

Strategy & Objective

The Best Ideas Portfolio is a diversified portfolio (not a fund) of global equities, which we believe to be well positioned to outperform the wider equity market over the longer term. The portfolio has a bias towards developed market, large capitalisation stocks.

Portfolio Performance (GBP)^{1,2}

| Return (%) | Annualised | | | | 1 Year | 3 Month | 1 Month | YTD |
|-----------------------------|--------------|---------|---------|--|--------|---------|---------|-----|
| | S. Inception | 5 Years | 3 Years | | | | | |
| Best Ideas Portfolio | 12.4 | 12.5 | 15.5 | | 12.6 | -0.6 | 2.7 | 8.3 |
| MSCI World | 11.4 | 12.1 | 14.6 | | 6.1 | -4.3 | 1.1 | 4.8 |
| Relative | 1.0 | 0.4 | 0.9 | | 6.5 | 3.7 | 1.6 | 3.5 |

| Risk (%) | Largest Drawdown | Volatility (Annualised) |
|-----------------------------|------------------|-------------------------|
| Best Ideas Portfolio | 17.3 | 12.1 |
| MSCI World | 19.0 | 12.8 |

Market Commentary

November saw a halt to October's global equity market declines, despite geopolitical risks remaining. US midterm election results have seen the Democrats gaining control of the House and the Republicans increasing control of the Senate. The S&P 500 returned 2.0% over the period. In Europe, progress was made with regards to Brexit, where a withdrawal agreement will now be submitted to the UK Parliament. With resistance expected, uncertainty remains, and the pound was mostly unchanged against the euro, while the FTSE 100 was down 1.6%. Elsewhere in Europe, third quarter GDP results showed a contraction in German and Italian production, while the Euro STOXX 50 was down 0.7%. Oil prices also made significant declines, with Brent Crude down 20.9%. This decline can be attributed to increases in supply from the US and Saudi Arabia, as well as the introduction of exemptions on Iran sanctions. The yield on US and UK 10-year bonds decreased 16 and 7 basis points respectively, as investors' concerns mounted over global economic growth prospects.

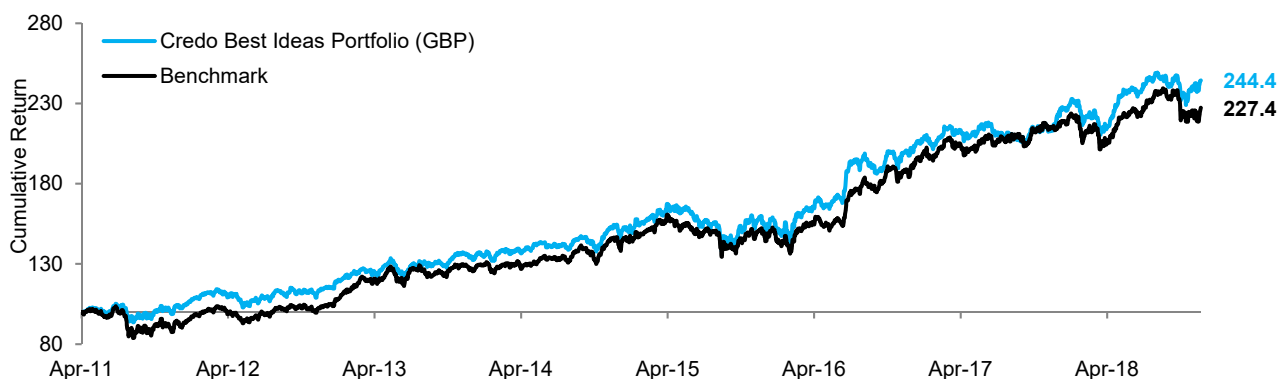
Key Contributors to Return

Adtalem Global Education's share increased 14.0%, after the company reported positive first quarter results and announced the start of a new stock buyback programme. HCA's shares increased 8.0%, after industry data showed strengthening outpatient admission volumes in the US, particularly in southern states where HCA has more exposure.

Key Detractors from Return

BP's shares declined 7.0%, after the recent decline in oil prices, driven by concerns that the global market is oversupplied. Imperial Brand's shares declined by 6.7%, after the Food and Drug Administration (FDA) announced a proposal to ban menthol cigarettes in the USA.

