

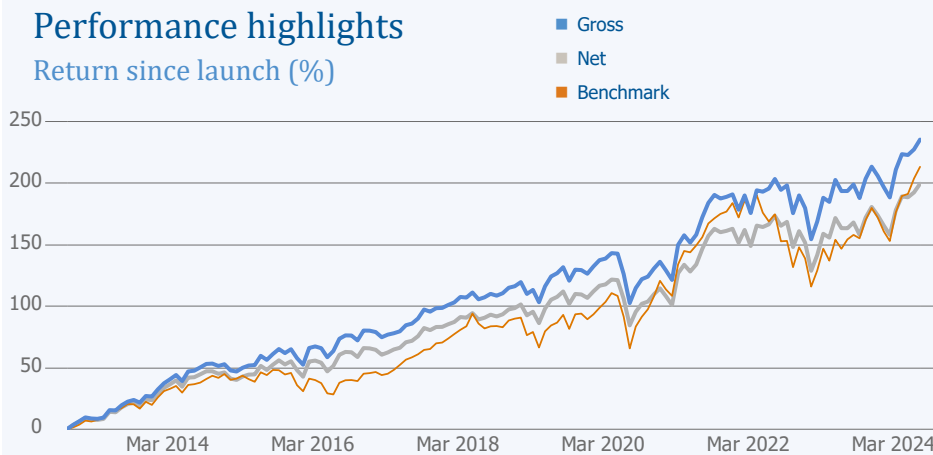
JOHCM Global Opportunities

Strategy overview

- The strategy aims to generate long-term capital and income growth through active management of a concentrated portfolio of global listed equities.
- A high conviction, benchmark-unconstrained stock picking strategy.
- The fund managers believe that stock markets consistently underestimate the value created by well-managed companies that reinvest wisely to create sustainable compounding returns.
- This strategy has an Irish domiciled fund which is classified as Article 8 under the SFDR. Please [click here](#) for further details.
- Benchmark: MSCI AC World Index.
- The use of the index does not limit the investment decisions of the fund manager therefore the shareholdings of portfolios may differ significantly from those of the index.

Performance highlights

Return since launch (%)



Return history

| | 1m | 3m | 1yr | 3yr | 5yr | 10yr | SL | Annualised |
|-----------|------|------|-------|------|-------|------|--------|------------|
| Gross | 2.44 | 3.67 | 14.24 | 7.21 | 8.15 | 8.66 | 238.45 | 10.93 |
| Net | 2.41 | 3.55 | 13.73 | 6.70 | 7.61 | 7.74 | 199.46 | 9.78 |
| Benchmark | 3.14 | 8.20 | 23.22 | 6.96 | 10.92 | 8.66 | 213.11 | 10.20 |

Past performance is no guarantee of future performance.

The value of an investment and the income from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested. Investing in companies in emerging markets involves higher risk than investing in established economies or securities markets. Emerging Markets may have less stable legal and political systems, which could affect the safe-keeping or value of assets. Investments may include shares in small-cap companies and these tend to be traded less frequently and in lower volumes than larger companies making them potentially less liquid and more volatile.

Source: JOHCM/MSCI Barra/Bloomberg. Gross and net composite performance, net income reinvested. Composite performance is based on the A GBP primary share class converted into USD. 3, 5 and 10 year and since launch performance is annualised. The composite was created on the 30 June 2011. Benchmark: MSCI AC World NR. Statistics calculated using weekly returns.

Statistics

Annualised since launch

| | | | |
|--------------------------|-------|--------------------|------|
| Active share (%) | 92.75 | Correlation | 0.92 |
| Strategy volatility (%) | 11.95 | Tracking error (%) | 5.63 |
| Benchmark volatility (%) | 13.98 | Information ratio | 0.12 |
| Alpha | 2.74 | Sharpe ratio | 0.79 |
| R squared | 0.84 | | |

USD

Strategy details

| | |
|---------------|---|
| Strategy size | USD 6.11bn |
| Launch date | 29 June 2012 |
| Benchmark | MSCI AC World NR |
| Available as | Irish UCITS, Segregated Account, Delaware Statutory Trust |

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

Portfolio managers



Ben Leyland

Senior Fund Manager

Ben has managed the strategy since launch. He joined JOHCM in 2006 and has 22 years of industry experience.



Robert Lancaster

Senior Fund Manager

Robert has worked on the strategy since launch. He joined JOHCM in 2012 and has 15 years of industry experience.

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Strategy analysis (%)

Data as at 31 March 2024

Top 20 holdings

| Equities | Absolute |
|-----------------------------|-------------|
| Compass | 3.9 |
| Philip Morris International | 3.7 |
| Shell | 3.7 |
| Deutsche Börse | 3.5 |
| UnitedHealth | 3.5 |
| Thales | 3.5 |
| Sempra Energy | 3.4 |
| Intact Financial | 3.4 |
| Komatsu | 3.2 |
| GXO Logistics | 3.1 |
| CRH | 3.1 |
| Sanofi | 3.1 |
| Henry Schein | 3.0 |
| Thermo Fisher Scientific | 2.9 |
| Atmos Energy | 2.7 |
| CMS Energy | 2.6 |
| Merck | 2.5 |
| Exelon | 2.5 |
| Infineon | 2.3 |
| Elevance Health | 2.3 |
| Total | 61.9 |

