



# GLOBAL HORIZON PORTFOLIO

## BECKETT ASSET MANAGEMENT LIMITED

April 2020

RISK PROFILE 9-10 | INCEPTION JUNE 2018

### GLOBAL HORIZON PORTFOLIO COMMENTARY

The long term nature and high concentration of this thematic strategy means we tend to make changes less frequently than other strategies. However, experiencing the “Corona crash” of Quarter 1 2020, we are taking advantage of significant fall in equity prices to implement some restructuring.

Firstly, for our theme in ‘Today’s Leaders’: we are switching out of Fundsmith and into Brown Advisory US Sustainable Growth. Fundsmith continues to perform well but we were not encouraged by the update we had with the manger in terms of governance. The Brown Advisory fund is one we have been monitoring for some time and is a good fit for this strategy with its focus on large companies with a sustainable business advantage; the process has produced strong risk adjusted returns which we expect to continue.

Within the ‘Tomorrow’s winners’ theme, we are switching half of the Baring Emerging Markets fund into a new fund called the Somerset EM Discovery fund. Somerset has a pedigree in investing in Frontier emerging markets and this will diversify our exposure. Also within this theme, we are switching out of R&M which has had a big headwind in terms of its investing style but we feel there are better opportunities elsewhere so we are topping up the existing holding in Liontrust UK Microcap with the balance going into Healthcare, for which there is long term structural demand, by way of an addition to the existing AXA Framlington fund.

### MODEL PORTFOLIO SINCE INCEPTION



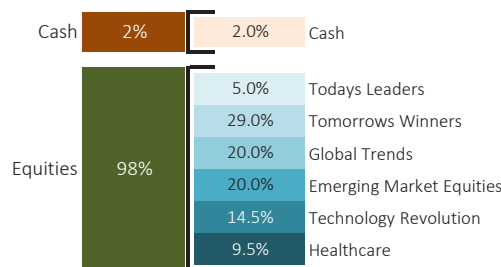
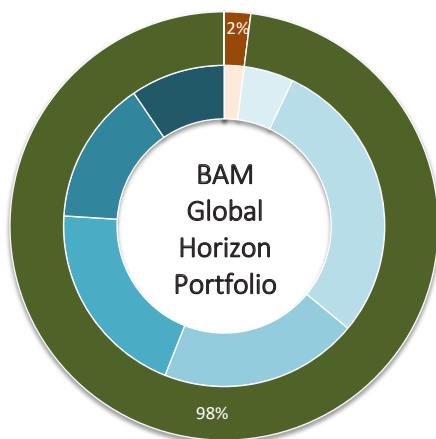
■ A - Global Horizon Portfolio 16/04/2020 TR in GB [9.60%]  
 ■ B - IA Global TR in GB [4.17%]

POWERED BY DATA FROM FE

29/06/2018 - 30/04/2020 Data from FEfundinfo2020

PLEASE NOTE:  
 PAST PERFORMANCE IS NO INDICATOR OF FUTURE PERFORMANCE. PERFORMANCE IS GROSS OF ANY WEALTH MANAGEMENT AND PLATFORM FEES. IT IS PROVIDED FOR INFORMATION PURPOSES TO INDICATE HISTORICAL PERFORMANCE.

### PORTFOLIO COMPOSITION



PLEASE NOTE:  
 PORTFOLIO COMPOSITION SHOWN IS AS MARCH 2020. ASSET ALLOCATIONS MAY CHANGE OVER TIME.

## STRATEGY DESCRIPTION

This strategy seeks to achieve long-term capital growth, using a fund of funds approach to investment. The strategy is primarily stock market based. The portfolio is comprised of funds that invest across a range of geographical areas. However, the allocations are focused primarily on those sectors, themes, regions and parts of the market that the investment team feel present the best opportunities to generate attractive long-term returns. The funds are selected on a discretionary basis from a number of top fund management houses. The model will be rebalanced at the beginning of each calendar year, which is when changes to fund selection or allocation to themes would be altered. This differs from the other models run by Beckett Asset Management, which are rebalanced quarterly, with any changes to fund selection or asset allocation made at this point.