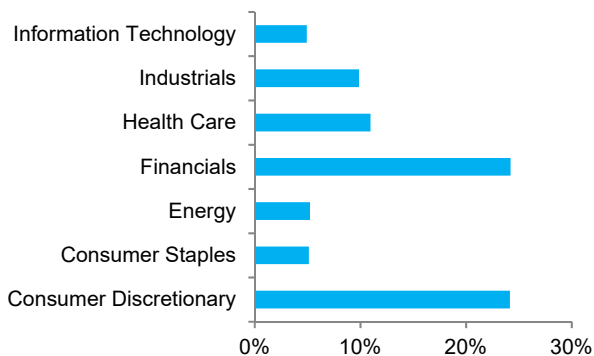
Performance Since Inception (14/04/2011)²



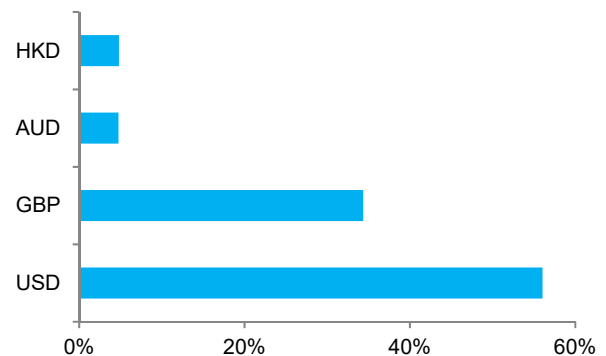
Sample Portfolio Statistics²

| | Current Price | Trailing 12 Month P/E | 12 Month Forward P/E | Dividend Yield |
|--------------------------------|---------------|-----------------------|----------------------|----------------|
| Adtalem Global Education Inc | \$57.7 | 20.4x | 19.1x | 0.0% |
| BP plc | 520p | 8.4x | 10.3x | 6.0% |
| Las Vegas Sands Corp | \$54.9 | 15.7x | 15.9x | 5.5% |
| Total Portfolio Average | | 16.2x | 14.0x | 2.6% |
| MSCI World | | 16.9x | 14.4x | 2.5% |

Sector Allocation



Currency Allocation



Investment Philosophy

Credo's investment philosophy is based on the following tenets:

- We believe wealth is created and preserved by following a patient and disciplined investment strategy that is focused on the long-term.
- We follow a value-based approach to investing.
- We strive to identify matters of strategic importance and focus on methodologies that have proven to be robust through a variety of market cycles, rather than fixating on short-term news-flow and forecasts.
- We aim to minimise turnover in our portfolios and apply our minds when considering transaction size in an attempt to limit transaction costs.
- We view risk as permanent losses of capital and not in terms of short-term volatility.

Important Notice

This document has been created for information purposes only and has been compiled from sources believed to be reliable. None of Credo, its directors, officers or employees accepts liability for any loss arising from the use hereof or reliance hereon or for any act or omission by any such person, or makes any representations as to its accuracy and completeness. This document does not constitute an offer or solicitation to invest, it is not advice or a personal recommendation nor does it take into account the particular investment objectives, financial situation or needs of individual clients and if you are interested in any of the information contained herein, it is recommended that you seek advice concerning suitability from your investment advisor. Investors are warned that past performance is not necessarily a guide to future performance, income is not guaranteed, share prices may go up or down and you may not get back the original capital invested. The value of your investment may also rise or fall due to changes in tax rates and rates of exchange if different to the currency in which you measure your wealth. Credo Capital Limited is authorised and regulated by the Financial Conduct Authority and is an Authorised Financial Services Provider; FSP No: 9757.

(1) Performance figures are based on a notional portfolio, denominated in pound sterling, designed to track the holdings of the Credo Best Ideas Portfolio. Portfolio incorporates all additions and removals, rebalancing all holdings to a 5% weighting in the process. Portfolio may not be fully invested at a point in time and therefore can hold a portion of assets in cash, which is assumed to be held in the relevant reporting currency of the portfolio. Portfolio and Benchmark performance is calculated before any fees and includes reinvested dividends net of withholding tax.

(2) Source: Bloomberg pricing as of 30/11/2018 close. All portfolio performance is calculated using Bloomberg PORT, rounded to 1 decimal place.

