

JOHCM Global Select Fund

Fund overview

- The Fund aims to generate long-term total returns through active management of a concentrated portfolio of listed global equities securities
- Fund managers Christopher Lees and Nudgem Richyal have a growth at a reasonable price (GARP) philosophy and aim for consistency of returns by exploiting multiple market anomalies/ inefficiencies
- They believe that they increase the probability of finding attractive stocks by looking where traditional growth investors do not look: stocks early in the growth life-cycle, off the beaten track, or in out of favour areas of the stock market that are recovering
- SFDR classification: Article 8. Please click [here](#) for further details
- Benchmark: MSCI AC World Index
- The Fund is managed on an 'unconstrained basis' with no restrictions in terms of regional or sector allocation versus its benchmark
- Please see the [Prospectus/KIID/KID](#) for further information. Please ensure you read and understand these documents before making an investment and wherever possible obtain professional advice

Share class: A USD Class

ISIN: IE00B3T31Z22

Fund details

Fund size	USD 1.47bn
Strategy size	USD 3.51bn
Launch date	30 September 2008
Benchmark	MSCI AC World NR (12pm adjusted)
No. of holdings	41
Domicile	Ireland
Fund structure	UCITS
Tax status	UK reporting status
Denominations	GBP, EUR, USD
Valuation point	12pm Dublin time
SFDR	Article 8

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

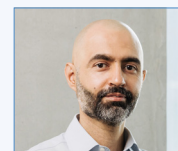
Fund managers



Christopher Lees

Senior Fund Manager

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



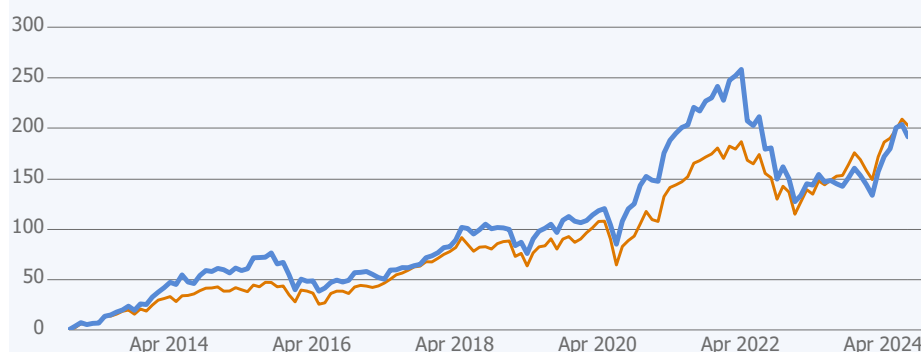
Nudgem Richyal

Senior Fund Manager

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

Performance highlights

Return since launch (%)



Return history

	1m	3m	1yr	3yr	5yr	10yr	SL	Annualised*
A USD Class	-4.04	4.21	19.02	-9.13	42.38	99.80	191.40	9.53
Benchmark	-2.03	4.36	19.92	14.12	59.13	123.32	202.67	9.88
Quartile**	4	2	1	4	2	2	1	-

Discrete 12 month performance to end of April

	04.24	04.23	04.22	04.21	04.20	04.19	04.18	04.17	04.16	04.15
A USD Class	19.02	-12.31	-12.93	54.37	1.50	2.71	23.36	8.26	-13.24	17.92

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. For further information on risks please refer to the Fund's KIID/KID and/or the Prospectus. 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. The Fund's investment 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.

NAV of Share Class A in USD, net income reinvested, net of fees. The A USD Class was launched on 19 March 2013. During the period 1 August 2012 to 19 March 2013 the performance record is based on the pre-existing share class that had a higher management fee. Performance of other share classes may vary and is available on request.

*Annualised since launch. **Refers to the fund's ranking in a peer group of funds made up from all funds classified as Global Equity by either the Investment Association (IA) or Lipper Global. Funds included may be domiciled in the UK, Ireland, or Luxembourg. Lipper ranking is from A GBP Class.

