

**SHINING A LIGHT ON THE.....
Investec Global Environment Fund**

AT A GLANCE

Investment Objective	
The Fund aims to achieve long-term total returns comprised of income and capital growth primarily through investment in a portfolio of global equities and equity related securities (which includes, without being exhaustive, depositary receipts and equity linked notes). The Fund will seek to invest in companies which are considered by the Investment Manager as contributing to positive environmental change. The Fund will favour companies operating in services, infrastructures, technologies and resources related to environmental sustainability	

Inception Date	25 February 2019
Fund Factsheet Link	https://www.morningstar.co.uk/uk/funds/snapshot/snapshot.aspx?id=F000013ALG

Management	
Manager Name	Start Date
Deirdre Cooper	25 February 2019
Graeme Baker	25 February 2019

Investment Style Details	
Equity Style	
Market Capitalisation	% of Equity
Giant	16.18%
Large	49.64%
Medium	28.07%
Small	6.11%
Micro	0.00%

Top 10 Holdings		
Total number of holdings	24	
Assets in Top 10 Holdings	54.82%	
Name	Sector	% of Assets
NextEra Energy Inc	Utilities	7.39%
Waste Management Inc	Industrials	6.32%
Aptiv PLC	Consumer Cyclical	6.09%
Orsted A/S	Utilities	5.93%
Iberdrola SA	Utilities	5.74%
Vestas Wind Systems A/S	Industrials	5.69%
Schneider Electric SE	Industrials	4.60%
Itron Inc	Technology	4.45%
Infineon Technologies AG	Technology	4.31%
Brambles Ltd	Industrials	4.31%

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

LWM Consultants Ltd

FUND PERFORMANCE

Performance from 25 February 2019 to 29th February 2020:

	2019	2020
Investec Global Environment Fund	16.13%	-2.94%
iShares MSCI World	12.77%	-9.63%

Performance over 12 months and since launch:

	12 months	Since launch
Investec Global Environment Fund	16.07%	12.71%
iShares MSCI World	1.99%	1.91%

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....

This fund has recently launched and has just passed its first-year anniversary.

It aims to capitalise on the changing world and the opportunities decarbonisation offers by allocating to those companies with at least 50% of their revenue from sectors with quantified carbon avoided. They consider it important to invest in one of the fastest growing markets, where structural growth of over \$2.4 trillion a year is needed to limit global temperature rises.

This is a new team and fund and they are looking to have a highly concentrated portfolio of between 20 and 40 names, from a universe of around 700 companies. There is about a 10% overlap with the MSCI World Index, so it is likely to be different to other funds within the sector. They have no bias to growth, value of quality and are happy to invest in small and mid-cap depending on where the opportunities lie.

They actively engage with companies around social and governance aspects. Environment tends to be less of an issue as these are automatically screened out.

In terms of where they will invest there are three main areas:

1. Renewable Energy – to limit global temperature rises to safe levels there needs to be a shift to renewable energy. This includes solar, wind, clean power utilities and smart grids / networks
2. Electrification – this is the electrification of transportation, heating and industrial processes to control emissions. This includes electric vehicles, batteries and autonomous vehicles
3. Resource efficiency – this is a crucial aspect of decarbonisation and includes energy efficiency, water and land efficiency

LWM Consultants Ltd

This is early days for the fund and team. It certainly plays into a growing part of the market and we have seen that these funds tend to behave differently particularly in times of market drawdown. Investec have invested in the fund and team, but it is worth highlighting there are other strategies in the market with longer track records which investors may wish to compare against.

The source of information in this note has been provided by Investec and is correct as at February 2020. 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.