CREDO NEWS

History, be kind

Deon Gouws

Of risk and time

Ainsley To

WAR & PEACE

ISSUE 38 | APRIL 2022

"The two most powerful warriors are patience and time"
Leo Tolstoy

War & Peace

I was privileged to recently attend an event at the Royal Geographical Society in London where the speaker was Count Nikolai Tolstoy. The Count is a distant cousin of the author Leo Tolstoy who is famous for writing inter alia the novel War and Peace in 1869. In his talk, the Count focused on the history behind the current conflict between Russia and Ukraine, and we also believe that it is appropriate for this version of CredoNews to focus on how one should think about your investments during such a time of conflict.

Deon Gouws highlights several significant global events that most of us will remember. Deon then reminds us that it is impossible for anyone to predict when this might all blow over, but most importantly, leaves us with the message that *this war too shall pass.*

Jarrod Cahn summarises the truly extraordinary events of the last two years, starting with Covid-19 as economies shut down, followed by massive central bank stimulus, then the start of interest rates normalising and now the uncertainty of the war. **Jarrod emphasises the importance of being both reactive as well as pragmatic when managing investments over the period.** He then reminds us of Credo's investment approach which focuses on owning high quality businesses and remaining well diversified.

Ainsley To looks at Equity versus Cash returns data during periods of recession from 1926. **Ainsley concludes that reducing risk by switching to cash, is only beneficial if you are able to reinvest in an extremely timely manner.** He further concludes that when interest rates are low, there is a higher potential opportunity cost (equity risk premium compensation) for market timers moving in and out of cash.

Reverting to the event at the Royal Geographical Society: what was the Count's prediction in terms of the current conflict between Russia and Ukraine? His view was that peace will eventually prevail, with Ukraine adopting a Swiss-style neutral status in future. Also bear in mind the words of Leo Tolstoy when he said: "The two most powerful warriors are patience and time" **– something to consider when thinking about your investments during this challenging period.** ■

> *"... go across the street, have a nice long meal, go for a quiet walk, head home, call/hug your loved ones, sleep for 10 hours, and be thankful for doing all that, because right now a lot of people can't."*

History, be kind

I cannot forecast to you the action of Russia. It is a riddle wrapped in a mystery inside an enigma.

Not my words, of course, but those of Winston Churchill: a line from the first instalment of six massive volumes recording the history of the Second World War, published in 1953.

Nearly seventy years later, the quote rings as true as ever.

On the first day that Russian missiles started raining down on strategic targets in Ukraine last month, I wrote a note to clients stating that I had nothing to offer in terms of how this war might play out. Will it be short or protracted? Will Putin achieve his grand ambitions? How much damage will be done? How far might the market drop? I had no idea. I still don't.

In that same piece, I also reminisced about some other events of historical proportions over the years.

First, there was the commencement of Operation Desert Storm in January 1991, marking the official retaliation of the West in response to the invasion of Kuwait by Iraqi forces. Even though the Gulf War actually started more than five months earlier when Iraq first sent troops across the border, it only became "real" for me when President George Bush made an address to the American nation, informing them that the US was about to respond with force.

I have a vivid memory of this bit of history. I happened to be studying in the UK when all of this played out, and the Bush address was scheduled to take place around midnight my time. I stayed up, made popcorn, nestled in front of my small black and white television set and watched the whole speech live.

It felt like the world might end. But of course, it didn't.

Then, ten years later, there was the falling of the Twin Towers. I left my office early the day this happened and met a few colleagues for a drink. The mood was understandably glum.

More than ever, it felt like the world might end. But of course, it didn't.

Seven years passed before I once again experienced emotions which compared at least to some extent to these momentous events. This time there was no act of war: it was a mere financial crisis. Lehman Brothers collapsed in September 2008 after being in business for 158 years. Merrill Lynch was rescued by Bank of America. Citigroup's share price fell by 95%. The global banking system seemed to be closing down.

It felt like the financial world as we knew it was about to end. But of course, it didn't.

I tried to draw inspiration from these memories as I watched on live television how the war in Ukraine broke out. It helped that I saw a tweet by David Ingles, host of the China show on Bloomberg TV, who said that the best investment strategy in response was to log off, go across the street, have a nice long meal, go for a quiet walk, head home, call/hug your loved ones, sleep for 10 hours, and be thankful for doing all that, because right now a lot of people can't.