Contact details

Dealing & Investing
+353 1 434 5239

Fax
+353 1 553 9436

Email: JOH_Offshore_TAQueries@ntrs.com

www.johcm.com [Linked in](#)



Portfolio analysis (%)

Data as at 30 April 2024

Top 10 holdings

	Absolute	Relative
Microsoft	3.2	-0.8
Alphabet	3.1	0.5
Amazon	2.8	0.4
Broadcom	2.7	1.9
Compass	2.6	2.5
NEC	2.6	2.6
Antofagasta	2.6	2.6
CRH	2.6	2.5
Sony	2.6	2.4
Zealand Pharma	2.5	2.5
Total	27.3	

Sector breakdown

	Absolute	Relative
Information Technology	31.8	8.7
Materials	12.1	7.8
Health Care	14.3	3.2
Financials	18.9	2.8
Consumer Discretionary	10.2	-0.7
Real Estate	0.0	-2.1
Energy	2.2	-2.6
Utilities	0.0	-2.6
Industrials	7.1	-3.7
Communication Services	3.1	-4.6
Consumer Staples	0.0	-6.6
Cash	0.4	0.4

Active positions

Top 5	Relative
Antofagasta	2.6
NEC	2.6
Zealand Pharma	2.5
Nu Holdings	2.5
Compass	2.5
Bottom 5	Relative
Apple	-3.6
Nvidia	-3.1
Meta	-1.4
Taiwan Semiconductor	-0.9
JPMorgan Chase & Co.	-0.8

Regional breakdown

	Absolute	Relative
Emerging Latin America	6.5	5.7
Japan	9.9	4.5
United Kingdom	5.2	1.7
Pacific ex Japan	2.2	-0.3
Emerging Asia	7.0	-1.1
Emerging Europe & Middle East	0.0	-1.3
Europe ex UK	9.7	-2.4
North America	59.0	-7.1
Cash	0.4	0.4

Market cap breakdown

	Absolute	Relative
Large (>USD 10bn)	86.3	-8.7
Mid (USD 1 - 10bn)	13.3	8.3
Cash	0.4	0.4

Large = >USD 10bn, Mid = USD 1bn to USD 10bn, Small = <USD 1bn

Attribution & contribution (%)

Stock attribution

Top contributors	Relative return
Meta	0.12
NEC	0.09
Fortescue Metals	0.08
Novo-Nordisk	0.08
Ares Management	0.08
Top detractors	
Tenaris	-0.32
B3	-0.23
Chart Industries	-0.23
Daifuku	-0.22
Accenture	-0.20

Sector attribution*

	Relative return
Communication Services	0.17
Real Estate	0.07
Consumer Discretionary	0.04
Health Care	-0.04
Utilities	-0.11
Consumer Staples	-0.13
Materials	-0.25
Industrials	-0.46
Financials	-0.47
Energy	-0.49
Information Technology	-0.52

*Excludes cash

Please note that due to rounding breakdowns may not add to 100.00%. All Attribution figures are as at end of day and are calculated on a gross basis.



Fund manager's commentary

- After a strong first quarter, global equities and our relative performance both experienced a reversal of fortune with a momentum sell-off in April
- Defensive sectors and the value factor significantly outperformed the growth and momentum factors, which was the main reason for our underperformance and negative stock selection
- The market rotated from a 'Goldilocks' regime into a 'Reflation' regime, which caused a sharp sell-off in several of our high conviction themes and stocks. We will buy their dips, weed out any fundamental losers, and add some new stocks in new themes/sectors

After a strong first quarter, global equities and our relative performance both experienced a reversal of fortune with a momentum sell-off in April. The market rotated from a 'Goldilocks' regime into a 'Reflation' regime as inflation data disappointed investor expectations. This caused a significant re-evaluation by the market from its previous expectations for interest rate cuts to new expectations of 'higher for longer' for both inflation and interest rates. Our best performing stocks were NEC Corp, Fortescue and Novo Nordisk due to positive earnings. Our worst performing stocks were Tenaris, B3 and Chart Industries, and they are currently under review.

Sector and Factor and Regional Performance:

- Defensive sectors and the Value factor significantly outperformed the Growth and Momentum factors, which was the main reason for our underperformance and negative stock selection.
- In the momentum/trend reversal, The US market experienced a decline, with US large-cap stocks lagging compared to their international counterparts in Europe and China.
- In Japan, profit-taking impacted our holdings, which was probably caused by the significant currency volatility.

Our scenario analysis and outlook is 80% bullish and 20% bearish. After the April momentum sell-off, we would not be surprised by a period of zig-zag followed by a rebound in some old trends and the emergence of some new trends.

- Scenario 1 = 10% probability that US Magnificent Seven leadership continues. The Magnificent 7 is now down to the Magnificent 4, as Tesla and Apple earnings disappointed, and Meta's earnings outlook is now being questioned by the market.
- Scenario 2 = 70% probability of 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 zig-zag or bear market. Resurgent inflation and interest rates rising, or geopolitics/Middle-East escalating are catalysts for this negative outcome, as seen in April 2024.

