

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	10.7	8.8	4.4		1.5	0.6	1.3	-1.8
MSCI World	11.4	10.6	9.7		3.7	2.0	8.0	-4.6
Relative	-0.7	-1.8	-5.3		-2.2	-1.4	-6.7	2.8

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

Market Commentary

July provided some much-needed relief for investors across global markets, following on from a particularly pessimistic end to the second quarter of 2022. Amongst continued discouraging inflation data and another base rate hike from the Federal Reserve, the US officially entered a 'technical recession' following two consecutive months of GDP decline. However, with much of the macroeconomic challenges already priced in, second quarter earnings were surprisingly encouraging. The S&P 500, Euro STOXX 50 and FTSE 100 all finished the month up by 9.2%, 7.5% and 3.7%, respectively. For its second consecutive month of decline, Brent Crude oil finished the month down by 0.9%. In fixed income markets, yields on US, UK and German 10-year bonds all fell by 36, 37 and 52 basis points, respectively. The pound finished the month flat against the US dollar and strengthened by 2.6% against the euro.

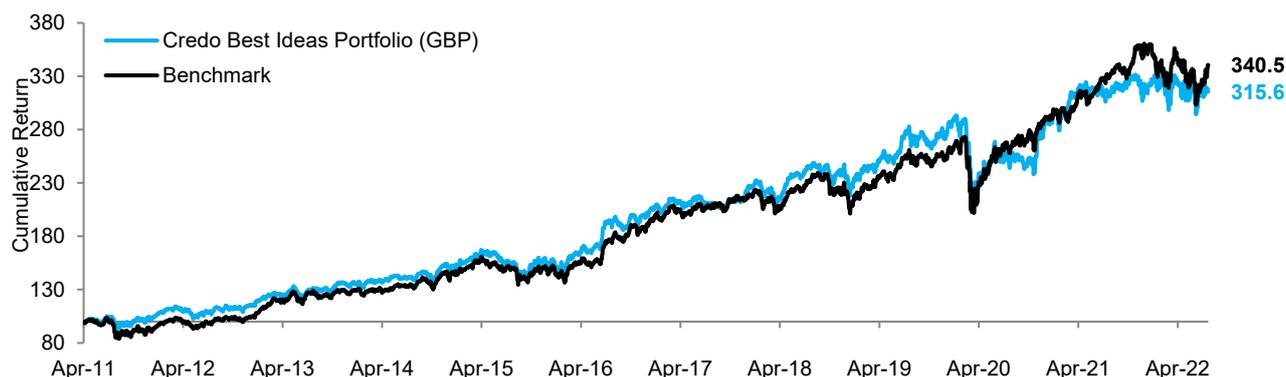
Key Contributors to Return

HCA Healthcare's shares increased by 26.5% after the company reported second quarter results, beating consensus expectations as labour cost concerns from earlier in the year have started abating. The Walt Disney Company's shares increased by 12.4% after streaming peer Netflix reported a loss in subscriber numbers, albeit not as heavily as expected.

Key Detractors from Return

Alibaba Group's shares declined by 21.4% after the Chinese regulator fined the company for anti-monopolistic practices, adding to renewed concerns over Covid-related lockdowns. AIA Group's shares declined by 7.1% after China increased Covid restrictions, delaying the timing of the border reopening.

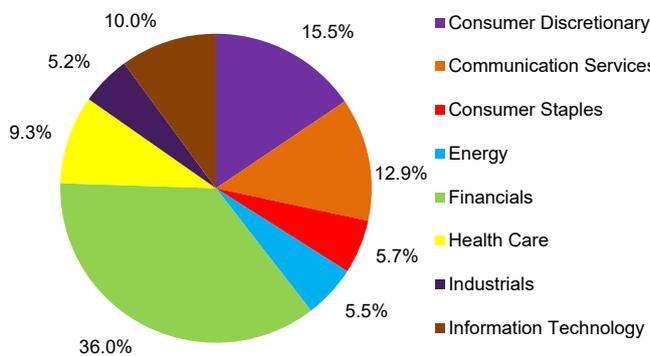
Performance Since Inception (14/04/2011)²



