

## 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)<sup>1,2</sup>

	Annualised						
Return (%)	S. Inception	5 Years	3 Years	1 Year	3 Months	1 Month	YTD
<b>Best Ideas Portfolio</b>	11.6	11.4	13.4	10.9	9.1	3.7	3.7
<b>MSCI World</b>	11.2	12.1	10.8	13.4	10.9	1.6	1.6
<b>Relative</b>	0.4	-0.7	2.6	-2.5	-1.9	2.1	2.1

Risk (%)	Largest Drawdown	Volatility (Annualised)
<b>Best Ideas Portfolio</b>	30.4	14.8
<b>MSCI World</b>	26.2	15.1

## MARKET COMMENTARY

Following a strong end to 2023 global markets delivered mixed performances for January. Over the month, the DJIA, S&P 500, NASDAQ and Euro STOXX 50 all experienced positive returns of 1.3%, 1.7%, 1.0% and 3.0%, respectively and measured in their local currencies. The S&P 500 reached all-time highs as positive economic data and receding inflation supported investor optimism. In contrast, the FTSE 100 posted a negative return of -1.3% due to weaker economic data. In fixed income markets, yields on US, UK and German 10-year bonds rose by 3.3, 25.7, and 14.2 basis points, respectively, and mainly driven by central banks striking a less dovish tone in respect of rate cuts expected in 2024. Brent Crude oil was up 5.4% over the month as the ongoing conflict in the Middle East caused disruptions in the Suez Canal. The pound fell by 0.1% against the US dollar and rose by 1.6% against the euro.

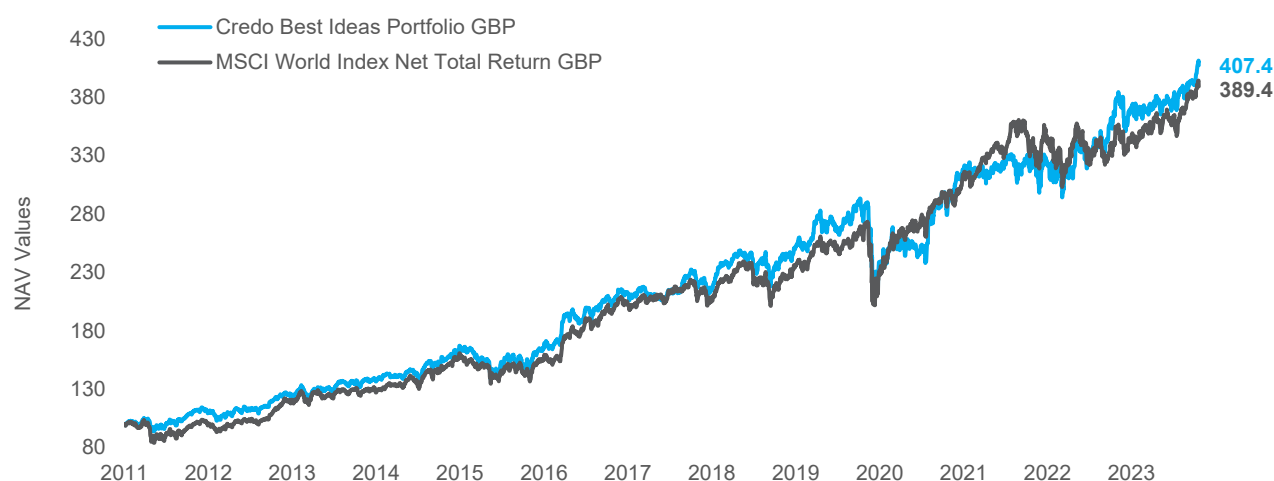
### Key Contributors to Return

Flutter Entertainment's shares increased by 16.8% after the company reported continued iGaming market share gains in the US and completed its listing on the NYSE. HCA Healthcare's shares increased by 13.0% after reporting better earnings and sales than consensus expectations, driven by strong demand for its services coupled with improved cost trends.

### Key Detractors from Return

Frontdoor's shares declined by 6.7% after the National Association of Realtors reported existing-home sales figures for December 2023, which were 6.2% lower compared to the previous year. Prudential's shares declined by 7.8% following Hong Kong and Chinese listed shares traded lower after Chinese state support had been unable to lift the seemingly negative sentiment in those markets.

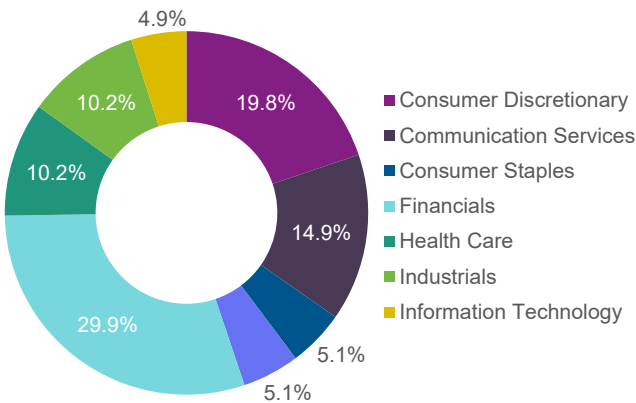
## PERFORMANCE SINCE INCEPTION<sup>2</sup>



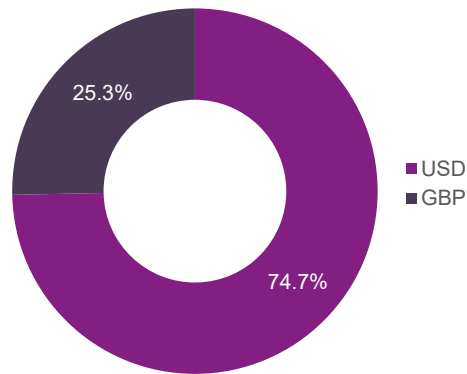
**SAMPLE PORTFOLIO STATISTICS<sup>2</sup>**

