

iMGP Funds

iMGP US Value

Managed by
Scharf Investments LLC

Share class : I EUR
ISIN : LU1949706250
For qualified investors only

Investment objective

The objective of this Sub-fund is to provide its investors with a long-term appreciation of their capital, principally by means of a diversified portfolio of investments in equity securities and other similar instruments of issuers of the United States of America that the Sub-Manager believes have significantly more appreciation potential than downside risk over the long term. Equity securities and other similar instruments in which the Sub-fund may invest include, but are not limited to, common and preferred stock of companies of all size, sector. The Sub-fund promotes environmental and social characteristics according to article 8 of the Regulation (EU) 2019/2088 but does not have sustainable investment as its objective. The Sub-Manager believes that Environmental, Social and Governance (ESG) consideration allows for long-term value creation, allowing to foster a positive change.

Risk/Return profile

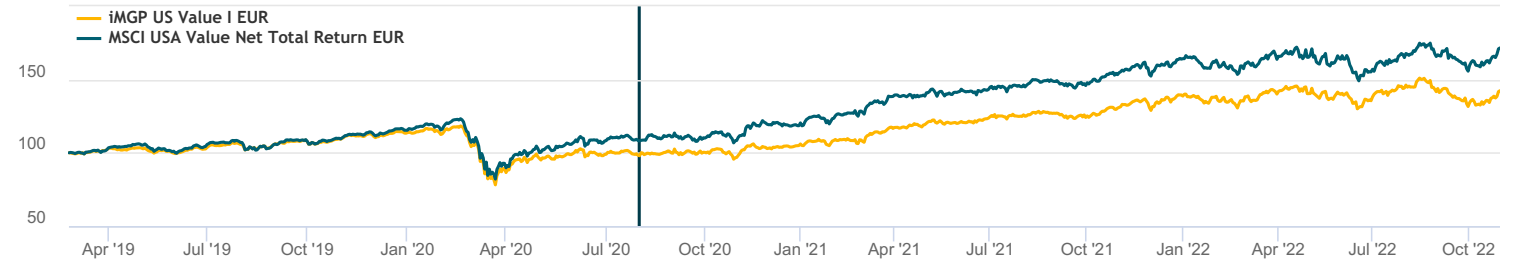
LOWER RISK
(Typically lower rewards)

HIGHER RISK
(Typically higher rewards)



Performance & risk measures

Data as of 2022.10.31



MSCI World All Countries USD Net since inception, MSCI USA Value Net Total Return since 31/07/2020

Monthly returns	Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2022	2.7%	-0.6%	-1.8%	3.4%	0.2%	0.0%	-3.4%	7.3%	-2.5%	-7.1%	8.2%	-	-
2021	30.8%	-1.1%	1.3%	9.7%	2.2%	1.2%	2.5%	1.0%	1.6%	-2.3%	5.2%	0.2%	6.1%
2020	-6.4%	-0.8%	-7.4%	-14.4%	9.0%	1.6%	0.1%	-0.9%	1.9%	0.5%	-3.6%	6.3%	3.1%
2019	-	-	-	2.9%	1.3%	-3.9%	3.2%	3.0%	-0.1%	2.9%	0.5%	2.7%	1.1%
2018	-	-	-	-	-	-	-	-	-	-	-	-	-
2017	-	-	-	-	-	-	-	-	-	-	-	-	-

Cumulative performance	Fund	Index
1M	8.2%	10.2%
3M	-2.1%	2.3%
6M	1.5%	3.9%
1Y	9.1%	11.9%
3Y	30.4%	56.8%
5Y	-	-
Since inception	42.4%	71.6%

Calendar year performance	Fund	Index
YTD	2.7%	4.5%
2021	30.8%	36.4%
2020	-6.4%	4.4%
2019	-	-
2018	-	-
2017	-	-

Annualized risk measures	Fund	Index
Volatility	18.1%	19.2%
Sharpe ratio	0.5	0.9
Tracking error	6.2%	-
Information ratio	-1.1	-
Beta	0.9	-
Correlation	0.9	-

Annualized performance	Fund	Index
3Y	9.2%	16.1%
5Y	-	-
Since inception	10.0%	15.7%

Source: iM Global Partner Asset Management. Past performance does not guarantee or predict future performance. Annualized risk measures based on 3-year weekly returns if more than 3-year history or 1-year if less than 3-year history.

Manager Comment

Highlights

- Stocks were up big, a common October midterm phenomenon.
- Our defensively positioned portfolio performed well despite a strong cyclical rally.
- With coordinated central bank rate increases, the investment team remains focused on earnings resilience (at a discount) as GDP slows.

Cumulative performance	Fund	Index
1M	8.2%	10.2%
YTD	2.7%	4.5%

Market Review

Despite persistent inflation and rising interest rates, consistent with midterm prophecies, U.S. stocks rallied big - historically, Octobers preceding midterm elections have been the highest returning months. The S&P 500 increased 8.10%, but the Russell 1000 Value index outperformed the Russell 1000 Growth index by a wide margin (10.25% vs. 5.84%) as the 10-year US Treasury yielded above 4% for the first time since the Global Financial Crisis.

Despite deteriorating economic readings and earnings guidance, cyclical value outperformed defensive value by a wide margin as well with the Russell 1000 Value-Dynamic Index returning 12.7% vs. the Russell 1000 Value-Defensive Index's 7.84%. It was "Risk on" indeed with Energy, Industrials and Financials leading sector returns.

