

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						
	S. Inception	5 Years	3 Years	1 Year	3 Month	1 Month	YTD
Best Ideas Portfolio	11.9	11.8	15.0	8.9	-0.8	2.0	6.2
MSCI World	10.8	11.6	14.4	4.4	-1.4	1.9	6.7
Relative	1.1	0.2	0.6	4.5	0.6	0.1	-0.5

Risk (%)	Largest Drawdown	Volatility (Annualised)
Best Ideas Portfolio	17.3	12.2
MSCI World	19.0	13.0

Market Commentary

Global equity markets continued to perform strongly in February, as progress was made with regards to US-China trade talks, averting a scheduled increase in tariffs by 1st March. US equity markets were also boosted by a relatively strong earnings season. All major equity indices made gains over the month, with the S&P 500, FTSE 100 and Nikkei 225 all up 3.2%, 2.3% and 3.0% respectively. Pound sterling increased 1.1% against the US dollar and 1.7% against the euro, as resistance against a no-deal Brexit, the perceived worst-case scenario for business, increased. In the fixed income markets, yield on US, UK and Germany 10-year bonds all increased 9, 8 and 3 basis points respectively. Brent crude oil increased 9.0%, as larger than expected production cuts from Saudi-Arabia restricted supply and as demand was boosted by the prospect of a truce of the trade war between the US and China.

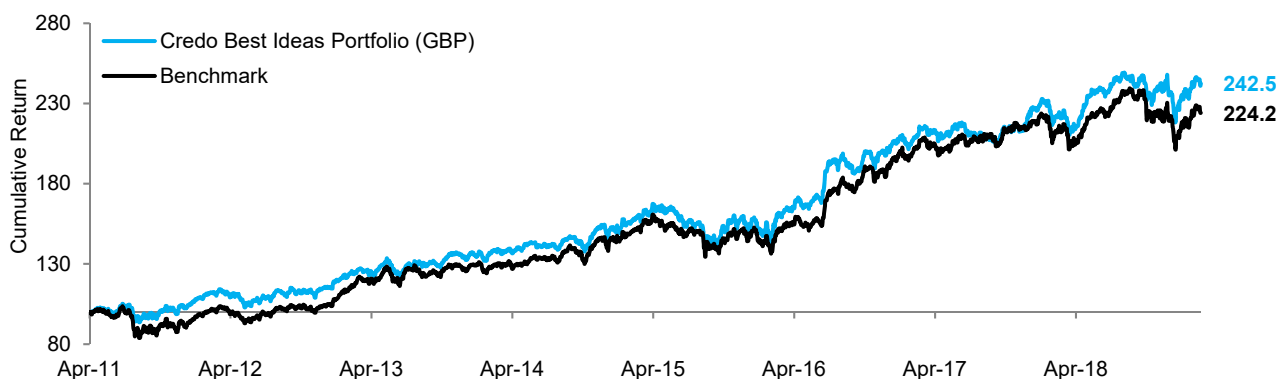
Key Contributors to Return

AIA Group's shares increased by 11.4% after the company received regulatory approval from China and as hopes of a trade deal between the USA and China increased. Arch Capital Group's shares increased by 11.3% after the company reported stronger than expected quarterly results driven by strong underwriting results.

Key Detractors from Return

Cigna's shares declined by 12.7% after the House Democrats announced the "Medicare-for-all Act of 2019" which, in the unlikely event it should pass, would be negative for medical insurers. Crown Resort's shares declined by 4.1% after reporting weak quarterly results because of a slowdown in VIP spending from Chinese Tourists.

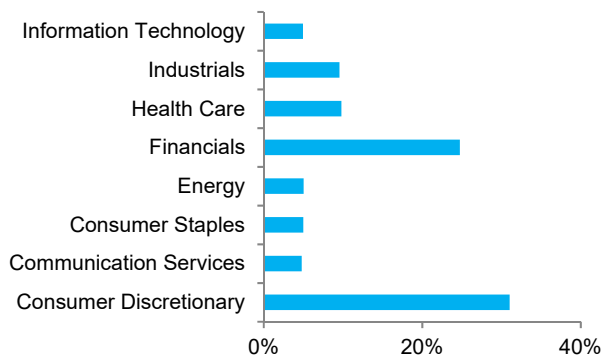
Performance Since Inception (14/04/2011)²



