

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}

Return (%)	YTD	1 Month	3 Month	1 Year	Annualised	
					3 Years	S. Inception
Dividend Growth Portfolio	2.2	0.7	-1.4	11.3	15.6	15.9
MSCI World	8.6	2.4	2.9	18.4	15.2	16.1
Relative	-6.4	-1.7	-4.3	-7.1	0.4	-0.2

Risk (%)	Largest Drawdown	Volatility (Annualised)
Dividend Growth Portfolio	11.2	11.4
MSCI World	16.2	11.8

Market Commentary

August was a tumultuous month for US coastal cities following Hurricane Harvey, with initial estimates for damages over \$100bn. Despite this the S&P 500 rose 0.3% during the period. In continental Europe, the Euro STOXX 50 fell 0.7% as the euro saw continued strength after a lack of dovish comments from ECB president Mario Draghi at Jackson Hole. Brexit remains a key issue in the UK with reports of delayed trade talks. Sterling fell from its 2017 high in July to end the month at 1.29 against the US dollar, whilst the FTSE 100 rose 1.7%. In fixed income, bond yields fell across major markets with 10 year rates in the US, UK, and Germany falling to 2.12%, 1.03%, and 0.36% respectively.

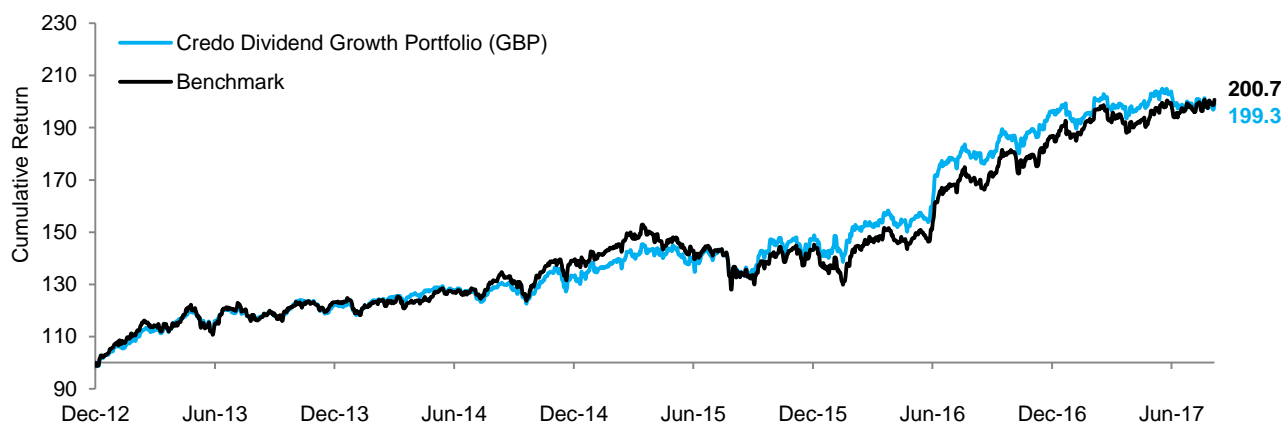
Key Contributors to Return

Imperial Brands' shares increased by 3.4% reversing some of the losses seen the previous month after the American FDA announcement as the sell side appeared to focus on underlying valuation. Microsoft's shares increased by 3.4% helped by the announcement that their voice assistant "Cortana" will be able to talk to Amazon's "Alexa".

Key Detractors from Return

Nielsen's shares declined by 8.9% giving back most of the strong gains of the previous month following their second quarter results. Wells Fargo's shares declined by 4.6% after a series of settlements were agreed with the US Government and the conclusion of the probe into the "fake accounts" scandal.

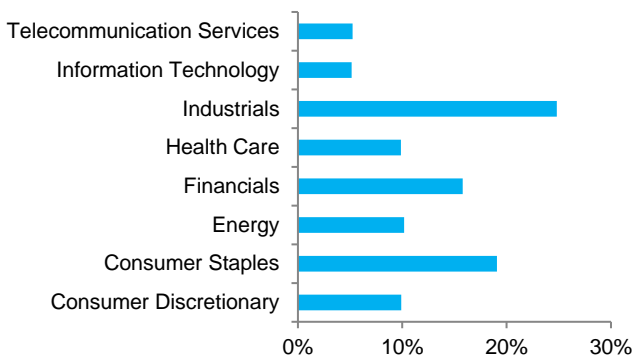
Performance Since Inception (28/12/2012)²



