

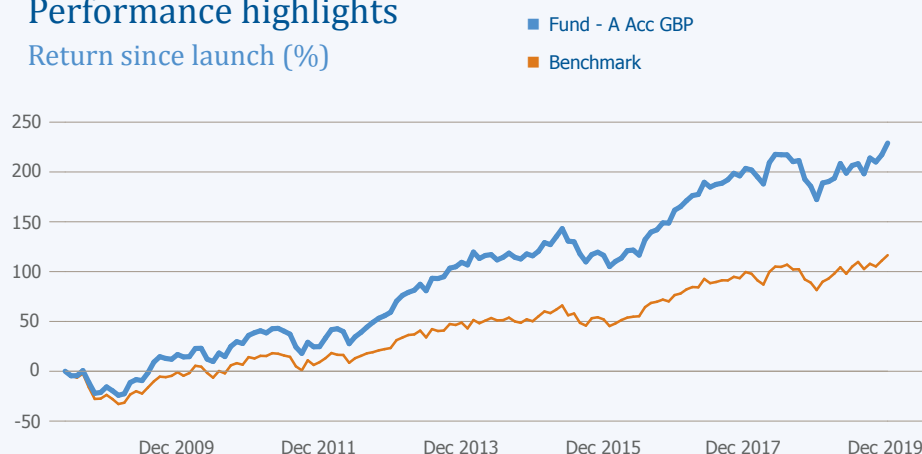
# JOHCM UK Dynamic Fund

## Fund overview

- Objective: to generate long-term capital growth through active management of a portfolio of UK equities
- Senior Fund Manager Alex Savvides believes misunderstanding of corporate change by the stock market regularly presents opportunities for the patient, disciplined and unemotional investor
- His process aims to profit from understanding change and investing where there is the highest probability of success but with the highest cash-based valuation support

## Performance highlights

### Return since launch (%)



## Return history

	1m	3m	1yr	3yr	5yr	10yr	SL	Annualised*
A Acc GBP	3.73	4.77	20.82	25.74	52.41	181.67	228.99	10.86
Benchmark	2.63	4.17	19.29	22.69	44.16	118.53	116.49	6.92
Quartile**	2	3	3	2	1	1	1	-

## Discrete 12 month performance to

	31.12.2019	31.12.2018	31.12.2017	31.12.2016	31.12.2015
A Acc GBP	20.82	-10.30	16.03	20.95	0.22

### Past performance is no guarantee of future performance.

The value of an investment and the income from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested. The Fund's investment include shares in small-cap companies and these tend to be traded less frequently and in lower volumes than larger companies making them potentially less liquid and more volatile. The annual management charge is deducted from the capital of the Fund. This will increase the income from the Fund but may constrain or erode potential for capital growth. We recommend that you read the Prospectus and Key Investor Information Document available from the address overleaf or from our website.

Source: JOHCM/FTSE International/Bloomberg, NAV of Share Class A in GBP, net income reinvested, net of fees. The A Acc GBP class was launched on 23 October 2009. During the period 16 June 2008 to 23 October 2009 the performance record is based on the pre-existing share class that had a higher management fee. Benchmark: FTSE All-Share TR (12pm adjusted). Performance data for the period 16 June 2008 to 22 October 2009 is for Ryder Court UK Dynamic Fund. From 23 October 2009 onwards, the Fund converted to the JOHCM UK Dynamic Fund. Performance of other share classes may vary and is available on request.

\*Annualised since launch. \*\*Sector quartile ranking: IA UK All Companies.

A Acc GBP

ISIN: GB00B4T7HR59

## Fund details

Fund size	GBP 1.90bn
Strategy size	GBP 2.17bn
Launch date	16 June 2008
Benchmark	FTSE All-Share TR (12pm adjusted)
No. of holdings	48
Domicile	UK
Fund structure	UCITS
Denominations	GBP
Valuation point	12pm Dublin time
Historic Yield (%)	3.97
XD date	31-Dec
Pay date	28-Feb

Total strategy assets updated quarterly and shown as at 30 September 2019.

## Fund managers



### Alex Savvides

Senior Fund Manager

Alex has managed the Fund since launch. He joined JOHCM in 2003 and has 23 years of industry experience.



### Tom Matthews

Analyst

Tom has worked on the Fund since he joined JOHCM in 2013 and has 14 years of industry experience.

## Contact details

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## Portfolio analysis (%)

Data as at 31 December 2019

### Top 10 holdings

	Absolute	Relative
GSK	5.0	1.3
BP	4.5	0.6
3i	4.4	4.0
Shell	4.3	-3.2
Barclays	4.1	2.8
Anglo American	3.9	2.8
Aviva	3.4	2.7
Morrisons	3.4	3.2
Electrocomponents	3.4	3.3
Vodafone	3.3	1.7
<b>Total</b>	<b>39.7</b>	

### Sector breakdown

	Absolute	Relative
Consumer Services	21.6	9.6
Financials	29.3	2.3
Industrials	13.6	1.9
Telecommunications	3.3	0.9
Basic Materials	7.6	0.1
Technology	0.8	-0.3
Oil & Gas	11.3	-0.5
Utilities	1.8	-1.2
Health Care	6.1	-3.2
Consumer Goods	3.8	-10.3
Cash	0.7	0.7

### Active bets

Top 5	Relative
3i	4.0
Electrocomponents	3.3
Morrisons	3.2
QinetiQ	3.0
Daily Mail and Gen. Trust	3.0
Bottom 5	Relative
AstraZeneca	-4.2
Shell	-3.2
Diageo	-3.1
British American Tobacco	-3.1
Unilever	-2.0

