

Strategy & Objective

The Best Ideas Portfolio is a diversified portfolio (not a fund) of global equities, which we believe to be well positioned to outperform the wider equity market over the longer term. The portfolio has a bias towards developed market, large capitalisation stocks.

Portfolio Performance (GBP)^{1,2}

Return (%)	YTD	1 Month	3 Month	1 Year	Annualised		
					3 Years	5 Years	S. Inception
Best Ideas Portfolio	3.5	4.8	6.1	33.2	15.2	13.7	13.6
MSCI World	4.6	4.0	8.5	35.9	16.2	15.0	12.8
Relative	-1.2	0.8	-2.4	-2.7	-1.0	-1.3	0.8

Risk (%)	Largest Drawdown	Volatility (Annualised)
Best Ideas Portfolio	17.3	10.4
MSCI World	19.0	11.0

Market Commentary

February was a good month for most equity markets around the world. Starting in the US, the DJIA returned 5.2% as President Trump met with top executives from some of America's biggest companies to discuss his administration's pro-business policies. In the UK, the FTSE 100 returned 3.1%, while elsewhere in Europe the DAX and CAC 40 both posted gains, returning 2.6% and 2.3% respectively. In fixed income, major government bond yields had their largest decline in 8 months, with UK 10-year gilts falling 27bps to 1.15%, German 10-year bunds down 23bps to 0.21% and US 10-year Treasury yields decreasing 6bps to 2.39%.

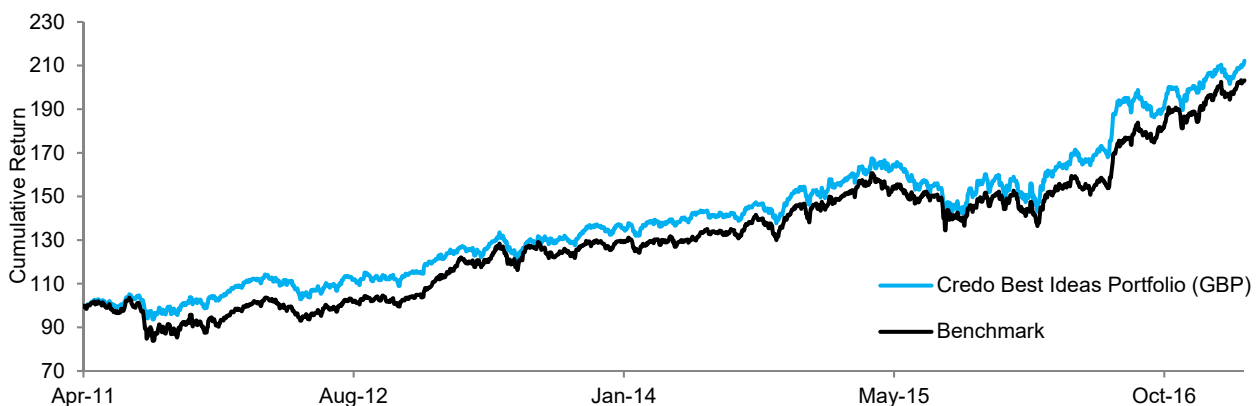
Key Contributors to Return

Rolls Royce's shares increased by 17.9% this month, driven by 4th quarter results that were above consensus and guidance that lead to upgrades to some sell-side estimates for next year. GlaxoSmithKline's shares returned 9.4% due to positive 4th quarter results that beat consensus estimates.

Key Detractors from Return

BP's shares declined by -2.4% due to 4th quarter results that fell short of consensus expectations. Whitbread's shares declined by -2.6% after weak industry data in the early part of the month.

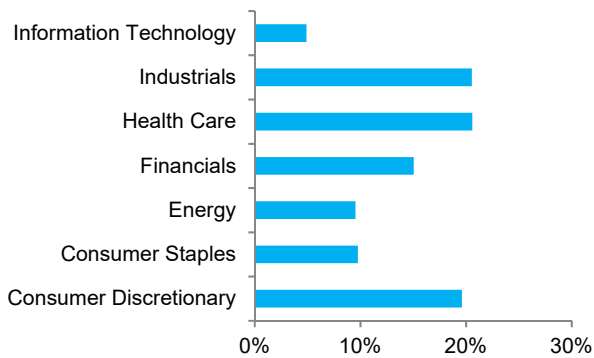
Performance Since Inception (14/04/2011)²



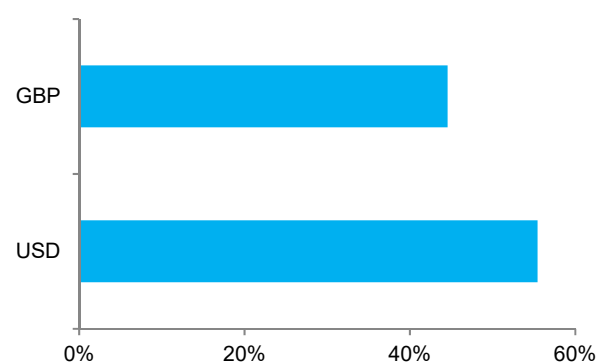
Sample Portfolio Statistics²

	Current Price	Trailing 12 Month P/E	12 Month Forward P/E	Dividend Yield
BP plc	454p	182.2x	14.8x	7.1%
Chubb Ltd	\$138.2	14.3x	13.2x	2.0%
Prudential plc	1608p	28.3x	12.1x	2.5%
Total Portfolio Average		18.0x	15.0x	2.8%
MSCI World		21.9x	16.6x	2.5%

Sector Allocation



Currency Allocation



Investment Philosophy

Credo's investment philosophy is based on the following tenets:

- We believe wealth is created and preserved by following a patient and disciplined investment strategy that is focused on the long-term.
- We follow a value-based approach to investing.
- We strive to identify matters of strategic importance and focus on methodologies that have proven to be robust through a variety of market cycles, rather than fixating on short-term news-flow and forecasts.
- We aim to minimise turnover in our portfolios and apply our minds when considering transaction size in an attempt to limit transaction costs.
- We view risk as permanent losses of capital and not in terms of short-term volatility.

