

**May 31 2018**
**Euro I CLASS**

## Fund Information

Fund Name	GuardCap Global Equity Fund
Fund Manager	GuardCap Asset Management Limited
Fund Inception	December 10, 2014
Share Class Inception	October 29, 2015
Share Class	Euro I Class
Style	Growth / Quality Large-Mid Cap. Bottom-Up Fundamental
Legal Status	UCITS
Bloomberg	GCGLEIE
ISIN	IE00BZ036616
WPK	A140FA
Number of Sectors	GICS 5-10
Number of Holdings	20-25
Liquidity	Daily at NAV
Annual Management Fee	0.80%
Minimum Investment	\$500,000
Benchmark	MSCI World Index (Net) €

## Fund Statistics

Number of Stocks	25
Net Exposure	97.6%
Fund Size	\$329.5 million
Strategy Size	\$438.7 million
Active Share	99.7%

## Top 10 Holdings

	Portfolio Weight
Mastercard Inc.	8.7%
Alphabet Inc.	7.5%
UnitedHealth Group	6.3%
Booking Holdings	6.1%
Cognizant Tech	5.3%
Intertek Group	5.0%
Moody's Group	4.8%
CME Group	4.6%
Essilor	4.1%
Nike Inc.	3.5%

As of May 31 2018

## 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	6.22	4.13	2.09
3 Months	7.38	3.59	3.79
YTD	9.86	2.93	6.93
1 Year	14.27	6.82	7.45
Annualised 2 Year	17.70	11.00	6.70
Annualised Since Inception*	12.89	7.51	5.38

\*EUR I Class Inception date 29/10/15

Past performance results are no indication of future results. Issuance and redemption commissions are not included in the performance figures.

## Risk Analysis

3 Years*	Fund	Benchmark
Tracking Error	4.38	
Standard Deviation	9.88	10.58
Information Ratio	1.47	
Sharpe Ratio **	1.37	0.67
Upside Market Capture	112.63	100.00
Downside Market Capture	67.62	100.00
Batting Average	0.67	

\* USD I Class

\*\* Risk free rate Citigroup 3mth T-Bill

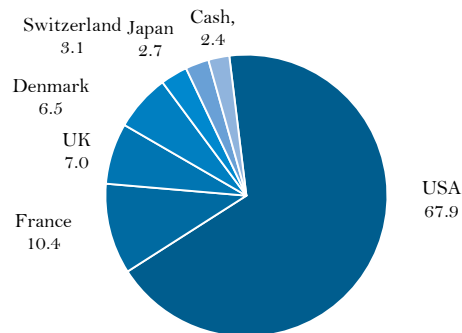
## May Contributors

Mastercard Inc.	+0.88%
Alphabet Inc.	+0.84%
Tiffany & Co.	+0.77%

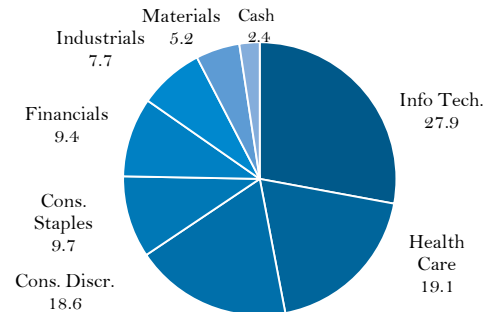
## May Detractors

Cognizant Technology	-0.28%
Yum China Holdings	-0.16%
Booking Holdings	+0.01%

## Geographic Allocation (%)



## Sector Allocation (%)



## Manager Commentary

The fund is up 9.86% year-to-date in Euro terms, outperforming the MSCI World by 693 basis points. 209 basis points of relative performance were added in May.

The main contributors in May were Mastercard, Alphabet and Tiffany.

Mastercard reported exceptional quarterly results. 20% organic revenue growth was driven market share gains through offering superior solutions, cross border growth and success in commercial.

Alphabet appreciated on robust earnings and investor support for the FAANG grouping.

Tiffany reported very strong quarterly results and raised full year guidance. 7% same-store-sales point to success of store refreshes and product newness, and a reinvigoration of the brand. The company is the only luxury jewellery retailer with a direct sales model and has a dominant US market position.

The main detractors in May were Cognizant, Yum China and Booking Holdings.

Cognizant's quarterly earnings contained a number of disappointing items including: a downgrade in full year guidance due to a tax miscalculation; large centre money banks optimising legacy IT spend and still hesitant around digital transformation work; and high staff attrition levels.

After encouraging signs of a Pizza Hut turnaround in 2017, YUM China's Q1 2018 numbers were a clear setback. Pizza Hut, 25% of operating profit, reported a 5% fall in same-store-sales as the company struggles with pricing, brand image, store assets and delivery.

Booking gave quarterly guidance below consensus expectations. The company has less than 10% of the bookable nights of its existing partners.

## 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.

## For More Information:

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