

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

Long Term Returns	Dividend Growth Portfolio	MSCI World	Relative Return
Since Inception	49.3%	43.6%	5.6%
3 Year	-	-	-
1 Year	8.4%	3.2%	5.3%

Short Term Returns	Dividend Growth Portfolio	MSCI World	Relative Return
YTD	12.7%	4.6%	8.2%
3 Months	8.2%	5.6%	2.6%
1 Month	1.4%	2.2%	-0.8%

Market Commentary

US stocks rose over the last month, buoyed by comments in the Fed's most recent meeting that conditions for a rate rise may "well be met" come December. Attention now turns on Fed Chair Janet Yellen's speech to Congress on the 3rd December. Meanwhile, the S&P 500 rose 0.1%. While the US seeks to tighten, remarks by Mario Draghi that policymakers would "do what they must" to raise inflation led investors to expect a boost to monetary stimulus. The Stoxx 600 rallied 2.7% over the month. In Asia, Japan slipped back into recession. Nevertheless, the Bank of Japan maintained their view that the inflationary trend is improving. The Japanese Topix was up 1.4% over the month. Following a meeting of the IMF's executive board, from October 2016 the Chinese yuan is to be added to the SDR basket of reserve currencies, with a weight of 10.9%, topping that of the yen and pound sterling.

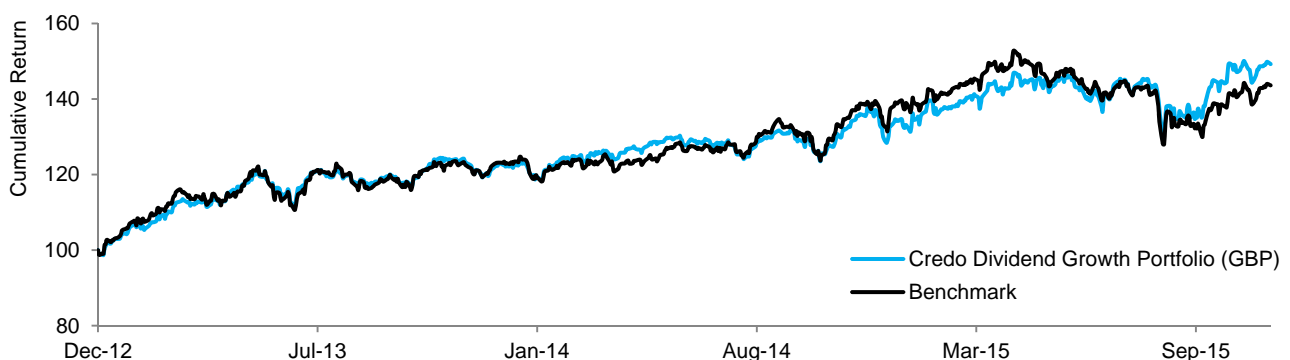
Key Contributors to Return

Imperial Tobacco returned 4.1% over the month, as speculation mounted that British American Tobacco is preparing a bid. Meanwhile, according to the Centres for Disease Control and Prevention, the US smoking rate has fallen to its lowest level since 1965. The CDC finds this may reflect greater usage of e-cigarettes, of which Imperial Tobacco owns the most popular brand. Microsoft returned 4.0% as CEO Satya Nadella's strategy of reallocating resources away from the Nokia unit, enacting major head-count reductions to boost margins while focusing on the cloud, and the development of Windows 10 put to bed lingering doubts about the company's future.

Key Detractors from Return

Sanofi fell -8.1% as the legal battle with Amgen intensified. Amgen is seeking a court order blocking Sanofi from selling its cholesterol reducing drug Praluent, which Amgen claims is an infringement of its Repatha drug. Currently, consensus projects Repatha to have \$2.3bn in 2020 sales vs. Praluent's \$2.5bn. The trial is set for March 2016. Union Pacific struggled over the month, as North American-originated rail traffic fell 5.6% year-on-year. While intermodal volume decreased only 0.7%, commodity loads fell 9.7%. Indeed, though Union Pacific hauled fewer loads in each segment, the steep decline was driven mainly by a 30% drop in coal carloads. The stock fell -5.4%.