	Current Price	Trailing 12 Month P/E	12 Month Forward P/E	Dividend Yield
British American Tobacco plc	2339p	6x	6.3x	9.9%
Chubb Ltd	\$245	11.2x	11.4x	1.4%
Meta Platforms Inc-Class A	\$390.1	22.6x	21.3x	0.0%
<b>Total Portfolio Average</b>		<b>14.5x</b>	<b>13.8x</b>	<b>1.8%</b>
<b>MSCI World</b>		<b>20.5x</b>	<b>19.5x</b>	<b>1.9%</b>

**SECTOR ALLOCATION**



**CURRENCY ALLOCATION**



**INVESTMENT PHILOSOPHY**

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

- We believe that wealth is best created and preserved through patient and disciplined investing, with a focus on the long term
- We follow a value-based approach to investing
- We seek to invest in high quality companies that are attractively priced relative to their future business prospects
- We believe that the market's short-term focus creates opportunities for those willing to concentrate on underlying business performance
- We view risk as permanent losses of capital and not in terms of short-term volatility

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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 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 performance is calculated before any fees and includes reinvested dividends net of withholding tax. Inception date: 14/04/2011.

(2) Source: Bloomberg pricing as of 31/01/2024 close. All portfolio performance is calculated using Bloomberg PORT.

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## PORTFOLIO PERFORMANCE (USD)<sup>1,2</sup>

Return (%)	Annualised						
	S. Inception	5 Years	3 Years	1 Year	3 Months	1 Month	YTD
<b>Best Ideas Portfolio</b>	9.7	10.8	10.6	14.2	14.2	3.3	3.3
<b>MSCI World</b>	9.1	11.4	8.1	17.0	16.1	1.2	1.2
<b>Relative</b>	0.6	-0.6	2.5	-2.8	-2.0	2.1	2.1

Risk (%)	Largest Drawdown	Volatility (Annualised)
<b>Best Ideas Portfolio</b>	37.1	15.3
<b>MSCI World</b>	34.0	15.1

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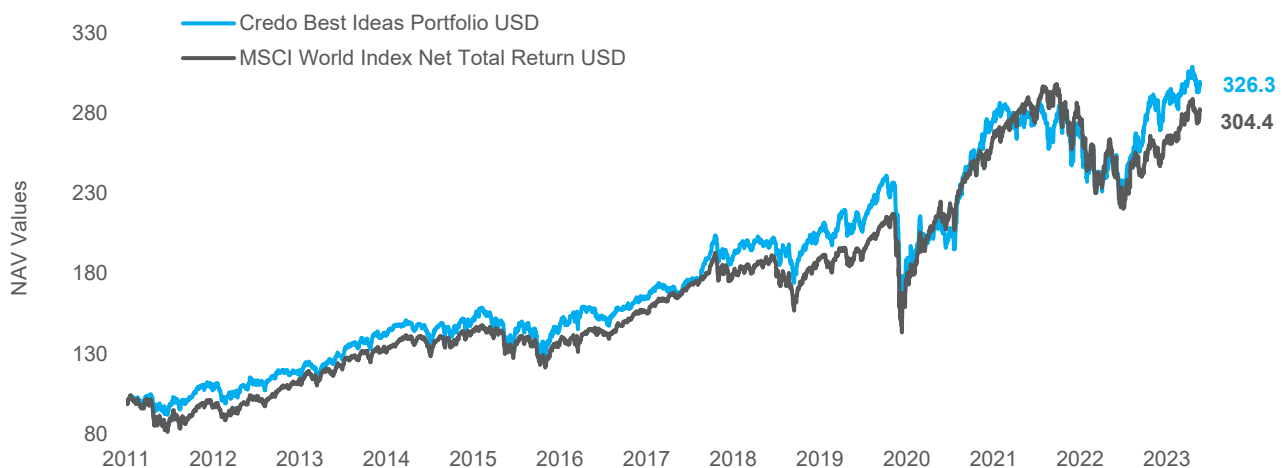
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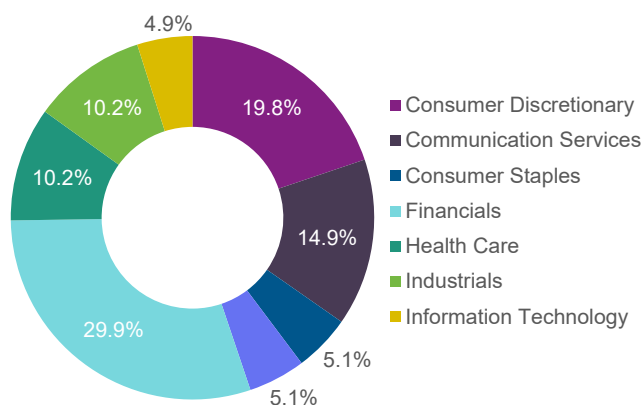
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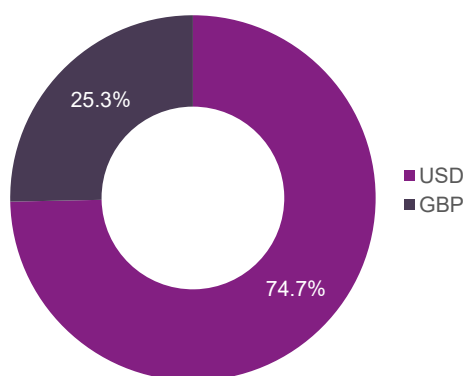
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