

# TB EVENLODE GLOBAL EQUITY

MONTHLY FACTSHEET all data as at 31 July 2021

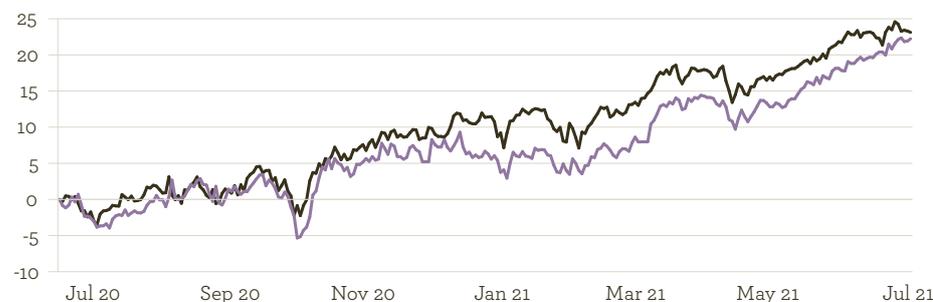
## MANAGER COMMENTARY

Markets rose slightly in July, as encouraging second quarter results offset investor fears of a third wave of lockdowns. Over 60% of the Evenlode Global Equity portfolio reported in the second half of the month and the general tone from management was optimistic. For instance, Mastercard reported global payment volumes well in excess of 2019 levels, including a significant uptick in card-present cross border transactions. Improved economic confidence has allowed companies to accelerate investment plans as they exit the pandemic, which is particularly positive for companies providing business-to-business services and data. Evenlode Global Equity (EGE) has a high exposure to such companies, including Alphabet, Wolters Kluwer, RELX, Accenture, and Capgemini. All of these were among the stronger performers in the month and contributed to EGE outperforming the MSCI World comparator benchmark.

We initiated one new position in July in Cooper Companies. The US-listed company predominantly operates within the vision-care market, holding a 25% share of global contact lens sales. This market is well established with attractive growth drivers as consumers migrate from reusable monthly lenses to disposable daily lenses which are better for eye health and also generate a higher margin. The vision-care market is oligopolistic, characterised by high barriers to entry and a small number of firms, resulting in each having pricing power. Longer-term upside comes from new myopia correction technologies, a field which Cooper leads with its MiSight brand, the first to receive FDA approval. We believe this innovation and exposure to the growing US retailer-optician channel (e.g. Walmart/CostCo) sets Cooper up to continue to take share and over-participate in industry growth.

To fund this new position, we exited both Hexagon (the Swedish provider of location technology services) and Novartis (the Swiss-based global healthcare company) on valuation grounds. Hexagon has been a standout performer as hopes for global infrastructure investment have propelled the share price higher. Novartis's share price offered a relatively unattractive risk/reward, despite its pipeline and franchise strength. Whilst we generally prefer to remain invested and minimise trading, we believe there are significantly better risk-weighted opportunities available and are taking advantage of the high price to redeploy capital.

## PERFORMANCE SINCE LAUNCH (%)



## CUMULATIVE PERFORMANCE

|                              | 1 Mth  | 3 Mths | 6 Mths | 1 Yr    | 3 Yrs | Launch <sup>1</sup> |
|------------------------------|--------|--------|--------|---------|-------|---------------------|
| ■ Fund (%) <sup>2</sup>      | 3.7    | 7.1    | 17.4   | 27.1    | -     | 22.2                |
| ■ Benchmark (%) <sup>3</sup> | 1.1    | 4.4    | 14.8   | 27.5    | -     | 23.0                |
| Sector (%)                   | 0.6    | 3.1    | 11.1   | 26.8    | -     | 23.8                |
| Rank in sector               | 13/458 | 37/455 | 36/450 | 209/438 | -     | 264/436             |
| Quartile                     | 1      | 1      | 1      | 2       | -     | 3                   |

## CALENDAR YEAR PERFORMANCE (%)

|                        | YTD  | 2020 | 2019 | 2018 | 2017 | 2016 |
|------------------------|------|------|------|------|------|------|
| Fund <sup>2</sup>      | 14.0 | -    | -    | -    | -    | -    |
| Benchmark <sup>3</sup> | 13.1 | -    | -    | -    | -    | -    |
| Sector                 | 10.9 | -    | -    | -    | -    | -    |

## FUND ATTRIBUTES

- ✓ Emphasis on sustainable real capital growth
- ✓ Focus on companies with high return on capital and high cashflow conversion
- ✓ Aims to provide capital growth over rolling periods of 5 years
- ✓ Focus on larger companies with growth opportunities
- ✓ Underlying revenue streams from diverse geographies
- ✓ Low portfolio turnover, long-term holding periods

