

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}

Return (%)	Annualised						
	S. Inception	5 Years	3 Years	1 Year	3 Month	1 Month	YTD
Dividend Growth Portfolio	13.3	11.6	13.0	10.5	2.5	2.3	2.3
MSCI World	12.4	9.5	10.1	0.9	2.0	5.1	5.1
Relative	0.9	2.1	2.9	9.6	0.5	-2.8	-2.8

Risk (%)	Largest Drawdown	Volatility (Annualised)
Dividend Growth Portfolio	26.8	13.7
MSCI World	26.2	15.1

Market Commentary

After a particularly turbulent year for investors, global equity and fixed income markets had a strong start to 2023. The S&P 500, Euro STOXX 50 and FTSE 100 all finished the month up by 6.3%, 9.9% and 4.3%, respectively in their local currencies. Although the pressures of inflation, monetary policy and geo-political conflict continued to weigh in on investors, optimism spurred amongst positive news of stabilising gas prices, relaxation of Covid restrictions and resilient labour markets. Fixed income markets continued their correlation with global equity markets, although in a more forgiving direction for investors thus far. Yields fell on US, UK and German 10-year bonds by 37, 34 and 29 basis points, respectively. The pound gained 2.0% on the US dollar and gained 1.5% on the euro.

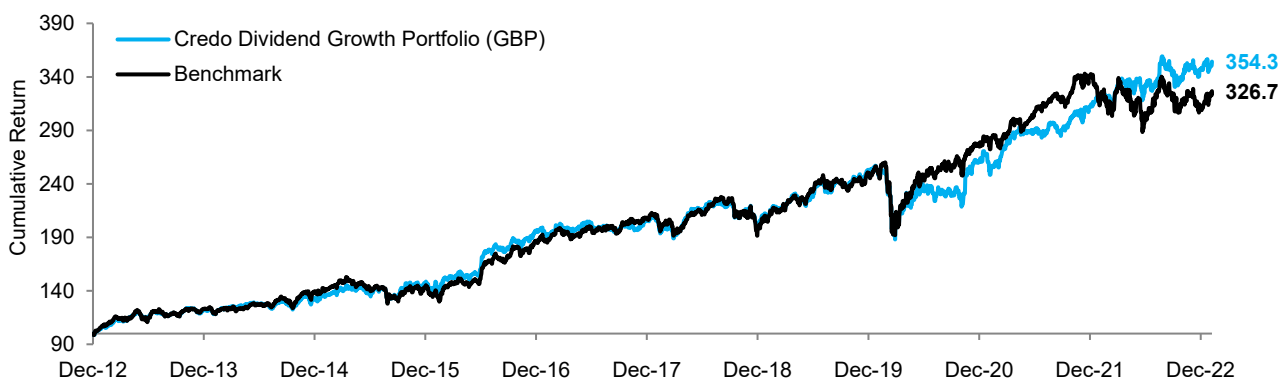
Key Contributors to Return

Bayer's shares increased by 19.7% after significantly increasing the peak sales guidance for its pharmaceutical division based on the initial success of two of its new blockbuster drugs. Adidas's shares increased by 17.3%, continuing the good momentum of the previous two months, after news of a new clothing line to be fronted by media sensation, Jenna Ortega, leaked.

Key Detractors from Return

PepsiCo's shares declined by 5.3% after it was reported that the Federal Trade Commission intends to launch an investigation into the pricing practices of Coca-Cola and PepsiCo who are allegedly suspected of offering advantaged pricing to certain large customers. Cigna's shares declined by 4.4% after California's Department of Health Care Services outlined plans to enact a new tax on the managed care industry to support its budget-constrained Medi-Cal programme from 1 January 2024.

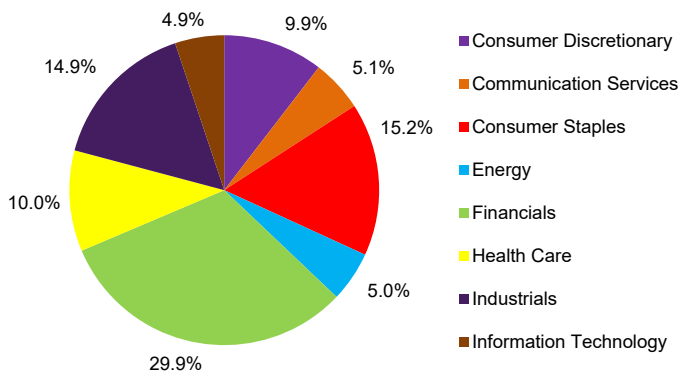
Performance Since Inception (28/12/2012)²



