

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

Return (%)	Annualised						
	S. Inception	5 Years	3 Years	1 Year	3 Month	1 Month	YTD
<b>Dividend Growth Portfolio</b>	13.0	9.6	11.0	19.4	0.9	-1.9	14.0
<b>MSCI World</b>	14.4	13.3	15.4	22.6	2.7	0.8	20.2
<b>Relative</b>	-1.4	-3.7	-4.4	-3.2	-1.8	-2.7	-6.2

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

## Market Commentary

Global equity markets started November optimistically but were dominated by rising Covid-19 hospitalisations and concerns around the Omicron variant. Headlines delivered a sense of déjà vu as some equity markets saw their biggest one-day fall since the prior year. The S&P 500, Euro STOXX 50 and FTSE 100 finished the month down by 0.7%, 4.3% and 2.2% respectively. A promising US labour market outweighed inflation concerns, although the Consumer Price Index (CPI) reported its highest reading in 31 years, and retail sales proved resilient. In the UK, positive economic momentum persisted with labour market data continuing to improve. Despite this economic trajectory, expectations for interest rate rises subsided since news of the Omicron variant. Yields on US, UK and German 10-year bonds decreased by 11, 23 and 24 basis points respectively. The pound was down 2.8% and 0.9% against the US dollar and the euro respectively.

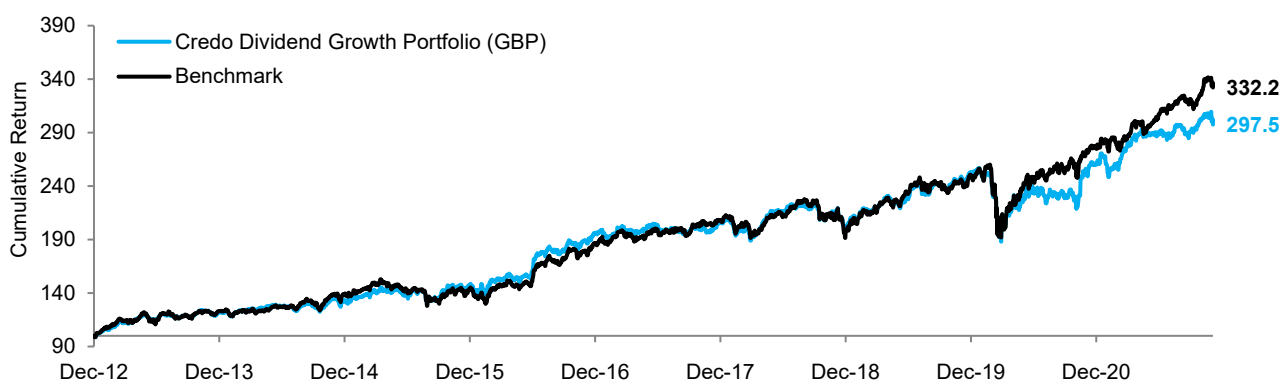
### Key Contributors to Return

Crown Resorts' shares increased by 10.5% after Blackstone increased its offer for the company, with the two previous bids rejected as too low. Diageo's shares increased by 4.6% after the company hosted a Capital Markets Day, where management upgraded its guidance on the organic growth expectations for the business in the medium term.

### Key Detractors from Return

Flutter Entertainment's shares declined 26.1% after the company announced reduced expectations for growth in the UK, further exacerbated by investor concerns over an ongoing review of the UK Gambling Act. Cigna's shares declined by 10.3% after news of a new Covid variant weighed on already reduced earnings estimates due to higher and longer than expected pandemic-related headwinds.

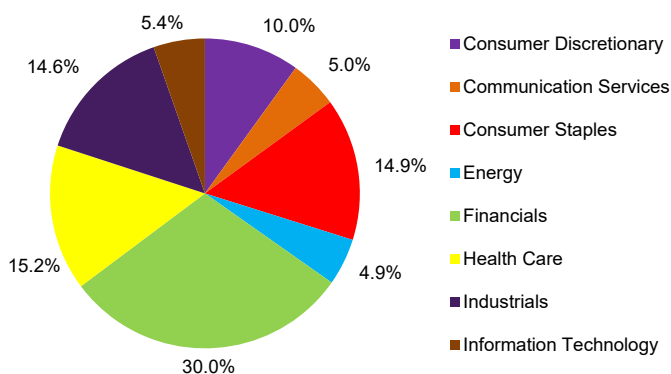
## Performance Since Inception (28/12/2012)<sup>2</sup>