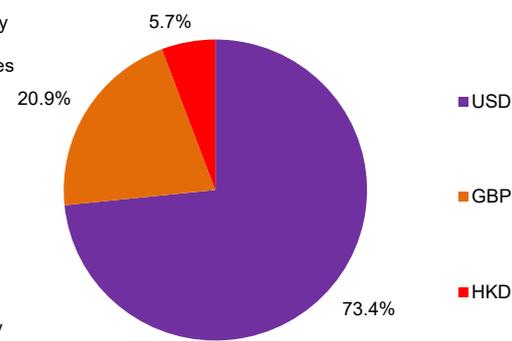
Sample Portfolio Statistics²

	Current Price	Trailing 12 Month P/E	12 Month Forward P/E	Dividend Yield
Alibaba Group Holding-Sp Adr	\$89.4	12.5x	12.7x	0.0%
BP plc	400p	9.8x	4.1x	4.5%
Interactive Brokers Gro-CI A	\$58.7	20.4x	13.7x	0.7%
Total Portfolio Average		16.1x	12.5x	1.4%
MSCI World		17.6x	15.6x	2.1%

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 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 31/07/2022 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			1 Year	3 Month	1 Month	YTD
	S. Inception	5 Years	3 Years				
Best Ideas Portfolio	8.2	7.3	4.2	-11.0	-2.7	1.3	-11.6
MSCI World	8.6	8.8	9.6	-9.2	-1.3	7.9	-14.2
Relative	-0.4	-1.5	-5.4	-1.8	-1.4	-6.6	2.6

Risk (%)	Largest Drawdown	Volatility (Annualised)
Best Ideas Portfolio	37.1	15.3
MSCI World	34.0	15.1

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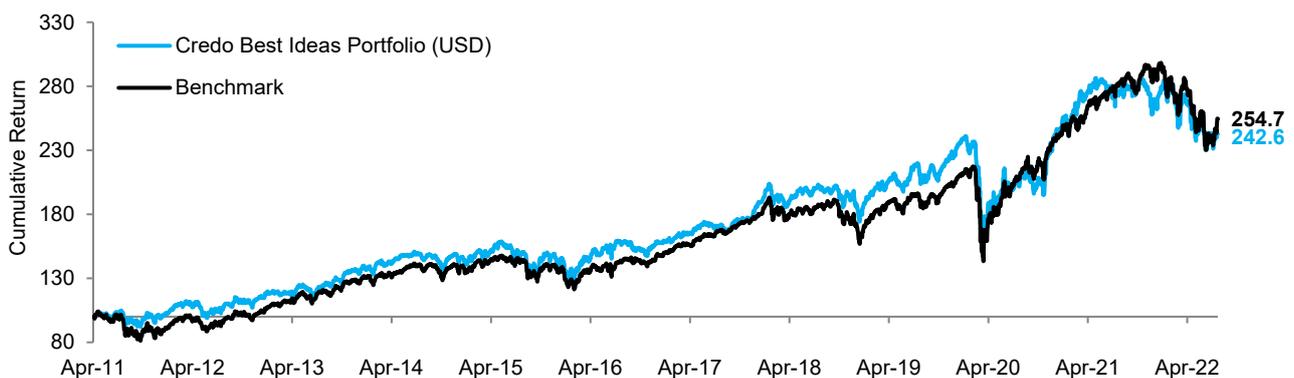
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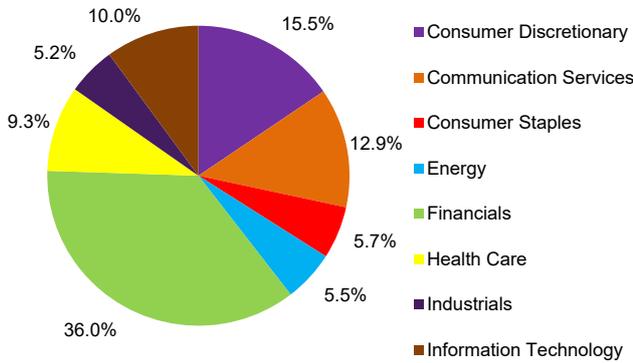
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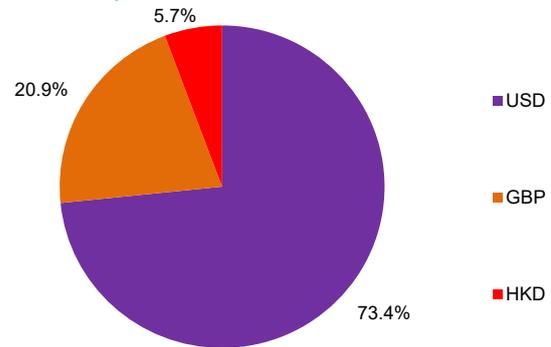
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