Strategy & Objective

The Best Ideas Portfolio is a diversified portfolio (not a fund) of global equities, which we believe to be well positioned to outperform the wider equity market over the longer term. The portfolio has a bias towards developed market, large capitalisation stocks.

Portfolio Performance (USD)^{1,2}

| Return (%) | Annualised | | | | 1 Year | 3 Month | 1 Month | YTD |
|-----------------------------|--------------|---------|---------|--|--------|---------|---------|------|
| | S. Inception | 5 Years | 3 Years | | | | | |
| Best Ideas Portfolio | 9.2 | 7.4 | 9.9 | | 7.3 | -2.1 | 2.7 | 3.1 |
| MSCI World | 7.9 | 6.7 | 8.5 | | 0.1 | -5.8 | 1.1 | -1.2 |
| Relative | 1.3 | 0.7 | 1.4 | | 7.2 | 3.7 | 1.6 | 4.3 |

| Risk (%) | Largest Drawdown | Volatility (Annualised) |
|-----------------------------|------------------|-------------------------|
| Best Ideas Portfolio | 19.3 | 12.6 |
| MSCI World | 22.0 | 12.9 |

Market Commentary

November saw a halt to October's global equity market declines, despite geopolitical risks remaining. US midterm election results have seen the Democrats gaining control of the House and the Republicans increasing control of the Senate. The S&P 500 returned 2.0% over the period. In Europe, progress was made with regards to Brexit, where a withdrawal agreement will now be submitted to the UK Parliament. With resistance expected, uncertainty remains, and the pound was mostly unchanged against the euro, while the FTSE 100 was down 1.6%. Elsewhere in Europe, third quarter GDP results showed a contraction in German and Italian production, while the Euro STOXX 50 was down 0.7%. Oil prices also made significant declines, with Brent Crude down 20.9%. This decline can be attributed to increases in supply from the US and Saudi Arabia, as well as the introduction of exemptions on Iran sanctions. The yield on US and UK 10-year bonds decreased 16 and 7 basis points respectively, as investors' concerns mounted over global economic growth prospects.

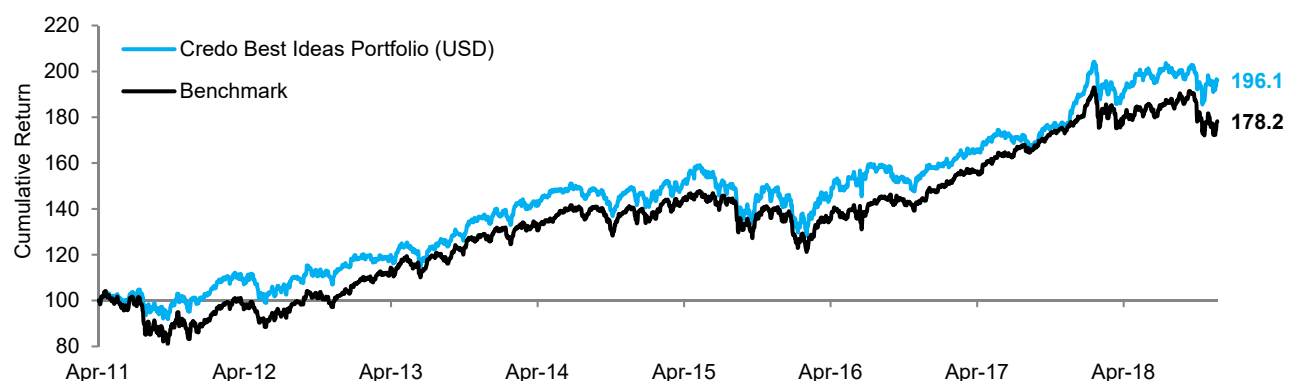
Key Contributors to Return

Adtalem Global Education's share increased 14.0%, after the company reported positive first quarter results and announced the start of a new stock buyback programme. HCA's shares increased 8.0%, after industry data showed strengthening outpatient admission volumes in the US, particularly in southern states where HCA has more exposure.

Key Detractors from Return

BP's shares declined 7.0%, after the recent decline in oil prices, driven by concerns that the global market is oversupplied. Imperial Brand's shares declined by 6.7%, after the Food and Drug Administration (FDA) announced a proposal to ban menthol cigarettes in the USA.

