

# Equitable Resilience Fund

Monthly Report – October 2018

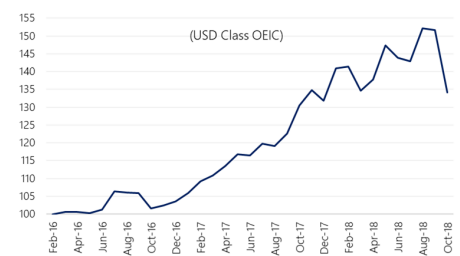
## Comments from your Chief Investment Officer

October has seen the worst performance for equity markets since the global financial crisis of 2008, however, we believe this setback will prove temporary. The Q3 earnings season in the US has been robust, suggesting to us the market declines have been driven more by a typical, albeit significant, bout of nerves rather than any deterioration in the economic fundamentals – see our latest [Insights letter](#).

We were, unfortunately, not immune to these moves as both high-growth technology and luxury goods companies were all marked down significantly over the month. As a result, the year-to-date performance of your fund is now close to flat. The catalyst for the market correction was concern over a tightening of US monetary policy in the US. However, we believe, due to a healthy labour market, demand from the US household sector should remain robust in the face of this adjustment.

During the course of the month, we have divested from the luxury goods sector. While we expect high-growth technology led companies to continue driving economic growth, and therefore leading investment returns, we are concerned that Chinese demand for luxury goods may abate as China struggles with its domestic debt overhang.

## NAV since inception

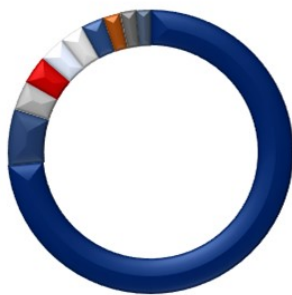


## Net Asset Value Metrics

### USD Class

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Last NAV	YTD
2018	6.90%	0.32%	-4.73%	2.33%	6.94%	-2.40%	-0.66%	6.44%	-0.34%	-11.54%			134.12	1.73%
2017	2.20%	3.14%	1.46%	2.37%	2.92%	-0.28%	2.79%	-0.55%	3.02%	6.44%	3.22%	-2.16%	131.84	27.20%
2016			0.61%	-0.04%	-0.37%	1.01%	5.05%	-0.23%	-0.24%	-4.03%	0.88%	1.16%	103.65	3.65%
<b>Annualized return since inception</b>														<b>11.62%</b>

## Country Allocation



- USA
- UK
- GERMANY
- NETHERLANDS
- SPAIN
- DENMARK
- FRANCE
- SWITZERLAND
- AUSTRALIA
- CANADA

## Top 10 Holdings

Fortinet	3.88%
Apple	3.61%
Intuitive Surgical	3.56%
TJX Companies	3.38%
Croda International	3.41%
Adobe	3.36%
Mtu Aero Engines	3.33%
Mastercard	3.26%
Wolters Kluwer	3.21%
Visa	3.22%

## Industry Exposure

Financial Services	15.71%
Medical Products	10.67%
Software	9.40%
Cyber Security	8.70%
Civil Aviation	6.46%
Retail	6.03%
Consulting	4.40%
Simulation Software	4.39%
Consumer Electronics	3.61%
Medical Technology	3.56%
Chemicals	3.41%
Publishing	3.21%
Sportswear	3.08%
Diversified Manufacturing	3.06%
Telecommunications	2.99%
Measurement Technology	2.92%
Medical Insurance	2.20%
Consumer Products	2.03%
Leisure	2.00%
Pharmaceuticals	1.84%
Cash	0.32%

## Portfolio Characteristics\*

Average market. Cap (USD bn)	120.9	Equity Ratio	40.39
Number of Holdings	37	Net Debt/ Op. Cash Flow	0.23
Sales Growth (5yr)	9%	EPS Growth (5yr)	21%

\*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: GB00BDD1KX36

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**	1.02%	Pricing	Daily (15:00pm, UK time)	AUM (GBP)	140 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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