

# GLOBAL OPPORTUNITIES FUND: TWO YEARS OLD

September 2020



The Global Opportunities Fund reached its second anniversary on 18<sup>th</sup> September 2020. In what has been an eventful two years (including a general election, the UK leaving the European Union and a once in a century pandemic) we have been pleased with the Fund's performance. Although two years is a short time period in which to assess the performance of a fund with a mandate to outperform over the long term, we believe it is important to reflect on these two years in order to succeed in the years to come.

## Fund Facts

Launch Date: 18/09/2018

Fund Size: £26.2m (as at 18/09/2020)

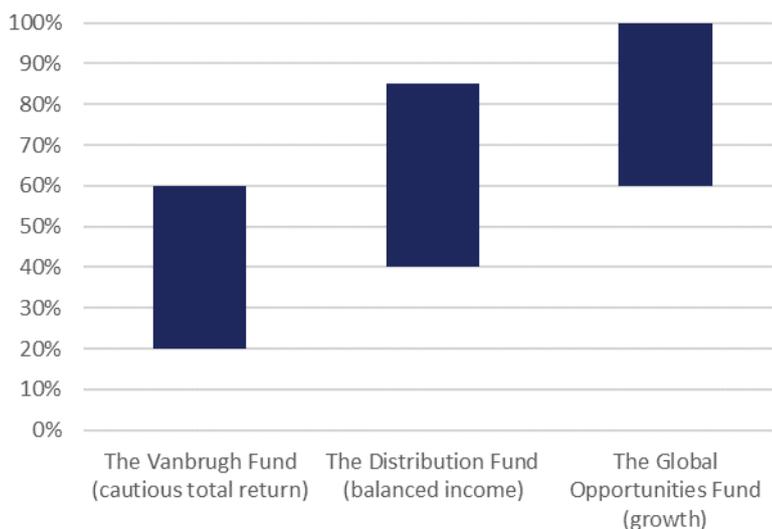
IA Sector: Flexible Investment

Fund Managers: Ben Conway and Daniel Lockyer assisted by Ben Mackie and Dan Cartridge

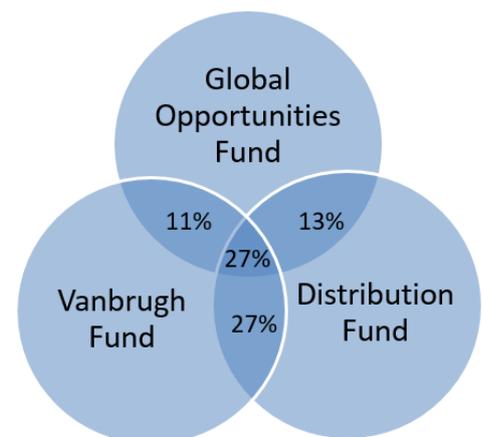
The Global Opportunities Fund provides the investor with:

- Access to our investment process (taking more risk than Vanbrugh and Distribution) to target returns after charges, in excess of those of general markets
- Access to a wide variety of financial assets that complement more traditional growth funds
- Access to long-term structural growth themes with a long-term perspective

Equity Exposure Parameters



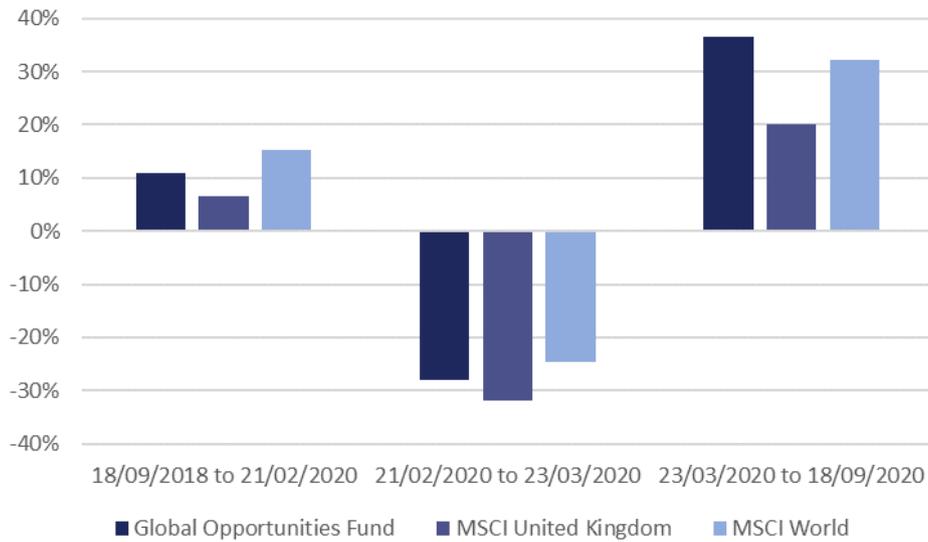
Commonality of underlying fund weightings



