

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}

Long Term Returns	Dividend Growth Portfolio	MSCI World	Relative Return
Since Inception	92.7%	78.2%	14.4%
3 Year	56.8%	46.0%	10.8%
1 Year	29.1%	24.1%	5.0%

Short Term Returns	Dividend Growth Portfolio	MSCI World	Relative Return
YTD	28.9%	23.8%	5.1%
3 Months	5.4%	5.1%	0.2%
1 Month	1.6%	-0.8%	2.4%

Market Commentary

November saw Donald Trump win a hard-fought election for the presidency of the United States. The surprise result has seen a mixture of effects around the globe. In the US, the DJIA saw four consecutive days of record highs on optimism over tax cuts and fiscal stimulus. In Europe, the FTSE 100 ended the month -2.0% lower as the pound strengthened. In Asia, the Nikkei 225 bounced back from being down as much as -6.7% to end the month up 5.0%. Yields continued to rise across major bond markets, with US 10-year Treasury bonds rising sharply to 2.4% and UK 10-year gilts up to 1.4%. The hardest hit following the election was Mexico, where the peso rose 8.6% and Mexican government 10-year bond yields rose 99bps to 7.3%.

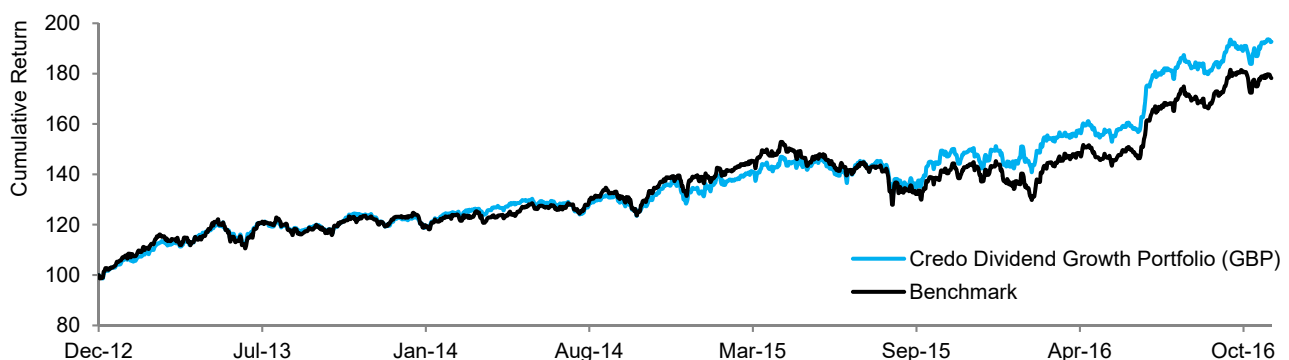
Key Contributors to Return

Financials and cyclical stocks benefited from a sector rotation after the Trump election win drove interest rates and inflation expectations higher. Against this backdrop, Prudential and Wells Fargo were the month's top performers, returning 16% and 13% respectively. Prudential continues to report robust growth and profitability from its expansion into Asia. Wells Fargo stands to benefit from reduced regulatory costs following the decision of president-elect Donald Trump to target the Dodd-Frank regulation introduced after the 2008 financial crisis.

Key Detractors from Return

High dividend yielding, defensive stocks suffered from a sector rotation after the Trump election win drove interest rates and inflation expectations higher. Against this backdrop, Imperial Brands declined by -12% after the maker of cigarettes said its investment plan will drag on full-year earnings. PepsiCo declined -8% after momentum gathered for the introduction of a new soda tax, with four U.S cities including San Francisco and Oakland voting to pass the tax this month.

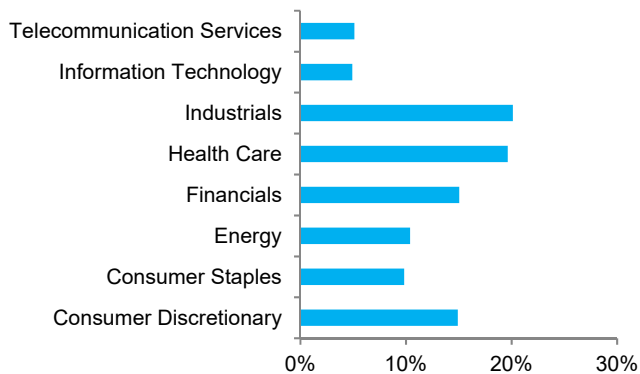
Performance Since Inception (28/12/2012)²



