

# U.S. Select Equity Fund

## FUND MANAGER

### Name Years of investment experience

Richard T. Weiss 32

## THE FUND

The fund seeks long-term capital appreciation with at least two-thirds of its total assets in equity securities of US companies of any market capitalization and up to one-third of its total assets in equity securities of Non-US Issuers through ADRs, CDRs, EDRs, GDRs, IDRs and similar depository receipts as well as equities denominated in US Dollars issued by Non-US Issuers.

## FUND FACTS

**Inception date** 30 January 2015

**Financial year-end** 31 March

**Fund size** \$13.72m (USD)

**Base currency** USD

### Dealer cutoff

Luxembourg: 10pm

United States: 4pm ET

### Minimum investment

Class A: \$1,000 (USD) or equivalent value

Class I: \$1,000,000 (USD) or equivalent value

### Total expense ratio<sup>4</sup>

Class A (USD): 2.20%

Class I (USD): 1.40%

### Net asset value (NAV)

Class A (USD):\* 105.37

Class I (USD):\* 105.65

Class A (EUR):\* 108.41

Class A (EUR):† 105.24

Class I (EUR):\* 108.69

Class I (EUR):† 105.43

Class A (GBP):\*\* 103.84

Class I (GBP):\*\* 104.11

### ISIN codes

Class A (USD):\* LU1169589451

Class I (USD):\* LU1169590202

Class A (EUR):\* LU1170230954

Class A (EUR):† LU1170227653

Class I (EUR):\* LU1170237884

Class I (EUR):† LU1170235243

Class A (GBP):\*\* LU1170226093

Class I (GBP):\*\* LU1170232224

\*Accumulation share type

\*\*Distribution share type

†Accumulation hedged share type

## Performance (%)

	1 month	3 month	Year to date	Annualised					
				1 year	3 year	5 year	10 year	Since incep.	
Class I (USD)	-0.61	0.27	-	-	-	-	-	-	5.65
Russell 2000® Index <sup>1</sup>	2.28	1.41	-	-	-	-	-	-	-
S&P 500 Index <sup>2</sup>	1.29	0.64	-	-	-	-	-	-	-

## Calendar-year performance (%)

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
US-based composite <sup>3</sup>	11.75	45.30	20.40	0.90	31.40	53.40	-45.40	5.60	6.20	15.00
Russell 2000® Index <sup>1</sup>	4.89	38.82	16.35	-4.18	26.85	27.17	-33.79	-1.57	18.37	4.55
S&P 500 Index <sup>2</sup>	13.69	32.39	16.00	2.11	15.06	26.46	-37.00	5.49	15.79	4.91

US-based composite figures are for the Select Equity Composite (net of fees), which is made up of the fund and those other funds and/or private accounts that are managed by the fund's investment adviser throughout the periods shown above, and which uses a substantially similar methodology and investment strategy to those of the fund. See below for more details.

Past performance is not indicative of future performance. Performance calculations are net of all applicable fees and are calculated on a NAV-to-NAV basis in US dollars (with income reinvested).

## 10 largest holdings (%)

Microsemi Corporation	3.38
AllianceBernstein Holding L.P.	3.36
Delta Air Lines, Inc.	3.32
Polycom, Inc.	3.26
Range Resources Corporation	3.23
Brocade Communications Systems, Inc.	3.22
CNO Financial Group, Inc.	3.22
Shutterfly, Inc.	3.21
Ruckus Wireless, Inc.	3.16
Greatbatch, Inc.	3.09

Based on ending weights as of month-end. Source: FactSet

## Holding market capitalisations (%)

Mega cap (\$50bn and above)	5.44
Large cap (\$10bn-\$50bn)	29.47
Medium cap (\$2bn-\$10bn)	39.26
Small cap (\$300m-\$2bn)	25.83
Micro cap (under \$300m)	0.00

