



**WAVERTON**  
INVESTMENT MANAGEMENT

# WAVERTON GLOBAL CORE EQUITY FUND

FUND FACTSHEET - AS AT 30 JUNE 2019

## OBJECTIVES

### FUND AIM

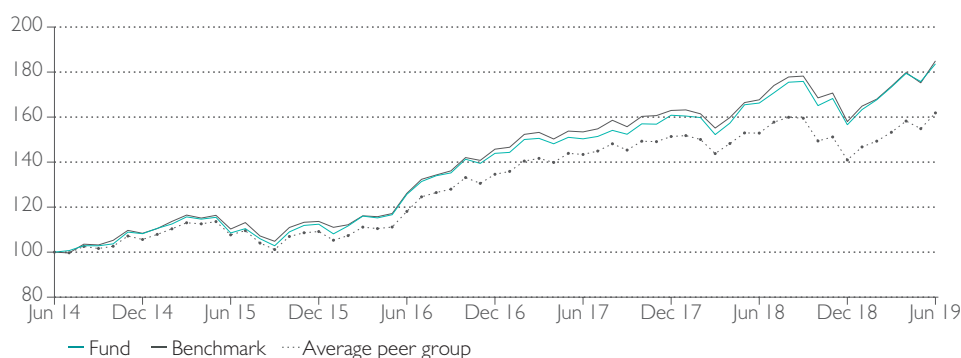
The investment objective of Waverton Global Core Equity Fund is to achieve capital growth through investment in a diversified portfolio of equities on a global basis.

### INVESTMENT STYLE

The Global Core Equity Fund is a diversified portfolio of around 200 companies that have all satisfied our strict fundamental selection criteria. The Fund aims to deliver long-term performance through investment in wealth creating companies with attractive equity valuations.

## PERFORMANCE

### ROLLING PERFORMANCE



**Risk Warning:** Past performance is no guide to future performance. The value of holdings may fall as well as rise and investors may not get back their initial investment.

Important information: Performance displayed is for the B Share Class in GBP Sterling terms. Performance is calculated on a NAV to NAV basis and does not take into account any initial fees.

Performance is displayed net of fees and assumes income is reinvested.

Period	1 Month	3 Months	YTD	1 Year	Inception Mar 14
Portfolio (%)	4.5	6.0	17.3	10.5	86.1
Benchmark (%)	5.6	6.5	17.1	10.3	88.6
Morningstar Peer Group (%)	4.8	5.8	15.2	6.1	47.7
Quartile	3	2	1	1	1

### DISCRETE CALENDAR YEAR PERFORMANCE

Period	31/12/2018	31/12/2017	31/12/2016	31/12/2015
Fund (%)	-2.6	11.8	28.0	3.9
Benchmark (%)	-3.0	11.8	28.2	4.9

### STANDARDISED PERFORMANCE

Period 1 year to	30/06/2019	30/06/2018	30/06/2017	30/06/2016	30/06/2015
Fund (%)	10.5	10.6	19.6	15.8	8.5

## PORTFOLIO SUMMARY

REGION		SECTOR		TOP 10 HOLDINGS	
North America	63.7%	Information Technology	16.2%	Microsoft Corporation	3.1%
Europe ex UK	14.7%	Financials	15.6%	Amazon.com, Inc.	2.4%
Japan	8.2%	Health Care	12.5%	Apple Inc.	2.1%
United Kingdom	6.7%	Consumer Discretionary	11.4%	Exxon Mobil Corporation	2.1%
Asia Pacific ex Japan	4.2%	Industrials	9.9%	JPMorgan Chase & Co.	2.0%
Middle East & Africa	0.0%	Consumer Staples	7.8%	Visa Inc. Class A	1.4%
Cash	2.5%	Communication Services	7.7%	Verizon Communications Inc.	1.3%
<b>Total</b>	<b>100.0%</b>	Energy	5.5%	Nestle S.A.	1.3%
		Materials	4.1%	Facebook, Inc. Class A	1.3%
		Other	6.8%	Johnson & Johnson	1.2%
		Cash	2.5%	<b>Total</b>	<b>18.2%</b>
		<b>Total</b>	<b>100.0%</b>		

## COMMENTARY

Global equity markets continued their strong performance, rising +6.0% in sterling terms during Q2, and 17.3% YTD. In fact the MSCI World Developed index reached a new record high in sterling terms by the end of Q2.

