

# Equity - Global

## DGC - Stock Selection Class B EUR

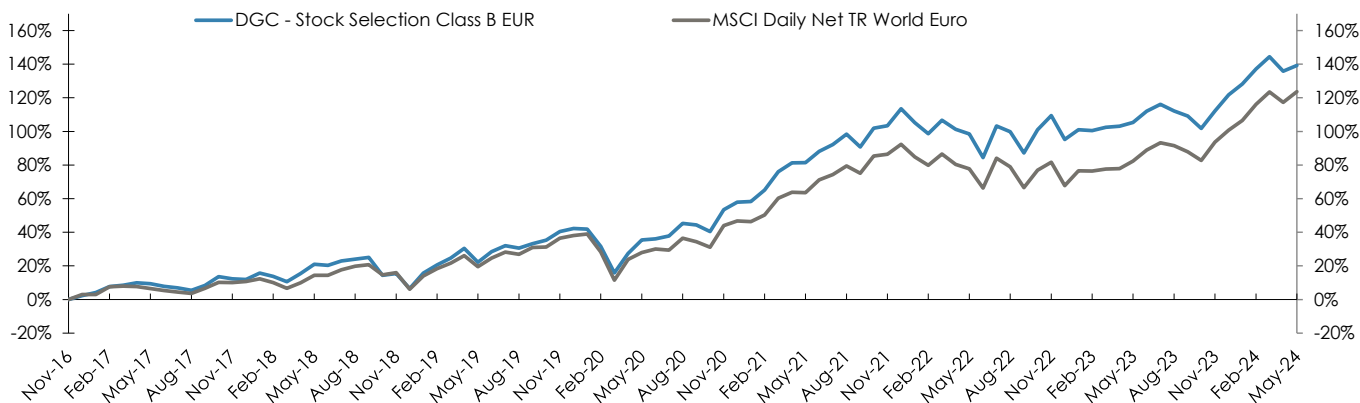
May 31, 2024



### FUND OBJECTIVE

The sub-fund is an equity long only fund. It invests in equities and equity-related products. The investment objective of the sub-fund is to achieve a performance in a global equity market better than the "MSCI World in Euro" index. The sub-fund will invest in global equities with an emphasis on developed markets with no specific style or geographic bias. It will invest in companies with attractive growth prospects following a strict valuation process.

### HISTORICAL PERFORMANCE



### MONTHLY PERFORMANCE (%) NET OF FEES

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Fund	Index*
2024	2.94%	3.91%	3.07%	-3.53%	1.46%								7.91%	11.44%
2023	2.98%	-0.28%	1.00%	0.35%	1.05%	3.31%	1.88%	-1.81%	-1.38%	-3.55%	5.13%	4.52%	13.59%	19.60%
2022	-3.89%	-3.25%	4.07%	-2.63%	-1.37%	-7.05%	10.13%	-1.66%	-6.31%	7.39%	4.15%	-6.76%	-8.59%	-12.78%
2021	0.25%	4.28%	6.62%	3.05%	0.06%	3.65%	2.18%	3.22%	-3.85%	5.88%	0.73%	4.98%	35.25%	31.07%
2020	-0.33%	-7.21%	-11.94%	9.88%	6.38%	0.41%	1.33%	5.40%	-0.60%	-2.74%	9.19%	2.94%	10.93%	6.33%
2019	8.60%	4.25%	3.36%	4.63%	-6.35%	5.22%	2.66%	-1.09%	2.03%	1.64%	3.75%	1.36%	33.59%	30.02%

### STATISTICAL ANALYSIS (Since December 2016)

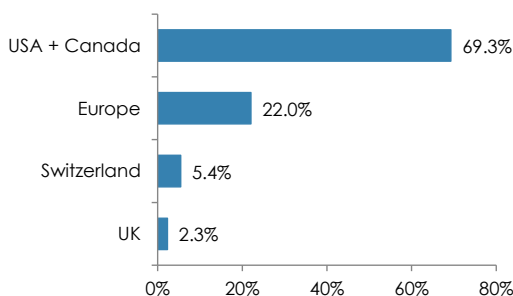
Return	Fund	Index*
Annualized return	12.3%	11.3%
% Positive Months	64%	61%

