

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)^{1,2}

Return (%)	Annualised			1 Year	3 Month	1 Month	YTD
	S. Inception	5 Years	3 Years				
Best Ideas Portfolio	12.9	14.0	19.4	17.3	4.4	0.6	9.6
MSCI World	12.3	14.1	19.3	14.2	6.2	-0.1	9.3
Relative	0.6	-0.1	0.1	3.1	-1.8	0.7	0.3

Risk (%)	Largest Drawdown	Volatility (Annualised)
Best Ideas Portfolio	17.3	12.1
MSCI World	19.0	12.7

Market Commentary

Global equity markets performed reasonably in September, shrugging off the continued US-China trade rhetoric. The S&P 500 and the Shenzhen CSI 300 were up 0.6% and 3.2% respectively. Brent crude oil prices increased 7.3% over the month as OPEC and non-OPEC members declared that they have no intention of increasing oil production and as US sanctions on Iran draw closer. In the UK, the FTSE 100 returned 1.1% while pound sterling, a perceived barometer of the progress made on the Brexit negotiations, increased 0.5% against both the US dollar and the euro. This was despite Theresa May warning that the UK would be willing to walk away without a deal and the IMF warning of the potential implications of a no-deal Brexit. The yield on UK 10-year bonds increased by 0.15% and the US 10-year yield increased 0.20%.

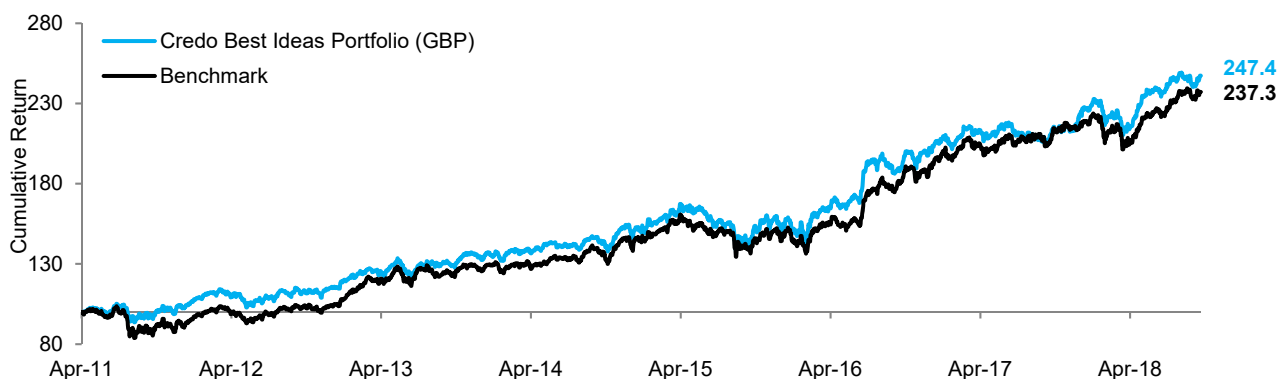
Key Contributors to Return

Cigna's shares increased by 7.8%, after the Justice Department cleared their merger with Express Scripts. BP's shares increased by 7.7% after OPEC defied pressure from the USA to increase supply, leading to more bullish sentiment on the price of oil.

Key Detractors from Return

Las Vegas Sands' shares declined by 8.5%, after the publication of weak Macau gaming numbers. Wells Fargo's shares declined by 10.1%, after the Office of the Comptroller of the Currency (OCC) rejected the company's plan to repay customers who were mis-sold unnecessary automotive insurance, likely leading to a greater settlement than had previously been estimated by the company.

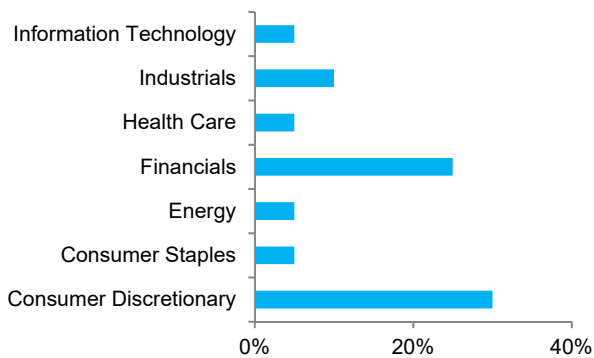
Performance Since Inception (14/04/2011)²



