

**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.

Fund Factsheet Link
<a href="https://www.morningstar.co.uk/uk/funds/snapshot/snapshot.aspx?id=F00000MA1">https://www.morningstar.co.uk/uk/funds/snapshot/snapshot.aspx?id=F00000MA1</a>

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

**FUND PERFORMANCE**

Performance from 1<sup>st</sup> January 2016 to 30<sup>th</sup> June 2021:

	2016	2017	2018	2019	2020	2021
<b>Guinness Global Equity Income Fund</b>	25.63%	8.51%	-0.27%	19.97%	7.00%	10.35%
<b>MSCI World NR</b>	28.24%	11.80%	-3.04%	22.74%	12.32%	11.86%

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

	1 year	3 years	5 years	Since launch
<b>Guinness Global Equity Income Fund</b>	18.57%	39.66%	67.38%	185.28%
<b>MSCI World NR</b>	24.37%	45.32%	93.19%	223.63%

*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.*

Tracking Error	Active Share	Upside Capture Ratio	Downside Capture Ratio	Batting Average	Beta	Alpha	Equity Style
4.00	-	115.90	96.05	61.11	0.98	4.08	Blend/Large

# LWM Consultants Ltd

Volatility Measurements	
3-Yr Std Dev (volatility)	13.24%
3-Yr Mean Return (average)	11.78%

Investment Style Details	
Giant	50.15%
Large	39.21%
Medium	7.93%
Small	0.00%
Micro	0.00%

Top 5 Holdings – 35 Equity Holdings		
ANTA Sports Products Ltd	Consumer Cyclical	3.22%
Imperial Brands PLC	Consumer Defensive	3.17%
Sonic Healthcare Ltd	Healthcare	3.00%
Roche Holding AG	Healthcare	2.99%
Eaton Corp PLC	Industrials	2.97%

Top 5 Sectors	
Consumer Defensive	28.31%
Industrials	23.19%
Healthcare	17.30%
Financial Services	14.12%
Technology	11.38%

Top 5 Regions	
United States	50.74%
United Kingdom	17.11%
Switzerland	8.93%
France	5.64%
Germany	5.53%

## UPDATE....

The Guinness suite of funds run on a similar philosophy and approach. They tend to have a small number of holdings and equal position of 3% which is then rebalanced as the weightings move. The managers have run this fund since 2010 and performance has been weak against the benchmark. This is reflective of global equity income funds which seem to have struggled over the past few years. The fund has a quality / growth bias, and they believe the recent value rally is coming to an end and the next cycle will favour the quality companies that they invest in.

They look to hold stocks for 3 to 5 years and are therefore long-term holders and aim to grow dividends over time. The current dividend yield is 2.3% net. In 2020, 28 companies grew their dividends, 6 were flat and only 1 cut their dividend. This year they have seen 27 companies grow their dividends, 2 are flat, 1 has cut and 5 are to be announced.

They therefore feel that the fund is not only coming into a phase that will benefit the companies they invest in in terms of growth, but will also benefit from growing dividends.

## LWM Consultants Ltd

---

Some of the holdings which have done well for them include ANTA Sports Products, Novo Nordisk, Otis World Corp, BlackRock, and Roche Holdings. They have not made any changes this year. This is a bottom-up stock selection strategy and currently the fund is about 50 /50 between quality defensive and quality cyclical. It is overweight consumer staples and underweight IT.

In summary, we are mindful that global equity income funds have underperformed and therefore it is hard to judge whether this is a good fund that is in an area out of favour, or a poor fund. If global equity income comes back into favour, then that will be the time to judge this fund. At this stage we would monitor the fund but would be unlikely to add this to the watch list.

*The source of information in this note has been provided by Guinness and is correct as at July 2021. 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.*