Risk	Fund	Index*
Annualized Volatility	14.3%	14.1%
Sharpe Ratio (1%)	0.79	0.73

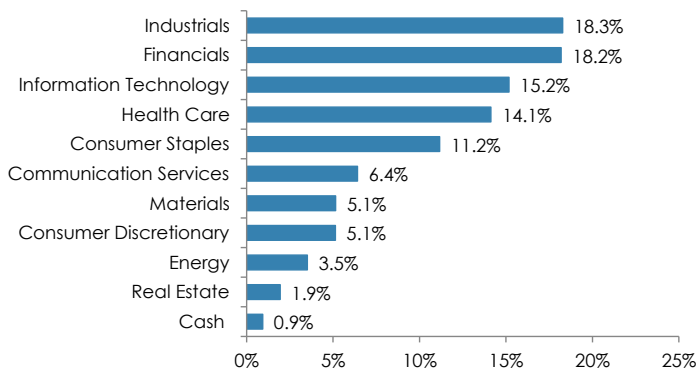
Comparison To Benchmark	Index*
Annualized Alpha	1.1%
Beta	0.99
Correlation	0.97

Top Holdings	Weight
Alphabet Inc	4.00%
JPMorgan Chase & Co	3.70%
Colgate-Palmolive Co	3.69%
ASML Holding NV	3.57%
Microsoft Corp	3.49%
Total number of holdings	40

### Equity Regional Exposure



### Sector Breakdown



\*Index: MSCI World EUR

FUND COMMENTARY

"All eyes on me" – 2Pac, 1996

All eyes on who or what? Central Banks, geopolitics, US or European elections? No, all eyes on Nvidia, at least when it comes to equity markets. Just to highlight how flabbergasting Nvidia's impact has been this year (not even to mention 2023), the stock is up 121% year to date at the end of May, contributing to no less than 27% of the MSCI World's performance for 2024 (just as a reminder, this index comprises 1'450 stocks). Even more eye-popping, if we focus on the US market, Nvidia alone has accounted for around 45% of the S&P 500's 6% year-over-year earnings growth, excluding NVDA, the S&P's earnings growth would fall to only 3.3%.

Such an outstanding performance from the – so far – big winner of the AI investing theme has allowed a vast array of Information Technology and Communication Services stocks to grind higher also, which drove us back to where we've been for the last 18 months or so, in other words an uber dominance from Growth versus Value. As the MSCI World has added 4.23% in May, its Growth component has soared 5.6% while Value "only" rose 2.8%. US equities logically led the march, with the S&P500 up 4.8% and the Nasdaq 100 up 6.3%. European equities fared correctly with the Stoxx 600 up 2.6%, while Emerging Markets struggled to add 0.3% and are only up 2.5% year to date, versus +10.6% for the S&P500. The lack of IT and Communication Services behemoths is being felt everywhere outside the US.

All eyes on Nvidia, yes, but some developments are worth mentioning elsewhere: with softer economic data, hopes that Central Banks will soon ease resurfaced, the US dollar fell 1.6% versus the euro and US 10 year yields receded by 18 bps. Gold benefited and added 1.8%, and a more pedestrian economic growth pushed Oil down 6%. Looming rate cuts favoured credit, with the Itraxx Crossover up 1.6%, and the Yen finally resisted somewhat and regained a modest 0.1% versus the USD..

DGC Stock Selection B euro added 1.46% in May, versus 2.89% for the MSCI World NTR in euros. On a year to date basis, the fund is up 7.91% versus +11.44% for the benchmark.

In a month of such a high polarization for equities in general, our portfolio unfortunately underperformed its benchmark, while still up by a comfortable number.

