

# Global Star Equity Fund

December 2018

## Fund Overview

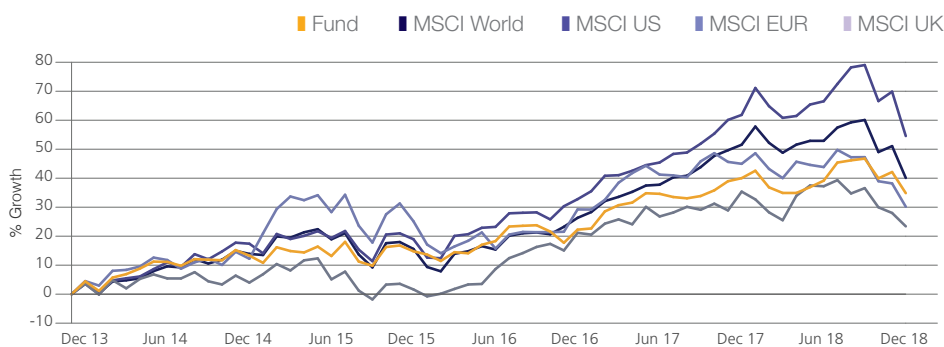
The Fund aims to provide income and capital returns by choosing an optimal mix of top tier stocks using a rigorous proprietary process. The portfolio consists of less volatile global large cap stocks with strong franchises, stable earnings, growing dividends, solid balance sheets and financial flexibility. Its geographical focus is US, UK and European stocks.

## Market & Portfolio Commentary

December was the weakest month for the Global Equity Markets since 2008 with the MSCI AC World Local down 7.3% for the month. This pushed the MSCI AC World Local deeper into negative territory for 2018 with a 7.5% decline. The US market was the leader in terms of fall with the S&P 500 down 9% in December including a c.5% bounce on the 24<sup>th</sup> December. Europe fared better in December from a lower base, with the MSCI Europe ex UK was down c.5.2% and the MSCI UK was down c.3.6% although both markets underperformed the MSCI World for 2018. The cause of weakness was put down to Trade Wars, a less dovish than expected Federal Reserve message and the US government slowdown, however, the crux of investor concerns are aligned to the belief that growth has peaked and could decelerate towards recession.

Global STAR was much more resilient but still posted a c.5% decline as the sell-off spread across all stocks and sectors. Only two stocks produced positive in the portfolio, Endesa (due to the defensive properties) and the recently added Air Products, which announced a price hike. The two biggest laggards were UPS and Accenture as growth fears took hold. We still believe in being defensively positioned as growth decelerates. It is too early to be able to quantify the magnitude of the moderation in growth and given the longevity of this cycle it seems intuitive to remain data dependent before increasing economic sensitive exposure.

## Fund Performance\*



## Monthly Returns (%) USD\*

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2015	-2.20	4.84	-1.13	-0.43	1.78	-2.80	4.31	-5.76	-1.29	5.88	0.46	-1.72	1.31
2016	-0.98	-1.95	2.73	-0.33	2.57	1.08	4.25	0.21	0.15	-1.75	-3.19	3.84	6.50
2017	0.34	4.80	1.67	0.68	2.46	-0.15	-0.82	-0.33	0.59	1.47	2.32	0.76	14.53
2018	1.83	-4.02	-1.41	0.00	1.49	1.63	4.49	0.52	0.41	-4.64	1.56	-5.13	-3.69

## Discrete Annual Performance (%)\*

	31.12.17 31.12.18	31.12.16 31.12.17	31.12.15 31.12.16	31.12.14 31.12.15	31.12.13 31.12.14
Fund	-3.69	14.53	6.50	1.31	13.30
Benchmark	-7.52	20.01	9.30	1.50	13.88

## Fund Highlights (%)\*

	1 mth	3 mths	6 mths	Year to Date	Since Launch	Best Month	Worst Month
Fund	-5.13	-8.12	-3.09	-3.69	34.84	5.88	-5.76
Benchmark	-7.26	-12.49	-8.36	-7.52	40.22	-	-

\*Source: RBC. Fund performance relates to Class X USD and is net of fees with dividends reinvested. Discrete annual performance is based on data since inception.

Issued January 2019. All data as at 31 December 2018

### Key facts about the Fund

- Global equity investments in high quality companies with positive cash flow and low leverage
- The largest region is North America with 55.0%
- Total Number of Holdings 30

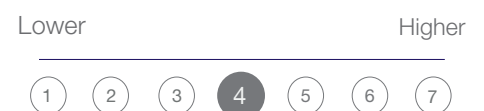
### Fund Details

Fund Type	UCITS IV, Dublin domiciled
Launch Date	16 December 2013
Benchmark	MSCI World Equity Index
Fund AuM	\$171.5m (all share classes)
Administrator	RBC Investor & Treasury Services

### Dealing & Pricing

Pricing	Daily
Pricing Time	12 noon T+1 UK time
Dealing Frequency	Daily
Dealing Line	+ 353 1 440 6555
Fax	+ 353 1 613 0401
Email	Dublin_TA_Customer_Support@rbc.com

### Potential Risk / Rewards



### London & Capital Asset Management

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## Portfolio Breakdown

Issued January 2019. All data as at 31 December 2018

### Top Ten Equity Holdings

Name	Sector	%
Procter & Gamble	Consumer Staples	3.5
Compass	Consumer Discretionary	3.5
PepsiCo	Consumer Staples	3.4
Rogers Communications	Telecommunication Services	3.4
Endesa	Utilities	3.4
Unilever	Consumer Staples	3.4
Jeronimo Martins	Consumer Staples	3.4
Air Products & Chemicals	Information Technology	3.4
Omnicom	Consumer Discretionary	3.3
Bunzl	Industrials	3.3
<b>Total</b>		<b>34.0</b>

### Regional Breakdown\*

Region	%
North America	55.0
Europe	29.6
United Kingdom	13.4

### Sector Breakdown (%)

Sector	Fund	Index
Consumer Discretionary	13.4	8.5
Consumer Staples	33.3	12.5
Energy	0.0	6.0
Financials	0.0	16.5
Health Care	3.2	13.5
Industrials	15.9	11.0
Information Technology	15.9	18.3
Materials	6.3	4.5
Real Estate	0.0	3.1
Telecommunication Services	3.4	2.8
Utilities	6.6	3.2

Source: Fund data London & Capital and RBC Investor & Treasury Services, Index data MSCI.

\*The data above does not include cash, cash equivalents and futures; therefore occasionally the data may not add up to 100%.

## Awards



**AI - International Fund Awards 2016**  
Best Private Client Investment Team  
UK and Best Global Equity Fund



**Wealth Adviser Awards 2015**  
Best Ultra High Net Worth Team



**Alternative Investment Award - 2015**  
Ultra High-Net-Worth Wealth Manager of the Year

## Share Class Details

Share Class	Initial Charge	AMC	ISIN	Bloomberg	SEDOL
Class X USD	0.00%	0.00%	IE00BDV09V37	LCGSEXU ID	BDV09V3
Class X EUR	0.00%	0.00%	IE00BYJR3L12	LCGSEXE ID	BYJR3L1
Class X GBP	0.00%	0.00%	IE00BDV09S08	LCGSEXG ID	BDV09S0
Class I USD	0.00%	1.00%	IE00BDV09W44	LCSTRUI ID	BDV09W4
Class I GBP	0.00%	1.00%	IE00BDV09T15	LCSTRGI ID	BDV09T1

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