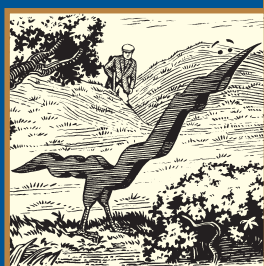


ARTEMIS Global Select *Fund*

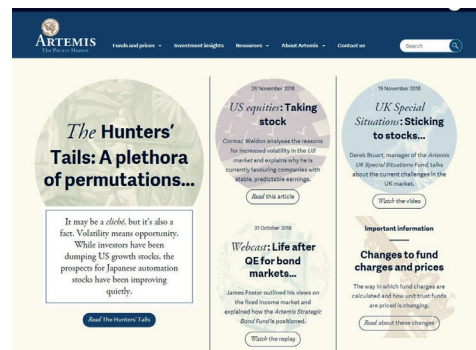
Half-Yearly Report (unaudited)
for the six months ended
31 October 2019



Keep up to date ...

... with the performance of this and other Artemis funds throughout the year on Artemis' website

- Monthly fund commentaries and factsheets
- Artemis *Filmclub* videos by our fund managers
- Market and fund insights
- Fund briefings and research articles
- *The Hunters' Tails*, our weekly market newsletter
- Daily fund prices
- Fund literature



artemisfunds.com

General information

Company profile

Artemis is a leading UK-based fund manager, offering a range of funds which invest in the UK, Europe, the US and around the world.

As a dedicated, active investment house, we specialise in investment management for both retail and institutional investors across Europe.

Independent and owner-managed, Artemis opened for business in 1997. Its aim was, and still is, exemplary investment performance and client service. All Artemis' staff share these two precepts – and the same flair and enthusiasm for fund management.

The firm now manages some £27.5 billion* across a range of funds, two investment trusts, a venture capital trust and both pooled and segregated institutional portfolios.

Our managers invest in their own and their colleagues' funds. This has been a basic tenet of the Artemis approach since the firm started. It means that interests of our fund managers are directly aligned with those of our investors.

* Source: Artemis as at 30 November 2019.

Fund status

Artemis Global Select Fund was constituted by a Trust Deed dated 9 June 2011 and is an authorised unit trust scheme under the Financial Services and Markets Act 2000. The fund belongs to the category of UCITS schemes as defined in the Collective Investment Schemes Sourcebook ('COLL') of the Financial Conduct Authority ('FCA').

Investment objective

The objective of the fund is to achieve long term capital growth primarily from a portfolio of global equities that the manager considers to demonstrate leading positions in their sector.

Investment policy

The manager actively manages the portfolio in order to achieve the objective. The manager will seek to identify long term trends that provide growth opportunities for particular geographic regions, industry sectors or individual companies. The manager will select individual companies based on their financial characteristics and growth potential. Emphasis will be placed on selecting companies with leading positions in their industry sector or geographic region, whether this is achieved by brand strength, market share, product innovation, technological advance, operating in sectors with high barriers to entry, or other relevant factors. The fund may have exposures to company shares, fixed interest securities and derivative instruments on a global scale, as appropriate. The manager will not be restricted in respect of choice of investments either by company size or industry, or in terms of the geographical split of the portfolio.

The fund may also invest in other transferable securities, units of collective investment schemes, money market instruments, cash and near cash, derivatives and forward transactions for investment purposes. The fund may hold up to 20% of its net assets in cash.

Fund benchmarks

MSCI All Country World Index NR GBP

A widely-used indicator of the performance of global stockmarkets, in which the fund invests. It acts as a 'comparator benchmark' against which the fund's performance can be compared. Management of the fund is not restricted by this benchmark.

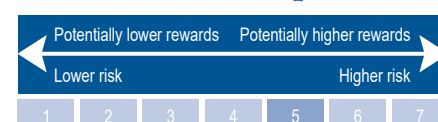
IA Global NR

A group of other asset managers' funds that invest in similar asset types as this fund, collated by the Investment Association. It acts as a 'comparator benchmark' against which the fund's performance can be compared. Management of the fund is not restricted by this benchmark.

