

Strategy & Objective

The Dividend Growth 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 (%)	Annualised						
	S. Inception	5 Years	3 Years	1 Year	3 Month	1 Month	YTD
Dividend Growth Portfolio	11.6	11.3	5.2	-2.8	1.6	3.3	-7.7
MSCI World	13.0	13.5	8.5	6.2	5.6	4.5	4.4
Relative	-1.4	-2.2	-3.3	-9.0	-4.0	-1.2	-12.1

Risk (%)	Largest Drawdown	Volatility (Annualised)
Dividend Growth Portfolio	26.7	13.4
MSCI World	26.2	15.1

Market Commentary

August was largely a positive month for global equity markets despite the coronavirus pandemic continuing to dominate headlines. In the US, the number of new daily cases started to decline. However, in European regions, such as Spain and France, fears of a second wave took hold as the number of new daily cases increased. The S&P 500, FTSE 100 and Euro STOXX were up 7.2%, 1.8% and 3.2% respectively. The US presidential campaign gained momentum with the announcement of Kamala Harris as Joe Biden's running mate and the nomination of Donald Trump as the Republican nominee being confirmed. In the UK, Brexit negotiations resumed as EU and UK negotiators met in Brussels to discuss their future partnership. The yields for US, UK, and German 10-year bonds increased by 18, 21 and 13 basis point respectively. The pound was up 2.2% against the US dollar and 0.8% against the euro.

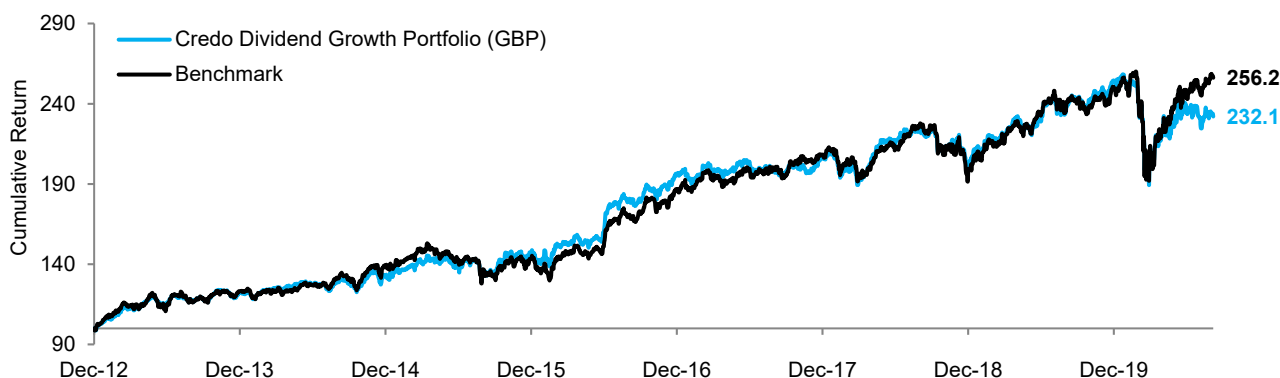
Key Contributors to Return

AIA Group's shares increased by 13.9% after the company's new president presented an optimistic vision for future expansion in China. Union Pacific Corporation's shares increased by 11.6% after press reports of private equity interest in a competitor following signs of resilience in the industry.

Key Detractors from Return

BP's shares declined by 2.7% amid weakness in the sector. GlaxoSmithKline's shares declined by 2.6% after the company reported results at the end of last month, highlighting declines in vaccinations due to lockdown measures.

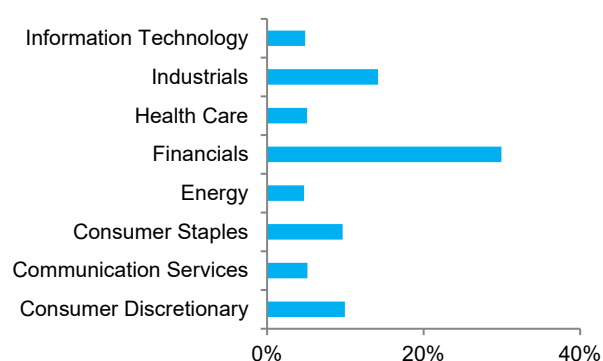
Performance Since Inception (28/12/2012)²



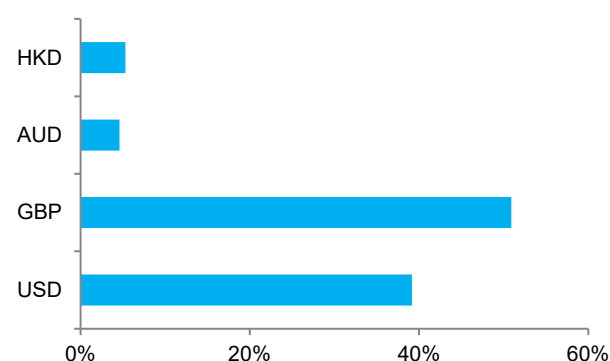
Sample Portfolio Statistics²

	Current Price	Trailing 12 Month P/E	12 Month Forward P/E	Dividend Yield
GlaxoSmithKline plc	1472p	13.9x	12.4x	5.4%
Otis Worldwide Corp	\$62.9	N/A	25.7x	1.3%
Union Pacific Corp	\$192.4	24.0x	22.2x	2.0%
Total Portfolio Average		21.1x	15.8x	3.0%
MSCI World		29.9x	21.1x	2.1%

Sector Allocation



Currency Allocation



Investment Philosophy

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

- We believe that wealth is best created and preserved through patient and disciplined investing, with a focus on the long term
- We follow a value-based approach to investing
- We seek to invest in high quality companies that are attractively priced relative to their future business prospects
- We believe that the market's short-term focus creates opportunities for those willing to concentrate on underlying business performance
- 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 Dividend Growth Portfolio. Portfolio incorporates all additions and removals, rebalancing all holding 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 31/08/2020 close. All portfolio performance is calculated using Bloomberg PORT, rounded to 1 decimal place.