Sector breakdown

| | Absolute |
|------------------------|----------|
| Health Care | 18.9 |
| Financials | 16.2 |
| Industrials | 13.2 |
| Utilities | 11.2 |
| Consumer Staples | 10.6 |
| Information Technology | 8.0 |
| Consumer Discretionary | 6.3 |
| Energy | 5.6 |
| Materials | 4.8 |
| Communication Services | 1.4 |
| Cash | 4.0 |

Market cap breakdown

| | Absolute |
|--------------------|----------|
| Large (>USD 10bn) | 88.0 |
| Mid (USD 1 - 10bn) | 8.0 |
| Small (<USD 1bn) | 0.0 |
| Cash | 4.0 |

Regional breakdown

| | Absolute |
|------------------------|----------|
| North America | 50.8 |
| Europe ex UK | 25.2 |
| United Kingdom | 7.6 |
| Japan | 7.0 |
| Emerging Latin America | 3.3 |
| Pacific ex Japan | 2.1 |
| Cash | 4.0 |

Contribution (%) Data from 1 January 2024 to 31 March 2024

Stock contributors

| Top contributors | Absolute |
|-----------------------|----------|
| CRH | 0.84 |
| Thales | 0.49 |
| Progressive | 0.46 |
| Komatsu | 0.42 |
| FIS | 0.40 |
| Top detractors | |
| GXO Logistics | -0.53 |
| Infineon | -0.49 |
| Adobe | -0.26 |
| Continental | -0.23 |
| Ambev | -0.18 |

Sector contribution*

| | Absolute |
|------------------------|----------|
| Financials | 1.35 |
| Materials | 1.01 |
| Health Care | 1.01 |
| Industrials | 0.91 |
| Utilities | 0.31 |
| Consumer Discretionary | 0.26 |
| Energy | 0.14 |
| Communication Services | 0.14 |
| Consumer Staples | -0.32 |
| Information Technology | -0.34 |

*Excludes cash

Source: JOHCM/MSCI Barra/Bloomberg. Benchmark: MSCI AC World NR. Please note that due to rounding breakdowns may not add to 100.00%. All Contribution figures are as at end of day and are calculated on a gross basis. Stock 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. Data based on a representative account.



Fund manager's commentary

- Equity markets continued to rally in Q1 2024, with the VIX returning to pre-Covid levels and the market led by technology, notably Nvidia and Meta
- The rally was not limited to the US, with strong performance in semiconductors outside the US, and Japan aided by yen weakness and improving sentiment
- Drags on performance came from sectors affected by the destocking cycle but we remain committed to companies with strong execution and reasonable valuations

| Q1 performance | % |
|------------------|------|
| Gross | 3.67 |
| Net | 3.55 |
| MSCI AC World NR | 8.20 |

Equity markets rallied in the fourth quarter 2024 in response to rising hopes for rate cuts during. In the first quarter 2024, those hopes receded somewhat, not least because progress back to 2% inflation appears to be stalling, but equity markets continued to rally and volatility continued to fall. The VIX volatility index is back to pre-Covid levels.

The market continued to be led by the technology and media sectors, most notably Nvidia 82% and Meta 37%, but it would be misleading to characterise this as a purely 'Magnificent-7' rally, especially given that Tesla was down 30% and Apple down 12%. Nor was it purely a US rally - semiconductors outside the US were also very strong; for example, both TSMC and ASML were up 31%, and it is worth noting that the Japanese market outperformed the US, helped by further yen weakness and improving macro sentiment. Nevertheless, the rising cyclical optimism was certainly led by the US, with strength in industrials and materials reflecting a variety of lead indicators turning upwards, including housing starts, rail volumes and the manufacturing PMI index, which ended the quarter above 50 for the first time since October 2022. The trough last year, if it turns out to be a trough, has been very mild. One explanation is the unusual lack of coordination between different cycles since Covid. For example, light vehicle sales were weak in 2020 to 2022 and recovered quite strongly last year, whereas housing starts were strong until mid-2022 before weakening due to rising interest rates. Most recently, we have seen various post-Covid destocking cycles affecting diverse sectors such as transport/logistics, beverages and healthcare.

We don't have much direct exposure to US cyclicals or the semiconductor sector, so we underperformed during the quarter, but it was pleasing to see good performance from the names we do have with exposure to these areas – for example, CRH, Daifuku and Merck KGaA and from industrials like Thales, Komatsu and Schneider. The thesis of a renewed cycle of capital expenditure and infrastructure renewal is coming through nicely. Thales, for example, reported its third consecutive year of double-digit organic order book growth. In addition we saw strong performance from our two North American insurance names, Intact and Progressive, whose competitive advantages are proving to be of real benefit in the current challenging market.

Drags on absolute performance came from a few names in sectors affected by the destocking cycle mentioned above, including GXO, Ambev and Infineon. We are monitoring both valuation and fundamental execution to assess whether these situations are buying opportunities. Our US utilities were fine in absolute terms but lagged the overall market. Our exposure to the health care sector continues to grow. It is probably the best place to find 'forgotten middle' names at present, with valuations looking increasingly attractive as a few temporary headwinds have masked the structural tailwinds from demographics, innovation and outsourcing.

It has been unrewarding in recent months to be invested in stocks with poor relative earnings momentum in a market which, in the short term, is as much an extrapolating machine as a voting machine. We will continue to ensure the portfolio has a good balance between companies with strong execution trading at reasonable valuations and companies on much more compelling valuations but with weaker current execution, which we believe is leading investors to ignore a strong longer-term outlook.

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Investments include shares in small cap companies and these tend to be traded less frequently and in lower volumes than larger companies making them potentially less liquid and more volatile.

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