Source: Internal, 30/09/2020.

## How has the Fund performed during the last two years?

The performance of the Fund can be split into three sections, as per the below chart. In the recovery since 23rd March 2020, the Fund has outperformed both the MSCI United Kingdom and MSCI World Indices.



The Fund has also outperformed the IA Flexible Investment Sector, and is ranked in the second quartile, since launch.

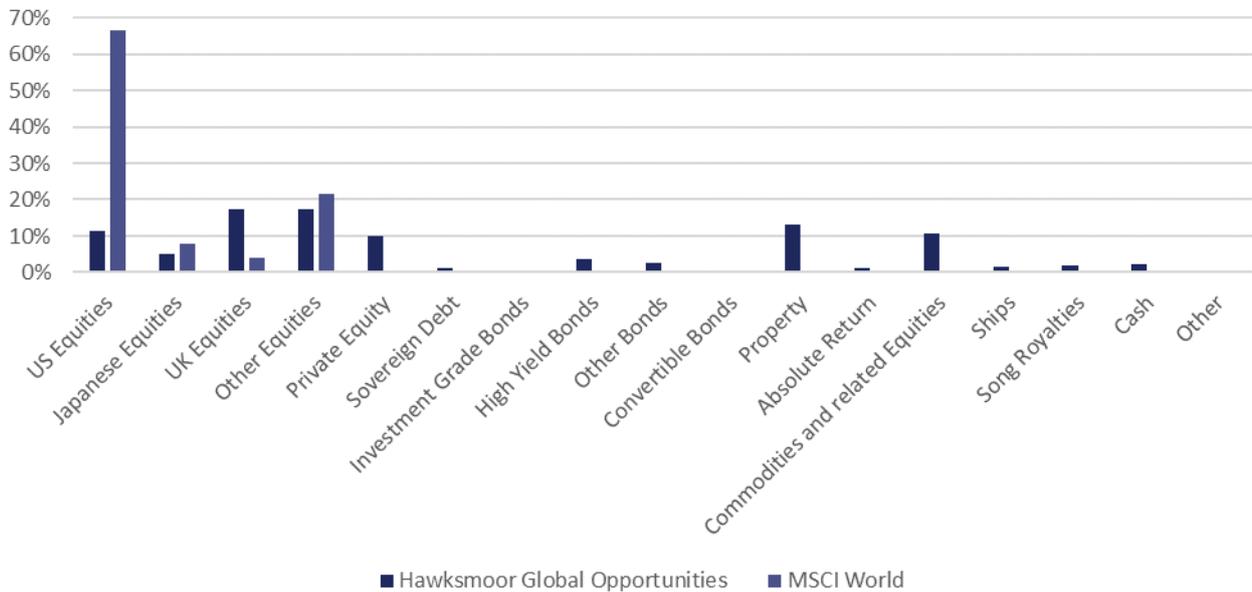


18/09/2018 - 18/09/2020 Data from FE fundinfo2020

Source: FE Analytics and MSCI, 18/09/2018 to 18/09/2020. See MSCI disclaimer on page 4.