## KEY DETAILS

|                           |               |
|---------------------------|---------------|
| Sector                    | IA Global     |
| Comparator Benchmark      | MSCI World    |
| Launch date               | 15 July 2020  |
| Fund size                 | £5.0 million  |
| No. of Holdings           | 35            |
| Active share <sup>4</sup> | 88.5%         |
| Valuation point           | 12 noon daily |
| Div ex date               | 1 Mar         |
| Div pay date              | end Apr       |
| Currency availability     | GBP           |

### Past performance is not a reliable indicator of future results.

All performance data used on this factsheet is total return, bid-to-bid, and sourced from Financial Express and MSCI.

1. From launch date: 15 July 2020.

2. TB Evenlode Global Equity B Acc GBP shares.

3. Comparator Benchmark is MSCI World (with net dividends reinvested) in GBP.

4. Active share is calculated against the fund's Comparator Benchmark, the MSCI World.



PORTFOLIO

Sector allocation (%)

|                        |      |  |
|------------------------|------|--|
| Information Technology | 28.4 |  |
| Industrials            | 20.5 |  |
| Consumer Staples       | 15.7 |  |
| Financials             | 11.0 |  |
| Health Care            | 9.5  |  |
| Communication Services | 8.3  |  |
| Consumer Discretionary | 5.6  |  |
| Cash                   | 1.0  |  |

Top 20 holdings (%)

|                           |             |
|---------------------------|-------------|
| Wolters Kluwer            | 5.7         |
| Accenture                 | 5.6         |
| Microsoft                 | 5.2         |
| RELX Group                | 5.0         |
| Intercontinental Exchange | 4.6         |
| Medtronic                 | 4.5         |
| Mastercard                | 4.3         |
| Alphabet                  | 4.2         |
| Visa                      | 3.5         |
| Aon                       | 3.5         |
| Nestlé                    | 3.3         |
| Booking Holdings          | 3.0         |
| Unilever                  | 3.0         |
| Diageo                    | 2.8         |
| Intuit                    | 2.7         |
| Heineken                  | 2.7         |
| LVMH Moët Hennessy        | 2.7         |
| L'Oreal                   | 2.5         |
| Verisk Analytics          | 2.5         |
| Experian                  | 2.3         |
| <b>Total</b>              | <b>73.6</b> |

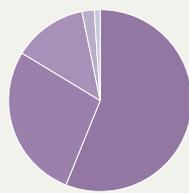
Size allocation (%)

|                      |      |
|----------------------|------|
| Large Cap (> £10 bn) | 99.0 |
| Cash                 | 1.0  |



Geographical allocation (%)

|                |      |
|----------------|------|
| North America  | 56.1 |
| Europe         | 27.6 |
| United Kingdom | 13.1 |
| Asia           | 2.2  |
| Cash           | 1.0  |





## INVESTMENT TEAM

The Evenlode Investment Team totals 13 staff. Fund managers are supported by a team of analysts including three dedicated stewardship analysts, and the team works collegiately to challenge thinking and share ideas.



**CHRIS ELLIOTT**  
Fund Manager

Chris is a Fund Manager on the TB Evenlode Global Income strategy, which launched in 2017, and on the TB Evenlode Global Equity fund, which launched in 2020. Chris is a fully qualified Chartered Financial Analyst and has a degree from the University of Cambridge in Mathematics and Economics. Prior to Evenlode, Chris worked as a senior software engineer.



**JAMES KNOEDLER**  
Fund Manager

James is a fund manager on the TB Evenlode Global Equity fund, which launched in 2020. He previously worked as an Equities Analyst at Independent Franchise Partners (IFP) and before that worked as an Investment Analyst at Arisaig Partners and Newlands Investment Management. James graduated from Oxford University with a first-class degree in English and holds a Masters degree in Finance from the London Business School.



**CHRIS MOORE**  
Head of Research

Chris joined Evenlode Investment Management in February 2018 having previously been an equity research analyst at Investec Bank and Berenberg. Chris is a fully qualified Chartered Accountant and Chartered Financial Analyst, and studied Accounting and Finance at Warwick University.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)



**SAWAN KUMAR**  
Head of Stewardship

### Integration into the investment process

We consider stewardship to be an important part of our investment decision making process, and have over the past few years been developing a framework for engagement with the companies we invest in. We have been updating our proprietary investment research software, EDDIE, over recent years, which includes an ‘Engagement Tracker’ functionality. The tracker monitors our engagements with our investee companies using a milestone-oriented process: Initiation, Acknowledgement, Discussion and Action. This 4-step process allows us to record, monitor and measure the success of our long-term engagements.



