

March 2024

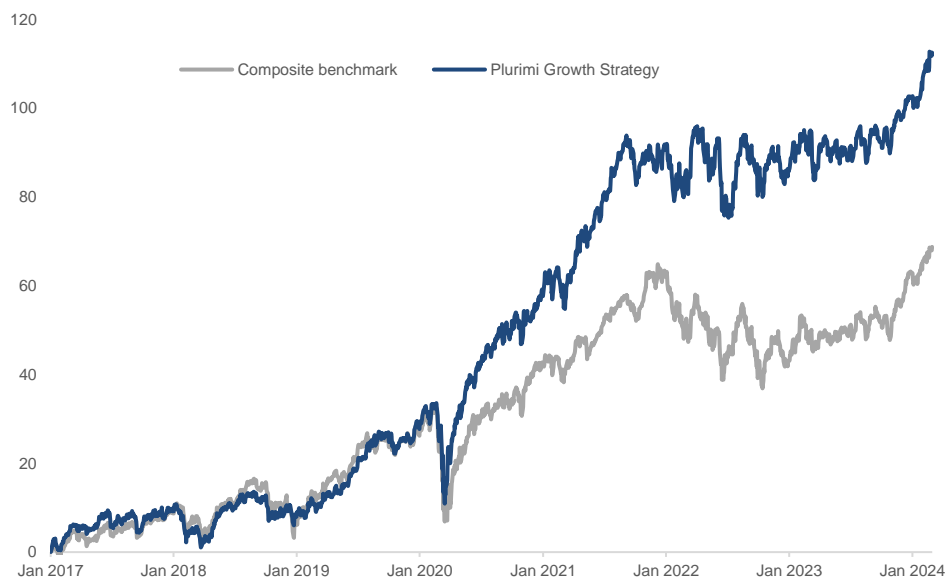
Objectives

The objective of the Plurimi Growth strategy is to achieve long-term capital appreciation through investments primarily in global stocks. The strategy is a flexible and seeks to maximise returns vs. a composite 70% MSCI World, 15% FTSE UK Gilts and 15% Markit iBoxx GBP Liquid Corporate Large Cap benchmark by employing active bottom-up stock selection, and tactical allocations across regions, styles and other asset classes.

Risk and return targets

- Typical beta vs. MSCI World: 0.8
- Beta range: 0.5-1.0
- Return target: Composite benchmark +2 % per annum.

Total return (%)



Total return in GBP terms. (Jan 2017 - Mar 2024)

The returns are gross and do not reflect the deduction of investment management fees, which will reduce return.

Source: Bloomberg

Monthly performance (%)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2024	0.9	4.1	3.3										8.4
2023	3.0	-0.9	0.9	-0.5	-1.5	2.0	2.4	-1.0	-0.8	-0.4	3.1	2.5	9.0
2022	-3.8	1.3	4.5	-2.1	0.6	-7.4	6.3	1.2	-5.3	3.9	2.2	-3.1	-2.6
2021	-0.6	0.3	3.5	4.8	1.3	4.1	2.5	3.8	-2.7	0.6	-0.5	2.2	20.8
2020	0.9	-3.0	-2.1	6.8	7.1	1.7	1.0	3.3	1.2	-2.3	4.0	3.1	23.5
2019	0.6	0.4	3.6	1.0	0.8	2.8	4.0	2.4	0.3	-2.1	2.1	1.6	18.2

Total return for current and previous five calendar years in GBP terms. (Jan 2019 - Mar 2024)

The returns are gross and do not reflect the deduction of investment management fees, which will reduce return.

Source: Bloomberg

Equity sector exposure (scaled to 100%)

	Strategy	MSCI World	+/-
Communication Services	10.3	7.4	2.9
Consumer Discretionary	15.9	10.7	5.2
Consumer Staples	4.2	6.5	-2.3
Energy	7.5	4.5	3.0
Financials	15.8	15.4	0.4
Health Care	11.9	12.0	-0.1
Industrials	16.4	11.2	5.2
Information Technology	18.0	23.7	-5.7
Materials	0.0	3.9	-3.9
Real Estate	0.0	2.3	-2.3
Utilities	0.0	2.4	-2.4

Key points

Stock selection driven by independent research and proprietary selection models.

