

**SHINING A LIGHT ON THE.....
JOHCM Global Opportunities Fund**

AT A GLANCE

Investment Objective	
<p>The investment objective of the Fund is to achieve long-term total return by investing in a concentrated portfolio of global equity securities. It is anticipated that the Fund's portfolio will comprise fewer than 50 holdings. The investment policy of the Fund is to invest in a portfolio of global equity securities listed on any Recognised Market. The selection of equity securities will primarily be driven by a cashflow analysis from the perspective of a long-term business owner. At no time will less than 80% of the Fund's total net assets be invested in such securities. The benchmark of the Fund, for performance fee calculation purposes, will be the Index but the Fund will be managed on an 'unconstrained basis' with no restrictions in terms of regional or sector allocation versus this benchmark.</p>	

Inception Date	29 th June 2012
Fund Factsheet Link	http://www.morningstar.co.uk/uk/funds/snaps/hot/snapshot.aspx?id=F00000OIE

Management	
Manager Name	Start Date
Ben Leyland	29 th June 2012

Investment Style Details	
Equity Style	
Market Capitalisation	% of Equity
Giant	44.42%
Large	39.20%
Medium	16.30%
Small	0.08%
Micro	0.00%

Top 10 Holdings		
Total number of holdings	34	
Assets in Top 10 Holdings	33.10%	
Name	Sector	% of Assets
Oracle Corp	Technology	4.17%
Public Service Enterprise Group Inc	Utilities	3.66%
Compass Group PLC	Consumer Cyclical	3.57%
Philip Morris International Inc	Consumer Defensive	3.54%
Safran SA	Industrials	3.45%
TD Ameritrade Holding Corp	Financial Services	3.10%
Roche Holding AG Dividend Right Cert.	Healthcare	2.95%
TJX Companies Inc	Consumer Cyclical	2.90%
Sanofi SA	Healthcare	2.89%
Enel SpA	Utilities	2.88%

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Volatility Measurements	
3-Yr Std Dev (volatility)	8.41%
3-Yr Mean Return (average)	12.16%

FUND PERFORMANCE

Performance from 1st January 2014 to 28th February 2019:

	2014	2015	2016	2017	2018	2019
JOHCM Global Opportunities Fund	10.51%	13.65%	27.17%	5.26%	2.52%	5.85%
iShares MSCI World ETF	10.75%	1.17%	8.13%	17.26%	-8.94%	10.17%

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

	1 year	3 years	5 years	Since launch
JOHCM Global Opportunities Fund	12.23%	39.69%	81.49%	143.02%
iShares MSCI World ETF	0.28%	36.70%	41.05%	104.20%

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 global fund market is another crowded market and it is easy to pick the top fund without really knowing what it is aiming to achieve. The managers are very open with this fund as they see it as a blend with a pure growth or value strategy. They follow an absolute return mindset, looking to protect capital on the downside as well as capturing upside growth. This means that when markets are racing away the fund can lag the index (2017 as an example), but when markets pull back this is when the strategy comes into play (2018 as an example).

The managers take an unconstrained approach to investing. They like everything they hold and are happy to have a zero weighting to a sector. This is a concentrated portfolio of 25 to 40 stocks. In terms of weighting they don't equally weight, and weight according to the perceived opportunity.

In terms of delivering positive returns they look at the valuation in terms of the absolute return. This means considering the worst-case scenario and then considering short- and long-term factors which justify the valuation. They will avoid companies with excessive debt. An example of a business they like is Rio Tinto; they have high quality assets which can last a long time, they have no risk from the likes of Amazon and Google. The price of Iron Ore does move but this can be priced into the valuation.

In terms of "tech" they can see advantages in companies like Oracle, Microsoft and Amazon but less so in the likes of Facebook, Tesla and Netflix. Mastercard is another company that has a sustainable business advantage with relationships with banks and the likes of Apple. It is a strong growing business.

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With every business they buy they work out the worse case scenario. If the shares fall, they can live with that in the short term if nothing fundamental has changed. They are disciplined sellers if the opportunity has either played out or is no-longer there.

They are happy to hold cash and use this to buy on market weakness. The cash is currently around 14% and although they have outperformed the market this has been a drag on performance. However, the argument is that they don't want to invest for the sake of investing. This is about being patient and holding cash that can protect on the downside but at the same time enable them to profit when the market turns.

In summary, when looking at the global market this fits in the defensive bucket. The team have a strong discipline of management which has delivered consistent strong long-term performance. There will be funds which outperform, and this is where this might act as a blend to more aggressive strategies.

The source of information in this note has been provided by JOHCM and is correct as at March 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.