I couldn't put it better. I have re-read these wise words a number of times in the past four weeks.

It may feel like the end of the world to some people once more, but I keep my eye on the future and look forward to the end of this war and a return to normality. Just don't ask me how long this may take… I've read everything I can about the situation, but it's all still a riddle to me.

Who really has an any idea what will happen next? It's OK to say that you don't know. As Josh Brown from Ritholtz Wealth Management in the US asked rather cynically in a recent blog post: why on earth should your financial advisor "who works in the strip mall next to PetSmart" have any view on when this might all blow over?

In this context, there is another famous quote often misattributed to Winston Churchill which deserves to be mentioned.

"History will be kind to me for I intend to write it".

Said differently: he who wins the war, ends up writing the history books (as Winston Churchill and his six-volume account eventually proved).

All of which leads to the question: who will end up documenting how the war in Ukraine eventually unfolds? Might history yet be kind to Volodymyr Zelenskyy?

Jarrod Cahn - *Director*

Thoughts from the trenches

Being a portfolio manager can be tough work at times. Every day brings new surprises, and as a custodian of clients' money, we need to be both reactive on the one hand as well as pragmatic on the other. One may argue that it goes with the territory, but the events over the last two years have been truly extraordinary. It feels like we have had to live through two wars.

First there was Covid-19, something of a black swan event, completely unexpected and with devastating consequences. In retrospect, the outcome for investors happened to be a far more pleasant one than first perceived.

I still recall the first few days of the pandemic as economies shut down.

We were scrolling through the balance sheets of companies we had invested in, trying to work out how many days of liquidity they had available before they might have to close shop. Debt markets were effectively closed, and, for a while, the situation looked far worse than the global financial crisis of 2008.

We took evasive action at the time and sold out of companies that were highly leveraged; it simply looked like the prudent thing to do. A few weeks later, global central banks started injecting liquidity through massive stimulus programs in a unified and coordinated move. Not only did this save most companies, but it was also the catalyst for the start of a spectacular recovery in markets (particularly in the USA).

Some stocks and sectors rose more quickly than others, however. Different investment styles further experienced hugely divergent performance. The universe of "work-from-home" stocks as well as those of disruptive companies (often with zero earnings) and so-called meme stocks enjoyed a massive rally during the first six months of the pandemic. All of this took place under the banner of growth strategies and at the expense of high quality, value stocks.

The news of vaccine breakthroughs and the potential end to lockdowns saw a revival of the "opening-up" trade which in-itself had a few false starts. The end of zero interest rates and some type of normalization of interest rates eventually started helping value stocks over the last six months or so. Growth stocks have started suffering, in large part due to the realisation that interest rates are now firmly in an upward cycle, clearly putting pressure on the present value of any cash flows in the distant future. Multiples have also compressed.

Matters were complicated further by geo-political tension between China and the USA as well as a general crackdown by the Chinese government on its own listed companies. This has led to a significant de-rating of champions of industry in that country, leaving many investors nursing wounds.

And then Russia invaded Ukraine.

Commodity prices have skyrocketed as a result, and inflation is now at a 40-year high. Central banks are behind the curve in terms of interest rate action; however, they're caught between a rock and a hard place: **how does one try to stem inflation by gradually raising rates, while at the same time not causing a recession?**

From a portfolio construction point of view, one needs to assess your current holdings and ascertain how the companies will fair in this new inflationary environment. Can companies maintain their margins, with input costs set to rise markedly and consumer spending likely to decline?

Then there is the question of how to try and benefit from the change in circumstances. Can commodity prices sustain these high levels? Is it already discounted in stock prices? Which specific commodities would you want to own over the longer term?

Also, is it time to double up on defence stocks? It seems likely that defence budgets are only going to increase, as most of Europe has certainly been caught short on defence spending and fears that Joe Biden will cut the US defence budget have further dissipated.

And how does this all stack up from an ESG point of view? One would expect an accelerated investment into nuclear and renewables as the market tries to wean itself off fossil fuels; is there any value in this sector?

As we have seen with the pandemic, one needs to adapt their mindset as circumstances change and be prepared to be both reactive and pragmatic at different points in time. Also bear in mind how quickly things can change back... what if Russia and Ukraine actually call a ceasefire and find a resolution, for example?