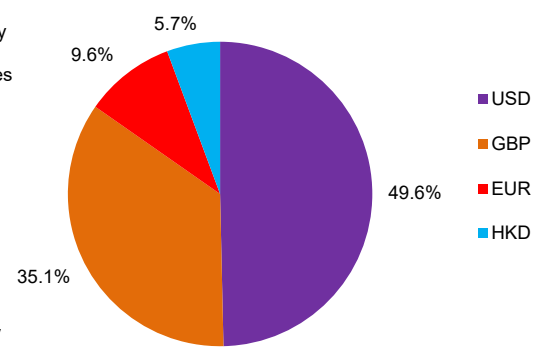
Sample Portfolio Statistics²

	Current Price	Trailing 12 Month P/E	12 Month Forward P/E	Dividend Yield
BP plc	489p	9.1x	5.6x	4.2%
PepsiCo Inc	\$171	25.7x	23.4x	2.7%
Union Pacific Corp	\$204.2	18.2x	17.5x	2.5%
Total Portfolio Average		15.7x	13.4x	2.8%
MSCI World		17.8x	16.4x	2.2%

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

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 Dividend Growth 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 31/01/2023 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
Dividend Growth Portfolio	10.6	8.7	10.8	1.8	9.9	4.1	4.1
MSCI World	9.5	6.5	7.6	-7.5	9.7	7.1	7.1
Relative	1.1	2.2	3.2	9.3	0.2	-3.0	-3.0

Risk (%)	Largest Drawdown	Volatility (Annualised)
Dividend Growth Portfolio	33.4	14.0
MSCI World	34.0	14.5

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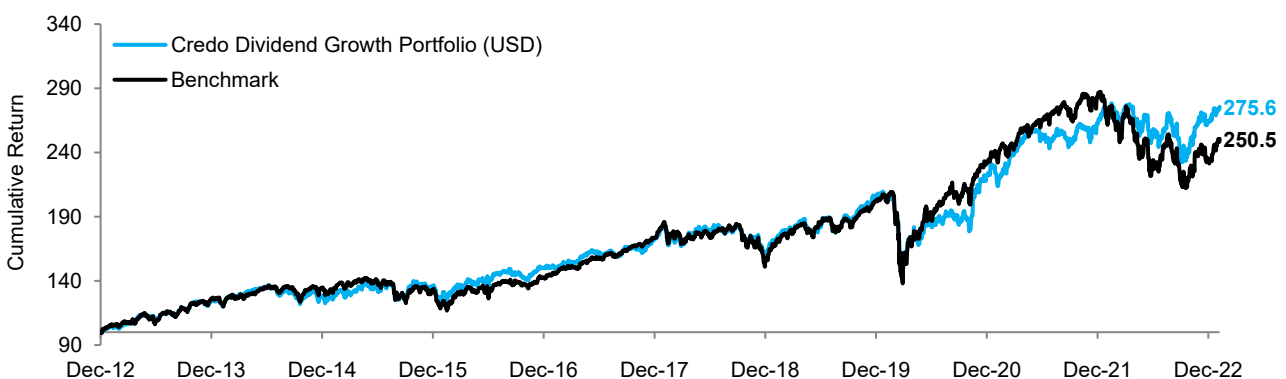
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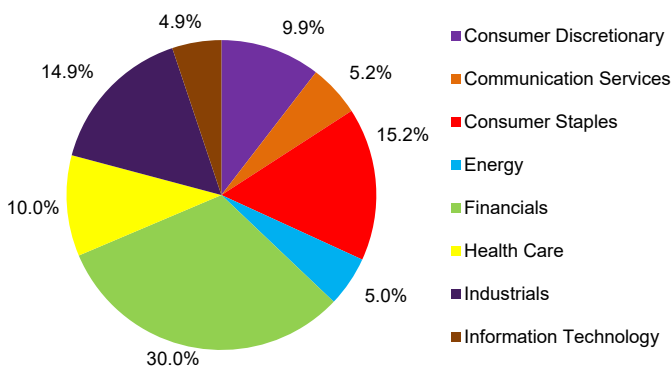
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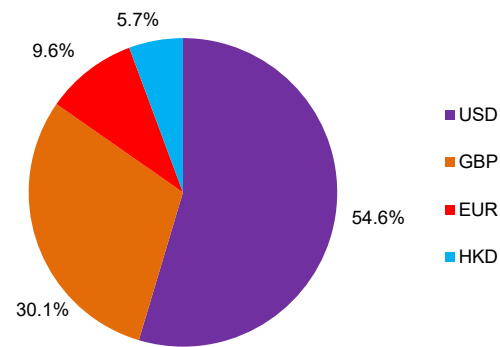
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