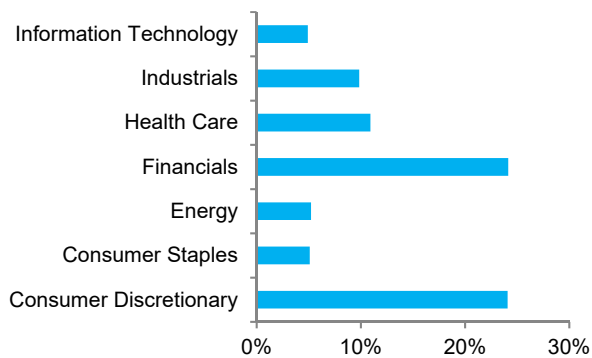
Performance Since Inception (14/04/2011)²



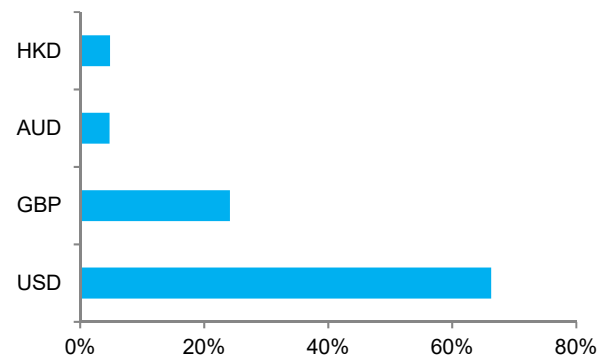
Sample Portfolio Statistics²

| | Current Price | Trailing 12 Month P/E | 12 Month Forward P/E | Dividend Yield |
|--------------------------------|---------------|-----------------------|----------------------|----------------|
| Adtalem Global Education Inc | \$57.7 | 20.4x | 19.1x | 0.0% |
| BP plc | 520p | 8.4x | 10.3x | 6.0% |
| Las Vegas Sands Corp | \$54.9 | 15.7x | 15.9x | 5.5% |
| Total Portfolio Average | | 16.3x | 14.0x | 2.6% |
| MSCI World | | 16.9x | 14.4x | 2.5% |

Sector Allocation



Currency Allocation



Investment Philosophy

Credo's investment philosophy is based on the following tenets:

- We believe wealth is created and preserved by following a patient and disciplined investment strategy that is focused on the long-term.
- We follow a value-based approach to investing.
- We strive to identify matters of strategic importance and focus on methodologies that have proven to be robust through a variety of market cycles, rather than fixating on short-term news-flow and forecasts.
- We aim to minimise turnover in our portfolios and apply our minds when considering transaction size in an attempt to limit transaction costs.
- We view risk as permanent losses of capital and not in terms of short-term volatility.

Important Notice

This document has been created for information purposes only and has been compiled from sources believed to be reliable. None of Credo, its directors, officers or employees accepts liability for any loss arising from the use hereof or reliance hereon or for any act or omission by any such person, or makes any representations as to its accuracy and completeness. This document does not constitute an offer or solicitation to invest, it is not advice or a personal recommendation nor does it take into account the particular investment objectives, financial situation or needs of individual clients and if you are interested in any of the information contained herein, it is recommended that you seek advice concerning suitability from your investment advisor. Investors are warned that past performance is not necessarily a guide to future performance, income is not guaranteed, share prices may go up or down and you may not get back the original capital invested. The value of your investment may also rise or fall due to changes in tax rates and rates of exchange if different to the currency in which you measure your wealth. Credo Capital Limited is authorised and regulated by the Financial Conduct Authority and is an Authorised Financial Services Provider; FSP No: 9757.

(1) Performance figures are based on a notional portfolio, denominated in US dollar, designed to track the holdings of the Credo Best Ideas Portfolio. Portfolio incorporates all additions and removals, rebalancing all holding to a 5% weighting in the process. Portfolio may not be fully invested at a point in time and therefore can hold a portion of assets in cash, which is assumed to be held in the relevant reporting currency of the portfolio. Portfolio and Benchmark performance is calculated before any fees and includes reinvested dividends net of withholding tax.

(2) Source: Bloomberg pricing as of 30/11/2018 close. All portfolio performance is calculated using Bloomberg PORT, rounded to 1 decimal