

LWM Consultants Ltd

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

Investment Style Details	
Giant	0.00%
Large	1.27%
Medium	54.60%
Small	39.30%
Micro	3.59%

Top 5 Holdings		
Hannon Armstrong Sustainable Inf...	Real Estate	1.60%
Crocs Inc	Consumer Cyclical	1.34%
Samhallsbyggnadsbolaget i Norden...	Real Estate	1.30%
Boohoo Group PLC	Consumer Cyclical	1.27%
Ncino Inc Ordinary Shares	Technology	1.22%

Top 5 Sectors	
Consumer Cyclical	21.02%
Technology	20.44%
Industrials	17.58%
Healthcare	11.84%
Real Estate	8.53%

Top 5 Regions	
North America	60.95%
Europe Developed	17.53%
United Kingdom	4.45%
Japan	4.33%
Asia Emerging	1.91%

UPDATE....

These updates have been written at the time of the Coronavirus Pandemic of 2020, which has impacted the global financial markets in a way that has never been seen before.

This was part of a Nomura investor day with an introduction to a range of funds and strategies. This is a strategic partnership between Nomura and American Century Investments. The team invest in the very best ideas. This is the bit I am not sure about as the fund holds between 100 and 150 holdings. Unlike some of the high conviction strategies this seems too many holdings within one fund.

They look for companies which can demonstrate accelerating and sustainable long-term growth. They believe earnings growth is the biggest driver of stock price movement and this is more likely to be found in the small cap space. However, this part of the market is highly inefficient, and the aim is to capture the very best.

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They also believe that their process is what drives the out performance and now is a perfect time to invest. This is because they feel that small caps tend to lead a recovering market. There is massive fiscal and monetary policy which drives the market, smaller caps have higher growth expectations compared to large cap and small cap valuations are well below their long term average.

In terms of companies they want to exploit the market inefficiencies and buy when they can see that the market is failing to recognise the opportunities. As the market starts to do this and the price rises, they then look at whether the business model can grow further, and if not then they will exit.

In summary, this is a global small cap fund. Our concern is around the number of holdings and lack of long-term track record. The idea of investing in the best companies is appealing but the spread of holdings sits uncomfortably with the overall strategy. Our feeling would be to watch this over a few market cycles and see how it responds.

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