Top-down regional and style allocations.

More than 50% invested in equities, with flexibility to allocate to cash, commodities, fixed income and structured notes.

Key risks

Capital is at risk. The strategy has a flexible asset allocation policy, which means allocations to risky assets are not fixed and may be increased at the portfolio managers discretion. More than half of the exposure is allocated to equities. The strategy invests globally and takes currency exposure which also can create capital losses. The strategy is diversified but Individual stock and corporate bond risk may be significant.

Relative risk vs composite benchmark

Tracking error (%)	5.5
Beta	0.8

Performance indicators (%)

	Strategy	Benchmark
Annualised return	11.5	7.9
Annualised volatility	9.0	9.9
Sharpe ratio	1.1	0.7
Best month	7.0	8.0
Worst month	-7.4	-7.9
Max drawdown	-16.9	-19.4

Holdings (%)

STELLANTIS NV	3.2
NVIDIA CORP	3.2
ALPHABET INC-CL A	3.1
APPLIED MATERIALS INC	3.1
BANCO BILBAO VIZCAYA ARGENTA	3.0
DANONE	2.9
HERMES INTERNATIONAL	2.9
RECRUIT HOLDINGS CO LTD	2.8
TENARIS SA	2.7
ADOBE INC	2.6
ZOETIS INC	2.5
META PLATFORMS INC-CLASS A	2.5
RYANAIR HOLDINGS PLC-SP ADR	2.5
EOG RESOURCES INC	2.5
BAE SYSTEMS PLC	2.5
NOVO NORDISK A/S-B	2.5
CITIGROUP INC	2.3
AMAZON.COM INC	2.3
HARTFORD FINANCIAL SVCS GRP	2.2
VISA INC-CLASS A SHARES	2.1
CAPGEMINI SE	2.0
GSK PLC	1.9
HITACHI LTD	1.8
DEERE & CO	1.8
ADVANCED MICRO DEVICES	1.7
NINTENDO CO LTD	1.5
LAS VEGAS SANDS CORP	1.5
PAYPAL HOLDINGS INC	1.3
OLYMPUS CORP	1.3
ALIBABA GROUP HOLDING-SP ADR	1.2
ISHARES GBP CORP BOND 0-5YR	7.0
WT AT1 COCO ETF GBP HEDGED	4.4
ISHARES CORE GBP CORP	4.2
AM UST GOV IN-LK BD-ETF GHD	3.9
GS 3 ¼ 07/25/29	2.5
LLOYDS 2 ¼ 10/16/24	2.2
UBS 2 ¼ 08/08/25	2.2
TABULA US ENHANCED INF GBPHA	4.0
BRITISH POUND	0.1

Source: Bloomberg

Commentary

The strategy rose by 3.3% during the month, beating its composite benchmark which rose by 2.9%.

In March the Fed increased its growth forecast, increased its predicted level of inflation, and lowered its forecast unemployment rate. It also kept its interest rate guidance unchanged. The Fed said it plans to be cutting interest rates despite strong economic backdrop. This could be very supportive for equities in the coming quarters. We have the strategy positioned with a small overweight in equities.

During the month we added **Hitachi Limited**. Hitachi manufactures communications and electronic equipment, heavy electrical and industrial machinery, and consumer electronics. The Company's diverse product line ranges from nuclear power systems to kitchen appliances. We expect the company to see strong growth in transistors and other component pieces for electricity generation and distribution based on broad growth in demand, with AI demand a significant incremental driver. Hitachi's power-grid division might contribute to profit with margins closer to 10%. Also, Hitachi's strategic shift to become a technology-solutions provider could further improve its profit margins.

The strategy's bank holdings **BBVA** and **CitiGroup** rose by 20% and 14% respectively. A strong economic backdrop, better than anticipated loan growth and resilient asset quality has led to strong returns for the banks this year. **Nvidia** was again a top contributor in March, rising by 15%. The company released details on its latest artificial intelligence chips. The company expects significant growth for the memory chips used in AI systems to continue to be very strong in the coming years, which should support its p/e multiple of more than 30x.

