

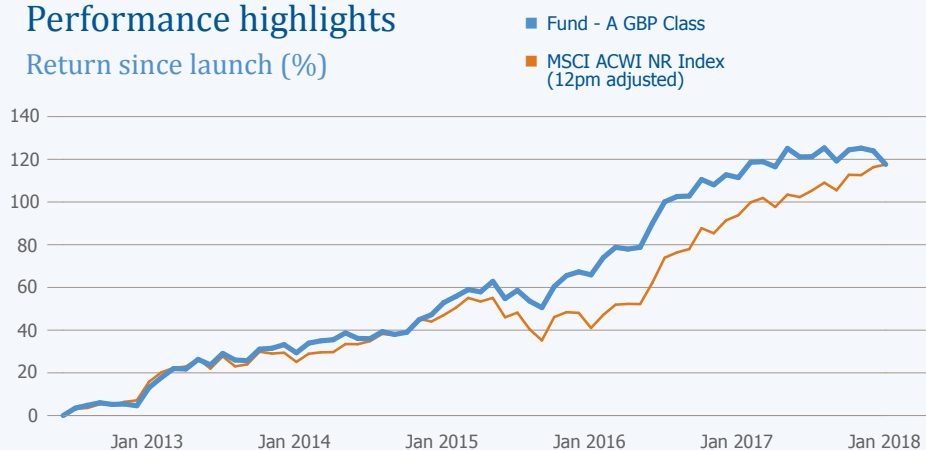
# JOHCM Global Opportunities Fund

## Fund overview

- Objective: to generate long-term capital and income growth through active management of a concentrated portfolio of global equities listed on developed and emerging stock markets
- A high conviction, benchmark-unconstrained stock picking fund
- The fund managers believe that stock markets consistently underestimate the value created by well-managed companies in growth niches that reinvest wisely to create sustainable, compounding returns
- An absolute valuation approach that avoids momentum and relative valuation pitfalls

## Performance highlights

### Return since launch (%)



## Return history

	1m	3m	1yr	3yr	5yr	10yr	SL	Annualised*
A GBP Class	-2.83	-3.03	2.91	42.33	92.41	-	117.61	14.91
Benchmark	0.57	2.27	12.24	47.97	87.83	-	117.57	14.91
Quartile**	4	4	4	3	1	-	2	-

## Discrete 12 month performance to

	31.12.2017	31.12.2016	31.12.2015	31.12.2014	31.12.2013
A GBP Class	5.26	27.17	13.65	10.51	27.34

### 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. Investing in companies in emerging markets involves higher risk than investing in established economies or securities markets. Emerging Markets may have less stable legal and political systems, which could affect the safe-keeping or value of assets. The Funds 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/MSCI Barra/Bloomberg, NAV of Share Class A in GBP, net income reinvested, net of fees. The A GBP Class was launched on 29 June 2012. Benchmark: MSCI ACWI NR Index (12pm adjusted). Performance of other share classes may vary and is available on request.

\*Annualised since launch. \*\*Sector quartile ranking: IA Global & Lipper UK Offshore Equity Global combined.

## A GBP Class

ISIN: IE00B89PQM59

## Fund details

Fund size	GBP 256.9m
Strategy size	GBP 2.1bn
Launch date	29 June 2012
Benchmark	MSCI ACWI NR Index (12pm adjusted)
No. of holdings	32
Domicile	Ireland
Fund structure	UCITS
Tax status	UK reporting status
Denominations	GBP, EUR, USD
Valuation point	12pm Dublin time
XD date	31 Dec
Pay date	28 Feb

Total strategy assets is updated quarterly and shown as at 31 December 2017.

## Fund managers



### Ben Leyland

Senior Fund Manager

Ben has managed the Fund since launch. He joined JOHCM in 2006 and has 16 years of industry experience.



### Robert Lancastle

Senior Fund Manager

Robert has worked on the Fund since launch. He joined JOHCM in 2012 and has 9 years of industry experience.



### Jas Munday

Analyst

Jas has worked on the Fund since he joined JOHCM in 2016 and has 6 years of industry experience.

## Contact details

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## Portfolio analysis (%)

Data as at 31 January 2018

### Top 20 holdings

	Absolute
Oracle	4.1
AIN	3.2
National Grid	3.2
O'Reilly	3.1
Wolters Kluwer	3.1
Safran	3.0
Cognizant	3.0
Sanofi	3.0
Sempra Energy	3.0
Galp Energia	2.9
TJX Companies	2.9
PSEG	2.9
Compass	2.8
Enel	2.7
China Mobile	2.7
INPEX	2.7
AkzoNobel	2.7
Dollar General	2.7
Shell	2.7
Sugi	2.7
<b>Total</b>	<b>59.1</b>

### Sector breakdown

	Absolute
Consumer Discretionary	15.0
Industrials	13.4
Utilities	11.7
Consumer Staples	8.9
Energy	8.3
Information Technology	7.1
Materials	5.3
Health Care	5.2
Telecommunications	2.7
Financials	2.6
Real Estate	2.0
Cash	17.7

### Market cap breakdown

	Absolute
Large (>USD 10bn)	69.7
Mid (USD 1 - 10bn)	12.6
Small (<USD 1bn)	0.0
Cash	17.7

