

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	11.5	12.8	8.4		1.7	17.1	5.6	1.7
MSCI World	11.6	13.9	10.2		12.6	7.8	2.0	12.6
Relative	-0.1	-1.1	-1.8		-10.9	9.3	3.6	-10.9

Risk (%)	Largest Drawdown	Volatility (Annualised)
Best Ideas Portfolio	30.4	14.8
MSCI World	26.2	15.1

Market Commentary

Global equity markets continued to climb through December, prompted by the news of the Pfizer-BioNTech, Moderna and AstraZeneca coronavirus vaccines being approved. All the major equity indices made gains over the month, with the FTSE 100, S&P 500 and the Euro STOXX 50 all up 3.3%, 3.8% and 1.8% respectively. In the US, the markets responded positively to the election result, but attention has now turned to the upcoming Senate runoff elections in Georgia, which will decide whether the Democrats or Republicans control the Senate. Gold was up 6.4% over the month, bolstered by the weakening US Dollar and Brent crude oil prices increased 8% as OPEC and Russia reached a deal to modestly increase oil production. In the UK, Prime Minister Boris Johnson announced that a Brexit deal had finally been agreed with the European Union. As a result, the pound was up 2.6% against the US dollar and 0.13% against the euro. Yields on UK 10-year bonds decreased by 11 basis points whilst yields on US 10-year bonds increased by 7 basis points.

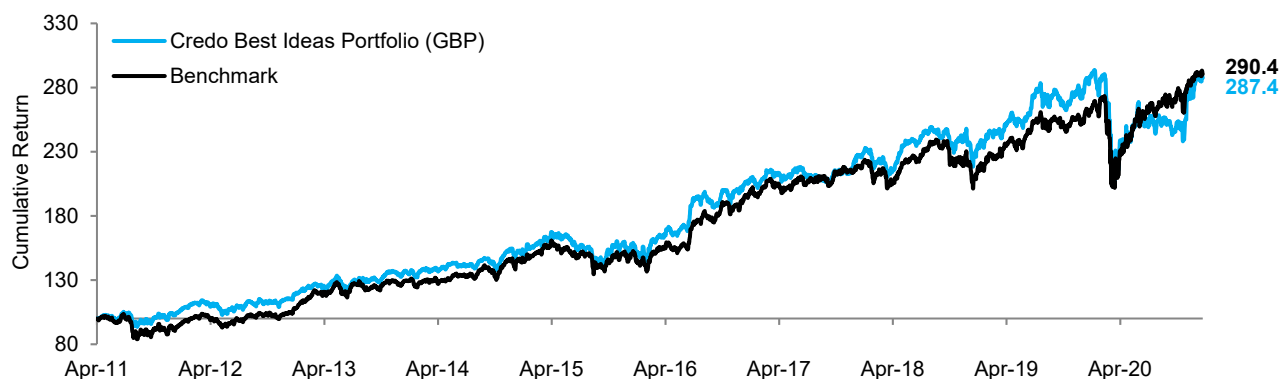
Key Contributors to Return

The Walt Disney Company's shares increased by 22.4% after the company hosted an investor day, revealing higher than expected projections for growth in Disney+ paid subscriptions. Adtalem Global Education's shares increased by 18.6% after news of the vaccine rollout increased investors' confidence in the re-opening trade.

Key Detractors from Return

Alibaba's shares declined by 11.6% after Chinese regulators announced the start of an anti-monopoly investigation into the company's commercial practices. Facebook's shares declined by 1.4% after the Federal Trade Commission (FTC) initiated a lawsuit alleging lack of competition in social networks, ultimately seeking to break up the company.

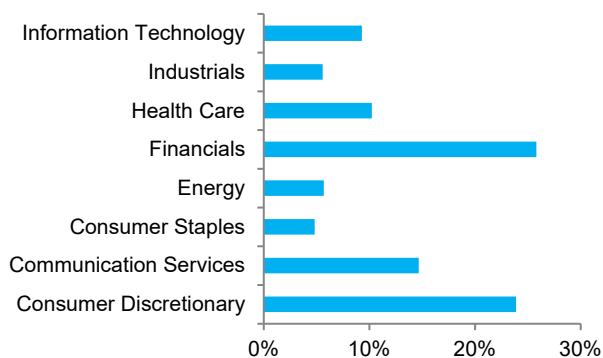
Performance Since Inception (14/04/2011)²



