

**SHINING A LIGHT ON THE.....
Guinness Global Equity Income Fund**

AT A GLANCE

Investment Objective	
The investment objective of the Fund is to provide investors with both income and long-term capital appreciation.	

Inception Date	31 December 2010
Fund Factsheet Link	http://www.morningstar.co.uk/uk/funds/snaps/hot/snapshot.aspx?id=F00000MA1

Management	
Manager Name	Start Date
Ian Mortimer	31 December 2010
Matthew Page	31 December 2010

Investment Style Details	
Equity Style	
Market Capitalisation	% of Equity
Giant	50.97%
Large	43.14%
Medium	5.89%
Small	0.00%
Micro	0.00%

Top 10 Holdings		
Total number of holdings	35	
Assets in Top 10 Holdings	30.20%	
Name	Sector	% of Assets
ANTA Sports Products Ltd	Consumer Cyclical	3.47%
Broadcom Inc	Technology	3.15%
Paychex Inc	Industrials	3.07%
Randstad NV	Industrials	2.98%
Roche Holding AG Dividend Right Cert	Healthcare	2.95%
VF Corp	Consumer Cyclical	2.94%
Cisco Systems Inc	Technology	2.94%
Aflac Inc	Financial Services	2.92%
Imperial Brands PLC	Consumer Defensive	2.90%
Novo Nordisk A/S B	Healthcare	2.87%

Volatility Measurements	
3-Yr Std Dev (volatility)	9.55%
3-Yr Mean Return (average)	13.17%

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FUND PERFORMANCE

Performance from 1st January 2013 to 31st March 2019:

	2013	2014	2015	2016	2017	2018	2019
Guinness Global Equity Income Fund	26.35%	10.10%	1.99%	26.58%	9.33%	0.49%	9.05%
iShares MSCI World ETF	30.32%	10.75%	1.17%	8.13%	17.26%	-1.80%	11.53%

Performance over 12 months, 3 years, 5 years and since launch:

	1 year	3 years	5 years	Since launch
13.03	13.03%	43.03%	69.82%	133.18%
iShares MSCI World ETF	5.17%	32.32%	42.97%	99.16%

You should note that past performance is not a reliable indicator of future returns and the value of your investments can fall as well as rise. The total return reflects performance without sales charges or the effects of taxation, but is adjusted to reflect all on-going fund expenses and assumes reinvestment of dividends and capital gains. If adjusted for sales charges and the effects of taxation, the performance quoted would be reduced.

UPDATE....

The investment philosophy is the same across all strategies. The team looking for companies with a long history of persistent high returns, those companies which are cheap vs the market, peers or their own history, and for the income strategy those companies with a moderate-income yield (between 2.5% and 2.8%).

They naturally avoid companies with high levels of debt and through this process the investment universe reduces from 16,000 to around 500 quality companies. These are mainly large cap. The fund has 35 holdings with equal weightings. This takes out behavioural bias. They are happy for a holding to go up to 3.5% or drop to 2%. The fund is rebalanced to bring the holdings back in line. When they are rebalancing they always check they are happy with topping up and if not, then the holding will be removed.

They see this as a defensive strategy which performs best in a down market. They have a one in, one out strategy so everything earns a place in the fund. The fund naturally has low turnover and a holding period of 3 to 5 years. They add / remove around 5 companies a year.

In 2017, in a rapidly rising market, the fund significantly underperformed, but in 2018 when the index was negative the fund was slightly positive. Over the long term the fund has significantly outperformed the index.

The fund is about stock picking and they are benchmark agnostic. The main areas where they are finding opportunities include consumer staples, industrials, healthcare and IT. They have about 43% weighting to the US, 23% Europe, 17% UK and 15% Asia.

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In summary, the fund has significantly outperformed the index over the long term. It is defensive in its approach which might make it attractive either as a stand-alone investment or a blend with a higher risk growth strategy. The disciplined nature of the investment team makes it very easy to see what is happening.

The source of information in this note has been provided by Guinness and is correct as at April 2019. These are notes from meeting the fund manager or representative and should not be seen as a recommendation to purchase any fund mentioned. Any reference to shares is not a recommendation to buy or sell. Should you wish to make a decision based on these notes we cannot take responsibility for this and you should carry out your own research before making a decision. We would also recommend that you receive advice before following up on any decision.