J O Hambro Capital Management Group

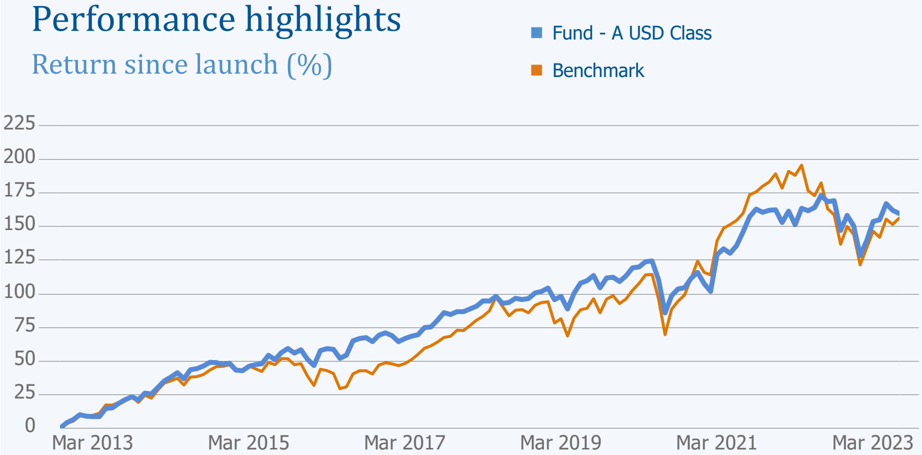
JOHCM Global Opportunities Fund

Fund overview

- The Fund 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 fund
- The fund managers look for opportunities where the market is underestimating the value created by well-managed companies that reinvest wisely to create sustainable compounding returns
- Benchmark: MSCI AC World Index
- The use of the index does not limit the investment decisions of the fund manager therefore the shareholdings of the Fund may differ significantly from those of the index
- Please refer to the Prospectus/KIID/KID for further information

Performance highlights

Return since launch (%)



Return history

	1m	3m	1yr	3yr	5yr	10yr	SL	Annualised*
A USD Class	-0.88	1.85	-4.90	39.89	34.24	119.35	159.71	9.28
Benchmark	1.87	5.90	-9.30	51.17	39.62	115.06	156.22	9.14
Quartile**	4	4	1	3	2	1	1	-

Discrete 12 month performance to

	31.03.2023	31.03.2022	31.03.2021	31.03.2020	31.03.2019
A USD Class	-4.90	11.00	32.52	-11.45	8.38

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. Therefore there can be no assurance that the Fund will be able to attain its objective. 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. The annual management charge is deducted from the capital of the Fund. This will increase the income from the Fund but may constrain or erode potential for capital growth.

NAV of Share Class A in USD, net income reinvested, net of fees. The A USD Class was launched on 29 June 2012. Performance of other share classes may vary and is available on request.

*Annualised since launch. **Sector quartile ranking: IA Global, and Lipper Global Equity Global domiciled in the UK, offshore Ireland, or offshore Luxembourg. Lipper ranking is from A GBP Class.

A USD Class
ISIN: IE00B89JY234

Fund details

Fund size	USD 693.88m
Strategy size	USD 4.99bn
Launch date	29 June 2012
Benchmark	MSCI AC World NR (12pm adjusted)
No. of holdings	38
Domicile	Ireland
Fund structure	UCITS
Tax status	UK reporting status
Denominations	GBP, EUR, USD
Valuation point	12pm Dublin time
XD date	31-Dec
Pay date	28-Feb

Total strategy assets updated quarterly and shown as at 31 December 2022.

Fund managers

ALPHA MANAGER 2023

Ben Leyland
Senior Fund Manager
Ben has managed the Fund since launch. He joined JOHCM in 2006 and has 21 years of industry experience.

ALPHA MANAGER 2023

Robert Lancastle
Senior Fund Manager
Robert has worked on the Fund since launch. He joined JOHCM in 2012 and has 14 years of industry experience.

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Portfolio analysis (%)

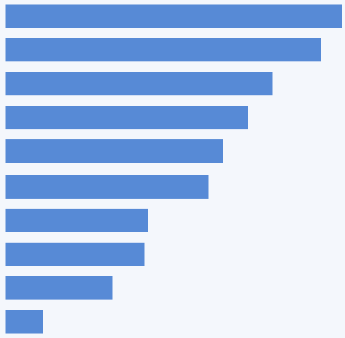
Data as at 31 March 2023

Top 20 holdings

	Absolute
GXO Logistics	5.0
Henry Schein	4.8
Sempra Energy	3.9
Philip Morris International	3.8
CRH	3.6
Sanofi	3.5
Thales	3.5
Shell	3.3
Compass	3.0
Exelon	3.0
Heineken	2.9
Couche-Tard	2.7
PSEG	2.7
Elevance Health	2.6
CMS Energy	2.5
UnitedHealth	2.5
Atmos Energy	2.5
Deutsche Börse	2.4
Microsoft	2.4
Cameco	2.2
Total	62.8

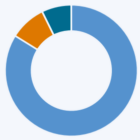
Sector breakdown

	Absolute
Health Care	15.5
Utilities	14.5
Industrials	12.3
Consumer Staples	11.2
Financials	10.0
Information Technology	9.4
Energy	6.6
Consumer Discretionary	6.4
Materials	4.9
Communication Services	1.8
Cash	7.3



