

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	2.0	0.0	0.5	7.2	15.3	15.2
MSCI World	9.9	2.8	3.7	13.1	15.1	15.7
Relative	-7.9	-2.8	-3.2	-5.9	0.2	-0.5

Risk (%)	Largest Drawdown	Volatility (Annualised)
Dividend Growth Portfolio	11.2	11.3
MSCI World	16.2	11.8

Market Commentary

October was a positive month for global equity markets. In the US, the DJIA rose 4.4% as both the Senate and the House approved a fiscal budget providing scope for future tax reform legislation. Secession was the theme across headlines in Europe, with the Spanish national government dissolving the Catalan Parliament and Catalanian leader Puigdemont announcing independence. The UK's Brexit Secretary David Davis admitted that any deal will likely favour the EU, as proposed transition talks were rejected by leading EU states until a divorce deal is agreed. Yet the Euro STOXX 50 rose 2.3% and FTSE 100 returned 1.8% during the period. The major bond markets saw some divergence with 10 year rates in the US rising to 2.38%, whilst UK and German 10 year rates fell to 1.33%, and 0.36% respectively.

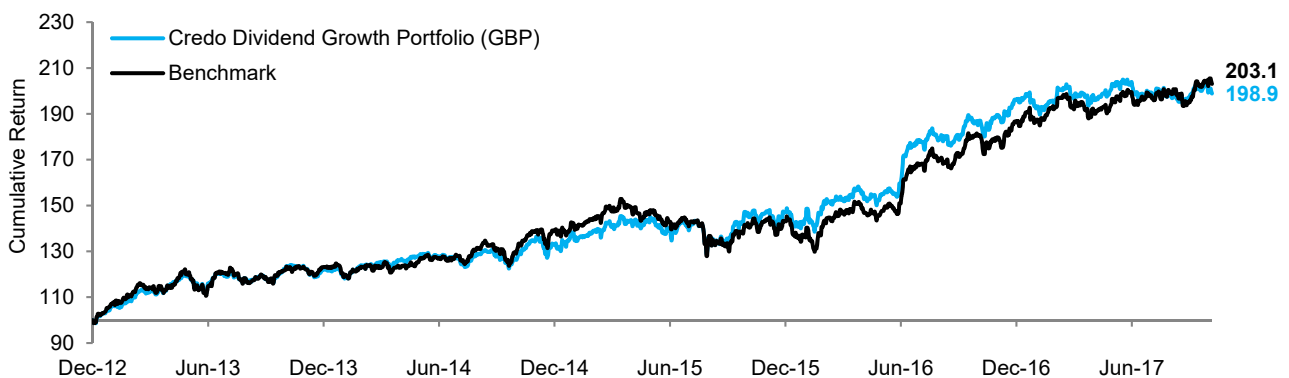
Key Contributors to Return

Microsoft's shares increased by 11.7% after strong first quarter results, beating consensus estimates at both the revenue and profit level. BP's shares increased by 6.9%, helped by positive third quarter results in which they beat consensus expectations and announced a share repurchase plan.

Key Detractors from Return

CVS Health's shares declined by 15.3%, reacting negatively to continued rumours that Amazon are looking to enter the pharmaceutical retail market. Nielsen's shares declined by 10.6%, suffering from negative commentary on the outlook for the Buy segment in developed markets.

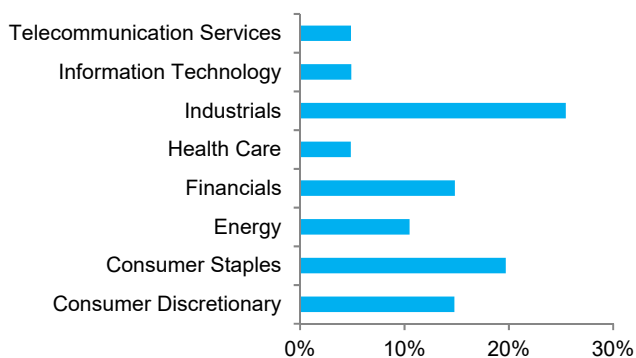
Performance Since Inception (28/12/2012)²