Buying and selling

Units may be bought and sold by contacting the manager by telephone, at the address on page 2 or via the website **artemisfunds.com**. Valuation of the fund takes place each business day at 12 noon on a forward pricing basis. Investors are reminded that past performance is not a guarantee of performance in the future and that the price of units and the revenue from them can fall as well as rise.

Risk and reward profile



- The fund is in the category shown due to its historic volatility (how much and how quickly the value of shares in the fund have risen and fallen in the past). It may not be a reliable indication of the future risk profile of the fund.
- The risk category shown is not guaranteed and may change over time.
- A risk indicator of "1" does not mean that the investment is "risk free".

The risk indicator may not fully take into account the following risks and the following may affect fund performance:

- Market volatility risk: The value of the fund and any income from it can fall or rise because of movements in stockmarkets, currencies and interest rates, each of which can move irrationally and be affected unpredictably by diverse factors, including political and economic events.
- Currency risk: Some or all of the fund's assets may be invested in a currency other than the fund's accounting currency. The value of the assets, and the income from them, may decrease if the currency falls in relation to the accounting currency.
- Concentration risk: The fund may invest in a small number of companies, industries, sectors and/or asset classes. As a result, the fund

General information (continued)

may be subject to greater swings in value.

■ **Credit risk:** Investments in fixed interest securities are subject to market and credit risk and will be impacted by movements in interest rates. Interest rate movements are determined by a number of economic factors, in particular market expectations of future inflation.

■ **Emerging markets risk:** Investment in emerging markets can involve greater risk than that usually associated with more established markets. As a result, the fund may be subject to greater swings in value.

■ **China risk:** The fund can invest in China A-shares (shares traded on Chinese stock exchanges in Renminbi). There is a risk that the fund may suffer difficulties or delays in enforcing its rights in these shares, including title and assurance of ownership.

■ **Derivatives risk:** The fund may invest in derivatives with the aim of profiting from falling as well as rising prices ('shorting'). If the related assets' value moves in the opposite direction the fund will lose money. In addition, a derivative may not perform as expected, and may create losses for the fund greater than the cost of the derivative.

Prospectus

Copies of the most recent Prospectus are available free of charge from the manager at the address on this page or via the website artemisfunds.com.

Tax information reporting

UK tax legislation requires fund managers to provide information to HM Revenue & Customs ('HMRC') on certain investors who purchase units in unit trusts. Accordingly, the fund may have to provide information annually to HMRC on the tax residencies of those unitholders that are tax resident outwith the UK, in those countries that have signed up to the OECD's ('Organisation for Economic Co-operation and

Development') Common Reporting Standard for Automatic Exchange of Financial Account Information (the 'Common Reporting Standard'), or the United States (under the Foreign Account Tax Compliance Act, 'FATCA').

All new unitholders that invest in the fund must complete a certification form as part of the application form. Existing unitholders may also be contacted by the Registrar should any extra information be needed to correctly determine their tax residence. Failure to provide this information may result in the account being reported to HMRC.

For further information, please see HMRC's Quick Guide: Automatic Exchange of Information – information for account holders: gov.uk/government/publications/exchange-of-information-account-holders.

Report of the manager

We hereby approve the Half-Yearly Report of the Artemis Global Select Fund for the six months ended 31 October 2019 on behalf of Artemis Fund Managers Limited in accordance with the requirements of COLL as issued and amended by the FCA.

M J Murray
Director

J L Berens
Director

Artemis Fund Managers Limited
London
20 December 2019

Manager

Artemis Fund Managers Limited *
Cassini House
57 St James's Street
London SW1A 1LD

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Auditor

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144 Morrison Street
Edinburgh EH3 8EX

* Authorised and regulated by the FCA, 12 Endeavour Square, London E20 1JN.

† Authorised by the Prudential Regulation Authority ('PRA'), 20 Moorgate, London EC2R 6DA and regulated by the PRA and the FCA.