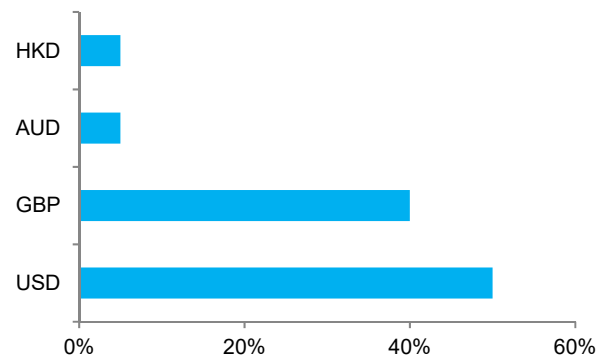
Sample Portfolio Statistics²

	Current Price	Trailing 12 Month P/E	12 Month Forward P/E	Dividend Yield
Adtalem Global Education Inc	\$48.2	18.0x	16.6x	0.0%
BP plc	589p	10.8x	12.7x	5.4%
Merlin Entertainment	400p	19.4x	18.2x	1.9%
Total Portfolio Average		18.3x	14.5x	2.4%
MSCI World		18.8x	15.4x	2.4%

Sector Allocation



Currency Allocation



Investment Philosophy

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

- We believe wealth is created and preserved by following a patient and disciplined investment strategy that is focused on the long-term.
- We follow a value-based approach to investing.
- We strive to identify matters of strategic importance and focus on methodologies that have proven to be robust through a variety of market cycles, rather than fixating on short-term news-flow and forecasts.
- We aim to minimise turnover in our portfolios and apply our minds when considering transaction size in an attempt to limit transaction costs.
- 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 Best Ideas Portfolio. Portfolio incorporates all additions and removals, rebalancing all holdings 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 30/09/2018 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
Best Ideas Portfolio	9.9	9.5	14.1	15.1	3.2	1.1	6.5
MSCI World	9.0	9.3	13.5	11.2	5.0	0.6	5.4
Relative	0.9	0.2	0.6	3.9	-1.8	0.5	1.1

Risk (%)	Largest Drawdown	Volatility (Annualised)
Best Ideas Portfolio	19.3	12.6
MSCI World	22.0	12.8

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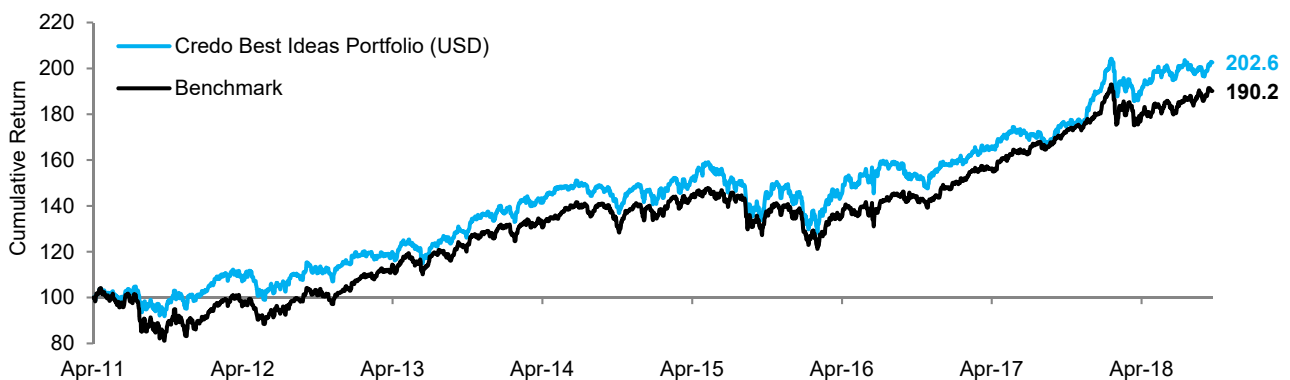
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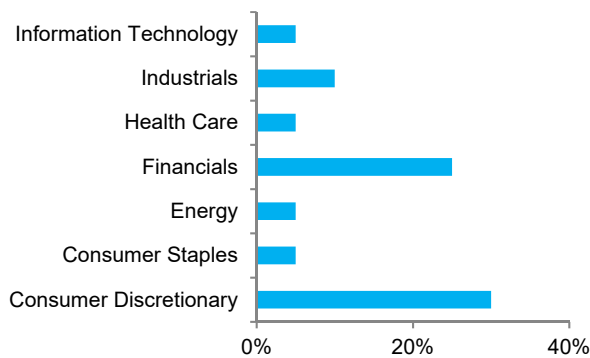
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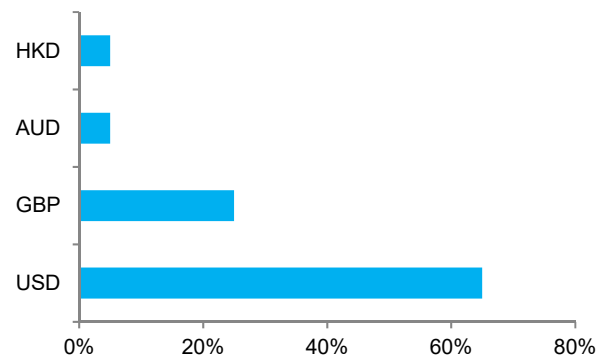
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