Cyclical stocks and value equities moved higher, as the equity rally broadened in March. **Deere** rose 13%. We think Deere's solid cash flow should support dividends and share repurchases. **Tenaris** rose 11%. During the month it purchased a total of 774,526 ordinary shares for \$14.7 million as part of the company's second tranche of its buyback program. **Stellantis** rose 9% but still only trades at 6x forecast earnings. It is paying an annual dividend equating to an almost 6% yield. **EOG** rose by 12%. Oil prices rose by 5% to \$83 a barrel in March.

Adobe fell 10% in March. The company reported earnings and revenues ahead of consensus, but it warned of increased competition in generative AI for images and video. Fixed income positions also rose for the month. The strategy's TIPS rose by 0.8%, as longer-term yields moved lower. The strategy's Corporate bond ETF rose by 1.8%, while short duration corporate bonds rose by 1.3%. We expect 10-year Gilt yields to continue a slow grind higher for the remainder of 2024, with a strong economy, large fiscal deficits, and looser monetary policy driving longer term yields higher. Animal health company **Zoetis** fell 15%. Zoetis faces an EU antitrust probe into concerns the company thwarted the market entry of a dog pain-relief treatment that could have rivalled its own. Investigation could lead to a formal warning from EU regulators, with the risk of a future penalty of 10% of global turnover.

Geopolitical risks are still elevated but the global economy is proving to continue to be very resilient. The employment backdrop remains very strong in the United States, with wage growth above 4%, unemployment below 4% and inflation at 3.1%. Unless something negatively impacts the job market, we expect consumption to be the engine that drives economic growth.

Strategy managers:

Patrick Armstrong, CFA
Eugen Fostiak

Target return: Composite benchmark +2% p.a.

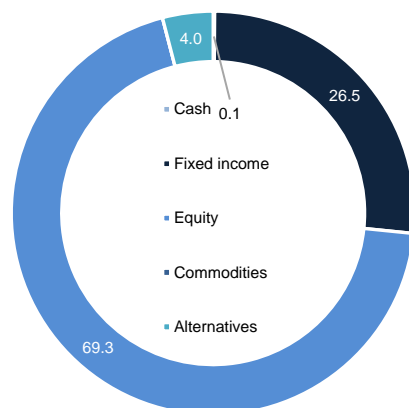
Holdings: 39

Regional equity exposure (scaled to 100%)

	Strategy	MSCI W	Relative
North America	50.0	72.5	-22.5
Europe ex-UK	31.4	14.4	16.9
UK	6.3	3.6	2.7
Japan	10.7	6.1	4.5
Asia & EM	1.7	3.4	-1.7

Asset allocation

(%)



1 month performance contribution (%)

Equity sector	Attribution
Communication Services	0.2
Consumer Discretionary	0.3
Consumer Staples	0.0
Energy	0.6
Financials	1.1
Health Care	-0.2
Industrials	0.9
Information Technology	0.0
Materials	0.0
Real Estate	0.0
Utilities	0.0

Top contributors	Return
BANCO BILBAO VIZCAYA ARGENTA	20.1
NVIDIA CORP	14.5
CITIGROUP INC	14.2
TENARIS SA	11.5
STELLANTIS NV	9.1

Bottom contributors	Return
ZOETIS INC	-14.5
ADOBE INC	-9.7
ADVANCED MICRO DEVICES	-6.0
CAPGEMINI SE	-5.1
LAS VEGAS SANDS CORP	-5.0

Equity characteristics

	Strategy	MSCI World
Dividend Yield	2.6	2.2
Price to Earnings Ratio (P/E)	16.4	22.6
Price to Cash Flow Ratio (P/CF)	16.9	15.7
Price to Book Ratio (P/B)	3.0	3.3
Total Debt to Common Equity	147	143
Current Ratio	1.4	1.2
Est ROE	29.0	29.2
Op. Income Growth	13.6	3.2
Sales Growth	9.8	4.5
Est P/E	15.1	18.6
Debt/EBITDA	3.0	3.2
Est EV/EBITDA	15.6	12.4
Profit Margin	13.4	9.6
ROC	8.2	7.1

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