The macroeconomic backdrop Q2 is in many ways an extension of Q1; the US Federal Reserve Chair Jerome Powell turning more dovish in tone in January has proven a turning point as risk assets like equities have generally appreciated since then, despite deteriorating corporate expectations in many areas and concerns over trade wars.

Over the quarter all major countries and regions appreciated in sterling terms. The US was more average than recent quarters (+6.7%), and European markets were in aggregate stronger albeit with dispersion (e.g. Germany increased 10.2% but Nordic markets generally lagged the benchmark). The UK market only increased +3.3% as Brexit and other concerns weighed on performance; our home market is increasingly insignificant in a Global context and now only represents around 5% of Developed market value. This highlights the benefits of a broader Global equity exposure.

As in recent quarters there was wide sector dispersion, although here too all delivered positive returns for the quarter in sterling terms. In a repeat of Q1 the Technology sector posted strong performance (+8.5%). The Energy sector, which has been much more volatile, was worst performing sector again (+1.0%) as the oil price (Brent) fell from \$69 to \$63. Healthcare once again struggled (+4.0%), with ongoing drug disappointments in certain pharma megacaps, and concerns about potential Democratic party in the US gains which could pressure elements of drug distribution pricing.

The Core portfolio underperformed its benchmark during Q2 after a positive Q1. Positive contributions in areas like Technology (distributors CDW and Bechtle added) and Healthcare (component manufacturers and service providers like Abcam and Danaher outperformed) were more than offset by adverse stock selection in Energy (Occidental Energy and Encana were relatively weak) and Consumer Discretionary (World Wrestling Entertainment gave back some earlier gains).

Robust portfolio construction continues to dampen the impact of macro themes or factors – including regional and sector volatility - enabling stock wealth creation and valuation to drive long-term performance.

## CONTACT



Jonno Ross

The Waverton Global Core Equity Fund is managed by Royal London Asset Management on a sub-advisory basis.

## FUND DETAILS

### FUND FACTS

Launch Date	7th March 2014
Morningstar Category	Global Large Cap Blend Equity
Benchmark	MSCI World Net Return Index
Fund Size	\$181.5m
No. of Holdings	197
Domicile	Ireland
Sedol	BHCQKHI
Bloomberg Code	WAGWCBU ID
Fund Type	OEIC
Base Currency	USD
Other Currencies	None
Ex Dividend Dates	30th April and 31st October

### RISK STATISTICS

1Y Annualised	
Fund Volatility (%)	13.5
Index Volatility (%)	14.0
Sharpe Ratio	0.7
Information Ratio	0.1
Tracking Error	2.2
Alpha (%)	-0.3
Beta	1.0
Active Share (% - Current)	68.2

### FUND INFORMATION

Share class	ISIN	Minimum investment	AMC	INC/ACC	NAV	Historic yield (%)	Ongoing charge (%)
A USD	IE00BHCQKH13	1,000,000 USD	0.40%	INC	10.27	1.68%	0.64%
A GBP	IE00BD0FGH41	1,500 GBP	1.00%	INC	12.31	0.72%	1.25%
B GBP	IE00BD0FGJ64	1,500 GBP	0.75%	INC	12.32	0.96%	1.00%
P GBP	IE00BD0FGK79	1,500 GBP	0.40%	INC	12.33	1.29%	0.65%

## CONTACT DETAILS

### MARKETING CONTACT

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### ADMINISTRATOR

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**Risk Warning:** Past performance is no guide to future performance. The value of holdings may fall as well as rise. All financial investments involve an element of risk. The level of income from the investment may fluctuate in value. Currency movements may also affect the value of the investment. If the currency in which the past performance is displayed differs from the currency of the country in which you reside, then you should be aware that due to exchange rate fluctuations the performance shown may increase or decrease if converted into your local currency. The Fund may invest assets in Emerging Market Countries. The risks involved in investments in Emerging Market Countries are likely to exceed the risks of investment in more mature markets.

For full details of investment risks please refer to the Prospectus. A copy of the full prospectus and the KIID is available from Waverton Investment Management or Administrator, RBC Investor Services (Ireland).

Sources: Waverton, Morningstar.

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