

JOHCM International Select Fund

Fund strategy

The Fund invests, under normal market conditions, primarily in equity securities of companies headquartered outside the U.S., including those in emerging market countries. The Fund Managers utilize a core investment style with a modest growth tilt and may invest in companies across the market capitalization range in order to achieve the Fund's objective. The Fund Managers seek to make investments in non-US listed companies based on a multi-dimensional investment process that considers growth, valuation, price-trend, and beta.

Institutional Share

Fund details

Fund size	\$ 5.29bn
Strategy size	\$ 6.40bn
Benchmark	MSCI EAFE NR
No. of holdings	43
Fund objective	Seeks long-term capital appreciation

Total strategy assets updated quarterly and shown as at 31 March 2024.

Share class details

Institutional

Inception date	July 29, 2009
Ticker	JOHIX
CUSIP	46653M849
Expense ratio	0.98% gross / 0.98% net

Investor

Inception date	March 31, 2010
Ticker	JOHAX
CUSIP	46653M823
Expense ratio	1.23% gross / 1.21% net

J O Hambro Capital Management Limited has contractually agreed to waive fees and reimburse expenses so that the Net Total Operating Expenses do not exceed the stated amounts until February 1, 2025.

Fund managers



Christopher Lees

Senior Fund Manager
Chris has managed the Fund since launch. He joined JOHCM in 2008 and has 34 years of industry experience.



Nudgem Richyal

Senior Fund Manager
Nudgem has managed the Fund since launch. He joined JOHCM in 2008 and has 24 years of industry experience.

Morningstar Rating™

Overall Morningstar Rating™ ★ ★ ★

Morningstar Ratings™ are for Institutional shares only; other classes may have different performance characteristics.

Performance highlights

Growth of a \$10,000 investment (07/29/09 - 03/31/24)



Total return (%)

Periods ended March 31, 2024

	3m	YTD
Institutional Share	8.11	8.11
Investor Share	8.00	8.00
Benchmark	5.78	5.78

Average annual total return (%)

Periods ended March 31, 2024

	1 yr	3 yrs	5 yrs	10 yrs	SI
Institutional Share	17.86	-2.02	5.33	5.71	8.46
Investor Share	17.58	-2.26	5.07	5.45	7.80
Benchmark	15.32	4.78	7.33	4.80	6.51

The performance data quoted represents past performance; past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. The Fund's current performance may be lower or higher than the performance data quoted. Investors may obtain performance information current to the most recent month-end, within 7 business days at www.johcm.com or by calling 1-866-260-9549 or 1-312-557-5913.

Returns for periods of 1 year and less are not annualized. Returns shown, unless otherwise indicated, are total returns, net of fees, with dividends and income reinvested. Fee waivers are in effect; if they had not been in effect performance would have been lower. Historical performance of the International Select Fund for Investor Shares prior to their inception is based on the performance of Institutional Shares. The performance of Investor Shares has been adjusted to reflect differences in expenses.

The MSCI EAFE Index (Europe, Australasia, Far East) is a free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the US & Canada. Any indices mentioned are unmanaged statistical composites of stock market performance. Investing in an index is not possible.

Source: MSCI. MSCI makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein. The MSCI data may not be further redistributed or used as a basis for other indices or any securities or financial products. This report is not approved, reviewed or produced by MSCI.

Morningstar ranking (Institutional Share - Foreign Large Growth category)

1 year		3 years		5 years		10 years	
Rank	Percentile	Rank	Percentile	Rank	Percentile	Rank	Percentile
60/407	20%	269/383	72%	258/327	79%	87/223	44%

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Fund manager's commentary

- The portfolio outperformed its benchmark index during the quarter. This was primarily due to positive sector allocation
- We are positioned for 2024 probably being a vice versa of 2023 in several ways, with better performance from 2023's laggards
- After the significant rally in Q1 2024, we would not be surprised by a momentum reversal or a shallow correction in Q2 2024

The portfolio outperformed its benchmark index during the quarter. This was primarily due to positive sector allocation (overweight technology and underweight consumer staples). Positive stock selection in the healthcare and industrial sectors was slightly offset by negative stock selection in the consumer discretionary and financial sectors.

Q1 winners included *Zealand, Disco, Tokyo Electron, Advantest and Japan Exchange*, all due to positive news. We trimmed them back to model weight. **Q1 losers** included *Aixtron, B3, Globant, Fortescue and AstraZeneca*, all due to disappointing news. We sold *Aixtron* and *AstraZeneca* due to deteriorating earnings outlook; the rest are currently under review.

