

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 Months	1 Month	YTD
Dividend Growth Portfolio	12.2	10.2	9.1	6.9	-2.3	-2.6	4.4
MSCI World	13.1	11.9	10.0	20.9	2.5	2.7	12.8
Relative	-0.9	-1.7	-0.9	-14.0	-4.8	-5.4	-8.4

Risk (%)	Largest Drawdown	Volatility (Annualised)
Dividend Growth Portfolio	26.80	13.7
MSCI World	26.20	15.1

MARKET COMMENTARY

Following a strong May, global equity markets saw mixed returns in June. In the US, the DJIA, S&P 500 and NASDAQ all recorded positive returns of 1.2%, 3.6% and 6.0% respectively and measured in their local currencies. This was driven by a strong earnings season for US technology companies. Whereas in Europe, financial markets responded negatively to the announcement of a snap election in France by French President Emmanuel Macron. The Euro STOXX 50, CAC 40 and FTSE 100 all recorded negative returns of -1.7%, -6.2% and -1.0% respectively and measured in their local currencies. In fixed income markets, yields on US, UK and German 10-year bonds declined by 10.2, 14.6 and 16.4 basis points. The European Central Bank (ECB) became the latest developed market central bank to cut interest rates and the Bank of England (BoE) and Federal Reserve (Fed) are both expected to cut rates by the end of the year. The pound was down 0.8% and 1.2% against the US dollar and euro, respectively.

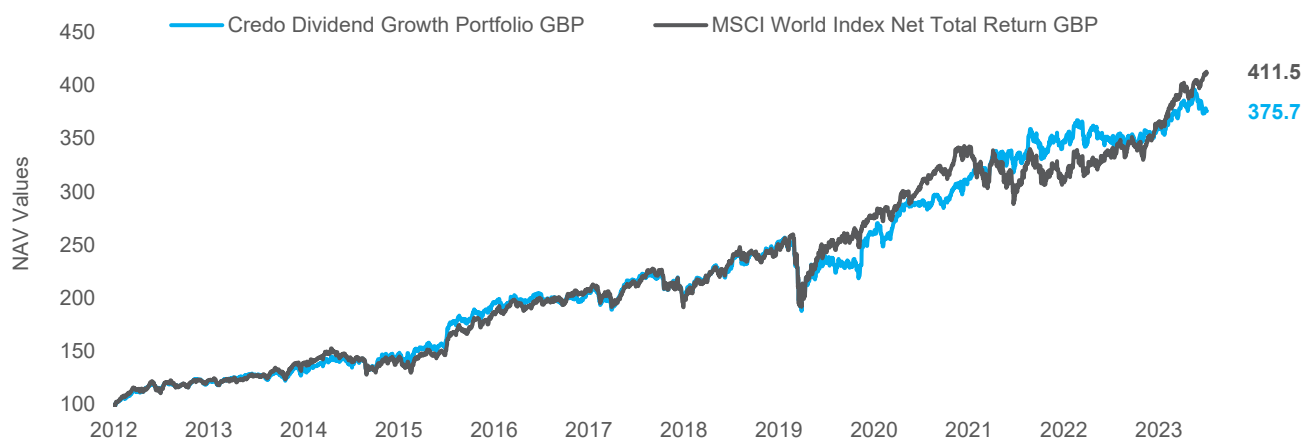
Key Contributors to Return

Microsoft Corp's shares increased by 8.4% after Apple and OpenAI's newly announced partnership could benefit the company's cloud business and profit sharing with OpenAI. British American Tobacco Plc's shares increased by 3.1% after the FDA progressed in regulating menthol flavoured e-cigarettes which could help the company compete more effectively against (illegal) disposable vaping products.

Key Detractors from Return

Bayer AG's shares declined by 7.1% after an 82% reduction of a verdict involving the company's crop business did little to lift the negative sentiment regarding future litigation costs. AIA Group's shares declined by 11.6% despite the company's recent report of new business growth ahead of consensus and increase of its buyback program by 20%.

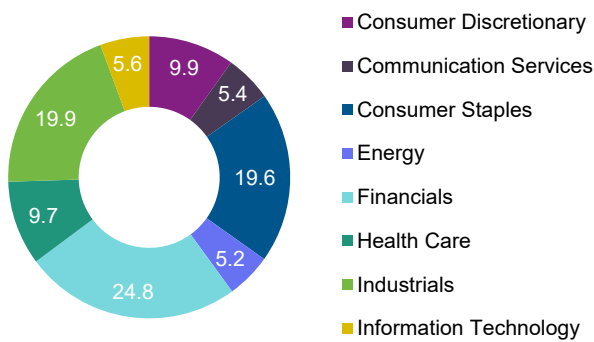
PERFORMANCE SINCE INCEPTION²



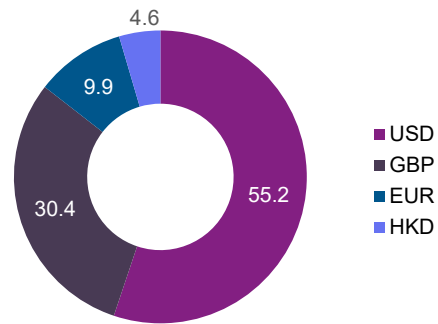
SAMPLE PORTFOLIO STATISTICS²

	Current Price	Trailing 12 Month P/E	12 Month Forward P/E	Dividend Yield
British American Tobacco plc	2430p	6.4x	6.5x	9.6%
PepsiCo Inc	\$164.9	21.3x	19.8x	3.1%
Union Pacific Corp	\$226.3	21.6x	19.5x	2.3%
Total Portfolio Average		39.3x	13.1x	2.8%
MSCI World		22.0x	19.8x	1.8%

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 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 performance is calculated before any fees and includes reinvested dividends net of withholding tax. Inception date: 31/01/2012.