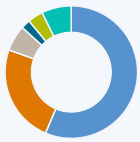
Market cap breakdown

	Absolute
Large (>USD 10bn)	83.9
Mid (USD 1 - 10bn)	8.9
Small (<USD 1bn)	0.0
Cash	7.3



Regional breakdown

	Absolute
North America	56.4
Europe ex UK	24.0
United Kingdom	6.3
Japan	2.3
Other	3.7
Cash	7.3



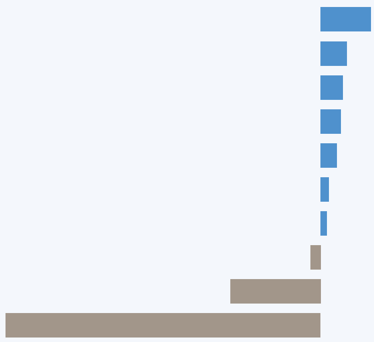
Contribution (%)

Stock contributors

Top contributors	Absolute
Sanofi	0.44
Adobe	0.34
Microsoft	0.31
Deutsche Börse	0.22
CRH	0.22
Top detractors	
First Republic	-1.86
M&T Bank	-0.53
Handelsbanken	-0.38
Shell	-0.34
Global Payments	-0.30

Sector contribution*

	Absolute
Health Care	0.44
Information Technology	0.25
Communication Services	0.20
Materials	0.19
Industrials	0.15
Consumer Discretionary	0.08
Utilities	0.05
Consumer Staples	-0.06
Energy	-0.76
Financials	-2.66



*Excludes cash

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.

Fund manager's commentary

- Fears of a recession sparked an aggressive rotation towards the perceived safety of mega-cap tech stocks
- We continue to believe that equity market leadership is in the process of shifting from the virtual world to the real world
- The three month Nasdaq rally offers investors a chance to reduce exposure to the winners of the last cycle

March was a challenging month for the fund. We underperformed the benchmark and due to US dollar weakness, and the fund fell by over 3% in Sterling and Euro terms. In the context of bank failures on both sides of the Atlantic, rising recessionary fears and an aggressive rotation towards the perceived safety of mega-cap tech stocks, we were modestly overweight the two worst performing sectors, energy and financials, and materially underweight the two best performing sectors, technology and communications. Although several holdings were up by more than 10% in USD terms (including Infineon, Sanofi and Deutsche Boerse), they were outweighed by weakness in three energy stocks (Galp, Shell and Cameco), three banks (First Republic, M&T and Svenska Handelsbanken) and two payments processors (Fidelity National and GPN).

We have sold our two US banks holdings, which were a combined 4.1% of the fund at the end of February. We expect the future earnings power of all medium-sized US banks to be reduced due to tighter regulation and higher funding costs. Our previous valuation work is invalid, and it is no longer appropriate to have capital committed in this area. We crystallised a material loss on our small position in First Republic, which we had started buying in December 2022. In retrospect, our initial thesis focused on its high-quality service-based customer relationships and growth potential. Its exceptional track record on credit quality was insufficiently focused on the vulnerability of the liability side of its balance sheet to contagion effects from problems elsewhere in the sector.

The challenge for investors now is how to position for the long term whilst negotiating the elevated volatility typical of transition periods. We continue to believe that equity market leadership is in the process of shifting from the virtual world to the real world, from the beneficiaries of digitisation to the beneficiaries of infrastructure renewal. We also continue to believe that equity indices and most portfolios are overexposed to the former and underexposed to the latter. But many capital cycle beneficiaries are inherently cyclical and the portfolio's macroeconomic sensitivity needs to be managed carefully on this side of a potential recession. We don't think one is priced in, at least for the majority of quality cyclicals which we monitor. For now, cyclicality is something to be tolerated, not embraced. It is essential that we allocate our cyclical 'risk budget' to names where we have the highest conviction about long term tailwinds and competitive advantages. In particular, we have continued to reduce our positions in Continental and Galp, due to waning conviction about their growth prospects and current execution.

The silver lining to the rotations in Q1 is that it gives investors two opportunities to rebalance their portfolios in what we believe is the right direction for the long term. First, the Nasdaq rallying 17% in three months offers a chance to continue reducing exposure to the winners of the last cycle. Second, the underperformance of utilities in Q1 has allowed us to rebuild our exposure there, having reduced it last year on valuation grounds. The beauty of regulated utilities is that they offer infrastructure/capital cycle exposure and recession-resilient earnings profiles.

Performance over 1 month	%
Fund - A USD Class	-0.88
Benchmark	1.87

Statistics

	Annualised since launch
Active share* (%)	91.82
Fund volatility (%)	12.95
Benchmark volatility (%)	15.31
Alpha	2.10
R squared	0.82
Correlation	0.91
Tracking error (%)	6.48
Information ratio	0.02
Sharpe ratio	0.65

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

Ratings and awards are as at 31 March 2023.

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	IE00B89JY234	B89JY23	JOHGOUI	A1JZQL	Up to 5%	0.75%	0.82%	£1,000
B USD Class	IE00B8295C79	B8295C7	JOHGOUR	A1JZQM	Up to 5%	1.50%	1.57%	£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 2023.
*Other currency equivalents apply.

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