

March 2024

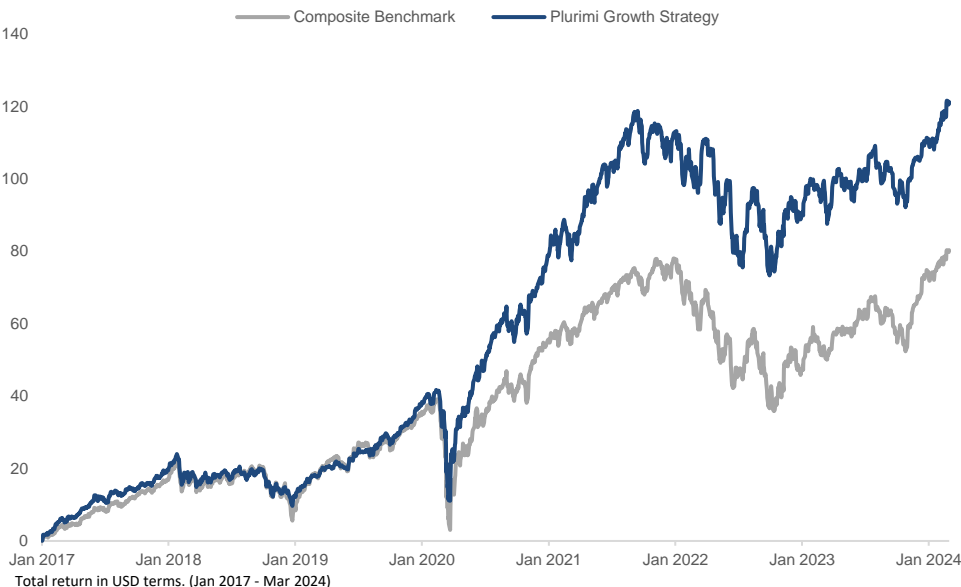
## Objectives

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% ICE US Treasury 7-10Y bonds and 15% iBoxx USD Liquid IG corporate bonds 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 (%)



## Monthly performance (%)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
<b>2024</b>	1.0	3.8	3.4										<b>8.4</b>
<b>2023</b>	4.8	-2.2	2.3	0.5	-3.2	4.6	3.2	-2.4	-3.9	-1.2	6.0	2.8	<b>11.3</b>
<b>2022</b>	-4.9	0.5	3.2	-6.1	0.8	-9.8	7.7	-1.7	-8.6	6.6	4.9	-2.1	<b>-10.8</b>
<b>2021</b>	-0.3	2.0	1.9	4.8	3.0	1.9	2.4	3.1	-3.6	2.7	-2.8	2.8	<b>19.0</b>
<b>2020</b>	0.2	-4.6	-5.0	8.8	5.8	3.1	5.9	3.4	-1.5	-1.7	8.1	5.2	<b>29.8</b>
<b>2019</b>	3.3	1.5	1.7	1.6	-1.8	3.7	0.3	1.9	1.0	1.7	2.1	3.4	<b>22.4</b>

Total return for current and previous five calendar years in USD 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	10.7	7.4	3.2
Consumer Discretionary	17.3	10.7	6.6
Consumer Staples	3.3	6.5	-3.2
Energy	6.6	4.5	2.1
Financials	15.3	15.4	0.0
Health Care	12.9	12.0	0.9
Industrials	17.1	11.2	5.8
Information Technology	16.8	23.7	-6.9
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	4.4%
Beta	0.9

## Performance indicators (%)

	Strategy	Benchmark
Annualised return	12.1	8.8
Annualised volatility	11.8	12.4
Sharpe ratio	0.9	0.6
Best month	8.7	9.4
Worst month	-9.8	-9.4
Max drawdown	-21.6	-25.9