Investment review

- The fund returns 5.5%* versus 3.7%* from the MSCI AC World Index
- Our 'Online Services' and 'Screen Time' themes perform particularly well
- We remain positioned in stocks that should deliver growth even in dull economic conditions

Performance – Ahead of the index...

Over the last six months, the MSCI All Country World Index has returned 2.9% in US dollar terms and 3.7% in sterling terms. Although sterling rose sharply against the dollar when Boris Johnson concluded his new withdrawal agreement with the EU, this only partly reversed its earlier falls. The fund, meanwhile, returned 5.5% in sterling terms.

As the period progressed, investors increasingly showed a preference for stocks trading on very low valuation multiples ('value' stocks), whose returns had lagged the wider market for many years. Our portfolio, in contrast, has a bias towards 'growth' stocks (companies whose longer-term growth in earnings is deemed relatively insensitive to economic conditions).

Over the last few years, we have reduced the portfolio's exposure to the most expensive growth stocks – so our returns were not overly affected by the recent shift towards value.

In the most recent financial reporting season, the bulk of our chosen investments continued to show strong growth in their underlying cashflows. Yet despite this positive news, in many instances their share prices didn't rise – some of these companies needed to show underlying growth simply to justify their current valuations. We believe that, in the longer term, our companies' growth in earnings will again be the main engine for their share-price performance. We therefore continue to favour such growth stocks as the core of the fund.

Review – Our themes and stocks...

Although trading conditions remained tough, the stocks in our Automation theme performed well. Markets seem to take a view that the trade dispute between the US and China is close to a resolution (at least on bulk trade tariffs). This may release pent-up investment in automation among companies with global supply chains. Amid this trade dispute, the Japanese market has perhaps been overlooked by global investors. When their attention returns to Japanese stocks, they may well regard the country's world-leading automation companies as being among the market's most attractive longer-term investments.

Our Healthcare Costs investments performed reasonably well. Worries are fading that 'Medicare for All' is likely to be a winning policy for the Democrats in next year's US elections. Meanwhile, our largest holding in this theme, Humana, would actually benefit from any expansion of 'Obamacare'.

Some of our Scientific Equipment companies struggled as a slowdown in demand dragged share prices lower across this highly rated segment of the market.

Our investments in Online Services performed well, especially Fiserv (software for the banking sector). Cadence, however, performed less well having reached a high-looking valuation.

We have taken profits in our Emerging Market Consumption theme. Businesses with stable earnings such as Nestlé have been highly sought-after over the last year. More economically sensitive stocks have – correctly in our view – been shunned. But looking forward to next year, economies, especially the US, should face fewer challenges. So the valuations of these defensive companies may begin to

look stretched. We had made much better returns on Nestlé than we had expected and so we are moving on.

Over the last few months, we have observed environmental concerns coming to the fore in both fund management and politics. We have always tried to accommodate awareness of climate change and other factors necessary for sustainable investing into our investment process. Reviewing our Tourism theme, we decided that politicians are becoming more likely to act against low-cost air travel, especially in Europe. We therefore sold the last of our holdings in this theme.

In parallel, we have returned to an old theme: Low Carbon World. This now makes up 9% of the portfolio. Our largest holding here is in Denmark's Ørsted, the largest wind-farm operator in the UK. This investment has already performed well for us. We would, however, caution that there are many companies competing for renewable energy projects and each plan needs a careful assessment before investing – there will undoubtedly be much growth to come, but it may not always be profitable.

Our Screen Time theme performed quite well over the period. Investments such as NTT were prized for offering the prospect of relatively predictable earnings even as economies slowed.

Finally, our investments in High Quality Assets were mixed. Our US railroad stocks, for instance, ran into some profit-taking as the volumes of coal being transported by rail slowed.

Outlook – Seeking stocks that can prosper in dull times...

The last few months have seen politics dominating markets. The medium-term prospect offers the likelihood (and it is no more than a likelihood) that there will be:

Past performance is not a guide to the future.