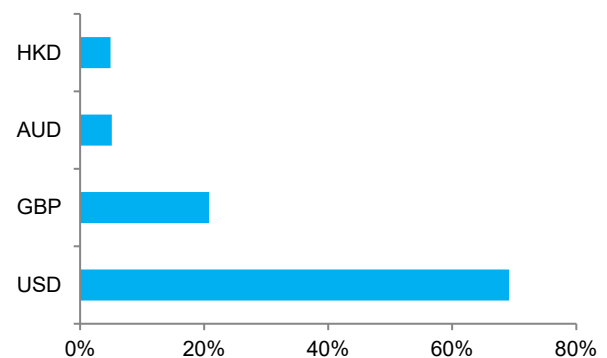
Sample Portfolio Statistics²

	Current Price	Trailing 12 Month P/E	12 Month Forward P/E	Dividend Yield
Adtalem Global Education Inc	\$34	12.4x	11.7x	0.0%
BP plc	255p	0.0x	10.0x	6.3%
Frontdoor Inc	\$50.2	32.0x	29.4x	0.0%
Total Portfolio Average		26.5x	16.9x	1.5%
MSCI World		33.3x	20.8x	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

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 31/12/2020 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	9.8	11.5	9.2	4.8	23.6	8.0	4.8
MSCI World	9.6	12.2	10.5	15.9	14.0	4.2	15.9
Relative	0.2	-0.7	-1.3	-11.1	9.6	3.8	-11.1

Risk (%)	Largest Drawdown	Volatility (Annualised)
Best Ideas Portfolio	37.1	15.4
MSCI World	34.0	15.3

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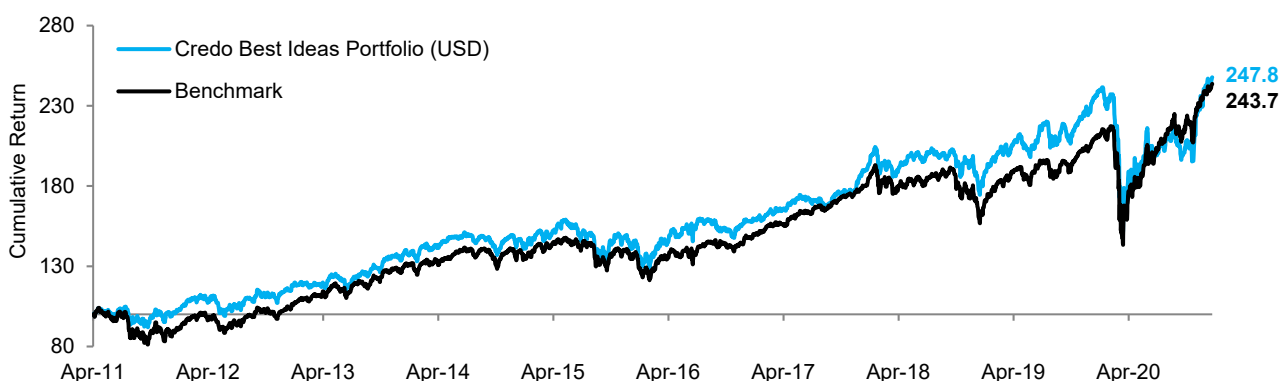
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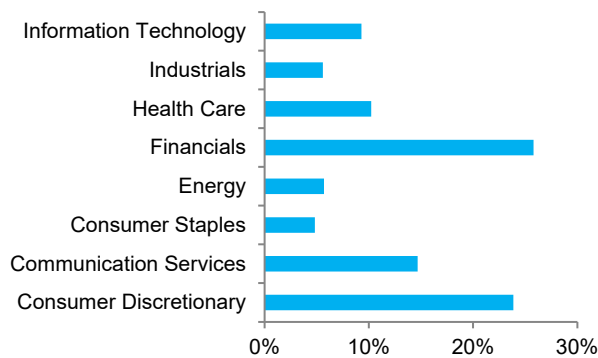
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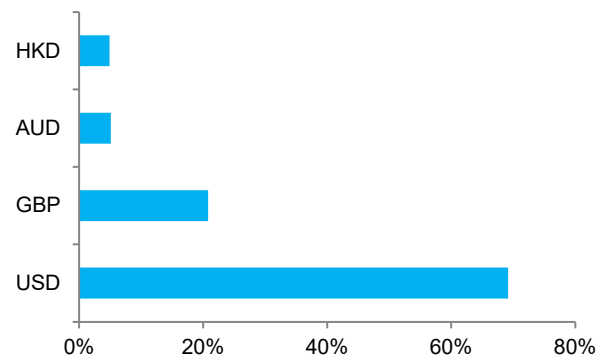
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