

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	10.7	8.4	1.9	-5.6	-16.8	-9.6	-16.8
MSCI World	10.6	7.0	2.3	-6.1	-15.5	-10.7	-15.5
Relative	0.1	1.4	-0.4	0.5	-1.3	1.1	-1.3

Risk (%)	Largest Drawdown	Volatility (Annualised)
Dividend Growth Portfolio	26.7	12.9
MSCI World	26.2	14.7

Market Commentary

In February we reported that equity markets made significant losses following the spread of the coronavirus across the globe. March followed a similar pattern, although this was more pronounced as containment measures brought large parts of the global economy to a standstill, with many countries imposing lockdowns. The S&P 500, Euro STOXX 50, FTSE 100 and Nikkei 225 were all down 12.4%, 16.2%, 13.4% and 9.8% respectively. Coronavirus fears also disturbed the alliance between OPEC and Russia, pushing oil prices to their worst one-day drop in thirty years. As a result, Brent Crude oil fell 43.2% over the month. Further, central banks across the globe cut interest rates and restarted quantitative easing programs in order to keep borrowing costs low, improve liquidity and protect their economies from the effects of the coronavirus. US and UK 10-year bonds decreased by 48 and 9 basis points respectively. The pound was down 3.3% against the US dollar and 2.8% against the euro.

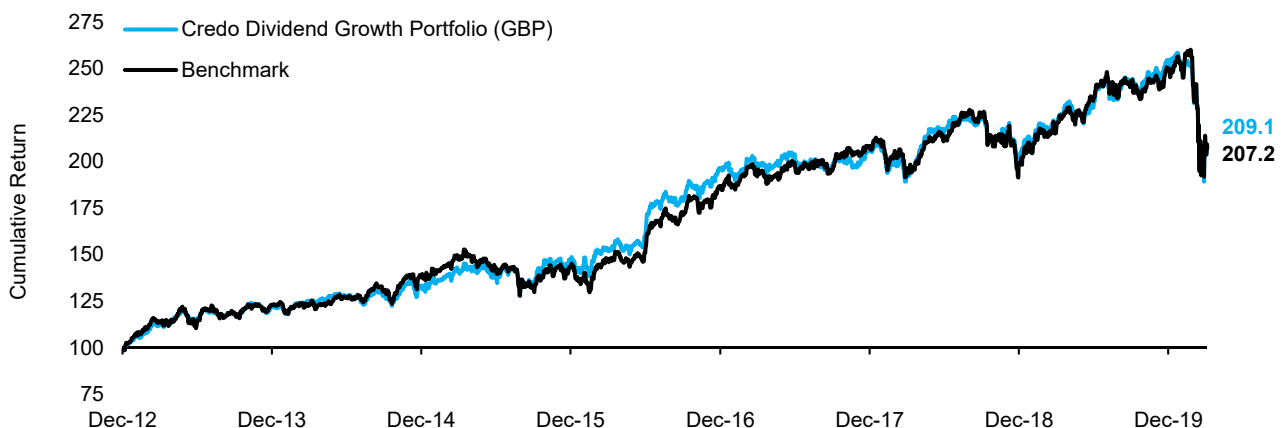
Key Contributors to Return

IG Group's shares increased by 2.8% after the company issued a trading update noting a surge in revenues following unprecedented volatility in the markets. Progressive's shares increased by 0.9%, outperforming other financial companies, given the auto insurer's defensive business, benefitting from a decline in the number of accidents in light of social distancing.

Key Detractors from Return

Meggitt's shares declined by 46.4% after the company retracted its guidance for the full year and pulled its dividend, in light of collapsing demand in the civil aviation aftermarket. Wells Fargo's shares declined by 29.7%, along with the entire banking sector, after the US Federal Reserve Bank cut interest rates to near 0% and credit markets collapsed.

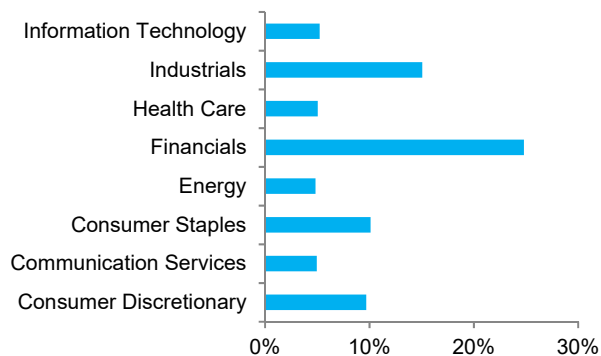
Performance Since Inception (28/12/2012)²