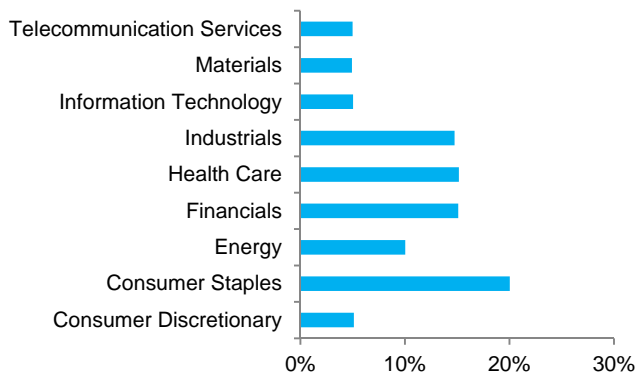
Performance Since Inception (28/12/2012)²



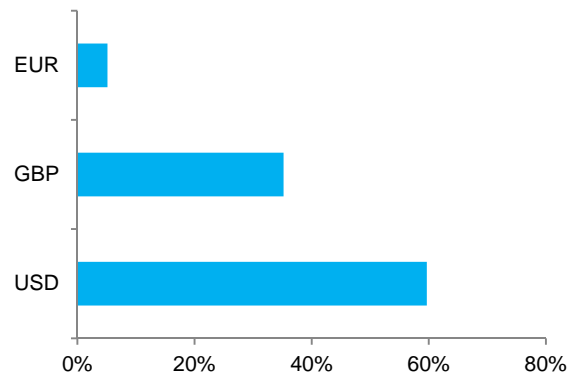
Sample Portfolio Statistics²

	Current Price	Trailing 12 Month P/E	12 Month Forward P/E	Dividend Yield
BP	385p	31.5x	15.9x	6.8%
United Technologies	\$96.1	13.3x	15.3x	2.7%
Coca-Cola	\$42.6	20.0x	21.4x	3.1%
Total Portfolio Average		17.0x	16.2x	3.4%
MSCI World		19.8x	17.1x	2.5%

Sector Allocation



Currency Allocation



Investment Philosophy

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

- Wealth is preserved and created by following a long-term, low-turnover strategy.
- We believe in a value-based approach to investing, given that the price which is paid when investing is one of the very few things in financial markets that investors can actually control.
- We do not define risk in terms of quantitative metrics, but simply as the potential to lose clients' money; accordingly, our approach to investing can be described as a relatively conservative one, focusing first and foremost on capital preservation.
- Yield is an important consideration across all asset classes.
- Transaction costs have the potential to erode investment returns quickly; based on this, we not only follow a low-turnover approach, but we also apply our minds when considering transaction size.
- We aim to identify matters of strategic importance when considering investments, rather than focusing on daily news-flow in financial markets.

Important Notice

This document has been created for information purposes only and has been compiled from sources believed to be reliable. None of Credo, its directors, officers or employees accepts liability for any loss arising from the use hereof or reliance hereon or for any act or omission by any such person, or makes any representations as to its accuracy and completeness. This document does not constitute an offer or solicitation to invest, it is not advice or a personal recommendation nor does it take into account the particular investment objectives, financial situation or needs of individual clients and if you are interested in any of the information contained herein, it is recommended that you seek advice concerning suitability from your investment advisor. Investors are warned that past performance is not necessarily a guide to future performance, income is not guaranteed, share prices may go up or down and you may not get back the original capital invested. The value of your investment may also rise or fall due to changes in tax rates and rates of exchange if different to the currency in which you measure your wealth. Credo Capital plc is authorised and regulated by the Financial Conduct Authority and is an Authorised Financial Services Provider; FSP No: 9757.

(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. Portfolio may not be fully invested at a point in time and therefore can hold a portion of assets in cash. Performance is calculated before any fees (which can vary depending on the level of service) but includes net dividends, reinvested. Following additions or removals, each holding is rebalanced to a 5% weighting.

(2) Source: Bloomberg pricing as of 30/11/2015 close. All portfolio performance is calculated using Bloomberg PORT.

