

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	13.6	11.0	12.8	14.0	2.9	-0.1	5.6
MSCI World	13.2	10.8	11.8	6.1	-1.9	-4.2	-6.4
Relative	0.4	0.2	1.0	7.9	4.8	4.1	12.0

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

Market Commentary

April followed a similar narrative to the previous quarter, with negative sentiment persisting from the Russia-Ukraine conflict, inflation standing at highest levels in decades, and concerns over increasingly hawkish monetary policy from central banks. The S&P 500 and Euro STOXX 50 finished the month down by 8.7% and 2.0% respectively, whereas the FTSE 100 finished the month up by 0.7%. The FTSE 100 has been a relative outperformer, aided by strong performance in its energy and materials constituents off the back of the inflationary and rising interest rate environment, whereas the S&P 500 continues to be pulled down by its heavy technology weighting. In fixed income markets, yields on US, UK and German 10-year bonds increased by 60, 30 and 39 basis points respectively. The pound fell by 4.3% against the US dollar and 4.7% against the euro.

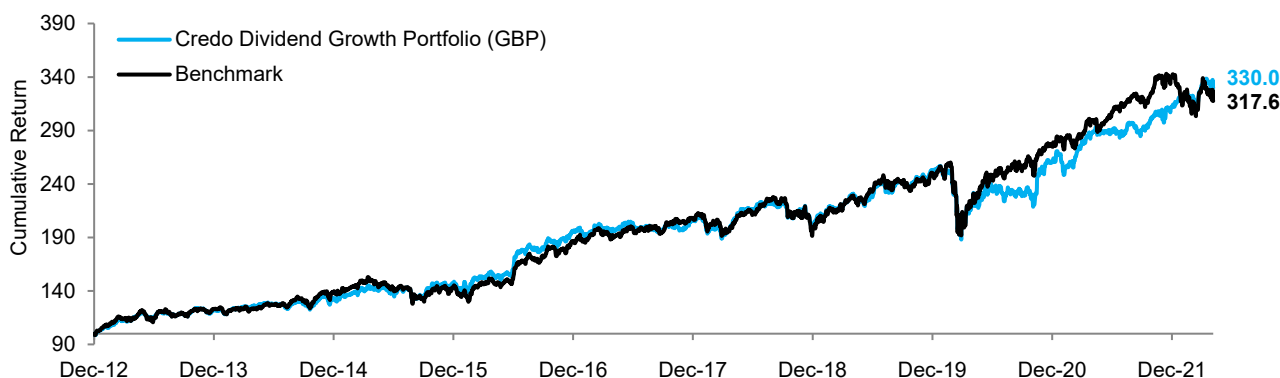
Key Contributors to Return

GlaxoSmithKline and British American Tobacco shares increased by 9.1% and 4.9% respectively, outperforming the market in the month of April, as geopolitics, higher inflation, and concerns around interest rates propelled a number of defensive sectors like Pharmaceuticals and Consumer Staples to act as "safe havens" for investors.

Key Detractors from Return

Union Pacific shares declined by 14.5% after freight market data showed demand softness, sparking concerns over falling rates and the potential risk of a freight recession. Microsoft shares declined by 10.2% after market data showed slowing PC sales, suggesting the Office 365 business might begin to decline as the work-from-home benefits fade.

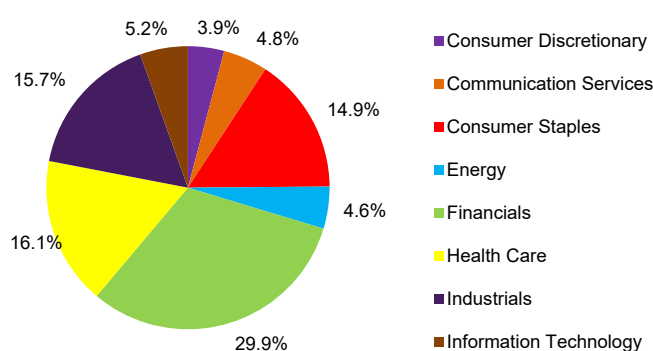
Performance Since Inception (28/12/2012)²