### Regional breakdown

	Absolute
North America	31.8
Europe ex UK	21.1
United Kingdom	15.0
Japan	11.6
Emerging Asia	2.7
Cash	17.7

## Contribution (%)

### Stock contributors

Top contributors	Absolute
Advance Auto Parts	0.33
Oracle	0.15
O'Reilly	0.14
Dollar General	0.14
Safran	0.11
<b>Top detractors</b>	
Capita	-1.59
Uniti	-0.42
National Grid	-0.27
Roche	-0.16
Compass	-0.15

### Sector contribution\*

	Absolute
Consumer Discretionary	0.32
Information Technology	0.26
Financials	0.08
Materials	0.04
Telecommunications	-0.02
Energy	-0.08
Consumer Staples	-0.21
Health Care	-0.22
Real Estate	-0.42
Utilities	-0.53
Industrials	-1.45

\*Excludes cash

Source: JOHCM/MSCI Barra/Bloomberg. Benchmark: MSCI ACWI NR Index (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

- We are relaxed about relative underperformance caused by lagging phases of exuberance, when expensive markets keep on rising and both dispersion and volatility are low.
- However, we do take absolute losses seriously, particularly when we have to crystallise them.
- Our objective is to deliver risk-adjusted returns through the cycle, which necessarily involves behaving cautiously at times of excess in order that we can be aggressive at times of opportunity.

We are relaxed about relative underperformance caused by lagging phases of exuberance, when expensive markets keep on rising and both dispersion and volatility are low – as was the case for most of January, continuing the trend of the last 18 months. Our objective is to deliver risk-adjusted returns through the cycle, which necessarily involves behaving cautiously at times of excess in order that we can be aggressive at times of opportunity. Half of our underperformance this month came from our US dollar cash balance and our underweights in technology and emerging markets.

However, we do take absolute losses seriously, particularly when we have to crystallise them. That is unfortunately the case with Capita, which capped a miserable series of quarters by halving on the last day of the month. We were wrong to believe that cash flows had stabilised and the balance sheet repaired following the disposal in the middle of last year. In that context, we think the bold steps the new CEO is taking on the dividend and balance sheet are the right ones for the long-term health of the business. However, having lost visibility on the earnings power of the business, we can no longer have confidence in any valuation support for the shares. Clearly, owning Capita in recent years has been a very significant mistake, and we are focused on identifying and learning lessons from it.

Looking forward, it remains to be seen whether the sell-off into the month end is simply a short-term event or develops into something more serious. It is quite possible that it reverses very quickly and is soon forgotten, like the 'taper tantrum' was in 2013. It is important to remember, though, that conditions are ripe for a very serious sell-off, with complacency building up to dangerous levels, as illustrated by the extremely low price of downside protection in the options market – best illustrated by the VIX index. The weight of passive and machine-based activity creates important systemic risks, and it feels significant that the rise in bond yields is fast undermining the logic of allocating into equities for yield. The US two-year treasury yield has just risen above the S&P dividend yield for the first time since 2008.

Performance over 1 month	%
Fund - A GBP Class	-2.83
MSCI ACWI NR Index (12pm adjusted)	0.57

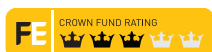
## Statistics

	Annualised since launch
Active share* (%)	96.55
Fund volatility (%)	10.37
Benchmark volatility (%)	11.99
Alpha	2.94
R squared	0.86
Correlation	0.93
Tracking error (%)	4.52
Sharpe ratio	1.39

Source: JOHCM/MSCI Barra/Bloomberg (calculated weekly).

\*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



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## Country registration

	A GBP	B GBP	A EUR	B EUR	A USD	B USD
Austria	✓	✓	✓	✓	✓	✓
Denmark	✓	✓	✓	✓	✓	✓
Finland	✓	✓	✓	✓	✓	✓
France	✓	✓	✓	✓	✓	✓
Germany	✓	✓	✓	✓	✓	✓
Ireland	✓	✓	✓	✓	✓	✓
Italy	X	X	✓	✓	X	X
Luxembourg	✓	✓	✓	✓	✓	✓
Netherlands	✓	✓	✓	✓	✓	✓
Norway	✓	✓	✓	✓	✓	✓
Singapore	✓	✓	✓	✓	✓	✓
Spain	✓	✓	✓	✓	✓	✓
Sweden	✓	✓	✓	✓	✓	✓
Switzerland	✓	✓	✓	✓	✓	✓
UK	✓	✓	✓	✓	✓	✓

### Regulatory documents

English language KIIDs can be found on our website at [www.johcm.com](http://www.johcm.com)

Foreign language versions are available on request by calling +44 (0) 20 7747 5646

## Share class details (Share classes in other currencies are available as per table overleaf - further details available on request)

	ISIN	SEDOL	Bloomberg	WKN	Initial charge	Annual charge	Ongoing charge	Minimum investment*
A GBP Class	IE00B89PQM59	B89PQM5	JOHGOSI	A1JZQJ	Up to 5%	0.75%	0.85%	£1,000
B GBP Class	IE00B89JT176	B89JT17	JOHGOSR	A1JZQK	Up to 5%	1.50%	1.60%	£1,000

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

\*Other currency equivalents apply.

## Important information

**This document is for professional investors only, it should not be circulated to retail investors.**

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

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