

# GuardCap Global Equity Fund

Class: I (acc) USD



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

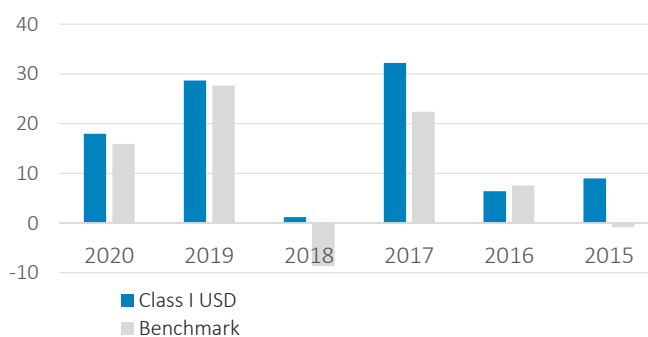
## Investment Team

	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 I USD	5.95	1.71	15.35	32.67	18.74	18.92	15.66
Benchmark	5.66	3.80	19.44	40.42	18.20	15.45	11.52
Relative return	0.29	-2.09	-4.09	-7.76	0.54	3.47	4.14

## Calendar Year Performance\* (%)



	2020	2019	2018	2017	2016	2015
Class I USD	17.95	28.68	1.19	32.21	6.38	8.96
Benchmark	15.90	27.67	-8.71	22.40	7.51	-0.87
Relative return	2.05	1.01	9.90	9.81	-1.13	9.83

\*Past performance results are no indication of future results

## Fund Facts

Legal Status	UCITS
Fund launch date	10 December 2014
Class Inception	10 December 2014
Benchmark	MSCI World Index (Net) US\$
Fund Size	USD 3.27 billion
Strategy Size <sup>1</sup>	USD 13.64 billion
ISIN	IE00BSJCNS13
Bloomberg	CGGLEIU
WKN	A2AELB

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

## Charges & Subscriptions

Annual management fee	0.80%
Ongoing charges <sup>2</sup>	0.88%
Minimum investment	USD 500,000

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

## Portfolio Characteristics

Number of stocks	25
Active share	91.8%
Net exposure	98.7%

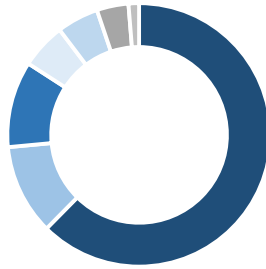
## Risk

	Fund	Index
Tracking error	4.95	
Standard deviation	12.77	14.32
Information ratio	0.91	
Sharpe ratio <sup>3</sup>	1.16	0.72
Upside market capture	100.09	100.00
Downside market capture	75.85	100.00
Batting average	0.65	

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

**Geographic Allocation (%)**

■ United States	62.41
■ Denmark	11.11
■ France	10.60
■ United Kingdom	5.58
■ Japan	5.13
■ Switzerland	3.89
■ Cash	1.29


**Sector Allocation (%)**

■ Consumer Discretionary	22.04
■ Information Technology	16.27
■ Health Care	15.70
■ Consumer Staples	14.42
■ Financials	10.94
■ Industrials	7.54
■ Communication Services	7.03
■ Materials	4.76
■ Cash	1.29


**Top 5 Holdings**

	<u>% of assets</u>
EssilorLuxottica	7.14
Alphabet	7.03
CME Group	6.96
Booking Holdings	5.98
Novo-Nordisk	5.09

**Monthly Contributors / Detractors**

	<u>Contribution to return</u>
+ CME Group	0.92
+ UnitedHealth	0.81
+ Alphabet	0.72
- Fanuc	-0.33
- Mastercard	-0.16
- MarketAxess	-0.13

**YTD Contributors / Detractors**

	<u>Contribution to return</u>
+ Alphabet	4.44
+ Novo-Nordisk	2.44
+ Essilor-Luxottica	2.03
- MarketAxess	-0.94
- Fanuc	-0.66
- Colgate-Palmolive	-0.43

**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% y/y driven by continued broad-based strength in advertising spend and high consumer online activity. Impressive 800bps improvement in operating margins. Over the past few years, the 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 global diabetes and obesity, has seen strong performance year to date, raising guidance twice. The diabetes franchise is gaining market share and its new obesity drug Wegovy had a very successful US launch. 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. **EssilorLuxottica**, the global leader in the design, manufacture and distribution of ophthalmic lenses, frames and sunglasses, reported stronger than expected Q3 sales and upgraded its annual guidance. Pent-up demand has resulted in a strong bounce back in revenue growth as lockdown restrictions have eased. The recently closed acquisition of GrandVision provides an opportunity to deploy an omni-channel approach globally.

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

As a pioneer of bond market electronication, **MarketAxess** is strongly positioned to benefit from increasing penetration of electronic bond trading. Lower interest rate volatility in 2021 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 Q2 results. Guidance for the year was reduced in anticipation of further component shortages and cost inflation, but underlying demand remains strong. **Colgate**, a global leader in the oral care market, faces near-term pressure to gross margins from higher commodity and logistics cost. Long-term the company remains well positioned with strong brands and a robust innovation pipeline.

**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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