Year-to-date transactions and themes:

1. Weed out the losers quicker: sold *Aixtron, AstraZeneca, Novartis*, and *Rio Tinto* as their earnings outlook and price momentum deteriorated.
2. New bull market in Japan: bought *NEC* as its earnings outlook and price momentum improved.
3. New bull market in small-mid cap biotechnology: bought next-generation anti-obesity company *Zealand Pharma* with positive drug results.
4. Obesity drug success is bad news for the consumer staples sector: consumer staples is our biggest underweight relative to the index.
5. European companies with the majority US revenues relisting in the US creates significant value: holdings *CRH* and *Linde* continue to outperform since they moved their listing from Europe to the US last year.
6. Emerging markets growth stocks (avoid the value traps): holdings *Mercadolibre* (Latin American retail) and *Hynix* (Korean high bandwidth memory).
7. Growth stocks in the financial sector are working again, and now the rate shock is over: holdings *Partners Group* and *EQT* (European private equity).
8. Broadening bull market into mid-caps away from mega-caps: bought mid-cap *Publicis* (digital marketing) and will probably continue increasing mid-caps.
9. Our momentum stocks (semiconductors & anti-obesity) are due a pause after a big run: we trimmed our biggest winners back to model weight.

10. What's next? Lead indicators are improving; the global industrial/manufacturing recession appears to be ending and we expect a broadening bull market with better performance from more cyclical stocks/sectors/regions.

We are positioned for 2024 probably being a vice versa of 2023 in several ways, with better performance from 2023's laggards, such as small and mid-caps, select emerging markets, and Japanese equities as earnings recover in these areas.

Our scenario analysis and outlook is 80% bullish and 20% bearish:

Scenario 1 = 10% probability US Magnificent Seven leadership continues. The Magnificent 7 is now down to the Magnificent 4, as *Tesla* and *Apple* earnings disappointed, and *Google* earnings are now being questioned.

Scenario 2 = 70% probability of a broadening bull market. Inflation & interest rates stabilising and China (the world's second-largest economy) stabilising are catalysts for this positive outcome.

Scenario 3 = 20% probability of bear market or zig-zag. Resurgent inflation and interest rates rising, or geopolitics/Middle East escalating, are catalysts for this negative outcome.

After the significant rally in Q1 2024, we would not be surprised by a momentum reversal or a shallow correction in Q2 2024. The momentum signals we've seen recently suggest that small and mid-caps will see strong gains and outperform over the next 6 to 12 months. However, just because small and mid-caps look poised to outperform doesn't mean there isn't a place for some mega-caps with positive earnings revisions in the portfolio, particularly those exposed to the mega-trends of AI and obesity drugs.

Our top-down scorecard shows several important changes. The technology sector has become significantly overvalued but still has good fundamentals and trend. We expect other cyclical sectors fundamentals and trend to improve next. The success of the new anti-obesity drugs is becoming bad news for both the Healthcare and Consumer Staples sectors (i.e. less comorbidities and less food & beverage consumption).

Sources for all data: JOHCM/Bloomberg (unless otherwise stated).

Performance over 3 months	%
Institutional Share	8.11
MSCI EAFE NR	5.78

Attribution (%) January 1, 2024 through March 31, 2024

Holding attribution

Top 5 attributors	Relative return
Zealand Pharma	1.14
Disco	0.94
Tokyo Electron	0.68
Advantest	0.60
JPX	0.54
Bottom 5 attributors	Relative return
Aixtron	-0.89
B3	-0.61
Globant	-0.52
ASML	-0.43
Toyota	-0.39

Country attribution

	Relative return
Japan	2.68
Denmark	1.26
Hong Kong	0.38
Ireland	0.35
Sweden	0.32
Switzerland	0.32
United Kingdom	0.25
Finland	0.11
Norway	0.09
Singapore	0.08

Sector attribution

	Relative return
Health Care	1.36
Industrials	0.87
Consumer Staples	0.70
Information Technology	0.69
Materials	0.54
Utilities	0.38
Energy	0.34
Real Estate	0.15
Communication Services	0.04
Financials	-0.64
Consumer Discretionary	-1.24

Securities listed in red were not held during the period. Past Performance is no guarantee of future performance.

Risk considerations

The Fund invests in International and Emerging Markets. International investments involve special risks, including currency fluctuation, lower liquidity, different accounting methods and economic and political systems, and higher transaction costs. These risks typically are greater in Emerging Markets. Such risks include new and rapidly changing political and economic structures, which may cause instability; underdeveloped securities markets; and higher likelihood of high levels of inflation, deflation or currency devaluations.

Emerging Markets involve heightened risks related to the same factors, in addition to those associated with their relatively small size and lesser liquidity.

The small and mid cap companies the Fund may invest in may be more vulnerable to adverse business or economic events than larger companies and may be more volatile; the price movements of the Fund's shares may reflect that volatility.

Fund holdings are subject to change at any time and are not recommendations to buy or sell any security. A list of all holdings during the period, corresponding performance contributions and attributions, and the calculation methodology is available upon request.