Fund Review

The fund returned 9.2% vs. 11.1% for the MSCI USA Value index. The top sector attribution contributors vs. the MSCI US Value UCIT benchmark were stock selection in Industrials (1.03%), zero allocation to lagging Utilities (0.52%), and stock selection in Consumer Discretionary (0.36%). The largest relative sector detractors were the zero allocation to leading Energy (-1.02%) and stock selection in Health Care (-0.78%) and Consumer Staples (-0.64%).

At the stock level, the top attribution contributors were Oracle (0.69%), Lockheed-Martin (0.53%), MillerKnoll (0.50%), Advance Auto Parts (0.33%) and McKesson (0.32%). The largest detractors were Microsoft (-0.47%), CVS Health (-0.45%), Heineken (-0.39%), Activision Blizzard (-0.35%), and Baidu (-0.25%).

Year to date, in keeping with our focus on limiting downside during adverse markets, we have sold stocks within the portfolio that present either: 1) relatively more cyclicity, like Masco, or 2) relatively more debt leverage, like Liberty Broadband. For perspective on the portfolio's earnings quality, the Q3 ending portfolio's median EPS growth during the 2020 pandemic stress year was +6.7% vs. -28% for the more cyclically-weighted Russell 1000 Value. Financials, Energy, and Industrials, October's sector leaders, have historically been laggards in periods of deteriorating earnings as they tend to possess significant operating leverage. In contrast, we remain defensively positioned with zero Energy, no bank exposure and a nearly 30% Health Care weighting.

Outlook

As concerns about slowing growth accelerate, we are confident in the portfolio's sustainable earnings profile. Health Care remains the fund's largest sector. Halfway through the Q3 earnings season, S&P 500 Q3 EPS has declined 5.1% ex-Energy. We believe investors are not fully discounting the risks of earnings deterioration in 2H of 2022 and 2023. S&P 500 net margins assumptions for 2022-23 are > 12% versus a post millennium average of 7.75%. This presents near-term risk amidst inflationary pressures, operating deleveraging in a slowing economy, rising interest rates, a stronger U.S. dollar and deglobalization.

Portfolio Breakdown

By Country

USA

76.9%

UNITED KINGDOM

4.6%

SWITZERLAND

3.6%

CANADA

2.5%

NETHERLANDS

2.1%

CHINA

0.4%

Cash & Others

10.0%

By Currency

USD

86.8%

GBP

4.0%

CHF

3.6%

EUR

2.7%

CAD

2.5%

By Sector

Health Care

27.7%

Technology

16.2%

Financials

11.2%

Communications

8.6%

Industrials

7.9%

Consumer Staples

7.6%

Consumer Discretionary

6.9%

Materials

4.0%

Cash & Others

10.0%

By Market Capitalization

Mega Cap > 30 bn

72.3%

Large Cap 5 bn - 30 bn

14.9%

Mid Cap 1 bn - 5 bn

2.7%

Cash & Others

10.0%

Top 10

MCKESSON CORP

7.7%

BERKSHIRE HATHAWAY-B

6.6%

LOCKHEED MARTIN CORP

5.4%

CVS HEALTH CORP

5.1%

CENTENE CORP

5.1%

ORACLE CORP

4.9%

MARKEL CORP

4.6%

MICROSOFT CORP

4.3%

JOHNSON & JOHNSON

4.3%

ADVANCE AUTO PARTS

4.1%

52.1%

Top 3 Contributors

LOCKHEED MARTIN CORP

1.2%

ORACLE CORP

1.2%

MCKESSON CORP

1.1%

Top 3 Detractors

BAIDU INC - SPON ADR

-0.2%

HEINEKEN NV

-0.1%

ACTIVISION BLIZZARD

-0.1%

Source: iM Global Partner Asset Management

Dealing information

Liquidity	Daily
Cut-off time	TD 12:00 Luxembourg
Minimum initial investment	1,000,000
Settlement	TD+2
ISIN	LU1949706250
CH Security Nr	46364987
Bloomberg	OYGHIEU LX

Fees

Subscription fee	Max 0.00%
Redemption fee	Max 1.00%
Management fee	Max 0.80%
Performance fee	-

Administrative information

Central Administration	CACEIS Bank, Luxembourg Branch	Auditor	PwC Luxembourg
Transfert Agent	CACEIS Bank, Luxembourg Branch	Management company	iM Global Partner Asset Management S.A.
Custodian Bank	CACEIS Bank, Luxembourg Branch		

Important information

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Investors should consult the Fund prospectus for further details on the risks involved. **Past performance is not indicative of future results.** It is calculated in the unit currency and, where investments are made in a different currency, may also be affected by fluctuations in exchange rates. The performance data given does not include commissions or any fees linked to the subscription to and/or repurchase of shares. **Returns are calculated net of fees in the reference currencies of specific sub - funds.** They reflect the current fees, include management commissions and possibly also performance commissions deducted from the sub-funds. All returns are calculated from NAV to NAV with dividends reinvested. Unless otherwise stated, the performance of sub-funds is shown on a total return basis, including dividends or any other relevant distributions. All returns shown are gross of any tax deductions that could be applicable to an investor. 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It can vary from 1 to 7 depending on the weekly upward and downward fluctuations of the fund over the past 5 years. Level 1 on the scale does not mean that investing in the fund is risk free. The indicator is based on historic data and can therefore not guarantee the level of future risk of the fund. The indicator is also not intended to be an investment objective for the fund and therefore can vary over time. For further information, please refer to the most recent version of the key information for investors (“KIID”).