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 (USD)¹

Long Term Returns	Dividend Growth Portfolio	MSCI World	Relative Return
Since Inception	39.6%	34.4%	5.3%
3 Year	-	-	-
1 Year	4.3%	-0.7%	5.1%

Short Term Returns	Dividend Growth Portfolio	MSCI World	Relative Return
YTD	8.8%	0.9%	7.9%
3 Months	6.0%	3.4%	2.6%
1 Month	-1.3%	-0.5%	-0.8%

Market Commentary

US stocks rose over the last month, buoyed by comments in the Fed's most recent meeting that conditions for a rate rise may "well be met" come December. Attention now turns on Fed Chair Janet Yellen's speech to Congress on the 3rd December. Meanwhile, the S&P 500 rose 0.1%. While the US seeks to tighten, remarks by Mario Draghi that policymakers would "do what they must" to raise inflation led investors to expect a boost to monetary stimulus. The Stoxx 600 rallied 2.7% over the month. In Asia, Japan slipped back into recession. Nevertheless, the Bank of Japan maintained their view that the inflationary trend is improving. The Japanese Topix was up 1.4% over the month. Following a meeting of the IMF's executive board, from October 2016 the Chinese yuan is to be added to the SDR basket of reserve currencies, with a weight of 10.9%, topping that of the yen and pound sterling.

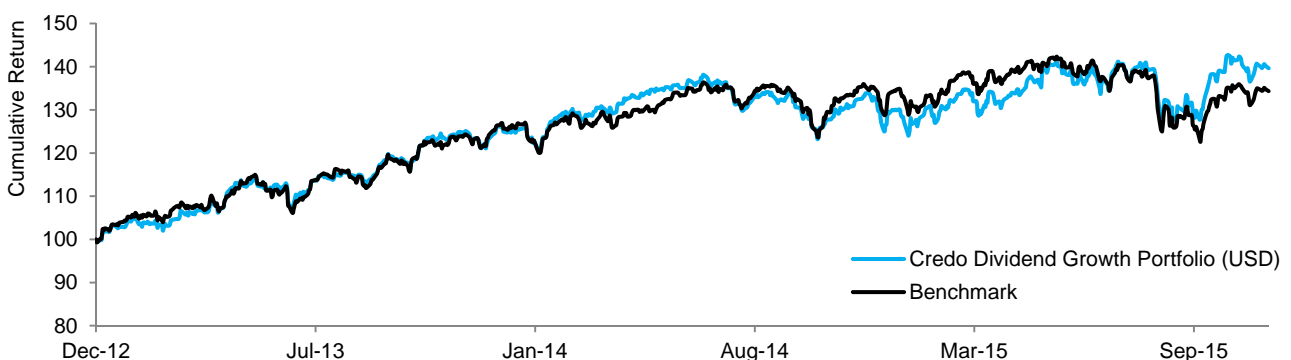
Key Contributors to Return

Imperial Tobacco returned 4.1% over the month, as speculation mounted that British American Tobacco is preparing a bid. Meanwhile, according to the Centres for Disease Control and Prevention, the US smoking rate has fallen to its lowest level since 1965. The CDC finds this may reflect greater usage of e-cigarettes, of which Imperial Tobacco owns the most popular brand. Microsoft returned 4.0% as CEO Satya Nadella's strategy of reallocating resources away from the Nokia unit, enacting major head-count reductions to boost margins while focusing on the cloud, and the development of Windows 10 put to bed lingering doubts about the company's future.

Key Detractors from Return

Sanofi fell -8.1% as the legal battle with Amgen intensified. Amgen is seeking a court order blocking Sanofi from selling its cholesterol reducing drug Praluent, which Amgen claims is an infringement of its Repatha drug. Currently, consensus projects Repatha to have \$2.3bn in 2020 sales vs. Praluent's \$2.5bn. The trial is set for March 2016. Union Pacific struggled over the month, as North American-originated rail traffic fell 5.6% year-on-year. While intermodal volume decreased only 0.7%, commodity loads fell 9.7%. Indeed, though Union Pacific hauled fewer loads in each segment, the steep decline was driven mainly by a 30% drop in coal carloads. The stock fell -5.4%.