## Holdings (%)

NOVO NORDISK A/S-B	4.0
STELLANTIS NV	3.7
NVIDIA CORP	3.5
HERMES INTERNATIONAL	3.1
ALPHABET INC-CL A	3.1
BANCO BILBAO VIZCAYA ARGENTA	3.0
APPLIED MATERIALS INC	2.9
RECRUIT HOLDINGS CO LTD	2.9
META PLATFORMS INC-CLASS A	2.8
AMAZON.COM INC	2.6
EOG RESOURCES INC	2.6
RYANAIR HOLDINGS PLC-SP ADR	2.5
BAE SYSTEMS PLC	2.5
DANONE	2.4
HARTFORD FINANCIAL SVCS GRP	2.3
VISA INC-CLASS A SHARES	2.2
DEERE & CO	2.2
ADOBE INC	2.2
TENARIS SA	2.1
CITIGROUP INC	2.1
HITACHI LTD	2.1
ZOETIS INC	1.9
GSK PLC	1.9
ADVANCED MICRO DEVICES	1.9
NINTENDO CO LTD	1.7
LAS VEGAS SANDS CORP	1.6
CAPGEMINI SE	1.6
OLYMPUS CORP	1.3
PAYPAL HOLDINGS INC	1.3
ALIBABA GROUP HOLDING-SP ADR	1.3
THI 0% 07/15/32	6.1
BACR 2.894 11/24/32	3.5
THI 1% 07/15/33	3.3
F 4.346 12/08/26	2.9
JPM 0.969 06/23/25	2.9
US TREASURY 3 MONTH BILL ETF	2.7
WT AT1 COCO UCITS ETF USD	1.9
ISHARES IBOXX INVESTMENT GRA	1.1
TABULA US ENHANCED INFLATION	3.7
US DOLLAR	0.5

Source: Bloomberg

Commentary

The strategy rose by 3.4% during the month, beating its composite benchmark which rose by 2.5%.

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. 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.

Fixed income positions also rose for the month. The strategy's TIPS rose by almost 1%, as longer-term yields moved lower. The strategy's Corporate bond ETF rose by 1.5%, while short duration corporate bonds rose by 0.6%. We expect 10-year 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.

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.

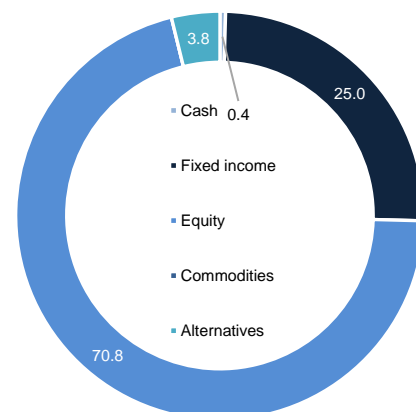
Holdings: 40

Regional equity exposure (scaled to 100%)

	Strategy	MSCI W	Relative
North America	49.3	72.5	-23.2
Europe ex-UK	31.5	14.4	17.0
UK	6.2	3.6	2.6
Japan	11.2	6.1	5.1
Asia & EM	1.8	3.4	-1.6

Asset allocation

(%)



1 month performance contribution (%)

Equity sector	Attribution
Communication Services	0.2
Consumer Discretionary	0.3
Consumer Staples	0.0
Energy	0.5
Financials	1.1
Health Care	0.1
Industrials	0.9
Information Technology	0.1
Materials	0.0
Real Estate	0.0
Utilities	0.0

Top contributors	Return
BANCO BILBAO VIZCAYA ARGENTA	19.8
NVIDIA CORP	14.2
STELLANTIS NV	8.8
NOVO NORDISK A/S-B	7.9
EOG RESOURCES INC	11.7

Bottom contributors	Return
ZOETIS INC	-14.7
ADOBE INC	-9.9
ADVANCED MICRO DEVICES	-6.3
LAS VEGAS SANDS CORP	-5.2
CAPGEMINI SE	-5.4

Equity characteristics

	Strategy	MSCI World
Dividend Yield	2.5	2.2
Price to Earnings Ratio (P/E)	16.7	22.6
Price to Cash Flow Ratio (P/CF)	16.5	15.7
Price to Book Ratio (P/B)	3.0	3.3
Total Debt to Common Equity	144	143
Current Ratio	1.4	1.2
Est ROE	30.3	29.2
Op. Income Growth	15.9	3.2
Sales Gr	10.4	4.5
Est P/E	15.2	18.6
Debt/EBITDA	2.9	3.2
Est EV/EBITDA	15.6	12.4
Profit Margin	13.4	9.6
ROC	8.5	7.1

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