It is for reasons such as these that we would never "bet the ranch" on any one outcome, one theme, or one strategy.

We will always remain diversified and own a basket of high-quality businesses that screen cheaply and are expected to outperform the market through the cycle. ■

"... the events over the last two years have been truly extraordinary."

Kathryn Linde - *Relationship Manager, Director Credo ICAV*

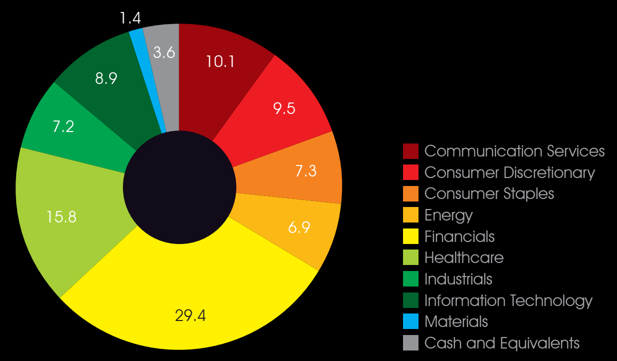
The Credo Funds

Credo Global Equity Fund

GLOBAL
EQUITY FUND

Credo has a strong track record of managing long-only, value-based, direct equity portfolios with a bias towards developed market, large capitalisation stocks. The Credo Global Equity Fund (UCITS) is actively managed and follows this same investment philosophy. Our aim is to generate sustainable excess returns versus global market indices through careful stock selection.
On 3 February 2020, Credo launched the **BCI Credo Global Equity Feeder Fund**, giving South African investors direct access (in ZAR) to Credo's global equity investment offering.

Sector Allocation (%)



Currency Allocation (%)

GBP	31.1
USD	60.5
Other (AUD, EUR, HKD, MXN, SGD)	8.4

Past Performance (%)

	Fund	Benchmark
1 Month*	-3.7	-2.2
3 Months*	2.3	-4.7
1 Year*	10.7	15.3
3 Years*	42.5	48.5
S. Inception *(Cumulative)*	46.7	62.2
S. Inception *(Annualised)*	8.6	10.9

Top 10 Holdings (%)

Shell plc	Energy	4.9
Cigna Corp	Healthcare	4.4
Bayer AG	Healthcare	4.2
The Progressive Corp	Financials	4.2
Wells Fargo & Co	Financials	4.1
Flutter Entertainment plc	Consumer Discretionary	4.0
Interactive Brokers Group Inc	Financials	3.5
Arch Capital Group Ltd	Financials	3.2
British American Tobacco plc	Consumer Staples	3.1
Madison Square Garden Sports	Communication Services	3.0

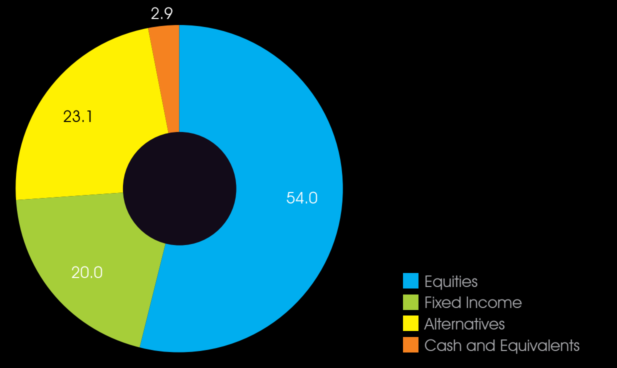
(*) Actual performance of the Credo Global Equity Fund (UCITS) A GBP retail Inception: 03/07/2017. Benchmark: MSCI World Index Net Total Return (in GBP) Highest: 27.0%, lowest: -6.1%

Credo Dynamic Fund

DYNAMIC
FUND

The Credo Dynamic Fund (UCITS) utilises the long-term and successful investment strategy that has historically been employed within the traditional stockbroking arm of Credo and aims to achieve a balance of income and capital growth over the longer-term. The fund has flexibility to invest across asset classes depending on prevailing market conditions and has a bias to UK markets.