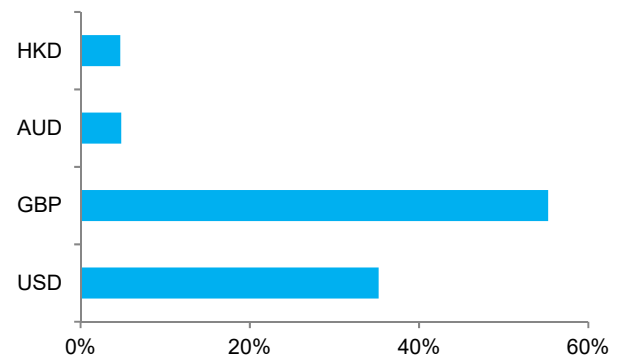
Sample Portfolio Statistics²

	Current Price	Trailing 12 Month P/E	12 Month Forward P/E	Dividend Yield
GlaxoSmithKline plc	1515p	13.6x	13.0x	5.3%
PepsiCo Inc	\$120.1	21.4x	20.4x	3.2%
Verizon Communications Inc	\$53.7	10.0x	10.8x	4.6%
Total Portfolio Average		13.5x	13.0x	4.3%
MSCI World		16.3x	14.6x	3.0%

Sector Allocation



Currency Allocation



Investment Philosophy

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

- We believe that wealth is best created and preserved through patient and disciplined investing, with a focus on the long term
- We follow a value-based approach to investing
- We seek to invest in high quality companies that are attractively priced relative to their future business prospects
- We believe that the market's short-term focus creates opportunities for those willing to concentrate on underlying business performance
- 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 31/03/2020 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	7.0	4.8	1.7	-9.2	-21.4	-11.7	-21.4
MSCI World	6.7	3.2	1.9	-10.4	-21.1	-13.2	-21.1
Relative	0.3	1.6	-0.2	1.2	-0.3	1.5	-0.3

Risk (%)	Largest Drawdown	Volatility (Annualised)
Dividend Growth Portfolio	33.3	12.9
MSCI World	34.0	13.8

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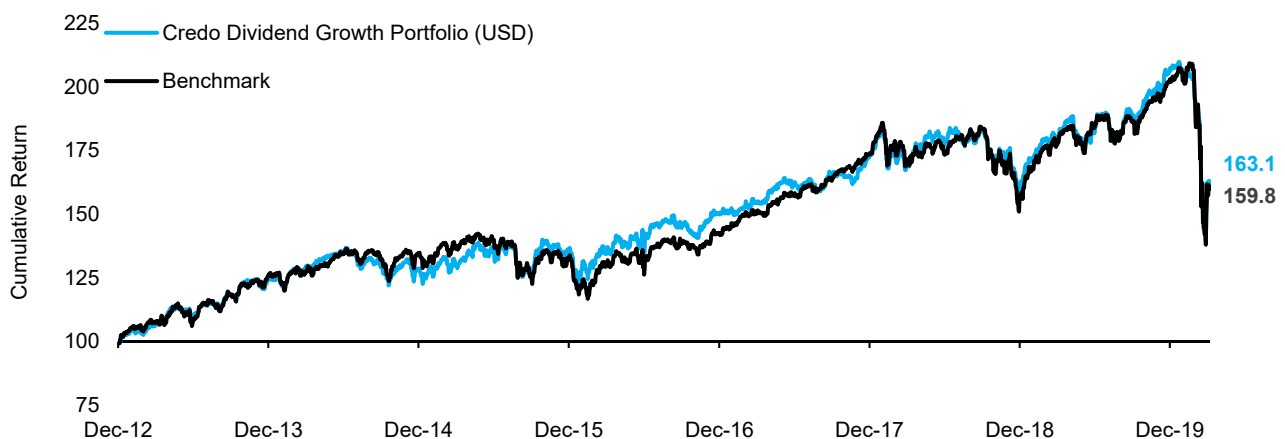
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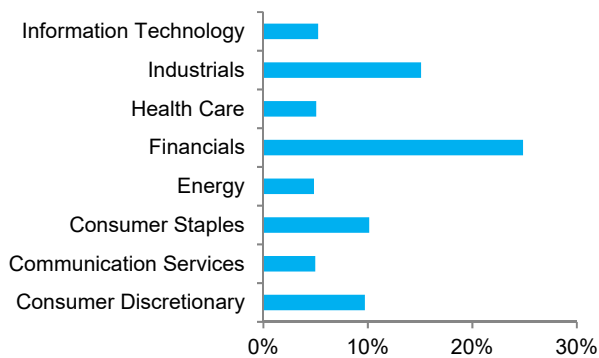
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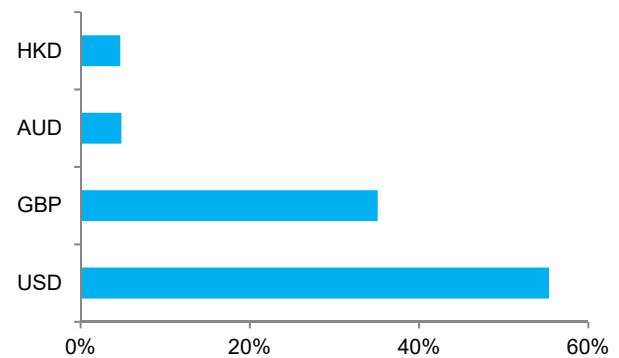
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Total Portfolio Average		13.5x	13.0x	4.3%
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CreDO's investment philosophy is based on the following tenets:

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