*Source: Lipper Limited, class I accumulation units, in sterling, to 31 October 2019. All figures show total returns with income reinvested, net of all charges. Performance does not take account of any costs incurred when investors buy or sell the fund. Returns may vary as a result of currency fluctuations if the investor's currency is different to that of the class. This class may have charges or a hedging approach different from those in the IA sector benchmark. Sector is IA Global NR.

Investment review (continued)

- reduced trade uncertainty between the US and both China and Europe;
- clearer leadership in US politics; and
- a way for the UK to make progress (or not) on Brexit.

Markets dislike uncertainty – so more clarity on any of these would be seen as an improvement.

Furthermore, economies may now be past the worst of last year's slowdown after the tax-cut driven boom of 2018. This, combined with a downturn in China, weighed on growth in many other economies, especially those with large automotive sectors, such as Germany and Japan.

Measured against this year's subdued growth, 2020 could show an improvement. The US consumer still seems to be in rude health. Unemployment and inflation in most major economies – including Europe – remain modest. Yet while there is little evidence of economic fragility, this dull, almost deflationary period is likely to persist in Europe unless some form of fiscal stimulus is applied.

Dull economic conditions combined with the effects of post-crisis regulation of the financial sector have combined to drive bond yields down to extremely low levels. Negative interest rates are now a feature of many European economies as well as Japan. This situation can create new instabilities, especially where financial regulation requires companies to buy such bonds even when they give a negative return. But improving economic conditions may lead to slightly higher 10-year bond yields in future – a healthier situation for savers.

Against this somewhat dull background, the companies we invest in continue to grow, mainly through internal investment, spotting new opportunities and launching new products. Reinvesting this year's profits in new products to drive future growth allows a well-managed company to benefit from the miracle of compounding. Such companies would clearly prefer less political uncertainty and more confident markets – but

they should be able to prosper even in dull conditions. These companies therefore continue to form the core of our portfolio.

**Simon Edelsten, Alex Illingworth
and Rosanna Burcheri**
Fund managers

Investment information

Ten largest purchases and sales for the six months ended 31 October 2019

Purchases	Cost £'000	Sales	Proceeds £'000
Newmont Goldcorp	3,768	UnitedHealth Group	3,354
AT&T	3,331	Mastercard A shares	3,116
Ørsted	3,211	Ping An Insurance Group H shares	3,112
Amazon.com	3,174	US Treasury Bill 0.00% 18/07/2019	2,978
Yaskawa Electric	2,904	Barrick Gold	2,906
Iberdrola	2,868	Agilent Technologies	2,660
Cie Financiere Richemont	2,717	Hitachi High-Technologies	2,640
Walt Disney	2,689	Unibail-Rodamco-Westfield, REIT	2,461
Vodafone Group	2,524	Estee Lauder A shares	2,295
Barrick Gold	2,499	Amadeus IT Group	2,225

Portfolio statement as at 31 October 2019

Investment	Holding	Valuation £'000	% of net assets
Equities 96.05% (92.70%)			
China 0.00% (3.92%)			
Denmark 1.86% (0.00%)			
Ørsted	44,728	3,048	1.86
		3,048	1.86
France 4.57% (6.75%)			
Dassault Systemes	10,125	1,187	0.72
L'Oreal	10,690	2,424	1.48
LVMH Moet Hennessy Louis Vuitton	11,816	3,895	2.37
		7,506	4.57
Germany 0.00% (1.69%)			
Italy 1.39% (0.00%)			
Terna Rete Elettrica Nazionale	448,511	2,285	1.39
		2,285	1.39
Japan 12.90% (11.81%)			
Daifuku	73,327	3,027	1.84
Harmonic Drive Systems	39,600	1,423	0.87
Hoya	30,500	2,088	1.27
Keyence	5,200	2,549	1.55
Nippon Telegraph & Telephone	88,200	3,381	2.06
Omron	50,600	2,306	1.40
Shimano	15,200	1,961	1.20
Sumitomo Forestry	148,300	1,671	1.02
Sysmex	27,400	1,385	0.84
Yaskawa Electric	47,000	1,401	0.85
		21,192	12.90
Netherlands 1.48% (0.00%)			
InterXion Holding	35,280	2,428	1.48
		2,428	1.48
Singapore 3.72% (2.12%)			
Ascendas Real Estate Investment Trust	920,500	1,649	1.00
DBS Group Holdings	148,000	2,180	1.33
Singapore Telecommunications	1,222,200	2,286	1.39
		6,115	3.72
South Korea 0.87% (0.79%)			
LG Uplus	161,488	1,434	0.87
		1,434	0.87