## How does the asset allocation differ from that of the MSCI World Index?

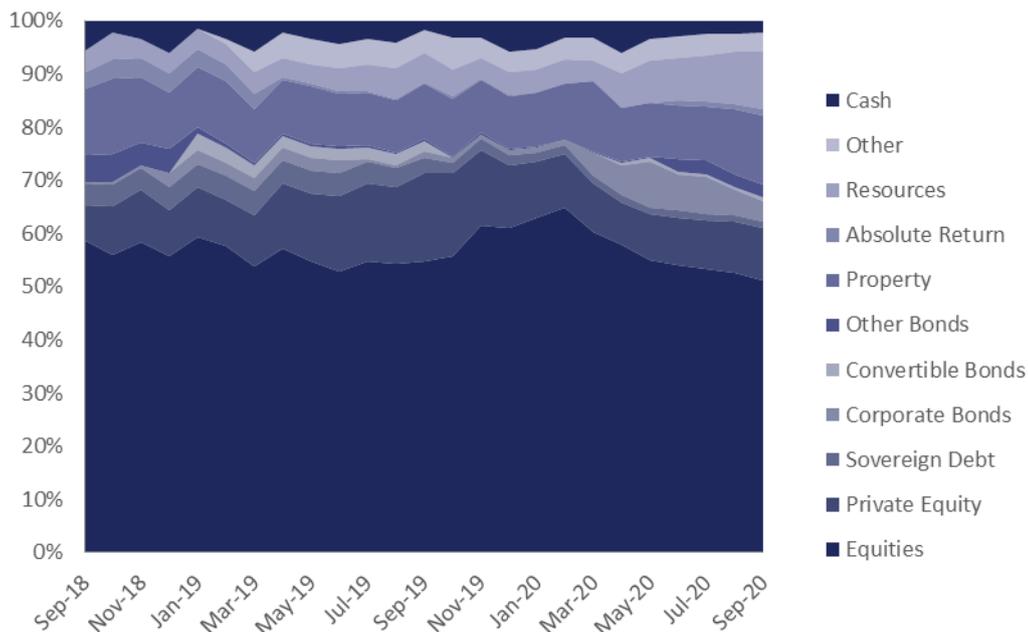
The Fund is diversified beyond the very heavily concentrated major equity indices. The MSCI World Index has 66.5% exposure to US Equities, whilst the Global Opportunities Fund accesses a range of different asset classes, such as equities, bonds, property and commodities, and a range of geographical regions.



Source: Internal and MSCI, 30/09/2020. See MSCI disclaimer on page 4.

## How has the asset allocation of the Fund changed?

We have an unconstrained approach to asset allocation and the Fund is actively managed, so the composition can change noticeably through the market cycle.



Source: Internal, 30/09/2018 to 30/09/2020.

## What are we STILL particularly excited about?

Despite overall rich valuations in mainstream markets, we can still identify really attractive idiosyncratic investment opportunities in the following areas:

- Asset classes with valuation support which appear to be pricing in a less optimistic scenario than that implied by mainstream markets
  - Gold mining equities: Merian Gold & Silver, Ninety One Global Gold
  - US structured credit: Semper Total Return
  - Asian and EM credit: Ashmore Emerging Market Short Duration
  - UK equities: Crux UK Special Situations, Teviot Smaller Companies
  - Asian equities: Prusik Asian Equity Income
- Individual mispriced investment trusts (average current discount 23%)
  - Phoenix Spree Deutschland, Oakley Capital, Highbridge Tactical Credit, BMO Commercial Property Trust, Secure Income REIT, Strategic Equity Capital, Schroder UK Private Public Trust
- Long term thematic
  - Geiger Counter, Polar Capital Biotechnology, Augmentum Fintech, Merian Chrysalis, Hipgnosis Songs

**To ensure that the overall Ongoing Charges Figure (OCF) is in line with our larger existing funds, Hawksmoor is capping the administration costs of the Global Opportunities Fund and has paid all the legal set-up costs.**

## Contact Information

Please get in touch with our Business Development Manager, David Chapman, or your usual Hawksmoor contact, if you would like to discuss the Global Opportunities Fund in more detail.

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