

Strategy & Objective

The Dividend Growth 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}

Long Term Returns	Dividend Growth Portfolio	MSCI World	Relative Return
Since Inception	84.9%	72.7%	12.2%
3 Year	57.4%	48.0%	9.4%
1 Year	33.9%	29.9%	3.9%

Short Term Returns	Dividend Growth Portfolio	MSCI World	Relative Return
YTD	23.7%	19.9%	3.8%
3 Months	5.8%	7.3%	-1.5%
1 Month	1.1%	1.9%	-0.8%

Market Commentary

World markets were mixed during the month of September. The best performing index in the developed market universe was the UK FTSE 100, which finished up 1.7% for the month, buoyed by some stronger than expected economic data and continued weakness in the pound/dollar exchange rate. European indices were generally subdued, with European banks coming under pressure throughout the month following the massive \$14bn fine that the US Department of Justice unexpectedly imposed on Deutsche Bank. This figure was nearly three times the size expected by the markets. While Western European markets treaded water, there was similarly little action across the pond, as the major US indices finished fractionally down for the month. The Nasdaq was however the one exception, finishing up 1.8% for the month, with the likes of Amazon, Apple and Twitter enjoying some strong gains.

Possibly the most relevant market movement during September was the rising oil price, as OPEC (led by Saudi Arabia and Iran) agreed to a deal on output quotas in an unscheduled OPEC meeting held in Algeria. Russia, although not a member of OPEC, was also party to the deal. This was the first time in eight years that an agreement has been struck to ease the global over-supply of oil and it sent the price of Brent crude back up to \$49 per barrel (an increase for the month amounting to 6%).

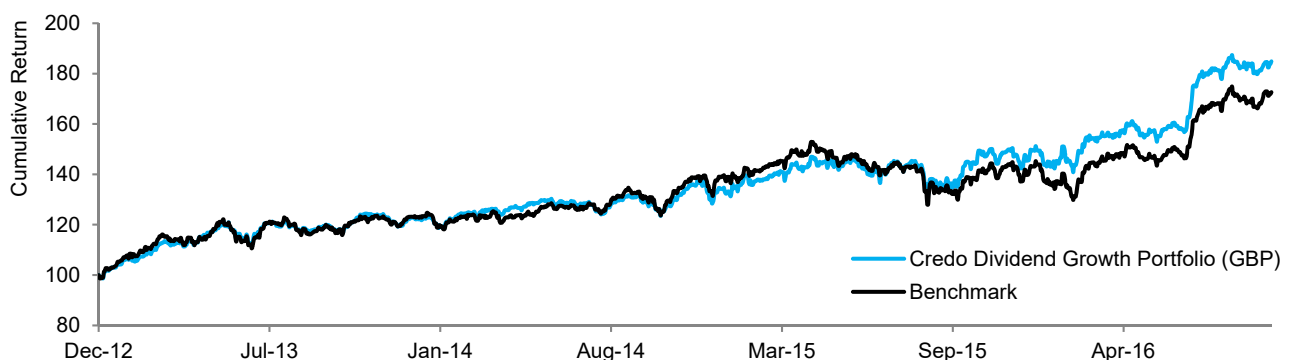
Key Contributors to Return

Las Vegas Sands returned 16.1% supported by the turnaround in Macau gaming revenue. Statoil returned 7.4% supported by a rise in the oil price buoyed by OPEC announcing an agreement to curb output.

Key Detractors from Return

Wells Fargo declined by -12.8% in response to reports that they had been fined by regulators for fraudulent account openings by their employees. Whitbread declined by -6.1% on little company specific news, but likely due to the general weakness in UK stocks which generate their earnings in sterling.

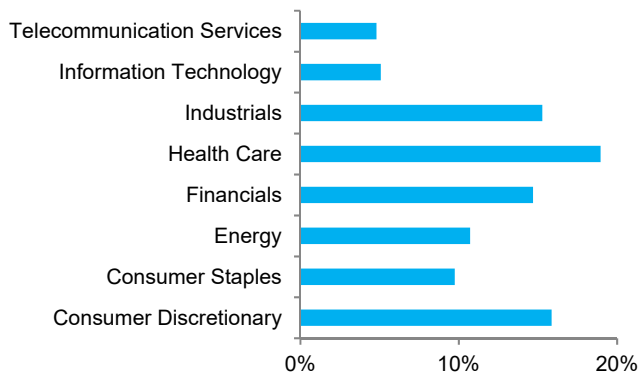
Performance Since Inception (28/12/2012)²



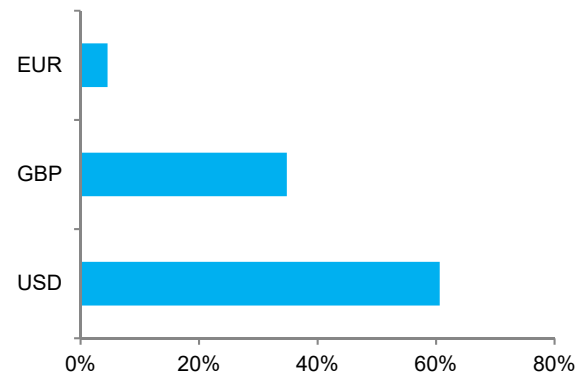
Sample Portfolio Statistics²

	Current Price	Trailing 12 Month P/E	12 Month Forward P/E	Dividend Yield
Pepsico Inc	\$108.8	22.8x	22.7x	2.8%
Prudential Plc	1367p	24.1x	11.6x	2.9%
Quest Diagnostics Inc	\$84.6	18.3x	16.6x	1.9%
Total Portfolio Average		24.2x	18.7x	3.3%
MSCI World		22.4x	17.5x	2.6%