Asset Allocation (%)



Currency Allocation (%)

GBP	87.6
USD	11.7
DKK	0.7

Past Performance (%)

	Fund	Benchmark
1 Month*	-2.8	-1.7
3 Months*	-4.0	-5.1
1 Year*	8.4	3.7
3 Years*	33.6	22.5
S. Inception *(Cumulative)*	39.2	25.9
S. Inception *(Annualised)*	7.4	5.1

Top 10 Holdings (%)

Polar Capital Technology Trust	Closed-End Fund	6.2
X-trackers S&P 500 Equal Weight	Exchange Traded Product	4.6
Urban Logistics REIT plc	Real Estate	3.5
Alphabet Inc	Communication Services	3.4
Co-operative Group Ltd 11 12/18/25	Corporate Bond	2.8
GlaxoSmithKline plc	Healthcare	2.5
Abrdn European Logistics Income	Real Estate	2.5
L&G Longer Dated All Commodities	Exchange Traded Product	2.5
TwentyFour Income Fund Ltd	Closed-End Fund	2.4
iShares Core FTSE 100	Exchange Traded Product	2.3

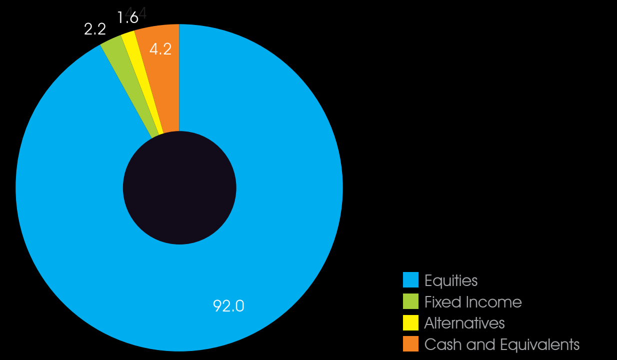
(*) Actual performance of the Credo Dynamic Fund A GBP retail Inception: 03/07/2017. Benchmark: IA Flexible Investment Sector Highest: 19.0%, lowest: -4.9%

Credo Growth Fund

GROWTH
FUND

The Credo Growth Fund (UCITS) is a reflection of the fund manager's (Roy Ettlinger) personal investment style and strategy which he has successfully adopted for clients in past years. The fund is globally diversified and follows a flexible investment strategy with a growth bias. It aims to provide attractive risk-adjusted returns to investors and has flexibility to invest across asset classes.

Asset Allocation (%)



Currency Allocation (%)

GBP	28.5
USD	62.4
Other (CHF, EUR, AUD)	9.1

Past Performance (%)

	Fund	Benchmark
1 Month*	-0.4	-1.9
3 Months*	-12.6	-6.5
1 Year*	2.6	3.0
3 Years*	35.6	20.6
S. Inception *(Cumulative)*	38.5	25.1
S. Inception *(Annualised)*	7.2	4.9

Top 10 Holdings (%)

Alphabet Inc	Communication Services	5.3
Costco Wholesale Corp	Consumer Staples	4.9
Microsoft Corp	Information Technology	4.7
Amazon.com Inc	Consumer Discretionary	3.2
Apple Inc	Information Technology	3.1
Pershing Square Holdings Ltd	Closed-End Fund	3.0
Sonova Holding AG	Healthcare	3.0
Blackstone Inc	Financials	2.9
Nvidia Corp	Information Technology	2.9
Gresham House plc	Financials	2.6

(*) Actual performance of the Credo Growth Fund A GBP retail Inception: 03/07/2017. Benchmark: IA Flexible Investment Sector Highest: 20.7%, lowest: -8.4%

Actual performance. Source: Société Générale Securities Services (Ireland) Limited, Bloomberg and FE Analytics. As at 28/02/2022. Performance is of the Class A (GBP) Retail share class for all UCITS funds and is measured using NAV to NAV dates, net of fees and with income reinvested. Individual investor performance may differ as a result of initial fees (if any), the actual investment date, the date of reinvestment and dividend withholding tax. Annualised performance shows longer term performance rescaled to a 1-year period. Annualised performance is the average return per year over the period. Actual annual figures are available to the investor on request. Highest and lowest are calendar year returns which are the actual annual figures. NAV is the net asset value and represents the assets of a fund less its liabilities. A schedule of fees, charges and maximum commissions are available on request. Credo Growth Fund is weekly dealing.

