

October 31 2019

USD I CLASS

## Fund Information

|                       |   |
|-----------------------|---|
| Fund Name             | GuardCap Global Equity Fund                                 |
| Fund Manager          | GuardCap Asset Management Limited                           |
| Fund Inception        | December 10, 2014   |
| Share Class           | USD I Class   |
| Style                 | Growth / Quality<br>Large-Mid Cap.<br>Bottom-Up Fundamental |
| Legal Status          | UCITS   |
| Bloomberg             | GCGLEIU   |
| ISIN                  | IE00BSJCNS13  |
| WPK                   | A2AELB  |
| Number of Holdings    | 20-25   |
| Liquidity             | Daily at NAV  |
| Annual Management Fee | 0.80%   |
| Minimum Investment    | \$500,000   |
| Benchmark             | MSCI World Index (Net)<br>US\$                              |

## Fund Statistics

|                  |                   |
|------------------|-------------------|
| Number of Stocks | 25                |
| Net Exposure     | 98.1%             |
| Fund Size        | \$1,203.9 million |
| Strategy Size    | \$2,686.1 million |
| Active Share     | 94.8%             |

## Top 10 Holdings

|                  | Portfolio Weight |
|------------------|------------------|
| Mastercard       | 8.3%             |
| Alphabet         | 7.5%             |
| Booking Holdings | 6.5%             |
| UnitedHealth     | 5.8%             |
| EssilorLuxottica | 5.3%             |
| CME Group        | 5.1%             |
| Novo Nordisk     | 4.5%             |
| MarketAxess      | 4.0%             |
| Nestlé           | 3.9%             |
| Nike             | 3.9%             |

## October Contributors / Detractors

|                     | Contribution to Portfolio Return |
|---------------------|----------------------------------|
| + UnitedHealth      | +0.84%                           |
| + Tiffany           | +0.67%                           |
| + MarketAxess       | +0.47%                           |
| - Colgate-Palmolive | -0.25%                           |
| - Ulta Beauty       | -0.20%                           |
| - Nike              | -0.19%                           |

## 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 investments
- Benchmark agnostic, unconstrained portfolio construction; high active share

## Performance Analysis

|                             | Fund % | Benchmark % | Relative Return % |
|-----------------------------|--------|-------------|-------------------|
| 1 Month                     | 3.12   | 2.54        | 0.58              |
| 3 Months                    | 2.73   | 2.58        | 0.15              |
| YTD                         | 22.05  | 20.60       | 1.45              |
| 1 Year                      | 16.71  | 12.69       | 4.02              |
| Annualised 2 Year           | 12.30  | 6.77        | 5.53              |
| Annualised 3 Year           | 18.35  | 11.86       | 6.49              |
| Annualised 4 Year           | 14.18  | 9.09        | 5.09              |
| Annualised Since Inception* | 14.02  | 7.84        | 6.18              |

\*Inception date 10/12/14. Past performance results are no indication of future results.

## Discrete Yearly Performance

|                          | Fund % | Benchmark % |
|--------------------------|--------|-------------|
| 31/10/2015 to 31/10/2016 | 2.52   | 1.18        |
| 31/10/2016 to 31/10/2017 | 31.45  | 22.77       |
| 31/10/2017 to 31/10/2018 | 8.06   | 1.16        |
| 31/10/2018 to 31/10/2019 | 16.71  | 12.69       |

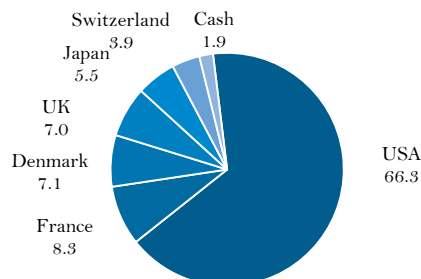
\*Inception date 10/12/14. Past performance results are no indication of future results.

## Risk Analysis

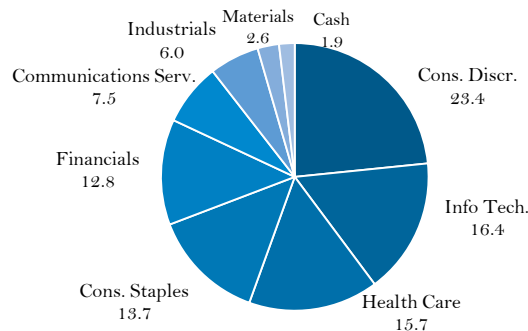
| Since Inception         | Fund   | Benchmark |
|-------------------------|--------|-----------|
| Tracking Error          | 4.37   |           |
| Standard Deviation      | 10.97  | 11.80     |
| Information Ratio       | 1.45   | ---       |
| Sharpe Ratio*           | 1.20   | 0.58      |
| Upside Market Capture   | 108.71 | 100.00    |
| Downside Market Capture | 69.41  | 100.00    |
| Batting Average         | 0.71   |           |

\* Risk free rate 3 month T-bill

## Geographic Allocation (%)



## Sector Allocation (%)



## Manager Commentary

The fund is up 22.05% year to date, outperforming the MSCI World by 145 basis points. In October, the fund was up 3.12%, outperforming the MSCI World by 58 basis points.

The main contributors in October were **UnitedHealth, Tiffany and MarketAxess**.

UnitedHealth, a diversified health and wellness company, reported strong 3Q results and raised their full year guidance. Tiffany received a takeover approach from LVMH at \$120 per share, approximately 20% above the share price. MarketAxess, a leading electronic bond trading platform operator, reported strong 3Q results that exceeded expectations, with broad-based volumes and market share gains.

The main detractors in October were **Colgate-Palmolive, Ulta Beauty, Nike**.

Nike announced that its CEO Mark Parker is stepping down in January, after 13 years in that role. He will be succeeded by John Donahoe, CEO of ServiceNow, who has been on Nike's board since 2014, and brings digital commerce experience from eBay and PayPal. Colgate's shares came under pressure in October in a rising interest rate environment following strong gains year-to-date. Shares of Ulta Beauty, the largest US specialty-beauty retailer, were weaker in October as L'Oréal and Estee Lauder confirmed the continued weakness in US make-up. However, secular trends remain in place and Ulta has been gaining market share with its differentiated merchandising strategy, leading to increasing awareness and a large and fast-growing loyalty membership base.

## Portfolio Managers



### Michael Boyd | Investment Manager

Michael has been managing fundamental equity funds for over 25 years. He joined GuardCap in June 2014. From 1994 to 2013, Michael was at the London-based institutional fund management company, Seilern Investment Management Ltd., as global equity fund manager, Managing Director and shareholder. From 1988 to 1994 he was a fund manager at Murray Johnstone Limited in Glasgow. He received an honours degree in economics from Heriot-Watt University, Edinburgh and qualified as an Associate of the Institute of Bankers in Scotland.



### Giles Warren | Investment Manager

Giles joined GuardCap in August 2014. Prior to this, he worked with Michael Boyd on the Seilern Stryx World Growth Fund from 1997, becoming joint fund manager of that fund in 2010. He graduated from Edinburgh University with an honours degree in politics and economic history. He is an Associate of the Society of Investment Professionals.

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