

# Artemis US Equity Fund



Cormac Weldon  
Fund manager, since  
launch

Class I accumulation shares, USD

January 2019

Data as of 31 December 2018

## The fund's aims

The fund aims to achieve long-term capital growth by investing principally in the shares of companies listed, quoted or traded in the United States of America.

## Fund update

December was an extremely tough month for markets. The S&P 500 index fell by 9% (in US dollar terms). Thanks mainly to our cautious industry allocation, the fund outperformed.

Themes that had been present in the market for a couple of months intensified during December. Optimism about a trade deal with China waned somewhat and investors continued to obsess over the direction of the Federal Reserve's monetary policy. The market clearly believes that, given weaker growth globally and the real-world impact of disruption to trade, the US economy does not need any more increases to interest rates now. It is also very sensitive to the fact that – for the first time in history – the Federal Reserve is raising interest rates and reducing its bloated balance sheet at the same time. There is no precedent to allow us to judge what impact this will have on economic growth.

When there are significant moves in the market as we had in December, stock-specific issues are much less important than the type of stocks you own. The fund benefited from being underweight banks and overweight utilities and software.

Our view is that the boost provided by fiscal stimulus in 2018 has played out in the economy and that tighter interest-rate policy together with uncertainties over trade mean that economic growth has peaked. We do not think that the economy is within 12 months of entering a recession, which in some sectors is already being discounted. That being said, we will be paying close attention to what the Fed does over the next six months, with particular focus on the impact on borrowing costs within the economy. We noted that corporate borrowing became significantly more expensive during December and will be looking at the credit

market to guide us on future economic risks.

## Composition

### Top ten holdings

Microsoft	4.8%
Alphabet	4.7%
Pfizer	3.1%
Visa	2.9%
Anthem	2.7%
Abbott Laboratories	2.7%
Crown Castle Intl	2.6%
Lowe's	2.4%
NextEra Energy	2.3%
Unitedhealth Group	2.2%

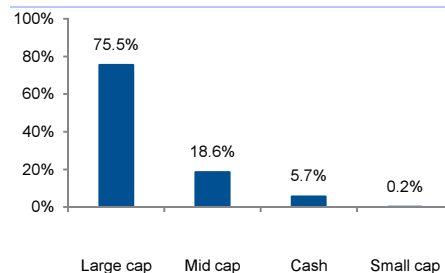
Source: Artemis as at 31 December 2018.

### Market sector split

Health Care	22.3%
Information Technology	18.9%
Consumer Discretionary	11.6%
Financials	11.2%
Industrials	8.8%
Communication Services	6.8%
Utilities	4.5%
Energy	4.3%
Real Estate	2.6%
Consumer Staples	2.1%
Materials	1.2%

Source: Artemis as at 31 December 2018. Please note that figures may not add up to 100% due to rounding and the cash holding.

### Asset allocation



Source: Artemis as at 31 December 2018. Please note figures may not add up to 100% due to rounding.

## Performance

### Cumulative performance

	Since launch	3 years	1 year	6 months	3 months
Artemis US Equity Fund	40.7%	28.5%	-3.1%	-6.9%	-13.4%
S&P 500 TR	39.4%	30.4%	-4.4%	-6.9%	-13.5%

'Since launch' data from 27 October 2014. Source: Lipper Limited, mid to mid in US dollars to 31 December 2018. All figures show total returns with dividends reinvested.

### Discrete performance to year end

	2018	2017	2016	2015	2014
12 months to 31 December	-3.1%	24.9%	6.2%	3.7%	n/a

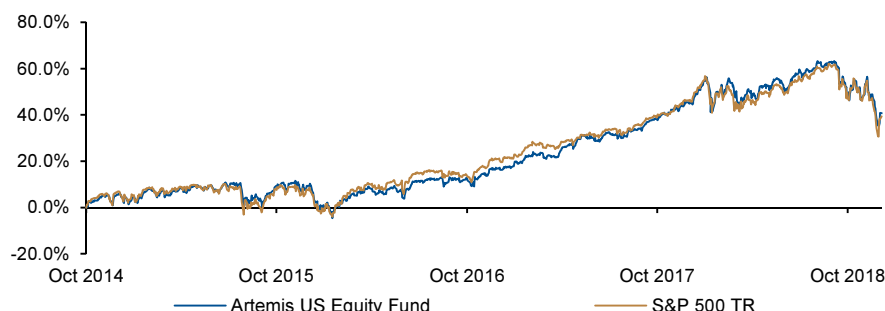
Please remember that past performance is not a guide to the future. Source: Lipper Limited, mid to mid in US dollars. All figures show total returns with dividends reinvested. As the share class was launched on 27 October 2014, complete five year performance data is not yet available. Returns may vary as a result of currency fluctuations if the investor's currency is different to that of the share class.

