-------------------------|--------|-----------|
| Tracking Error          | 4.31   |           |
| Standard Deviation      | 10.82  | 11.68     |
| Information Ratio       | 1.41   | ---       |
| Sharpe Ratio**          | 1.28   | 0.67      |
| Upside Market Capture   | 107.75 | 100.00    |
| Downside Market Capture | 69.41  | 100.00    |
| Batting Average         | 0.68   |           |

\*USD I Class

\*\*Sharpe ratio calculated using Bloomberg US Generic Govt. 3 Month Yield

## Fund Ratings

Morningstar Analyst Rating™

Bronze

Overall Morningstar Rating™



Morningstar Sustainability Rating™



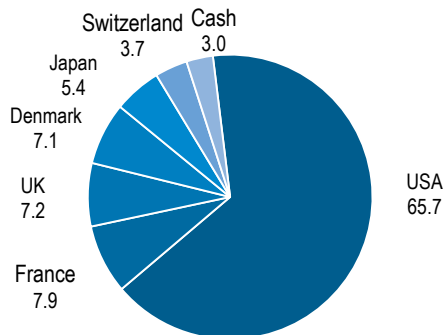
Morningstar Carbon Designation™



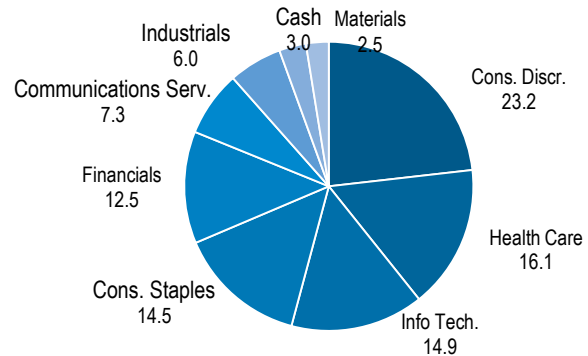
Citywire Rated Fund Managers



## Geographic Allocation (%)



## Sector Allocation (%)



## Top 5 Holdings

|                  | Portfolio Weight |
|------------------|------------------|
| Mastercard       | 8.2%             |
| Alphabet         | 7.3%             |
| UnitedHealth     | 6.2%             |
| Booking Holdings | 6.1%             |
| CME              | 6.0%             |

## Monthly Contributors / Detractors

|                    | Contribution to Portfolio Return |
|--------------------|----------------------------------|
| + Booking Holdings | +0.35%                           |
| + Intertek         | +0.26%                           |
| + UnitedHealth     | +0.23%                           |
| - Cognizant        | -0.06%                           |
| - EssilorLuxottica | -0.19%                           |
| - MarketAxess      | -0.31%                           |

## YTD Contributors/Detractors

|                     | Contribution to Portfolio Return |
|---------------------|----------------------------------|
| + Mastercard        | +5.07%                           |
| + MarketAxess       | +2.93%                           |
| + Alphabet          | +2.33%                           |
| - Ulta Beauty       | +0.37%                           |
| - Reckitt Benckiser | +0.18%                           |
| - Cognizant         | +0.11%                           |

## Investment Managers

Michael Boyd  
Giles Warren

## Manager Commentary

The main contributors year-to-date were **Mastercard**, **MarketAxess** and **Alphabet**.

**Mastercard's** September Investor Day highlighted the growth opportunities in B2B payments, on top of the secular shift from cash to electronic payments in consumer spending. The company reported strong quarterly results with acceleration in operating metrics throughout the year. **MarketAxess'** electronic bond trading platform continued to gain market share. Its proprietary all-to-all trading platform, Open Trading, was particularly strong with high double-digit volume growth. **Alphabet** benefited from a strong 2019 technology sector performance and its consistent delivery of 20%+ organic revenue growth throughout the year. With the addition of "Google Assistant" and "Photos" in 2019, it now has ten services with over one billion users.

The weakest performers year-to-date were **Cognizant**, **Reckitt Benckiser** and **Ulta Beauty**.

**Cognizant** reduced guidance due to weak demand trends and evidence of insourcing at its financial services vertical and prolonged M&A activity impacting healthcare performance. In addition, the company is experiencing pricing pressure in legacy contracts. Its long serving CEO, Francisco D'Souza, stepped down. Initiatives to re-accelerate growth have contributed to elevated staff attrition levels. **Reckitt Benckiser** cut its organic growth guidance twice in 2019 due to market conditions and internal issues at its health division (poor execution, innovation failures, flawed integration). The CEO was replaced with an outsider, Laxman Narasimham, formerly Global Chief Commercial Officer at PepsiCo. **Ulta Beauty** cut guidance as vendor innovation failed to reinvigorate US make-up category growth. Ulta continues to gain share across all beauty categories and has around 34 million loyalty members.

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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. Carbon metrics as at 30 September 2019 | Category: Global Large-Cap Growth Equity | Based on 92% of AUM | Data is based on long positions only. The portfolio Carbon Risk Score is displayed as a number between 0 and 100 (a lower score is better). A portfolio's Carbon Risk Score is the asset-weighted sum of the carbon risk scores of its holdings, averaged over the trailing 12 months. The carbon risk of a company is Sustainalytics' evaluation of the degree to which a firm's activities and products are aligned with the transition to a low-carbon economy. The assessment includes carbon intensity, fossil fuel involvement, stranded assets exposure, mitigation strategies, and green product solutions. © 2019 Morningstar. 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 the Morningstar Low Carbon Designation and its calculation, please visit <http://corporate1.morningstar.com/SustainableInvesting/>

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**For More Information**

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