Sector Allocation



Currency Allocation



Investment Philosophy

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

- Wealth is preserved and created by following a long-term, low-turnover strategy.
- We believe in a value-based approach to investing, given that the price which is paid when investing is one of the very few things in financial markets that investors can actually control.
- We do not define risk in terms of quantitative metrics, but simply as the potential to lose clients' money; accordingly, our approach to investing can be described as a relatively conservative one, focusing first and foremost on capital preservation.
- Yield is an important consideration across all asset classes.
- Transaction costs have the potential to erode investment returns quickly; based on this, we not only follow a low-turnover approach, but we also apply our minds when considering transaction size.
- We aim to identify matters of strategic importance when considering investments, rather than focusing on daily news-flow in financial markets.

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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 Dividend Growth Portfolio. Portfolio incorporates all additions and removals. Portfolio may not be fully invested at a point in time and therefore can hold a portion of assets in cash. Performance is calculated before any fees (which can vary depending on the level of service) but includes gross dividends, reinvested. Benchmark is calculated net of withholding tax. Following additions or removals, each holding is rebalanced to a 5% weighting.
- (2) Source: Bloomberg pricing as of 30/09/2016 close. All portfolio performance is calculated using Bloomberg PORT, rounded to 1 decimal place.

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Portfolio Performance (USD)^{1,2}

Long Term Returns	Dividend Growth Portfolio	MSCI World	Relative Return
Since Inception	49.2%	39.3%	9.9%
3 Year	26.2%	18.6%	7.6%
1 Year	14.8%	11.4%	3.4%

Short Term Returns	Dividend Growth Portfolio	MSCI World	Relative Return
YTD	8.9%	5.6%	3.4%
3 Months	3.4%	4.9%	-1.4%
1 Month	-0.2%	0.5%	-0.7%

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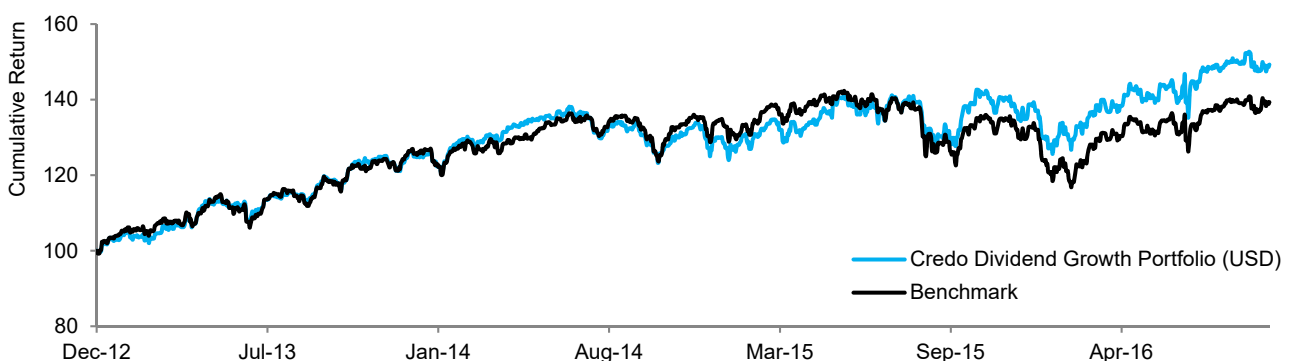
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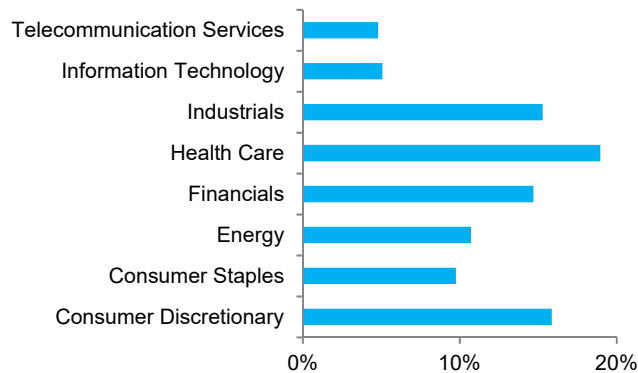
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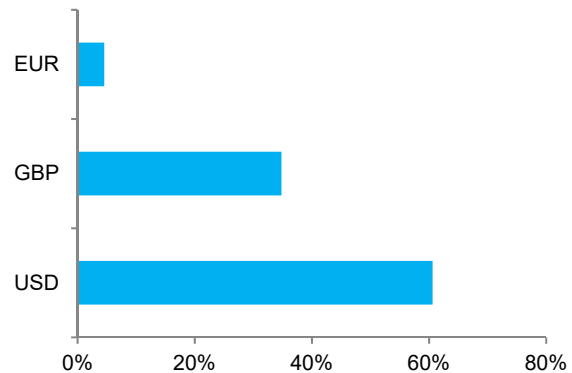
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