### Discrete performance to quarter end

	2018	2017	2016	2015	2014
12 months to 31 December	-3.1%	24.9%	6.2%	3.7%	n/a

Please remember that past performance is not a guide to the future. Source: Lipper Limited, mid to mid in US dollars. All figures show total returns with dividends reinvested. As the share class was launched on 27 October 2014, complete five year performance data is not yet available. Returns may vary as a result of currency fluctuations if the investor's currency is different to that of the share class.

### Percentage growth



Data from 27 October 2014. Source: Lipper Limited, mid to mid in US dollars to 31 December 2018. All figures show total returns with dividends reinvested.

### Key facts

Fund type	OEIC
Focus	Capital growth
Asset class	Equity
Regional focus	USA
IA sector	IA North America NR
SEDOL	BMMV4T1
ISIN	GB00BMMV4T14
Type	Accumulation
Class currency	USD
Accumulation date	30 April
Valuation point (UK business days)	12:00
Year end	28 February
Fund launch date	19 September 2014
Class launch date	27 October 2014
Class launch price	100c
SRRI	5
Fund size (mid basis)	\$44.4m

Source: Artemis as at 31 December 2018.

### Prices and yield

Mid price	140.72p
Historic yield	0.13%

The historic yield reflects distributions declared over the past twelve months as a percentage of the mid-market share price, as at the date shown. It does not include any preliminary charge and investors may be subject to tax on their distributions.

### Charges

Initial charge	0%
Ongoing charge	1.00%

The ongoing charge includes the annual management charge of 0.75% and is shown as at the date of the Key Investor Information Document (KIID), where a full explanation of the fund's charges can be found.

### Risks and important information

THIS INFORMATION IS FOR INVESTMENT PROFESSIONALS ONLY. IT IS NOT FOR USE WITH OR BY PRIVATE INVESTORS.

The fund is a sub-fund of Artemis Investment Funds ICVC which is a UCITS fund incorporated with limited liability under the laws of England and Wales and organised as an open-ended investment company with variable capital (or "ICVC"). The ICVC is managed by Artemis Fund Managers Ltd. Artemis Investment Management LLP acts as the investment adviser to the ICVC. The ICVC issues, redeems and exchanges shares of different classes. The ICVC is registered in Austria, France, Germany, Ireland, Italy, Luxembourg, the Netherlands, Singapore, Spain, Switzerland and the UK. Such registrations are subject to applicable local laws and regulations and some sub-funds and/or share classes may not be available in all jurisdictions. Shares in the funds may not be offered to the public in any other jurisdiction and this document must not be issued or distributed other than in circumstances which do not constitute an offer to the public and are in accordance with local laws and regulations. This document is issued for information purposes only and does not constitute the giving of investment advice nor does it constitute or form part of any offer or invitation to purchase, sell or subscribe for any investments or the solicitation of any offer or invitation, nor does it, or the fact of its publication, form the basis of, or can it be relied on, in connection with any

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- in Austria from Erste Bank der Oesterreichischen Sparkassen AG, Graben 21, 1010 Wien, Oesterreich.
- in France from CACEIS Bank France SA, 1-3 Place Valhubert, 75013 Paris.
- in Germany from Zeidler Legal Services, Bettinastrasse 48, 60325 Frankfurt am Main.
- in Ireland from Bridge Consulting Limited, 33 Sir Rogerson's Quay, Dublin 2.
- in Luxembourg from Caceis Bank Luxembourg, 5, allée Scheffer, L-2520 Luxembourg.
- in Spain from Allfunds Bank SA, Estafeta, 6, La Moraleja, Complejo Plaza de la Fuente, Alcobendas 28109, Madrid.
- in Switzerland from RBC Investor Services Bank S.A., Esch-sur-Alzette, Zurich Branch, Bleicherweg 7, CH-

8027 Zurich, which acts as the Swiss representative and paying agent.

In the Netherlands, Artemis Investment Funds ICVC is registered with the Authority for Financial Markets in Amsterdam.

The additional expenses of the fund are currently capped at 0.25%. This has the effect of capping the ongoing charge for the class I shares issued by the fund at 1%. Artemis reserves the right to remove the cap without notice.

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