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(1) Performance figures are based on a notional portfolio, denominated in pound sterling, designed to track the holdings of the Credo Best Ideas Portfolio. Portfolio incorporates all additions and removals, rebalancing all holdings to a 5% weighting in the process. Portfolio may not be fully invested at a point in time and therefore can hold a portion of assets in cash, which is assumed to be held in the relevant reporting currency of the portfolio. Portfolio and Benchmark performance is calculated before any fees and includes reinvested dividends net of withholding tax.

(2) Source: Bloomberg pricing as of 28/02/2017 close. All portfolio performance is calculated using Bloomberg PORT, rounded to 1 decimal place.

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Portfolio Performance (USD)^{1,2}

Return (%)	YTD	1 Month	3 Month	1 Year	Annualised		
					3 Years	5 Years	S. Inception
Best Ideas Portfolio	4.0	3.6	5.5	19.5	4.6	8.4	8.8
MSCI World	5.3	2.8	7.8	21.3	5.2	9.4	7.7
Relative	-1.2	0.8	-2.3	-1.8	-0.6	-1.1	1.1

Risk (%)	Largest Drawdown	Volatility (Annualised)
Best Ideas Portfolio	19.3	11.1
MSCI World	22.0	11.4

Market Commentary

February was a good month for most equity markets around the world. Starting in the US, the DJIA returned 5.2% as President Trump met with top executives from some of America's biggest companies to discuss his administration's pro-business policies. In the UK, the FTSE 100 returned 3.1%, while elsewhere in Europe the DAX and CAC 40 both posted gains, returning 2.6% and 2.3% respectively. In fixed income, major government bond yields had their largest decline in 8 months, with UK 10-year gilts falling 27bps to 1.15%, German 10-year bunds down 23bps to 0.21% and US 10-year Treasury yields decreasing 6bps to 2.39%.

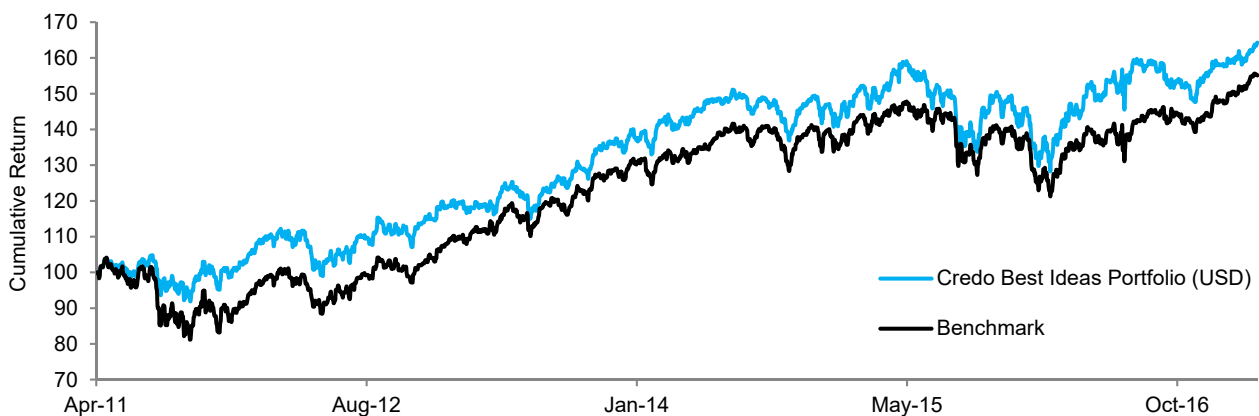
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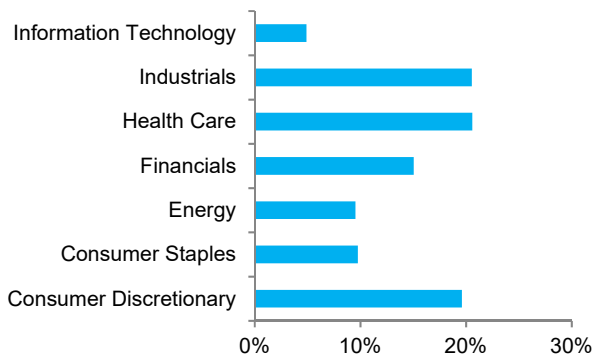
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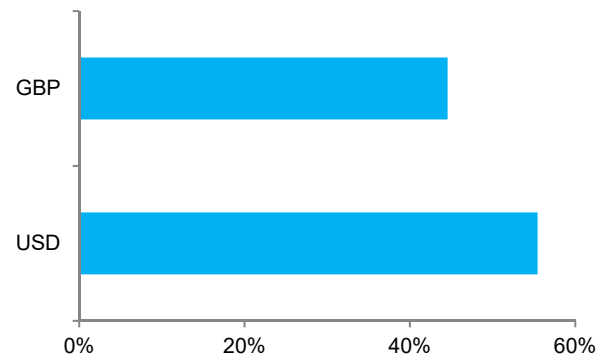
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