Investment information (continued)

Investment	Holding	Valuation £'000	% of net assets
Spain 1.78% (2.72%)			
Iberdrola	367,710	2,920	1.78
		2,920	1.78
Sweden 0.00% (1.22%)			
Switzerland 6.42% (5.31%)			
Cie Financiere Richemont	28,409	1,725	1.05
Nestle	17,710	1,472	0.89
Novartis	61,268	4,136	2.52
Roche Holding	13,904	3,224	1.96
		10,557	6.42
Taiwan 0.96% (0.00%)			
Taiwan Semiconductor Manufacturing	209,053	1,577	0.96
		1,577	0.96
Thailand 0.99% (0.86%)			
Thai Beverage	3,157,600	1,629	0.99
		1,629	0.99
United Arab Emirates 0.64% (0.69%)			
Network International Holdings	194,913	1,052	0.64
		1,052	0.64
United Kingdom 8.17% (4.53%)			
Diageo	63,720	2,021	1.23
Lloyds Banking Group	3,457,789	1,960	1.19
National Grid	265,926	2,401	1.46
Prudential	115,027	1,555	0.95
Segro, REIT	368,957	3,128	1.90
Vodafone Group	1,497,799	2,358	1.44
		13,423	8.17
United States of America 50.30% (50.29%)			
Accenture A shares	16,854	2,426	1.48
Amazon.com	2,133	2,929	1.78
Anthem	15,518	3,275	1.99
AT&T	110,621	3,260	1.98
Autodesk	12,498	1,434	0.87
Avery Dennison	37,644	3,746	2.28
Boston Scientific	103,637	3,359	2.04
Cadence Design Systems	35,361	1,826	1.11
Charles Schwab	67,473	2,150	1.31
Colgate-Palmolive	56,663	2,998	1.82
Comcast A shares	102,238	3,525	2.15
Discover Financial Services	29,100	1,821	1.11
Equinix, REIT	7,548	3,326	2.02
Fidelity National Information Services	22,074	2,247	1.37
Fiserv	25,191	2,065	1.26
Humana	14,703	3,337	2.03
Live Nation Entertainment	37,920	2,082	1.27
Mastercard A shares	8,885	1,900	1.16
Merck	55,998	3,727	2.27
Microsoft	30,745	3,429	2.09
Newmont Goldcorp	56,933	1,715	1.04
Norfolk Southern	17,262	2,464	1.50
PerkinElmer	34,782	2,355	1.43
Premier A shares	42,617	1,131	0.69
Prologis, REIT	52,808	3,572	2.17
Synopsys	25,013	2,655	1.62

Investment	Holding	Valuation £'000	% of net assets
Thermo Fisher Scientific	16,772	3,906	2.38
Union Pacific	20,348	2,637	1.60
Visa A shares	17,831	2,466	1.50
Walt Disney	25,070	2,508	1.53
Weyerhaeuser, REIT	102,705	2,379	1.45
		82,650	50.30
Equities total		157,816	96.05
Investment assets		157,816	96.05
Net other assets		6,495	3.95
Net assets attributable to unitholders		164,311	100.00

Financial statements

Statement of total return for the six months ended 31 October 2019

	31 October 2019		31 October 2018	
	£'000	£'000	£'000	£'000
Income				
Net capital gains		6,719		217
Revenue	1,327		781	
Expenses	(705)		(462)	
Net revenue before taxation	622		319	
Taxation	(136)		(58)	
Net revenue after taxation		486		261
Total return before distributions		7,205		478
Distributions		53		65
Change in net assets attributable to unitholders from investment activities		7,258		543