Based on ending weights as of month-end. Source: FactSet

1. The Russell 2000® Index measures the performance of the 2,000 smallest companies in the Russell 3000® Index, which represents approximately 8% of the total market capitalization of the Russell 3000 Index. You cannot invest directly in the index. 2. The S&P 500 Index is shown for illustrative purposes only. 3. These figures are for the Select Equity Composite (composite). The Select Equity Composite ("Composite") consists of all discretionary accounts managed in this style. As of 31-3-15, the composite contained twelve (12) accounts. The Composite contains accounts investing primarily in the securities of small and mid-sized U.S. companies. Accounts have the flexibility to hold mid-sized companies if the investment managers believe that holding these companies will lead to higher overall returns. Accounts in this strategy will tend to include fewer than 40 stocks and thus is considered more concentrated than typical institutional small to mid cap equity strategies. One of the twelve (12) accounts included in the composite is the fund itself. The performance of the composite is not directly comparable with the performance of the fund for a number of reasons. In particular, the accounts in the composite are not subject to the limitations and other restrictions imposed on the fund by Luxembourg law and the actual performance of the accounts in the composite may vary depending on the size of the account, investment restrictions, inception date and fees. This fund is only offered for public sale in jurisdictions where it is registered. The other accounts in the composite are not offered in connection with this publication. 4. Based on the fund's latest audited accounts.

# U.S. Select Equity Fund

## INVESTMENT APPROACH

- Invests in equity securities of approximately 30 to 40 US companies of any market capitalisation (optimal combination of research intensity and alpha generation).
- Conducts fundamental analysis of a company's cash flows, asset valuations, competitive situation and industry-specific factors and also gauges the company's management strength, financial health and growth potential in determining a company's private market value (PMV), which is the price we believe an investor would be willing to pay for the entire company.
- Distinguish "noise" from change drivers by identifying 2-3 key issues that drive stock price performance.
- Exploit discrepancies between a company's private market value and its public market price (stock prices typically trade in a range of 50-80% of PMV).

More information about the Wells Fargo (Lux) Worldwide Fund, including a copy of the prospectus or KIID, is available upon request from Wells Fargo Asset Management or from your local Wells Fargo Asset Management regional contact. Please visit the fund's website at [wellsfargoworldwidefund.com](http://wellsfargoworldwidefund.com) or call:

**+44 (0) 20 7529 7790**

Lines are open Monday through Friday from 9am to 5pm UK time, excluding UK bank holidays. Call costs may vary—please check with your telecommunications provider. Calls may be recorded for security purposes and so that we can monitor the quality of our service.

## Sector weights and returns (%)

	Sector weights			Sector returns		
	Fund	Benchmark <sup>1</sup>	Over/underweight	Fund	Benchmark <sup>1</sup>	Relative return
Consumer discretionary	24.47	13.71	10.76	0.82	1.41	-0.59
Consumer staples	0.00	3.09	-3.09	0.79	1.97	-1.18
Energy	12.94	3.54	9.40	-8.95	-7.45	-1.50
Financials	12.41	23.47	-11.06	3.65	0.62	3.03
Health care	3.09	16.32	-13.23	-3.60	9.41	-13.01
Industrials	7.47	13.21	-5.74	-0.56	-0.08	-0.48
Information technology	25.61	18.19	7.42	0.81	4.37	-3.56
Materials	3.74	4.27	-0.53	1.81	-0.76	2.57
Telecom. services	0.00	0.74	-0.74	0.00	-1.34	1.34
Utilities	0.00	3.46	-3.46	0.00	0.15	-0.15
Cash	10.27	0.00	10.27	0.00	0.00	0.00

Sector weights based on ending weights as of month-end. Sector returns based on the returns calculated over a one-month period. Source: FactSet

## Valuation analysis

	Fund	Benchmark <sup>1</sup>
Weighted median market cap	\$5.17bn	\$1.85bn
EPS growth (3- to 5-year forecast)	12.26%	12.50%
P/E ratio (trailing 12-month)	20.81x	18.52x
P/B ratio	2.05x	2.20x
P/S ratio	1.65x	1.31x
Number of equity holdings	34	1,985
Portfolio turnover	8.00%	-

Sources: FactSet and Wells Fargo Funds Management, LLC

All information is as of 31-5-15, unless otherwise indicated.

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