Credo Global Equity Fund and Credo Dynamic Fund are daily dealing. Full performance calculations are available from the Manager on request. The Manager of the UCITS funds is FundRock Management Company S.A. and is Boutique Collective Investments (RF) (Pty) Ltd for the Feeder Fund. A feeder fund is a portfolio that invests in a single portfolio of a collective investment scheme, which levies its own charges, and which could result in a higher fee structure for the feeder fund. Boutique Collective Investments (RF) (Pty) Ltd is also the Representative Office in South Africa for the UCITS funds and is registered and approved under the Collective Investment Schemes Control Act (No.45 of 2002). For any additional information such as MDDs, prospectus and supplements, please visit www.credogroup.com.

Of risk and time

Underlying the majority of macro concerns that investors usually face, is the fear of how second order effects will impact the economy. All investing is ultimately about future consumption after all, and GDP (rightly or wrongly) is often used as a proxy for overall consumption.

From an investing standpoint, using precise forecasts for any kind of macro event is especially difficult, since you need to be right twice *– first on the forecast itself and then additionally on how that precise outcome will affect asset prices.* The actual impact of an event on risky assets is often far less obvious than it seems ex ante, whether the threat to the economy is an election, a pandemic, or a war. Investors as a community are prone to the *conjunction fallacy* – ask an investor to give a precise prediction on whether the equity market will go up or down over the next quarter and they might refuse. But ask about their macro outlook, and they will then speak confidently about their views and subsequently what their outlook could mean for the direction of the equity market.

In the period since 1926, the National Bureau of Economic Research in the U.S. has recorded 16 official recessions. Figure 1 compares equity and cash returns during these periods

Figure 1: Recessions & Equities vs. Cash Returns

Recession	Equities		Cash	
	During	12m After	During	12m After
Oct 1926 - Nov 1927	**33.2%**	41.5%	3.8%	3.7%
Aug 1929 - Mar 1933	-76.1%	95.2%	6.6%	0.4%
May 1937 - Jun 1938	-25.2%	0.5%	0.2%	0.0%
Feb 1945 - Oct 1945	**27.4%**	-4.9%	0.2%	0.4%
Nov 1948 - Oct 1949	**5.1%**	28.3%	1.0%	1.2%
Jul 1953 - May 1954	**27.0%**	36.0%	1.2%	1.0%
Aug 1957 - Apr 1958	-6.1%	40.0%	1.9%	1.8%
Apr 1960 - Feb 1961	**19.4%**	13.1%	2.0%	2.2%
Dec 1969 - Nov 1970	-7.7%	13.1%	6.8%	4.4%
Nov 1973 - Mar 1975	-19.8%	29.0%	10.9%	5.6%
Jan 1980 - Jul 1980	**15.9%**	16.4%	6.3%	13.5%
Jul 1981 - Nov 1982	14.0%	25.3%	17.6%	8.7%
Jul 1990 - Mar 1991	**7.4%**	14.0%	5.4%	5.1%
Mar 2001 - Nov 2001	-7.0%	-14.9%	2.7%	1.7%
Dec 2007 - Jun 2009	-34.1%	15.4%	1.9%	0.1%
Feb 2020 - Apr 2020	-9.3%	52.1%	0.2%	0.1%

Source: Credo, NBER, KF Database

as well as for the 12 months following the end of each recession. The documentation of macroeconomic data is an involved process with lags and ex post revisions. It is not usually known if a country has officially been in recession until many months after the fact. But even if we assume an investor has a perfect nowcasting model for detecting a recession, the problem is **the numbers highlighted in red, which show that equities outperformed cash during 7 of these recessions** – moving to cash to perfectly avoid a recession won't guarantee your status as a hero of tactical asset allocation.