(2) Source: Bloomberg pricing as of 28/06/2024 close. All portfolio performance is calculated using Bloomberg PORT.

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PORTFOLIO PERFORMANCE (USD)^{1,2}

Return (%)	Annualised						
	S. Inception	5 Years	3 Years	1 Year	3 Months	1 Month	YTD
Dividend Growth Portfolio	10.0	10.2	6.1	6.4	-2.1	-3.3	3.5
MSCI World	10.7	11.8	6.9	20.2	2.6	2.0	11.7
Relative	-0.7	-1.6	-0.7	-13.8	-4.8	-5.4	-8.2

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

MARKET COMMENTARY

Following a strong May, global equity markets saw mixed returns in June. In the US, the DJIA, S&P 500 and NASDAQ all recorded positive returns of 1.2%, 3.6% and 6.0% respectively and measured in their local currencies. This was driven by a strong earnings season for US technology companies. Whereas in Europe, financial markets responded negatively to the announcement of a snap election in France by French President Emmanuel Macron. The Euro STOXX 50, CAC 40 and FTSE 100 all recorded negative returns of -1.7%, -6.2% and -1.0% respectively and measured in their local currencies. In fixed income markets, yields on US, UK and German 10-year bonds declined by 10.2, 14.6 and 16.4 basis points. The European Central Bank (ECB) became the latest developed market central bank to cut interest rates and the Bank of England (BoE) and Federal Reserve (Fed) are both expected to cut rates by the end of the year. The pound was down 0.8% and 1.2% against the US dollar and euro, respectively.

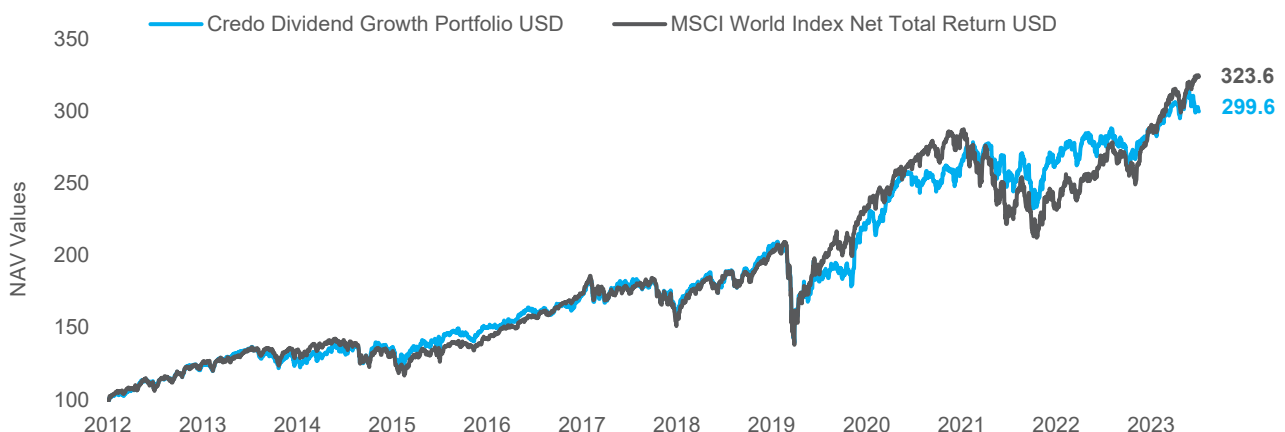
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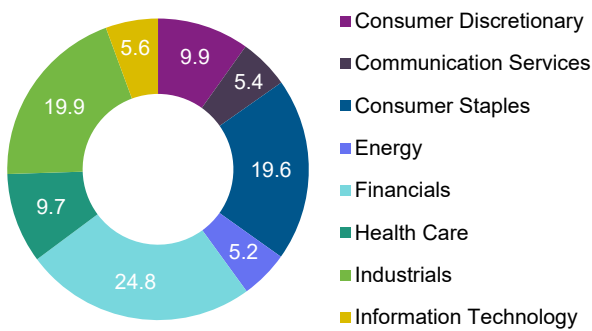
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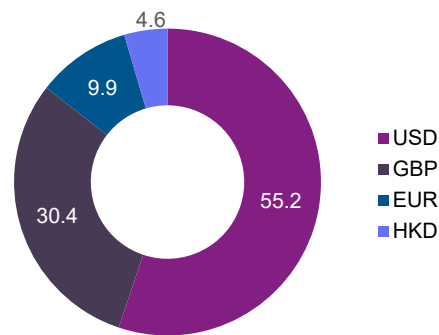
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