

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 (%)	Annualised						
	S. Inception	5 Years	3 Years	1 Year	3 Month	1 Month	YTD
Dividend Growth Portfolio	14.1	12.3	14.2	10.1	-1.8	2.4	6.5
MSCI World	13.9	12.1	14.6	6.1	-4.3	1.1	4.8
Relative	0.2	0.2	-0.4	4.0	2.5	1.3	1.7

Risk (%)	Largest Drawdown	Volatility (Annualised)
Dividend Growth Portfolio	11.2	11.3
MSCI World	16.2	12.0

Market Commentary

November saw a halt to October's global equity market declines, despite geopolitical risks remaining. US midterm election results have seen the Democrats gaining control of the House and the Republicans increasing control of the Senate. The S&P 500 returned 2.0% over the period. In Europe, progress was made with regards to Brexit, where a withdrawal agreement will now be submitted to the UK Parliament. With resistance expected, uncertainty remains, and the pound was mostly unchanged against the euro, while the FTSE 100 was down 1.6%. Elsewhere in Europe, third quarter GDP results showed a contraction in German and Italian production, while the Euro STOXX 50 was down 0.7%. Oil prices also made significant declines, with Brent Crude down 20.9%. This decline can be attributed to increases in supply from the US and Saudi Arabia, as well as the introduction of exemptions on Iran sanctions. The yield on US and UK 10-year bonds decreased 16 and 7 basis points respectively, as investors' concerns mounted over global economic growth prospects.

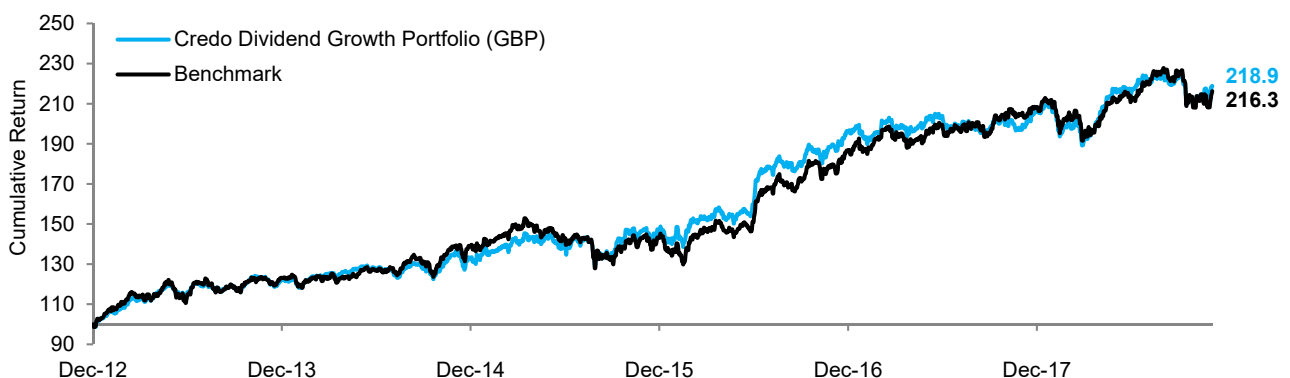
Key Contributors to Return

GlaxoSmithKline's shares increased by 8.6%, after the company reported it had sold its Horlicks franchise to Unilever. PepsiCo's shares increased by 8.5%, after the company announced the successful completion of their acquisition of Sodastream and the intention to acquire British snack manufacturer Pipers Crisps.

Key Detractors from Return

BP's shares declined 7.0%, after the recent decline in oil prices, driven by concerns that the global market is oversupplied. Imperial Brand's shares declined by 6.7%, after the Food and Drug Administration (FDA) announced a proposal to ban menthol cigarettes in the USA.

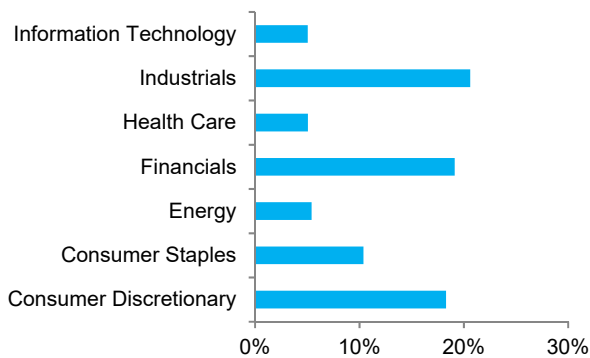
Performance Since Inception (28/12/2012)²