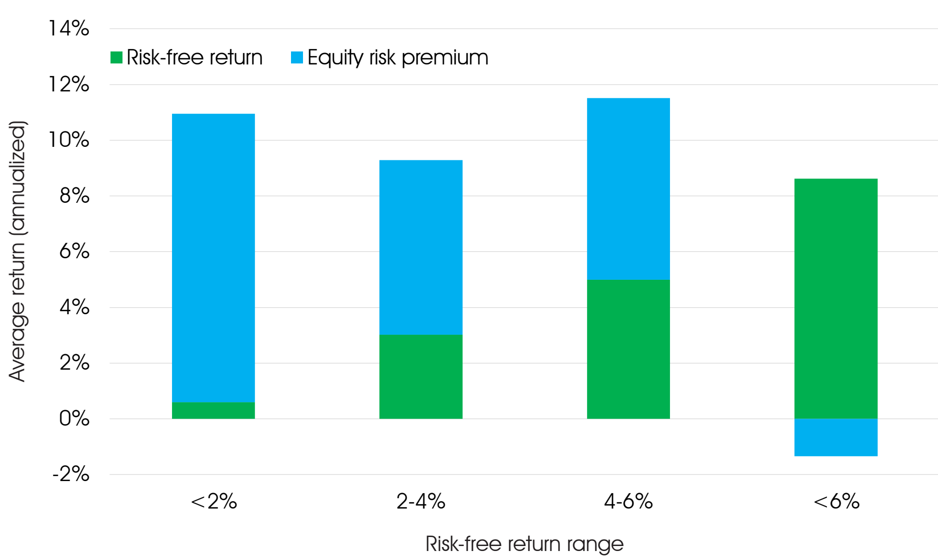
In addition, the strong performance of equities in the 12 months immediately following the end of a recession highlights the heroic level of confidence one must have in the precision of their forecasts for them to be useful, with equities outperforming cash (often by a wide margin) in 14 out of 16 cases – accurately forecasting the end of a recession was often more useful than being able to forecast when it began.

The periods highlighted in grey are those during which an investor who stayed invested in equities both during the recession and for the following 12 months managed to outperform cash. TLDR; Reducing risk is only beneficial if you are able to put it back on in an extremely timely manner… Otherwise, for investors with the capacity to bear the risk, they are often well compensated for simply doing just that.

Economic risk as measured by recessions is not in itself informative of the realised equity risk premium – another perspective is to unpack the difference in performance between equities and cash more precisely. Embedded in the price of every financial asset is compensation to its investors for both risk and time – in this case, the risk-free return is the compensation for time whilst the equity risk premium (the additional return of the equity market above cash) is the compensation for risk. Figure 2 shows the historic averages of the equity risk premium and risk-free return for different ranges of risk-free return (namely, for different levels of interest rates) over the last century.

Historically, **the average total return for an equity investor has not differed significantly across these ranges of interest rates** (the heights of the full columns are very similar). However, the proportion of that total return made up of the risk-free rate and the equity risk premium has varied dramatically. When investors have enjoyed the highest risk-free return, they also didn't benefit from taking risk. In contrast, during periods when the risk-free return is low, the difference has been made up by a larger equity risk premium – for investors sitting in cash, the periods when they received the least compensation for their time were also the periods when they incurred the highest opportunity cost from not taking risk.

Figure 2: Average equity risk premium by interest rate level - 1926-2022



Source: Credo, KF Database

Conclusion

"Chaos isn't a pit. Chaos is a ladder."
Petyr 'Littlefinger' Baelish

It is often difficult to prove anything with financial market data, given its low level of signal to noise. However, empirical analysis can be useful in disproving common misconceptions - a recession doesn't guarantee a market crash and in practice asset allocation shouldn't be informed by economic forecasts alone (especially if you don't make them with 100% accuracy).

If anything, history suggests that when interest rates are low there is a higher potential opportunity cost for market timers moving in and out of cash.

And the same applies for long-term investors who are looking to put cash to work but continually find themselves "waiting for the right time" - during a recession, when cash returns are low, are as good a time as any to get compensated for bearing risk.

Charitable giving

Maximising your generosity

Charitable giving is an area which many financial advisers don't spend enough time discussing with clients. In an environment of elevated inflation and market uncertainty, it's natural to focus on investment returns, retirement plans, and minimizing tax. However, it is likely that most of us are in a relatively fortunate position, and despite the potential headwinds in the markets, we should not forget the difference that even a small contribution (financial or otherwise) can make for good causes.

Whatever your reasons may be for giving to charity, it's useful to understand the potential tax reliefs available so that you can ensure your contribution is undertaken in an efficient way. It's also worth considering how you can use charitable giving to involve the wider family and educate the next generation in relation to both finances and charitable causes.