### Market cap breakdown

	Absolute
FTSE 100	57.0
FTSE 250	33.5
FTSE Small	8.9
Cash	0.7

FTSE Small = FTSE Small Cap, FTSE Fledgling and FTSE AIM

## Attribution & contribution (%)

### Stock attribution

Top contributors	Relative return
Hyve Group	0.22
Unilever	0.18
Restaurant Group	0.17
Tesco	0.14
John Wood Group	0.13
Top detractors	Relative return
Vodafone	-0.14
British American Tobacco	-0.12
London Stock Exchange	-0.09
Morrisons	-0.09
Moneysupermarket.com	-0.07

### Sector attribution\*

	Relative return
Consumer Services	0.36
Oil & Gas	0.26
Industrials	0.25
Basic Materials	0.17
Consumer Goods	0.17
Financials	0.06
Health Care	0.01
Technology	-0.01
Utilities	-0.03
Telecommunications	-0.14

\*Excludes cash

Source: JOHCM/FTSE International/Bloomberg. Benchmark: FTSE All-Share TR (12pm adjusted). Please note that due to rounding breakdowns may not add to 100.00%. All Attribution figures are as at end of day and are calculated on a gross basis.



## Fund manager's commentary

- Global equity markets continued to move higher in December as economic indicators showed a pick-up in global growth, there was further progress in US-China trade discussions and the UK's Conservative party won an overall majority in the general election.
- The Fund outperformed the index in December, with the strong performance generated entirely by stock selection.

## Investment background

Global equity markets continued to move higher in December as economic indicators showed a pick-up in global growth, there was further progress in US-China trade discussions and the UK's Conservative party won an overall majority in the general election. Confidence remains the missing link between the strength of the UK labour market and wider economic growth. With such a decisive Conservative majority – the largest since 1987 – and one of the most anti-business Labour parties suffering their largest defeat since 1935, the UK economy looks well set up for confidence to return.

The changes in the domestic outlook pushed sterling to close the year up 4.8%. UK equities rallied with the FTSE 250 total return reaching an all-time high in December whilst the FTSE All-Share Total Return had its best run since 2009, with a remarkable 4.2% increase in the final quarter despite currency headwinds.

## Fund review

The Fund outperformed the index in December, with the strong performance generated entirely by stock selection. We saw good performances from some of the Fund's consumer services holdings – still the Fund's largest overweight – as share prices responded to the changing UK domestic landscape plus a number of stock-specific factors. It must be noted the Fund's holding in supermarkets Morrisons and Tesco received little or no benefit as pre-Christmas Kantar and Waitrose data raised doubts over the health of forthcoming trading updates. Tesco shares did, however, react positively to the news that it had received inbound interest for its Asian business.

Hyve (previously named ITE Group) was the largest contributor to the Fund's performance in December. Its shares were up 24% in response to the strategically attractive acquisition of two US e-commerce events, via a small equity placing, which further diversified the business away from its legacy Russian exposure and enhanced earnings.

There was also a strong performance from Chemring. Full-year results at Stock Spirits also came in ahead of consensus expectations but reactions from analysts and the market remained muted as both await certainty over the impact of forthcoming alcohol duty changes in Poland and the Czech Republic.

Performance over 1 month	%
Fund - A Acc GBP	3.73
Benchmark	2.63

## Statistics

	Annualised since launch
Active share* (%)	71.49
Fund volatility (%)	17.11
Benchmark volatility (%)	17.12
Alpha	3.94
R squared	0.94
Correlation	0.97
Tracking error (%)	4.35
Information ratio	0.91
Sharpe ratio	0.59

Source: JOHCM/FTSE International/Bloomberg (calculated weekly). Performance data for the period 16 June 2008 to 22 October 2009 is for Ryder Court UK Dynamic Fund. From 23 October 2009 onwards, the Fund converted to the JOHCM UK Dynamic Fund.

\*The proportion of stock holdings in a fund's composition is different from the composition found in its benchmark. The greater the difference between the composition of the fund and its benchmark, the greater the active share.

## Fund awards & ratings



**ELITE FUND**  
rated by FundCalibre.com



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## Country registration

	A Acc GBP	A Dis GBP	B Acc GBP	B Dis GBP
Austria	✓	✓	✓	✓
Germany	✓	✓	✓	✓
Ireland	✓	✓	✓	✓
Singapore	✓	✓	✓	✓
UK	✓	✓	✓	✓

### Swiss representative and paying agent

Copies of the fund's current prospectus, key investor information document (KIID) and financial statements can be obtained free of charge from the Swiss Representative and Paying Agent, RBC Investor Services Bank S.A., Esch-sur-Alzette, Zurich Branch, Bleicherweg 7, 8027 Zurich.

## Share class details (Further details on additional share classes are available on request)

	ISIN	SEDOL	Bloomberg	WKN	Initial charge	Annual charge	Ongoing charge	Minimum investment*
A Acc GBP	GB00B4T7HR59	B4T7HR5	JODYNIA LN	A0YKNH	Up to 5%	0.75%	0.79%	£1,000
A Dis GBP	GB00B4T85529	B4T8552	JODYNII LN	A0YKNG	Up to 5%	0.75%	0.79%	£1,000
B Acc GBP	GB00B4T7JX59	B4T7JX5	JODYNRA LN	A0YKNF	Up to 5%	1.25%	1.29%	£1,000
B Dis GBP	GB00B4TXJ339	B4TXJ33	JODYNRI LN	A0YKNE	Up to 5%	1.25%	1.29%	£1,000

**Performance fee:** 15% on excess if Fund outperforms benchmark, calculated daily. Any underperformance carried forward.

Ongoing Charge is as at 31 December 2019.

\*Other currency equivalents apply.

## Important information

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Sources for all data: JOHCM/MSCI Barra/Bloomberg (unless otherwise stated).

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