Statement of change in net assets attributable to unitholders for the six months ended 31 October 2019

	31 October 2019		31 October 2018	
	£'000	£'000	£'000	£'000
Opening net assets attributable to unitholders		132,350		86,890
Amounts receivable on issue of units	32,742		26,277	
Amounts payable on cancellation of units	(8,051)		(2,169)	
		24,691		24,108
Dilution adjustment		12		-
Change in net assets attributable to unitholders from investment activities		7,258		543
Closing net assets attributable to unitholders		164,311		111,541

Balance sheet as at 31 October 2019

	31 October 2019	30 April 2019
	£'000	£'000
Assets		
Fixed assets		
Investments	157,816	125,551
Current assets		
Debtors	861	1,038
Cash and cash equivalents	6,549	5,878
Total current assets	7,410	6,916
Total assets	165,226	132,467
Liabilities		
Investment liabilities	-	1
Creditors		
Other creditors	915	116
Total creditors	915	116
Total liabilities	915	117
Net assets attributable to unitholders	164,311	132,350

Notes to the financial statements

1. Basis of preparation

The interim financial statements have been prepared in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014.

The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 April 2019 as set out therein.

2. Post balance sheet events

There were no significant post balance sheet events subsequent to the period-end.

Comparative tables

Fund sizes & net asset values

Date	Net asset value of fund (£)	Net asset value per unit (p)	Units in issue
30 April 2017	67,907,798		
I accumulation		97.85	66,462,945
R accumulation		93.65	3,068,471
30 April 2018	86,890,398		
I accumulation		109.20	77,252,669
R accumulation		103.73	2,440,067
30 April 2019	132,349,790		
I distribution *		105.31	5,000
I accumulation		120.47	106,879,275
R accumulation		113.58	3,159,527
31 October 2019	164,311,347		
I distribution		111.04	1,012,384
I accumulation		127.08	124,962,721
R accumulation		119.36	3,674,159

* Launched 15 March 2019

Ongoing charges

Class	31 October 2019
I distribution	0.90%
I accumulation	0.90%
R accumulation	1.65%

Ongoing charges shows the annual operating expenses of each unit class as a percentage of the average net assets of that class for the preceding 12 months.

Class I accumulation performance

	Since launch *	5 years	3 years	1 year	6 months
Artemis Global Select Fund	169.6	95.4	35.8	15.0	5.5
MSCI All Country World Index NR GBP	141.6	74.1	30.2	11.2	3.7
IA Global NR average	120.7	68.7	28.2	11.2	2.8
Position in sector	21/131	18/172	36/190	53/219	34/222
Quartile	1	1	1	1	1

Past performance is not a guide to the future.

* Source: Lipper Limited, data from 16 June 2011, class I accumulation units, in sterling, to 31 October 2019. All figures show total returns with income reinvested, net of all charges, percentage growth. Performance does not take account of any costs incurred when investors buy or sell the fund. Returns may vary as a result of currency fluctuations if the investor's currency is different to that of the class. This class may have charges or a hedging approach different from those in the IA sector benchmark.

Class R accumulation performance

	Since launch *	5 years	3 years	1 year	6 months
Artemis Global Select Fund	153.3	88.2	32.8	14.1	5.1
MSCI All Country World Index NR GBP	141.6	74.1	30.2	11.2	3.7
IA Global NR average	120.7	68.7	28.2	11.2	2.8

Past performance is not a guide to the future.

* Source: Lipper Limited, data from 16 June 2011, class R accumulation units, in sterling, to 31 October 2019. All figures show total returns with income reinvested, net of all charges, percentage growth. Performance does not take account of any costs incurred when investors buy or sell the fund. Returns may vary as a result of currency fluctuations if the investor's currency is different to that of the class. This class may have charges or a hedging approach different from those in the IA sector benchmark.

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