UK tax relief for individuals

Cash gifts

Gifts of cash to UK charities can benefit from Gift Aid. On the assumption that you have paid basic rate income tax on the donation, the donation is grossed up by 20%. A higher or additional rate taxpayer can then claim an additional 20% or 25% income tax relief on the grossed-up donation, for example:

Taxpayer	Donation	Grossed up donation	Gift aid claimed by charity	Tax relief for donor
Higher Rate	£1,000.00	£1,250.00	£250.00	£250.00
Additional Rate	£1,000.00	£1,250.00	£250.00	£312.50

For every £1,000 donation, the charity will receive a grossed-up donation of £1,250, and you will receive tax relief of either £250 (higher rate) or £312.50 (additional rate).

Donation of qualifying investments

Donation of qualifying investments (including listed shares, land, unit trusts, OEICs), can benefit from two reliefs:

- **Income tax relief:** Your taxable income will be reduced by the market value of the investment; and
- **Capital gains tax (CGT) relief:** You will not need to pay CGT on any unrealised gain on the gifted asset.

Using assets to donate to charity rather than cash is often a very efficient way of giving to charity.

Inheritance tax (IHT)

Charitable donations made during your lifetime or upon your death are exempt from IHT, saving up to 40% IHT. Moreover, if you leave at least 10% of your net estate to charity upon death, the IHT rate that applies to the remainder of your estate is reduced from 40% to 36%.

Methods of donating

There are a variety of ways to structure your charitable giving, and it's worth exploring your options to ensure that the most suitable vehicle is used to meet your goals:

1. **Direct gifting to charity:** The most straightforward way to gift to charity is to make donations directly to the charity, either using cash and/or a qualifying investment.
2. **Donor advised funds:** Where you are looking to make more substantial gifts but don't want the administrative burden of setting up your own charitable trust or foundation, a charity account with a donor advised fund (such as the Charities Aid Foundation or Prism) may be an effective way to build up and manage your charitable giving.
3. **Setting up your own charity:** Finally, you may decide to establish your own charitable trust or foundation, to provide you with the maximum amount of flexibility and control. Charitable trusts are a good way to bring the family together and create a lasting legacy for the longer term.

Conclusion

There are a variety of tax reliefs available and methods of donating to charity, depending on your specific goals and objectives. If you are considering donating to charity, it is worthwhile spending the time clarifying your goals and objectives, understanding the various tax reliefs available, and considering the most suitable structures to use in order to manage your donations and ensure that you are maximising the benefit of your generosity.

Danny Carpenter - *Relationship Manager*

Diversified equity portfolios

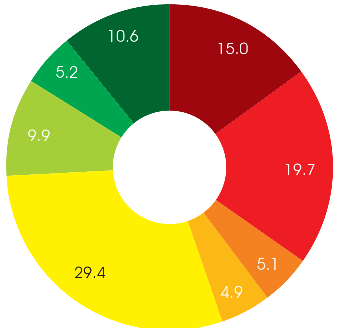
The Credo Best Ideas and Dividend Growth portfolios (BIP and DGP) are diversified global equity portfolios, which we believe to be well positioned to outperform the wider equity market over the longer term. The portfolios have a bias towards developed market, large capitalisation stocks.

BEST IDEAS PORTFOLIO

Performance (%)

Return	
YTD	-1.1
1 Month	-2.3
3 Months	2.8
1 Year	8.5
Annualised Return	
3 Years	9.5
5 Years	8.5
Since Inception	11.2

Sector Allocation (%)



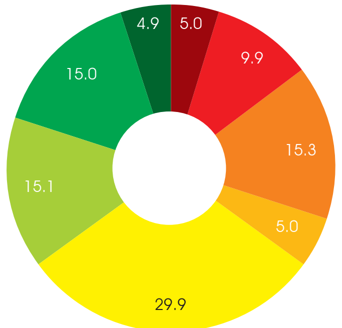
- Communication Services
- Consumer Discretionary
- Consumer Staples
- Energy
- Financials
- Healthcare
- Industrials
- Information Technology

DIVIDEND GROWTH PORTFOLIO

Performance (%)

Return	
YTD	2.8
1 Month	0.1
3 Months	7.9
1 Year	25.7
Annualised Return	
3 Years	14.1
5 Years	10.1
Since Inception	13.6

Sector Allocation (%)



- Communication Services
- Consumer Discretionary
- Consumer Staples
- Energy
- Financials
- Healthcare
- Industrials
- Information Technology

