

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

Performance highlights

Return since launch (%)



Return history

	1m	3m	1yr	3yr	5yr	10yr	SL	Annualised*
A USD Class	1.06	11.70	22.38	0.17	51.29	106.05	203.65	9.99
Benchmark	3.46	7.96	24.39	22.66	68.56	130.53	208.94	10.15
Quartile**	4	1	2	4	2	2	1	-

Discrete 12 month performance to end of March

	03.24	03.23	03.22	03.21	03.20	03.19	03.18	03.17	03.16	03.15
A USD Class	22.38	-20.31	2.71	63.96	-7.88	2.93	20.62	10.07	-14.43	16.46

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.

Share class: A USD Class

ISIN: IE00B3T31Z22

Fund details

Fund size	USD 1.55bn
Strategy size	USD 3.29bn
Launch date	30 September 2008
Benchmark	MSCI AC World NR (12pm adjusted)
No. of holdings	40
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 December 2023.

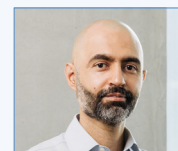
Fund managers



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.

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Portfolio analysis (%)

Data as at 31 March 2024

Top 10 holdings

	Absolute	Relative
Microsoft	3.3	-0.8
SK hynix	2.9	2.8
CRH	2.9	2.8
Amazon	2.8	0.4
Alphabet	2.7	0.4
Broadcom	2.7	1.9
Compass	2.7	2.6
Nu Holdings	2.6	2.6
Zealand Pharma	2.6	2.6
Tenaris	2.6	2.6
Total	27.8	

Sector breakdown

	Absolute	Relative
Information Technology	32.2	8.6
Health Care	16.7	5.5
Materials	7.4	3.2
Financials	19.0	2.9
Consumer Discretionary	10.1	-0.8
Energy	2.6	-2.0
Real Estate	0.0	-2.1
Utilities	0.0	-2.5
Industrials	7.3	-3.5
Communication Services	2.7	-4.8
Consumer Staples	0.0	-6.4
Cash	2.0	2.0

Active positions

Top 5	Relative
SK hynix	2.8
CRH	2.8
Nu Holdings	2.6
Compass	2.6
Zealand Pharma	2.6
Bottom 5	Relative
Apple	-3.5
Nvidia	-3.1
Meta	-1.5
Taiwan Semiconductor	-0.8
Microsoft	-0.8

Regional breakdown

	Absolute	Relative
Emerging Latin America	6.9	6.0
Japan	9.7	4.1
Emerging Asia	7.5	-0.3
Pacific ex Japan	2.0	-0.5
United Kingdom	2.7	-0.7
Emerging Europe & Middle East	0.0	-1.2
Europe ex UK	10.4	-1.7
North America	58.9	-7.7
Cash	2.0	2.0

Market cap breakdown

	Absolute	Relative
Large (>USD 10bn)	84.4	-11.0
Mid (USD 1 - 10bn)	13.7	9.1
Cash	2.0	2.0

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

Attribution & contribution (%)

Stock attribution

Top contributors	Relative return
Apple	0.31
SK hynix	0.31
Chart Industries	0.27
Tenaris	0.20
Recruit	0.14
Top detractors	
AP Memory	-0.40
Nvidia	-0.31
Globant	-0.27
B3	-0.25
Accenture	-0.23

Sector attribution*

	Relative return
Industrials	0.19
Health Care	0.13
Communication Services	0.11
Consumer Staples	0.07
Consumer Discretionary	0.04
Real Estate	0.02
Energy	-0.01
Utilities	-0.05
Materials	-0.20
Financials	-0.70
Information Technology	-0.98

*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

- March saw a shift in investor focus, with momentum-driven gains in cyclical sectors outpacing the benchmark
- The technology sector, a major outperformer in the first two months of 2024, lost some momentum in March
- The outlook for 2024 is 80% bullish and 20% bearish, with expectations of a broadening bull market, and potential for a momentum reversal or shallow correction in Q2 2024

March 2024 witnessed a noticeable shift in investor focus within the global stock market. The momentum-driven gains in some cyclical sectors, known for their tendency to perform well during periods of economic activity, outpaced the benchmark **MSCI AC World Index**. Sector-wise, consumer discretionary stocks did well globally, followed by materials and energy. Within materials there has been a focus on copper and hold, with copper prices up during the month, prospects of strong demand from sectors like renewable energy and electric vehicles drew in investors. Energy companies continued to benefit from recent geopolitical risks, which pushed oil prices higher. Our holdings of **Tenaris** and **Chart Industries** benefitted from these trends.

On the other hand, the technology sector, a major outperformer in the first two months of 2024, lost some momentum in March. While some tech companies continued to experience growth, especially those names like **SK Hynix**, which focussed on growth areas like **HBM**, the sector lacked the dynamism it had earlier in the year. This lack of dynamism hurt stocks like **Globant** and **Accenture**, names that had a poor relative month. The healthcare market underperformed compared to cyclical sectors. Despite positive earnings reports from some companies, the healthcare sector failed to capture investor interest to the same degree as consumer discretionary, materials, and energy.

Geographically emerging markets performance was mixed in March. While some countries like Brazil underperformed others defied expectations. This Brazil underperformance reflected in **B3** being one of our weakest performing names in the fund. Frontier markets (smaller and less developed economies) like Argentina, Colombia, Kenya, and Sri Lanka saw positive movement, fuelled by factors such as rising commodity prices and increased investor interest in alternative emerging economies. China Conundrum: concerns about China's economic growth prospects weighed heavily on its markets as well as the lack of significant fiscal stimulus measures.

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 Alphabet (*Google*) earnings are now being questioned.

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 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.

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 health care and consumer staples sectors (i.e. less comorbidities and less food & beverage consumption).

Performance over 1 month	%
Fund - A USD Class	1.06
Benchmark	3.46

Statistics

	Annualised since launch
Active share* (%)	87.02
Fund volatility (%)	16.20
Benchmark volatility (%)	14.46
Alpha	-0.06
R squared	0.83
Correlation	0.91
Tracking error (%)	6.62
Information ratio	-0.02
Sharpe ratio	0.54

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.

Fund awards & ratings



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Country registration

	A GBP	B GBP	A EUR	B EUR	A USD	B USD
Austria	✓	✓	✓	✓	✓	✓
Denmark	✓	✓	✓	✓	✓	✓
Finland	✓	✓	✓	✓	✓	✓
France	✓	✓	✓	✓	✓	✓
Germany	✓	✓	✓	✓	✓	✓
Ireland	✓	✓	✓	✓	✓	✓
Italy	✗	✗	✗	✓	✓	✗
Jersey	✓	✓	✓	✓	✓	✓
Lithuania	✗	✗	✓	✓	✓	✓
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 31 March 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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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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