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Portfolio Performance (USD)^{1,2}

Return (%)	Annualised						
	S. Inception	5 Years	3 Years	1 Year	3 Month	1 Month	YTD
Dividend Growth Portfolio	9.0	8.5	6.5	6.0	9.5	5.3	-6.5
MSCI World	10.4	10.4	9.8	16.8	14.7	6.7	5.3
Relative	-1.4	-1.9	-3.3	-10.8	-5.2	-1.4	-11.8

Risk (%)	Largest Drawdown	Volatility (Annualised)
Dividend Growth Portfolio	33.3	13.7
MSCI World	34.0	14.4

Market Commentary

August was largely a positive month for global equity markets despite the coronavirus pandemic continuing to dominate headlines. In the US, the number of new daily cases started to decline. However, in European regions, such as Spain and France, fears of a second wave took hold as the number of new daily cases increased. The S&P 500, FTSE 100 and Euro STOXX were up 7.2%, 1.8% and 3.2% respectively. The US presidential campaign gained momentum with the announcement of Kamala Harris as Joe Biden's running mate and the nomination of Donald Trump as the Republican nominee being confirmed. In the UK, Brexit negotiations resumed as EU and UK negotiators met in Brussels to discuss their future partnership. The yields for US, UK, and German 10-year bonds increased by 18, 21 and 13 basis point respectively. The pound was up 2.2% against the US dollar and 0.8% against the euro.

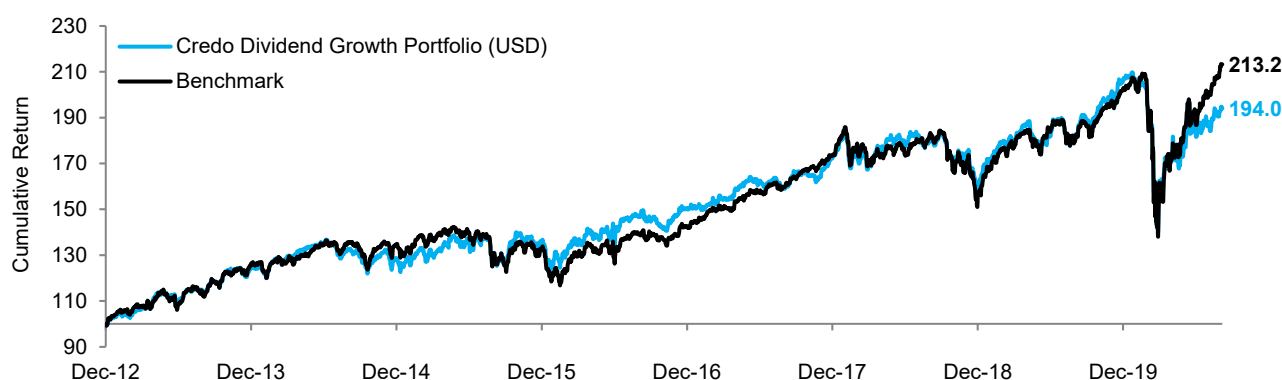
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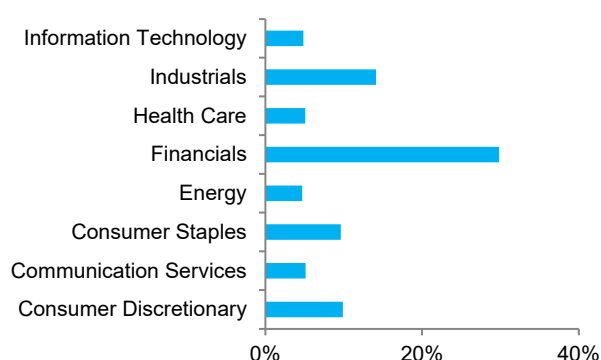
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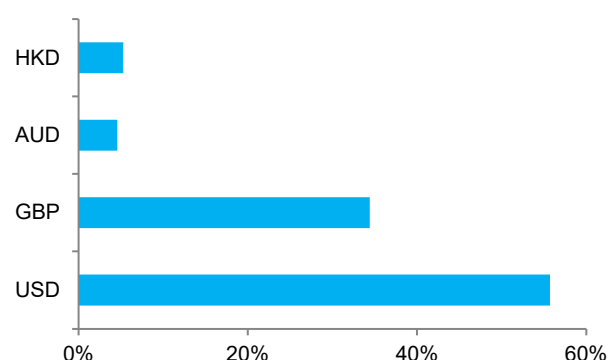
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Total Portfolio Average		21.0x	15.7x	3.0%
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Sector Allocation



Currency Allocation



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

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