Evidence-based approach

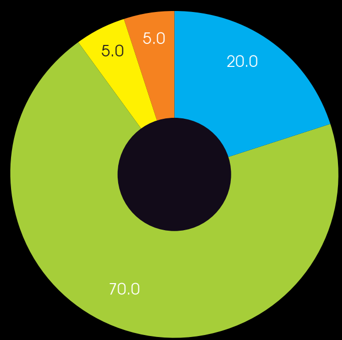
The Credo Multi-Asset Portfolios (MAPs) invest globally across a broad range of asset classes with a focus on diversification. Underlying funds and ETFs are selected using Credo's in-house selection process. The MAPs are offered as four solutions targeting varying levels of equity exposure and are available in both GBP and USD. ESG aware versions of Credo MAP are also available, which utilize the same investment philosophy whilst incorporating ESG considerations. For more information please visit our website.

MULTI-ASSET PORTFOLIO 20/80

Performance (%)

Return	
YTD	-2.7
1 Month	-0.8
3 Months	-2.2
1 Year	2.0
Annualised Return	
3 Years	3.7
5 Years	3.3
Since Inception	4.9

Strategic Asset Allocation (%)



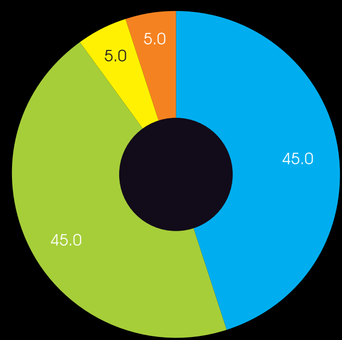
- Equity
- Fixed Income
- Commodities
- Alternatives

MULTI-ASSET PORTFOLIO 45/55

Performance (%)

Return	
YTD	-3.3
1 Month	-0.7
3 Months	-2.2
1 Year	5.9
Annualised Return	
3 Years	6.3
5 Years	5.0
Since Inception	6.7

Strategic Asset Allocation (%)



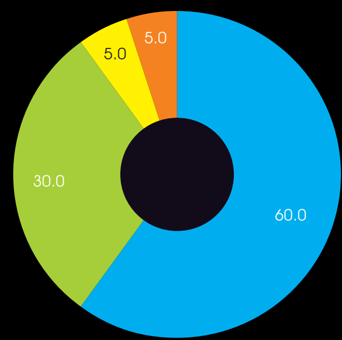
- Equity
- Fixed Income
- Commodities
- Alternatives

MULTI-ASSET PORTFOLIO 60/40

Performance (%)

Return	
YTD	-3.7
1 Month	-0.6
3 Months	-2.2
1 Year	8.3
Annualised Return	
3 Years	7.8
5 Years	6.0
Since Inception	7.9

Strategic Asset Allocation (%)



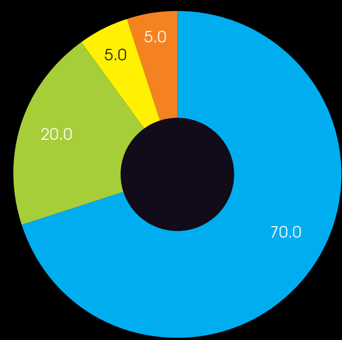
- Equity
- Fixed Income
- Commodities
- Alternatives

MULTI-ASSET PORTFOLIO 70/30

Performance (%)

Return	
YTD	-4.0
1 Month	-0.6
3 Months	-2.2
1 Year	10.0
Annualised Return	
3 Years	8.8
5 Years	6.7
Since Inception	8.5

Strategic Asset Allocation (%)



- Equity
- Fixed Income
- Commodities
- Alternatives

Performance figures are based on a notional portfolio, denominated in pound sterling, designed to track the holdings of the Credo Best Ideas, Dividend Growth and Multi-Asset portfolios. Portfolios incorporate all additions and removals. Portfolios 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 net dividends, reinvested. Following additions or removals, each holding is rebalanced to the model weighting. Source: Bloomberg pricing as of 28/02/2022 close. All portfolio performance is calculated using Bloomberg PORT, rounded to 1 decimal place. Inception dates: Best Ideas Portfolio 14/11/2011, Dividend Growth Portfolio 28/12/2012 and Multi-Asset Portfolios 02/07/2014.

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