# SHINING A LIGHT ON THE...... BlackRock Global Unconstrained Equity Fund

#### AT A GLANCE

### **Investment Objective**

The Fund aims to provide a return on your investment (generated through an increase in the value of the assets held by the Fund) over the long-term (5 years or more) by investing in a global portfolio of equity securities (e.g. shares). In seeking to achieve its investment objective, the Fund will invest at least 80% of its total assets in equity securities and equity-related securities (i.e. other investments whose value is related to equities) of companies domiciled in, or exercising a significant part of their economic activity in, global developed markets (i.e. markets with advanced financial and economic structures).

Inception Date	21 <sup>st</sup> January 2020	
Fund Factsheet Link	https://www.morningstar.co.uk/uk/funds/snapsh	
	ot/snapshot.aspx?id=F000014UZO	

Management	
Manager Name	Start Date
Alister Hibbert	21 <sup>st</sup> January 2020

#### **FUND PERFORMANCE**

Performance from 21st January 2020 to 30th September 2021:

	2020	2021
BlackRock Global Unconstrained Equity Fund	19.58%	19.23%
MSCI World NR	7.57%	14.60%

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

	1 year	Since launch
BlackRock Global Unconstrained Equity Fund	26.72%	42.58%
MSCI World NR	23.51%	23.28%

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	Upside Capture Ratio	Downside Capture Ratio	Batting Average	Beta	Alpha	Equity Style
-	-	-	-	-	-	Growth/Large

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

Investment Style Details		
Giant	52.33%	
Large	28.76%	
Medium	18.58%	
Small	0.00%	
Micro	0.00%	

Top 5 Holdings – 24 Holdings, 59.00% in top 10 holdings			
ASML Holding NV	Technology	9.88%	
LVMH Moet Hennessy Louis Vuitton SE	Consumer Cyclical	7.95%	
Mastercard Inc Class A	Financial Services	7.39%	
Microsoft Corp	Technology	6.32%	
Alphabet Inc Class C	Communication Services	6.10%	

Top 5 Sectors		
Technology	32.89%	
Healthcare	17.51%	
Consumer Cyclical	15.60%	
Financial Services	14.41%	
Communication Services	8.00%	

Top 5 Regions		
United States	65.68%	
Netherlands	9.91%	
France	7.97%	
Switzerland	5.76%	
United Kingdom	4.86%	

## **UPDATE....**

We were introduced to this strategy 12 months ago. As some background, the manager Alister Hibbert managed the European Dynamic Fund for BlackRock for many years and has now trained up a replacement so he can focus on this and a hedge fund strategy he manages.

This is a polar opposite to his previous strategy. This is not a high turnover portfolio. It looks to identify the very best companies and allow compounding to drive returns over the long term. In previous strategies he has "topped and tailed" holdings but in this strategy, he will look to hold. The only reason for change is if the 15% weighting is breached and they need to sell down, or the case for holding the stock has changed.

Examples of holdings include ASML which he has held almost throughout his career, and where he sees the returns and margins likely to only grow further over the coming years. Equally Microsoft and Alphabet, he believes, have unrecognised growth margins which will come through over the long term.

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The businesses have a quality bias and they have no view on investment style or benchmark. They want to find those businesses that have strong market positions, structural tailwinds, high returns, and exceptional management.

Although this is not a high turn strategy, and really aims to be a sleep easy fund, a lot of work is done in the background. They need to watch for anything that can unseat a business. There are challenges and holding a strong market position can change. They talk to the companies on a regular basis, meet with competitors, they attend invest days and they analysis data from colleagues across the company.

The fund is focused purely on global winners and quality businesses. This means that it will have periods in the short term where it is out of favour, but they will not change their focus to fit a short-term style bias.

In summary, since launch this fund has performed strongly and clearly they want it to be a simple structure with just the very best names. They also see this as a long-term holding, and this is matched by a low turnover of holdings enabling strong franchises to compound returns over time. Alister has a very good reputation in the European and Hedge Fund space. In the short term he has shown that he can repeat that with this strategy. There are however many global funds out there. We would add this to our watchlist.

The source of information in this note has been provided by BlackRock and is correct as of October 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.