Portfolio analysis (%) As of March 31, 2024

Top 10 holdings

	Fund	Benchmark
Zealand Pharma	2.9	-
SK Hynix	2.8	-
Disco Corporation	2.8	0.2
Japan Exchange	2.7	0.1
CRH	2.7	0.4
Ferguson	2.7	-
EQT Partners	2.7	0.1
Novo Nordisk	2.6	2.5
NEC Corporation	2.6	0.1
Hitachi	2.6	0.5
Cash	0.7	-

Sector allocation

	Fund	Benchmark	Relative to benchmark
Information Technology	19.1	9.4	9.7
Health Care	16.3	12.7	3.6
Industrials	20.1	16.8	3.3
Financials	22.1	19.6	2.5
Materials	6.7	7.2	-0.5
Communication Services	2.4	4.0	-1.6
Energy	2.4	4.1	-1.7
Real Estate	-	2.1	-2.1
Utilities	-	3.1	-3.1
Consumer Discretionary	8.2	12.5	-4.3
Consumer Staples	2.2	8.6	-6.4

Active weights

Top 5 positions relative to benchmark

Zealand Pharma	2.9
SK Hynix	2.8
Ferguson	2.7
Japan Exchange	2.6
EQT Partners	2.6

Bottom 5 positions relative to benchmark

ASML	-2.3
Nestlé	-1.7
Toyota Motor	-1.6
LVMH	-1.5
Shell	-1.3

The active weight is the difference between the managed portfolio weight and the benchmark weight as of March 31, 2024.

All tables (except Top 10 holdings) exclude cash weighting of 0.7%.

Fund holdings, sector allocation, regional allocation and top 10 countries are subject to change without notification.

Regional allocation

	Fund	Benchmark	Relative to benchmark
Emerging Markets	9.3	-	9.3
Japan	29.3	23.6	5.7
United States	5.2	-	5.2
UK	13.8	14.2	-0.4
Pacific ex Japan	1.9	10.5	-8.6
Europe ex UK	37.9	51.7	-13.8

Top 10 countries

	Fund	Benchmark
Japan	29.3	23.6
United Kingdom	13.8	14.2
France	9.4	12.1
Germany	6.7	8.7
Switzerland	6.6	9.4
Denmark	5.5	3.6
United States	5.2	-
Brazil	4.2	-
South Korea	2.8	-
Ireland	2.7	0.7

Modern portfolio statistics

Statistics	5Y	10Y	
Correlation to benchmark	0.92	0.88	Correlation to benchmark is a measure of the strength of the relationship between a fund and its index.
Sharpe ratio	0.17	0.28	Sharpe ratio is a risk-adjusted measure calculated using standard deviation and excess return to determine reward per unit of risk.
Alpha	-1.40	1.49	Alpha is a measurement of a fund's risk-adjusted performance against its index.
Standard deviation	18.95	15.51	Standard deviation is a statistical measure of distribution around an average, which depicts how widely returns varied over a certain period of time. When a fund has a high standard deviation, the predicted range of performance is wide, implying greater volatility.
Tracking error (%)	7.60	7.33	Tracking error is a measure of how closely a Fund's performance follows its index.
Upside capture ratio	94	89	Upside and downside capture measures a manager's ability to generate excess return above the benchmark return in up markets and retain more of the excess return in down markets. The upside/downside capture ratio is the Fund's up/down market return divided by the index's up/down market return and equals the linked returns for all quarters in which the index return was greater/less than zero.
Downside capture ratio	100	84	

Buying and selling fund shares

You can buy or sell shares of the Fund on any business day that the Fund is open through your broker or financial intermediary, or by mail or telephone. You can pay for shares by wire.

JOHCM Funds
c/o The Northern Trust Company
P.O. Box 4766
Chicago, IL 60680-4766

Telephone
1-866-260-9549 (toll free) or 1-312-557-5913

The minimum investment for Institutional Shares is \$0, and Investor Shares is \$0. There is no minimum for additional investments. May be subject to platform minimums if purchased through a brokerage account.

Effective July 15, 2015 the JOHCM International Select Fund will be publicly offered on a limited basis only. Please refer to the prospectus for additional details.

Payments to broker-dealers and other financial intermediaries

If you purchase the Fund through a broker-dealer or other financial intermediary (such as a bank), the Fund and its related companies may pay the intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the Fund over another investment. Ask your salesperson or visit your financial intermediary's website for more information.

Dividends, capital gains and taxes

The Fund intends to make distributions that are generally taxable as ordinary income or capital gains, except when your investment is in an IRA, 401(k) or other tax-advantaged investment plan. However, you may be subjected to tax when you withdraw monies from a tax-advantaged plan.

Prospectus offer

An investor should consider the Fund's investment objectives, risks, and charges and expenses carefully before investing or sending any money. This and other important information about the Funds can be found in the prospectus or summary prospectus which can be obtained at www.johcm.com or by calling 1 866 260

9549 or 1 312 557 5913. Please read the prospectus or summary prospectus carefully before investing. The JOHCM Funds are advised by JOHCM (USA) Inc. and distributed through Perpetual Americas Funds Distributors, LLC. The JOHCM Funds are not FDIC-insured, may lose value, and have no bank guarantee.

Morningstar Ratings™

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