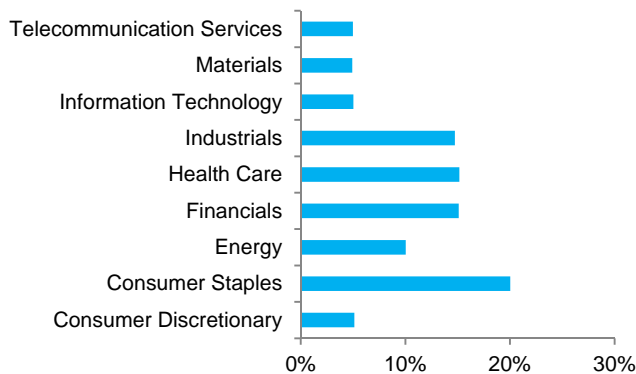
Performance Since Inception (28/12/2012)²



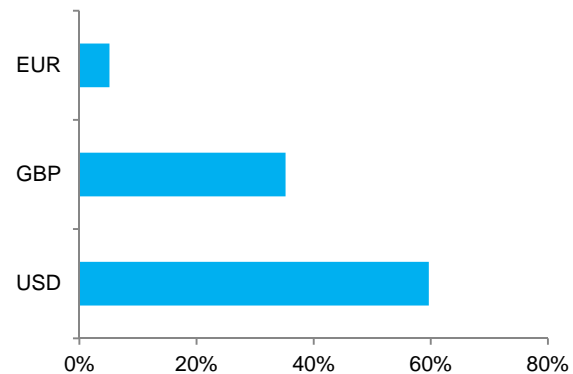
Sample Portfolio Statistics²

	Current Price	Trailing 12 Month P/E	12 Month Forward P/E	Dividend Yield
BP	385p	31.5x	15.9x	6.8%
United Technologies	\$96.1	13.3x	15.3x	2.7%
Coca-Cola	\$42.6	20.0x	21.4x	3.1%
Total Portfolio Average		17.0x	16.2x	3.4%
MSCI World		19.8x	17.1x	2.5%

Sector Allocation



Currency Allocation



Investment Philosophy

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

- Wealth is preserved and created by following a long-term, low-turnover strategy.
- We believe in a value-based approach to investing, given that the price which is paid when investing is one of the very few things in financial markets that investors can actually control.
- We do not define risk in terms of quantitative metrics, but simply as the potential to lose clients' money; accordingly, our approach to investing can be described as a relatively conservative one, focusing first and foremost on capital preservation.
- Yield is an important consideration across all asset classes.
- Transaction costs have the potential to erode investment returns quickly; based on this, we not only follow a low-turnover approach, but we also apply our minds when considering transaction size.
- We aim to identify matters of strategic importance when considering investments, rather than focusing on daily news-flow in financial markets.

Important Notice

This document has been created for information purposes only and has been compiled from sources believed to be reliable. None of Credo, its directors, officers or employees accepts liability for any loss arising from the use hereof or reliance hereon or for any act or omission by any such person, or makes any representations as to its accuracy and completeness. This document does not constitute an offer or solicitation to invest, it is not advice or a personal recommendation nor does it take into account the particular investment objectives, financial situation or needs of individual clients and if you are interested in any of the information contained herein, it is recommended that you seek advice concerning suitability from your investment advisor. Investors are warned that past performance is not necessarily a guide to future performance, income is not guaranteed, share prices may go up or down and you may not get back the original capital invested. The value of your investment may also rise or fall due to changes in tax rates and rates of exchange if different to the currency in which you measure your wealth. Credo Capital plc is authorised and regulated by the Financial Conduct Authority and is an Authorised Financial Services Provider; FSP No: 9757.

(1) Performance figures are based on a notional portfolio, denominated in US dollar, designed to track the holdings of the Credo Dividend Growth Portfolio. Portfolio incorporates all additions and removals. Portfolio may not be fully invested at a point in time and therefore can hold a portion of assets in cash. Performance is calculated before any fees (which can vary depending on the level of service) but includes net dividends, reinvested. Following additions or removals, each holding is rebalanced to a 5% weighting.

(2) Source: Bloomberg pricing as of 30/11/2015 close. All portfolio performance is calculated using Bloomberg PORT.