

Equitable Resilience Fund

Monthly Report – January 2019

Comments from your Chief Investment Officer

We are pleased to say equity markets have begun 2019 in a very different mood to which they ended 2018. January has seen a strong rally. In part the recovery has been driven by corporate earnings reports which have generally failed to confirm the market's fears of an impending recession. In addition, and probably more importantly, Fed Chairman Powell has responded to the Q4 selloff with a decidedly more dovish monetary policy outlook. We suspect the Fed will view the Q4 2018 market turmoil as a policy communication error and will respond by erring on the side of monetary accommodation for the foreseeable future. In this respect we see echoes of Alan Greenspan's famous 'Irrational Exuberance' comments from December 1996 which ultimately lead to a prolonged period of strong market performance.

In January we have been relatively active in adjusting your portfolio of investments. We have re-invested in the luxury goods and microelectronic machinery sectors. You now hold positions in both LVMH and Kering. In addition, you also hold investments in ASML, Applied Materials and Lam Research. Each of these companies are key to all the industries driving today's technological revolution. ASML's extreme ultraviolet lithography technology is especially exciting as it will likely enable another generation of even more powerful silicon chips.

NAV since inception



Net Asset Value Metrics		NOK Class													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Last NAV	YTD	
2019	6.59%												127.56	6.59%	
2018	6.75%	0.05%	-4.88%	2.20%	6.79%	-2.54%	-0.77%	6.26%	-0.48%	-11.68%	-1.41%	-7.19%	119.67	-8.37%	
2017	2.15%	3.10%	1.43%	2.38%	2.85%	-0.36%	2.68%	-0.62%	2.99%	6.39%	3.20%	-2.33%	130.60	26.31%	
2016			0.62%	-0.04%	-0.38%	0.91%	5.05%	-0.27%	-0.32%	-4.10%	0.88%	1.22%	103.40	3.40%	
Annualized return since inception														8.70%	

Country Allocation



- UNITED STATES ■ FRANCE
- NETHERLANDS ■ AUSTRALIA
- CANADA ■ SWITZERLAND
- BRITAIN

Top 10 Holdings

ASML Holding	3.80%
Align Technology	3.76%
Applied Materials	3.73%
Mastercard	3.68%
Fortinet	3.67%
Intuitive Surgical	3.65%
Alphabet	3.64%
Amazon	3.58%
LVMH	3.55%
Apple	3.54%

Industry Exposure

Financial Services	13.82%
Software	12.63%
Microelectronic Equipment	10.79%
Microelectronic Manufacturing	7.16%
Luxury Goods	6.90%
Medical Products	6.59%
Cyber Security	5.56%
Retail	4.98%
Medical Technology	3.65%
Consumer Electronics	3.54%
Digital Entertainment	3.51%
Telecommunications	3.44%
Diversified Manufacturing	3.21%
Consulting	2.89%
Pharmaceuticals	2.73%
Insurance	2.56%
Securities Services	2.25%
Simulation Software	1.78%
Leisure	1.44%
Measurement Technology	0.35%
Cash	0.24%

Portfolio Characteristics*

Average market. Cap (USD bn)	180.6	Equity Ratio	44.66
Number of Holdings	37	Net Debt/ Op. Cash Flow	-50.25
Sales Growth (5yr)	11%	EPS Growth (5yr)	39%

*Weighted average of portfolio

Key fund facts

The Fund aims to deliver capital growth by investing in the equities of resilient, conservatively financed, well managed companies with a proven track record of innovation and growth.

Fund Details		ISIN: GB00BDFLVP03			
Fund Type	UCITS OEIC	Launch Date	29th February 2016	Min. Investment	GBP 10,000
Management Charge*	0.70%	Depositary	HSBC	Min. Further Investment	GBP 5,000
Subscription Charge	0.00%	Auditor	PricewaterhouseCoopers (PWC)	Share Class Availability	NOK, EUR, GBP, USD
Redemption Charge	0.00%	Dealing	Daily (11:00am, UK time)	Fund Domicile	UK
OCF**	1.03%	Pricing	Daily (15:00pm, UK time)	AUM (GBP)	120 million

*A management fee of 0.7% is charged only on AUM below £350 million. A performance fee of 10% of returns, in excess of the high water mark, is charged only on AUM above £350 million.

** Ongoing Charges to the Fund, as specified in the Key Investor Information Document (KIID) for the specific share class.

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