This strategy is potentially suitable for investors seeking capital growth over the long-term (15 years plus), and prepared to accept a high level of investment risk, i.e. accept the normal risks of investing in the various markets.

## INCOME YIELD

Income yield of this strategy is not a consideration, and is likely to be low.

## STRATEGY BENCHMARK

The performance of the strategy will be measured against the IA Global Sector over the long-term.

## CHARGES ON WRAP

In the region of 0.9% but subject to change depending on the underlying funds and platform. OCF does not include any further transactional costs incurred by the funds held or any performance fee that may be levied by them.

## GLOBAL HORIZON PORTFOLIO CONSTITUENTS

FUND NAME	THEME	ALLOCATION	DIFF
AXA Framlington Global Technology	Technology Revolution	9.5%	-
AXA Framlington Health	Healthcare	14.5%	▲
Baillie Gifford Global Discovery	Tomorrow's Winners	19%	-
Liontrust UK Microcap	Tomorrow's Winners	10%	▲
Pictet Global Megatrend Selection	Global Trends	20%	-
Baring Global Emerging Markets	Emerging Markets	10%	-
Somerset Emerging Markets Discovery	Emerging Markets	10%	*
Brown Advisory US Sustainable Leaders	Today's Leaders	5%	*
Cash	N/A	2%	-

THE INVESTMENTS MENTIONED IN THIS REPORT ARE INTENDED AS LONG-TERM INVESTMENTS. SOME OF THEM MAY GO DOWN AS WELL AS UP AND YOU THEREFORE MAY NOT GET BACK THE FULL AMOUNT INVESTED. WHERE INVESTMENTS ARE DENOMINATED IN FOREIGN CURRENCIES, CHANGES IN THE RATE OF EXCHANGE MAY HAVE AN ADVERSE EFFECT ON THE VALUE OR PRICE OF THE INVESTMENT IN STERLING TERMS. PAST PERFORMANCE IS NOT NECESSARILY A GUIDE TO FUTURE PERFORMANCE. THIS DOCUMENT SHOULD NOT BE CONSTRUED AS AN OFFER DOCUMENT OR SOLICITATION AND IS CIRCULATED BECAUSE THE CONTENTS MAY BE OF INCIDENTAL INTEREST. THE OPINIONS STATED ARE THOSE OF BECKETT ASSET MANAGEMENT LTD, WHICH IS AUTHORISED AND REGULATED BY THE FINANCIAL CONDUCT AUTHORITY.

## RISK CONTROLS AND INVESTMENT STRATEGY CHARACTERISTICS

- The strategy will have a minimum or maximum exposure to any particular asset class or geographical area as defined. The Manager is able to invest up to 100% in equities at their discretion and the current weighting is 98%.
- There is no minimum or maximum that can be invested in one particular theme or sector
- This strategy can invest a significant amount in overseas assets which can be positively or negatively impacted by changes in the relative valuation of currencies if the currency is not hedged.
- The model will be rebalanced at the beginning of each calendar year, which is when changes to fund selection or allocation to themes would be altered. This differs from the other models run by Beckett Asset Management, which are rebalanced quarterly, with any changes to fund selection or asset allocation made at this point.
- The strategy will hold a minimum of 5 different fund holdings and a maximum of 10.
- No individual holding will account for more than 20% of the strategy.
- No investment house will have more than 3 funds represented within the strategy.
- The policy of the strategy is to be managed on a "fully invested" basis.
- In addition to mainstream Unit Trust / OEIC funds, the strategies may also invest, where appropriate, in: Boutique investment house funds, Alternative investment funds (FAIFS), Investment Trusts, Structured Products, Tracker-type investments and ETFs.