Our top-down scorecard shows several important changes.

- The Technology sector still has good fundamentals but has become significantly overvalued with a weakening relative price trend.
- Some commodity/cyclical sectors like Materials and Industrials are beginning to improve, driven mostly by relative price trends as the market begins to anticipate improving earnings.
- Within the traditional low-beta defensive sectors, the success of the new anti-obesity drugs is becoming bad news for both the healthcare sector (fewer co-morbidities) and consumer staples sector (less food & beverage consumption).

What's next?

- Lead indicators are improving; the global industrial/manufacturing/commodity recession looks like it is ending, so we expect a broadening Bull market with better performance from the more cyclical stocks/sectors/regions.
- Our base case is for steady economic growth and steady interest rates, with most equity markets recovering from their April momentum sell-off.
- We will buy the dips in our favourite existing holdings, weed out any fundamental losers, and add some new stocks in new themes/sectors.

Buy the dips in several of our existing high conviction themes and stocks, such as:

- Semiconductors and AI.
- Biotechnology and anti-obesity drugs.
- Japanese equities, but wait for the Yen's exceptional volatile and weakness to subside.

Buy new stocks in new high conviction themes and sectors where relative earnings and price trends are positively breaking out after several years of underperformance, such as:

- Copper and other commodities where demand structurally outstrips supply.
- Industrials benefiting from the Cold War 2.0 structural increase in global/regional capex.

Fund awards & ratings



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Performance over 1 month	%
Fund - A USD Class	-4.04
Benchmark	-2.03

Statistics

	Annualised since launch
Active share* (%)	87.10
Fund volatility (%)	16.21
Benchmark volatility (%)	14.45
Alpha	-0.33
R squared	0.83
Correlation	0.91
Tracking error (%)	6.63
Information ratio	-0.05
Sharpe ratio	0.51

Data calculated weekly.

*The proportion of stock holdings in a fund's composition is different from the composition found in its benchmark. The greater the difference between the composition of the fund and its benchmark, the greater the active share.

Country registration

	A GBP	B GBP	A EUR	B EUR	A USD	B USD
Austria	✓	✓	✓	✓	✓	✓
Denmark	✓	✓	✓	✓	✓	✓
Finland	✓	✓	✓	✓	✓	✓
France	✓	✓	✓	✓	✓	✓
Germany	✓	✓	✓	✓	✓	✓
Ireland	✓	✓	✓	✓	✓	✓
Italy	x	x	x	✓	✓	x
Jersey	✓	✓	✓	✓	✓	✓
Lithuania	x	x	✓	✓	✓	✓
Luxembourg	✓	✓	✓	✓	✓	✓
Netherlands	✓	✓	✓	✓	✓	✓
Norway	✓	✓	✓	✓	✓	✓
Singapore	✓	✓	✓	✓	✓	✓
Spain	✓	✓	✓	✓	✓	✓
Sweden	✓	✓	✓	✓	✓	✓
Switzerland	✓	✓	✓	✓	✓	✓
UK	✓	✓	✓	✓	✓	✓

Regulatory documents

English language KIIDs can be found on our website at www.johcm.com

Foreign language versions are available on request by calling +44 (0) 20 7747 5646

Share class details (Further details on additional share classes are available on request)

	ISIN	SEDOL	Bloomberg	WKN	Initial charge	Annual charge	Ongoing charge	Minimum investment*
A USD Class	IE00B3T31Z22	B3T31Z2	JHGLSIU ID	A1JT3G	Up to 5%	0.75%	0.78%	£1,000
B USD Class	IE00B5L7L670	B5L7L67	JHGLSRU ID	A1JT3H	Up to 5%	1.498%	1.54%	£1,000

Performance fee: A performance fee of 15% is payable on the excess if the NAV outperforms the Index Adjusted NAV (as defined in the Fund supplement) on an annual basis. The calculation is performed daily. Any underperformance is carried forward.

Ongoing Charge is as at 30 April 2024.

*Other currency equivalents apply.

Important information

Professional investors only.

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This is a marketing communication. Please refer to the fund prospectus and to the KIID / KID before making any final investment decisions.

These documents are available in English at www.johcm.com, and available from PISEL, or (for UK investors) JOHCM, at the addresses set out above.

Information on the rights of investors can be found [here](#)

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The investment promoted concerns the acquisition of shares in a fund and not the underlying assets.

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 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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