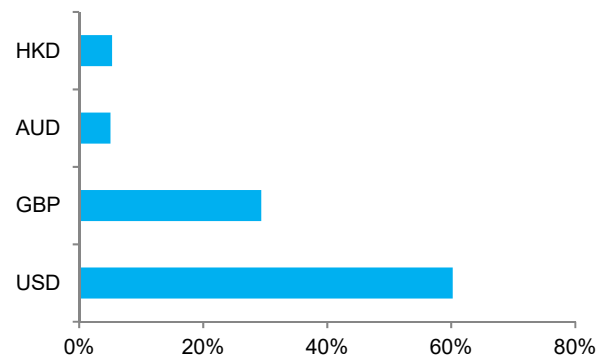
Sample Portfolio Statistics²

	Current Price	Trailing 12 Month P/E	12 Month Forward P/E	Dividend Yield
Adtalem Global Education Inc	\$48.2	17.2x	15.4x	0.0%
BP plc	534p	11.7x	12.8x	6.0%
Las Vegas Sands Corp	\$61.4	18.0x	18.6x	5.0%
Total Portfolio Average		16.6x	14.3x	2.6%
MSCI World		17.2x	15.0x	2.6%

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

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(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 28/02/2019 close. All portfolio performance is calculated using Bloomberg PORT, rounded to 1 decimal place.

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Portfolio Performance (USD)^{1,2}

Return (%)	Annualised						
	S. Inception	5 Years	3 Years	1 Year	3 Month	1 Month	YTD
Best Ideas Portfolio	9.3	7.1	13.7	5.3	3.0	3.1	10.3
MSCI World	8.0	6.5	12.6	0.4	2.6	3.0	11.0
Relative	1.3	0.6	1.1	4.9	0.4	0.1	-0.7

Risk (%)	Largest Drawdown	Volatility (Annualised)
Best Ideas Portfolio	19.3	12.7
MSCI World	22.0	13.0

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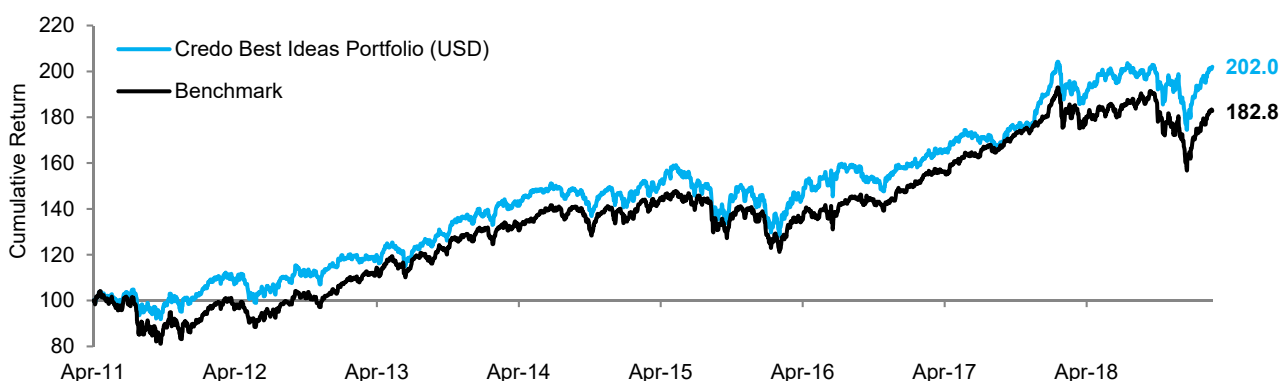
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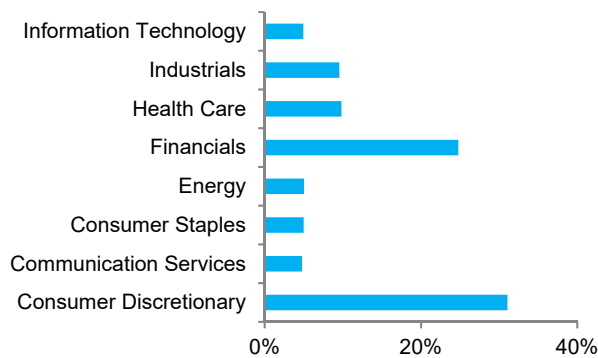
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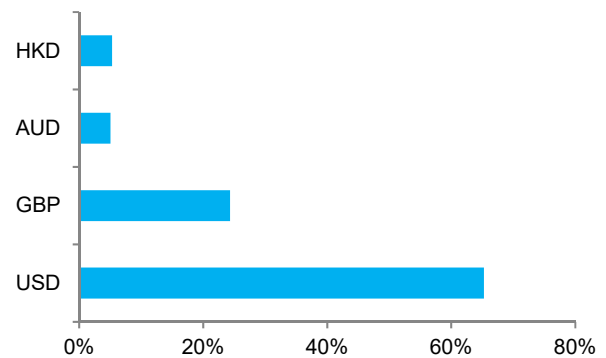
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