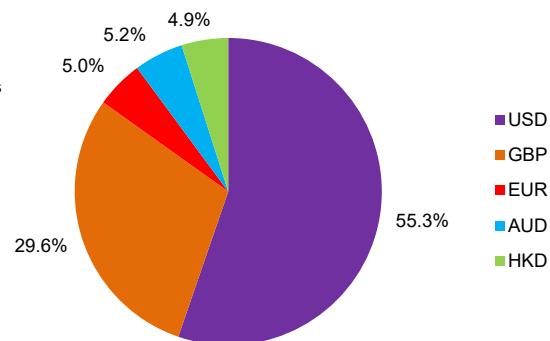
## Sample Portfolio Statistics<sup>2</sup>

	Current Price	Trailing 12 Month P/E	12 Month Forward P/E	Dividend Yield
CME Group Inc	\$220.5	38.0x	30.6x	1.6%
Otis Worldwide Corp	\$80.4	27.1x	24.6x	1.2%
Raytheon Technologies Corp	\$80.9	22.3x	16.4x	2.5%
<b>Total Portfolio Average</b>		<b>16.4x</b>	<b>13.8x</b>	<b>2.7%</b>
<b>MSCI World</b>		<b>22.0x</b>	<b>18.6x</b>	<b>1.8%</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 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 30/11/2021 close. All portfolio performance is calculated using Bloomberg PORT, rounded to 1 decimal place.

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## Portfolio Performance (USD)<sup>1,2</sup>

Return (%)	Annualised						
	S. Inception	5 Years	3 Years	1 Year	3 Month	1 Month	YTD
<b>Dividend Growth Portfolio</b>	10.7	11.0	12.4	18.7	-2.7	-4.8	10.8
<b>MSCI World</b>	12.0	14.6	16.9	21.8	-0.9	-2.2	16.8
<b>Relative</b>	-1.3	-3.6	-4.5	-3.1	-1.8	-2.6	-6.0

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

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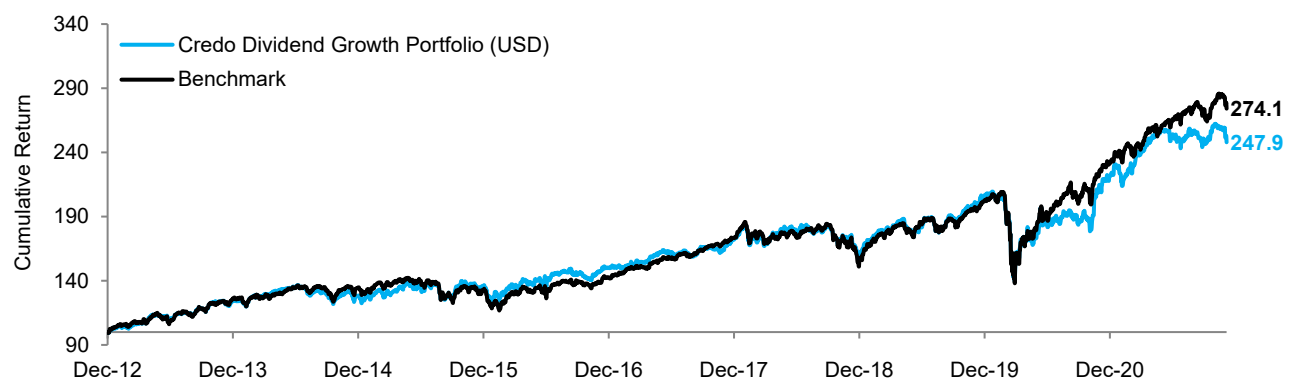
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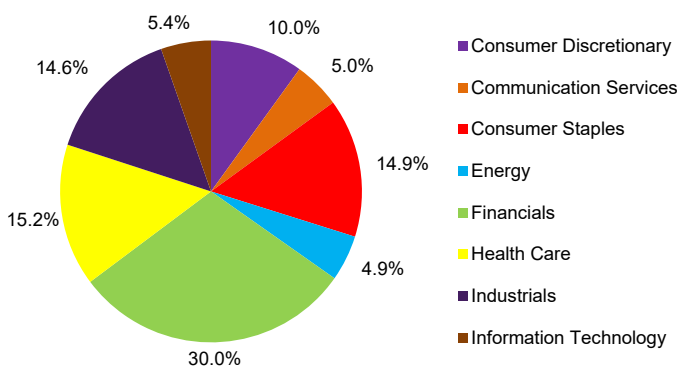
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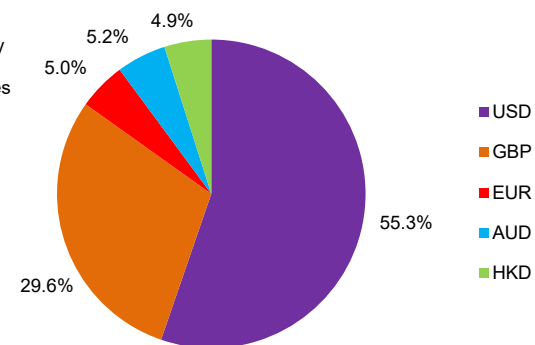
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