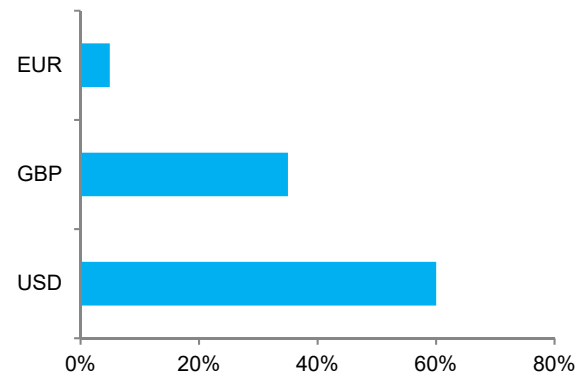
Sample Portfolio Statistics²

	Current Price	Trailing 12 Month P/E	12 Month Forward P/E	Dividend Yield
Chubb Ltd	\$128.0	13.5x	12.3x	2.2%
Microsoft Corp	\$60.3	28.6x	19.5x	2.6%
Pepsico Inc	\$100.1	21.0x	19.4x	3.0%
Total Portfolio Average		20.8x	15.0x	3.5%
MSCI World		21.6x	16.0x	2.6%

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.

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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. 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 gross dividends, reinvested. Benchmark is calculated net of withholding tax. Following additions or removals, each holding is rebalanced to a 5% weighting.

(2) Source: Bloomberg pricing as of 30/11/2016 close. All portfolio performance is calculated using Bloomberg PORT, rounded to 1 decimal place.

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Portfolio Performance (USD)^{1,2}

Long Term Returns	Dividend Growth Portfolio	MSCI World	Relative Return
Since Inception	49.8%	38.6%	11.2%
3 Year	19.8%	11.5%	8.2%
1 Year	7.3%	3.2%	4.1%

Short Term Returns	Dividend Growth Portfolio	MSCI World	Relative Return
YTD	9.3%	5.0%	4.3%
3 Months	0.2%	0.0%	0.2%
1 Month	3.7%	1.4%	2.3%

Market Commentary

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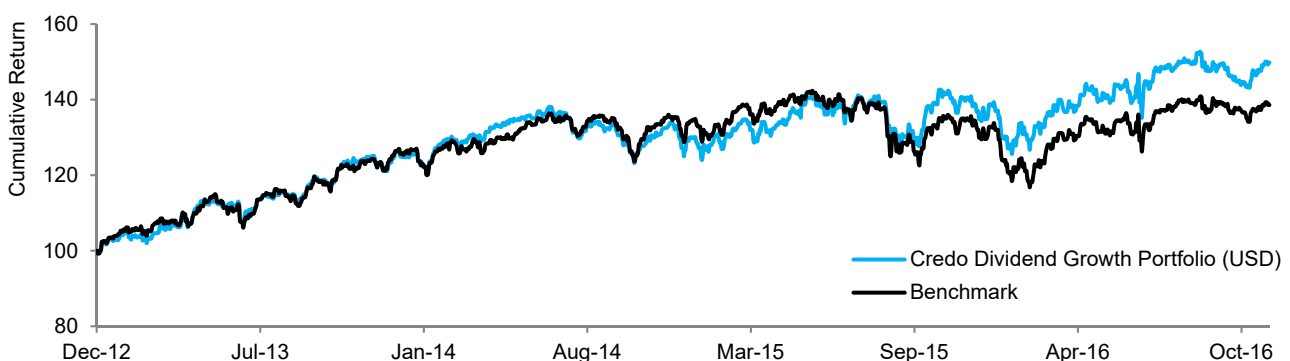
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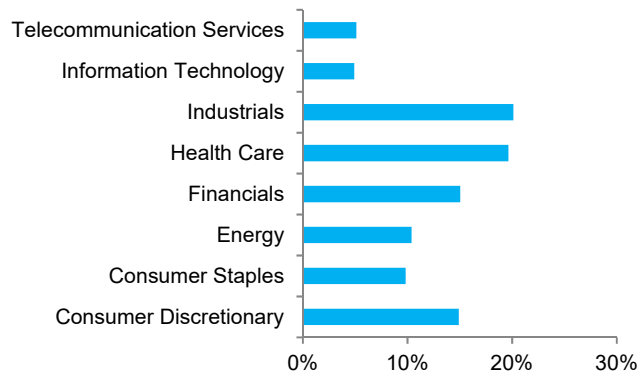
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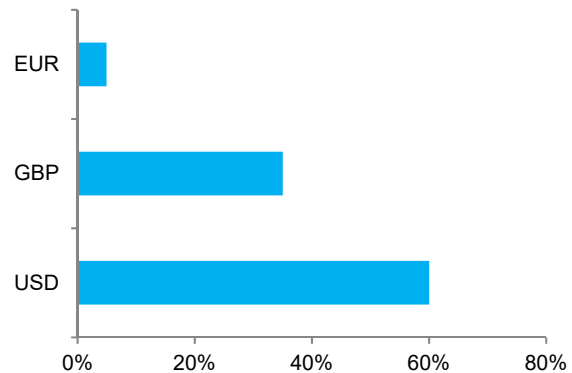
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