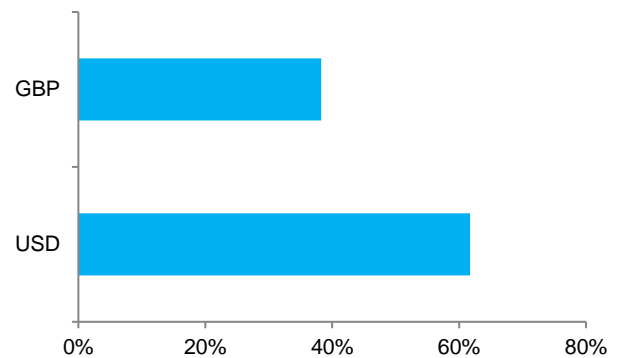
Sample Portfolio Statistics²

	Current Price	Trailing 12 Month P/E	12 Month Forward P/E	Dividend Yield
GlaxoSmithKline plc	1534p	15.6x	13.6x	5.2%
Nielsen Holdings plc	\$38.9	24.6x	14.0x	3.5%
Wells Fargo & Co	\$51.1	12.6x	11.8x	3.1%
Total Portfolio Average		17.4x	14.5x	3.7%
MSCI World		20.6x	16.4x	2.5%

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 Dividend Growth Portfolio. Portfolio incorporates all additions and removals, rebalancing all holding 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 31/08/2017 close. All portfolio performance is calculated using Bloomberg PORT, rounded to 1 decimal place.

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Portfolio Performance (USD)^{1,2}

Return (%)	YTD	1 Month	3 Month	1 Year	Annualised	
					3 Years	S. Inception
Dividend Growth Portfolio	6.7	-1.6	-1.4	9.5	6.5	10.6
MSCI World	13.5	0.1	2.9	16.2	5.9	10.7
Relative	-6.8	-1.7	-4.3	-6.7	0.6	-0.1

Risk (%)	Largest Drawdown	Volatility (Annualised)
Dividend Growth Portfolio	11.6	11.1
MSCI World	17.9	10.7

Market Commentary

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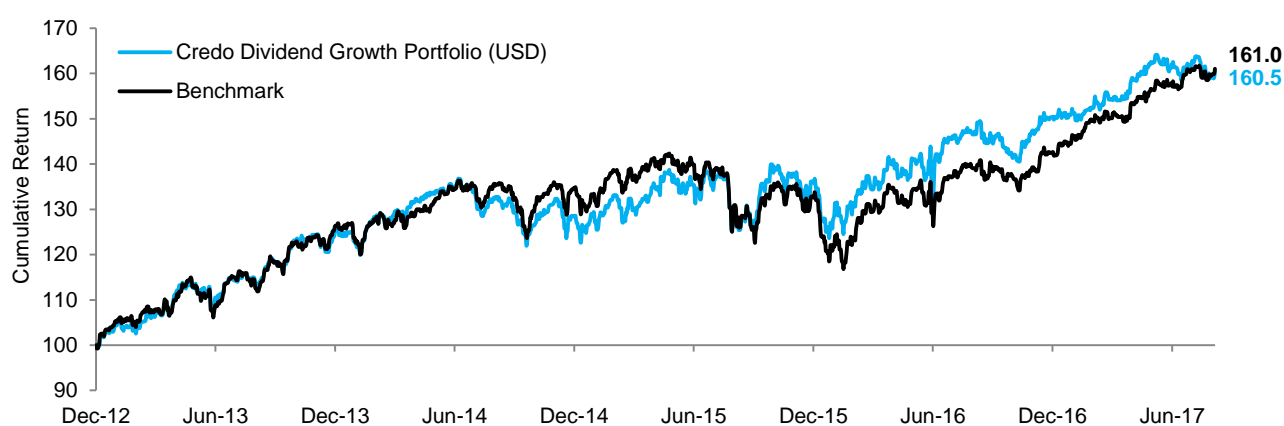
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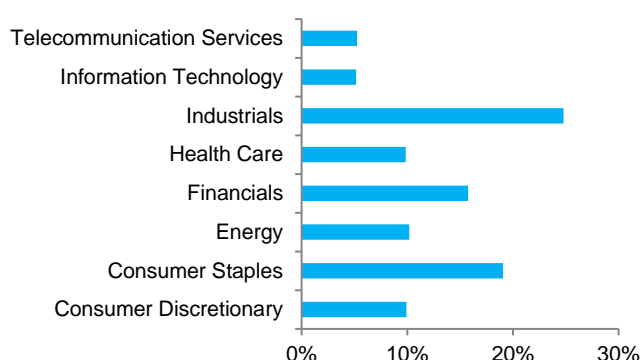
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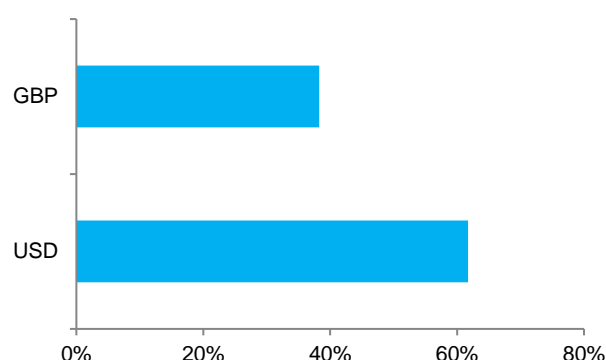
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