As the market focuses essentially on Information Technology and Communication Services, some defensive sectors (not all of them though) face a hard time getting some traction. This is true for Consumer Staples, where we're overweight, and also Health Care in General, where we're also overweight. Three of the five worst performers in our portfolio in May pertained to Health Care: Carl Zeiss Meditec (down 13.9%), Abbott Laboratories (down 3.6%) and Merck (down 2.9%).

We fortunately benefited from the strong returns provided by Swiss Re (+14.9%), Apple (+13%), Johnson Controls International (+10.5%) and Booking (+9.4%).

After too many disappointing earnings releases, we have entirely exited Starbucks; we also have sold our position in Exxon Mobil, which we inherited after Pioneer Natural Resources' acquisition. We have initiated a position in Pembina Pipeline Corp, a Canadian Energy Transportation and Midstream company essentially active in the Western Canadian Sedimentary Basin, with connections to the Bakken in the US. The earnings stream is solid and is relatively immune from Energy prices gyrations, while the valuation stands below the historical averages and the company pays a 5% + dividend.

Other than that, we have reduced ON Semiconductors as we do not have sufficient visibility on the Auto business, and added to Bank of America, Cummins, Generali, Microsoft and Ulta Beauty.



GENERAL INFORMATION

<b>Fund Inception</b>	July 2014	<b>Subscription</b>	Daily	<b>Fund Domicile</b>	Luxembourg
<b>Fund AUM (EUR)</b>	526'430'423	<b>Redemption</b>	Daily	<b>Inv. Manager</b>	NS Partners SA
<b>Strat. AUM (EUR)</b>	869'405'960	<b>Management Fee</b>	0.75%	<b>Administrator</b>	Apex Fund Services S.A.
<b>Share classes</b>	USD EUR CHF GBP	<b>Performance Fee</b>	0.00%	<b>Auditor</b>	PricewaterhouseCoopers, Lux.
<b>Investment Min</b>	3'000'000	<b>NAV</b>	256.00	<b>Custodian</b>	UBS Europe SE, Lux. Branch
<b>ISIN (B EUR)</b>	LU0998532633	<b>Entry/Exit Fee</b>	None	<b>Fund Type</b>	UCITS V
<b>SRI Score</b>	400.00%			<b>SFDR Classification</b>	Article 8
<a href="http://www.nspgroup.com">www.nspgroup.com</a>					Actively Managed Fund

The information contained in this communication is confidential and is for the exclusive use of the original recipient(s). This document contains information concerning funds that are only available for distribution in the countries where these funds have been registered. In addition, this document is not intended for any person who is a citizen or resident of any jurisdiction where the publication, distribution or use of the information contained herein would be subject to any restrictions or limitations. This communication is for informational purposes only. It is not intended as an offer or solicitation for the purchase or sale of any financial instrument or as an official confirmation of any transaction. All market prices, data, and other information are not warranted as to completeness or accuracy and are subject to change without notice. Past performances is not indicative or a guarantee of current or future returns. Performance figures are calculated on a NAV basis, taking into account dividends, if any, but no subscription or redemption fees that might be levied. Fund values rise as well as fall, and investor losses may equal or exceed original investment. Any comments or statements made herein do not necessarily reflect those of NS Partners Europe SA, NS Partners SA or its subsidiaries and affiliates. Moreover every investor is recommended to seek legal and fiscal advice before taking any investment decision, and to ascertain that the contemplated investment is suitable in terms of his investment experience, knowledge and financial situation. For additional information, please refer to the Prospectus of the Fund. This is an advertising document. In Switzerland, the Representative is ACOLIN Fund Services AG, Leutschenbachstrasse 50, CH-8050 Zurich, whilst the paying agent is Banque Cantonale Vaudoise, Place St-François 14, CH-1003 Lausanne. The prospectus, the Key Information Documents or the Key Investor Information documents, the articles of association as well as the annual and semi-annual reports may be obtained free of charge from the Representative.

Source for benchmark (if displayed): MSCI. MSCI makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein.

Source for rating (if displayed): Copyright © 2021 Morningstar, all rights reserved.