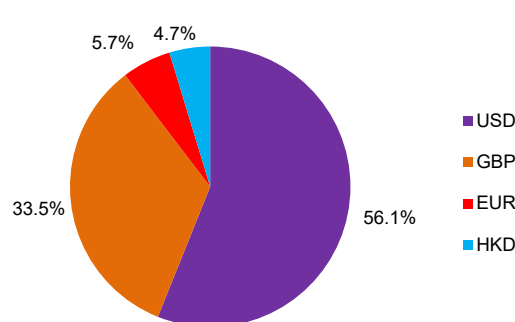
Sample Portfolio Statistics²

	Current Price	Trailing 12 Month P/E	12 Month Forward P/E	Dividend Yield
Cigna Corp	\$246.8	14.6x	10.6x	1.8%
PepsiCo Inc	\$171.7	27.0x	25.1x	2.5%
Union Pacific Corp	\$234.3	22.6x	19.3x	2.0%
Total Portfolio Average		15.8x	13.3x	2.6%
MSCI World		18.1x	16.0x	2.0%

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 30/04/2022 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	10.8	10.6	11.7	4.1	-3.3	-4.2	-1.5
MSCI World	10.2	10.2	10.4	-3.5	-8.2	-8.3	-13.0
Relative	0.6	0.4	1.3	7.6	4.9	4.1	11.5

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

Market Commentary

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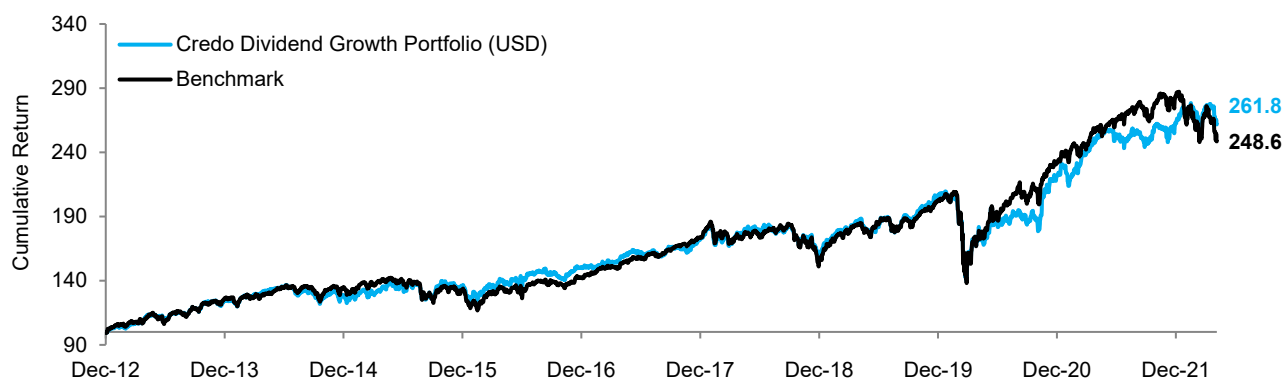
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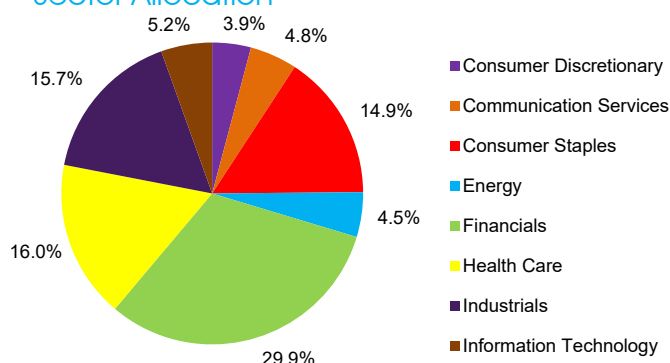
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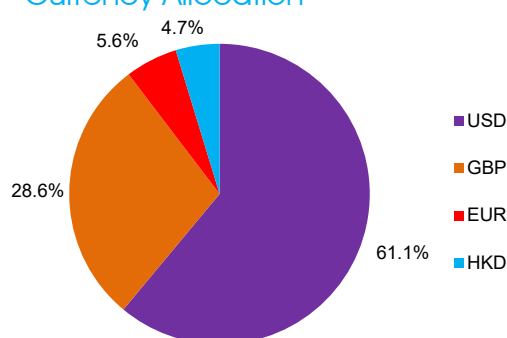
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