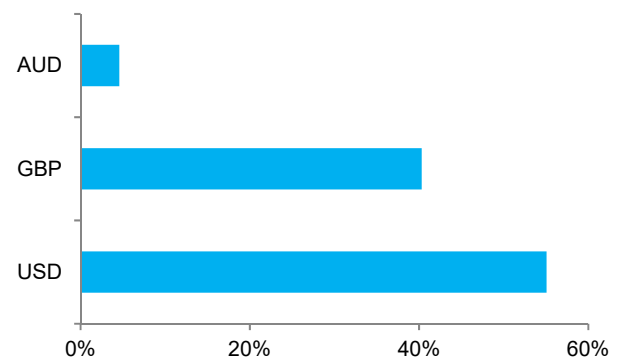
Sample Portfolio Statistics²

	Current Price	Trailing 12 Month P/E	12 Month Forward P/E	Dividend Yield
GlaxoSmithKline plc	1358p	13.8x	12.3x	5.9%
Nielsen Holdings plc	\$37.1	23.1x	13.4x	3.7%
Wells Fargo & Co	\$56.1	13.7x	13.2x	2.8%
Total Portfolio Average		17.8x	14.6x	3.7%
MSCI World		21.0x	16.8x	2.4%

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 31/10/2017 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	9.6	-0.9	1.1	16.3	8.6	10.9
MSCI World	18.2	1.9	4.3	22.8	8.1	11.3
Relative	-8.6	-2.8	-3.2	-6.5	0.5	-0.4

Risk (%)	Largest Drawdown	Volatility (Annualised)
Dividend Growth Portfolio	11.6	11.0
MSCI World	17.9	10.5

Market Commentary

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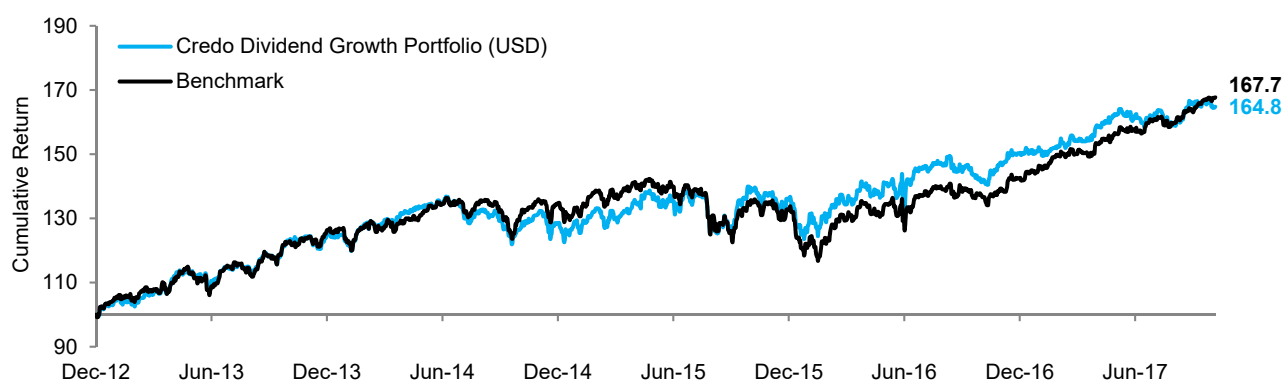
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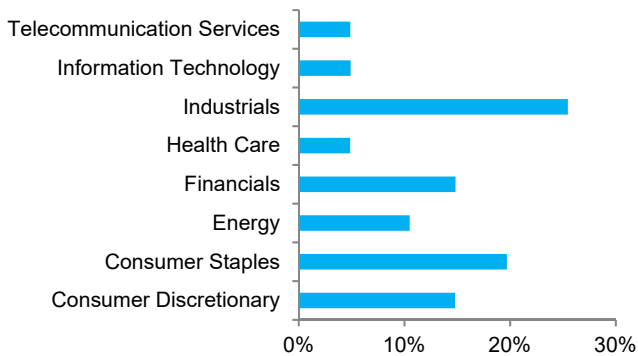
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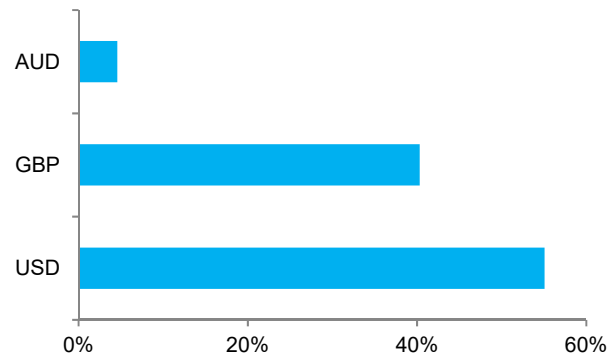
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