**CHARLIE FREITAG**  
Stewardship Analyst

### Our ongoing commitment

Signatory of:



Evenlode Investment Management became a signatory to the United Nations Principles for Responsible Investment (UNPRI) in 2018. By becoming signatories, we commit to implementing these principles and incorporating environmental, social and governance factors into our investment process to help enhance returns and better manage risk for our clients.

- ✓ Strategy & Governance: **A+**
- ✓ Integration: **A+**
- ✓ Engagement: **A**
- ✓ Proxy Voting: **A**

### Recent publications for download

- ✓ [UNPRI Assessment Report](#)
- ✓ [Responsible Investment Report](#)
- ✓ [Carbon Emissions Report](#)



**BETHAN ROSE**  
Sustainable  
Investment Analyst

### MSCI Rating



Data as at 31 May 2021. Based on 97.0% of AUM. MSCI ESG Fund ratings aim to measure the resilience of funds to long-term risks and opportunities arising from environmental, social and governance issues.

### Morningstar® Ratings



Ratings as at 30 June 2021. Based on 98.36% of AUM. The Morningstar® Sustainability Rating™ is intended to measure how well the issuing companies of the securities within a fund's portfolio holdings are managing their environmental, social, and governance, risks and opportunities relative to the fund's Morningstar Global Category peers.

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## SHARE CLASS DETAILS

### GBP shares

|                                  | B ACC   | C ACC       |
|----------------------------------|---------|-------------|
| SEDOL codes                      | BMFX289 | BMFX1N7     |
| Share price                      | 122.23p | 122.34p     |
| Minimum lump sum                 | £1,000  | £10 million |
| Minimum regular savings          | £50 pm  | N/A         |
| Periodic charge (%) <sup>1</sup> | 0.85    | 0.75        |
| Ex ante transaction cost (%)     | 0.22    | 0.22        |

1. Equivalent to OCF. For full information on the periodic charge please refer to section 7.1 of the full Prospectus.

### WHAT ARE THE RISKS?

As a focused equity portfolio of typically less than 40 investments, the fund can involve higher risk and higher volatility. The value of an investment can fall as well as rise as a result of market and currency movement; you may not get back the amount originally invested. You should therefore regard your investment as long term. Details on the risk factors are included in the fund's prospectus, available on our website.

### INVESTOR PROFILE

The Fund may appeal to investors who:

- ✔ Desire capital growth over the long term
- ✔ Accept the risk associated with the volatile nature of equity investments
- ✔ Plan to hold their investment for at least 5 years

## IMPORTANT INFORMATION

This Factsheet has been produced by Evenlode Investment Management Limited. TB Evenlode Global Equity is a sub-fund of the TB Evenlode Investment Funds ICVC. Full details of the TB Evenlode Investment Funds, including risk warnings, are published in the TB Evenlode Investment Funds Prospectus, the TB Evenlode Investment Funds Supplementary Information Document (SID) and the TB Evenlode Investment Funds Key Investor Information Documents (KIIDs) which are available on request and at [www.evenlodeinvestment.com](http://www.evenlodeinvestment.com). The TB Evenlode Investment Funds are subject to normal stock market fluctuations and other risks inherent in such investments. The value of your investment and the income derived from it can go down as well as up, and you may not get back the money you invested, you should therefore regard your investment as long term. As a focused portfolio of typically less than 40 investments, TB Evenlode Global Equity carries more risk than a fund spread over a large number of stocks. The fund has the ability to invest in derivatives for the purposes of EPM, which may restrict gains in a rising market. Investments in overseas equities may be affected by changes in exchange rates, which could cause the value of your investment to increase or diminish. Every effort is taken to ensure the accuracy of the data used in this document but no warranties are given. Evenlode Investment Management Limited is authorised and regulated by the Financial Conduct Authority, No. 767844. T. Bailey Fund Services Limited is authorised and regulated by the Financial Conduct Authority, No. 190293.

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### How to Invest

TB Evenlode Global Equity is available as an OEIC and is also suitable to include in stocks and shares ISAs and SIPPs.

You can buy shares in the fund by visiting:  
[www.tbaileyfs.co.uk/funds/tb-evenlodeinvestment-funds](http://www.tbaileyfs.co.uk/funds/tb-evenlodeinvestment-funds)

Or by telephoning the TB Evenlode Investor Dealing Line:

**0115 988 8287**  
(open business days between 9am and 5pm)

Or through various third parties including Aegon, AJ Bell, Aviva, Hargreaves Lansdown, Pershing and Transact.

### Contact Evenlode

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