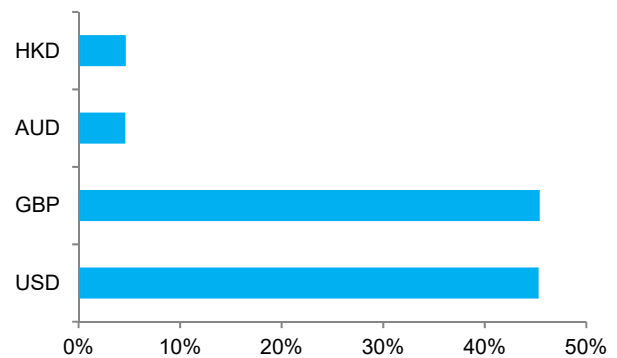
Sample Portfolio Statistics²

	Current Price	Trailing 12 Month P/E	12 Month Forward P/E	Dividend Yield
Imperial Brands plc	2410p	13.0x	8.6x	7.8%
Nielsen Holdings plc	\$27.2	17.0x	16.0x	5.2%
Wells Fargo & Co	\$54.3	13.9x	10.7x	3.2%
Total Portfolio Average		17.0x	14.2x	3.3%
MSCI World		16.9x	14.4x	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 30/11/2018 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						
	S. Inception	5 Years	3 Years	1 Year	3 Month	1 Month	YTD
Dividend Growth Portfolio	9.9	7.0	8.4	4.1	-3.2	2.4	0.6
MSCI World	9.5	6.7	8.5	0.1	-5.8	1.1	-1.2
Relative	0.4	0.3	-0.1	4.0	2.6	1.3	1.8

Risk (%)	Largest Drawdown	Volatility (Annualised)
Dividend Growth Portfolio	11.6	11.1
MSCI World	17.9	10.8

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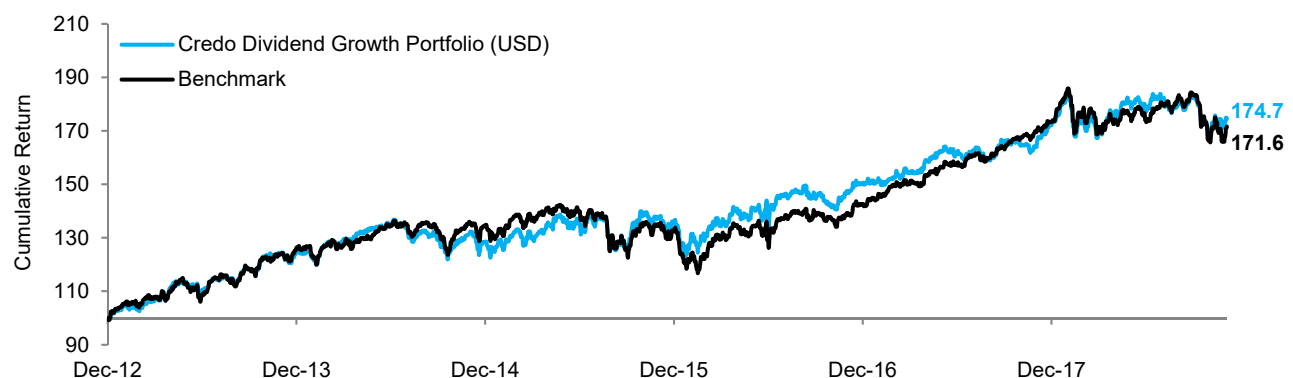
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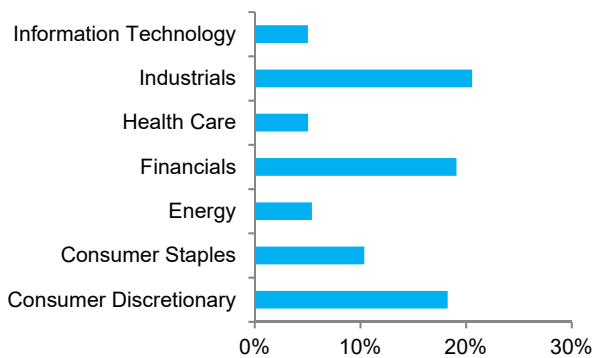
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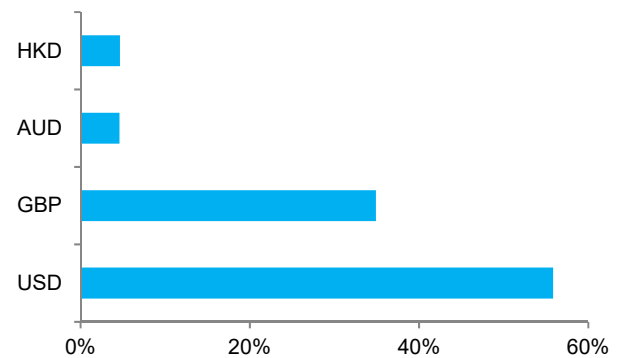
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