



**HAWKSMOOR**  
FUND MANAGERS

**MI HAWKSMOOR GLOBAL  
OPPORTUNITIES FUND**

QUARTERLY REPORT  
Q1 2024



*For investors who are looking to achieve a high level of capital growth on their investments over the long term.*

## KEY POINTS THIS QUARTER

---

- Global Opportunities returned +2.6%, compared to the sector return of +4.5%
- We introduced two new holdings, and exited three positions
- Exposure to listed equities was increased
- Exposure to real assets and bonds was reduced

## CONTENTS

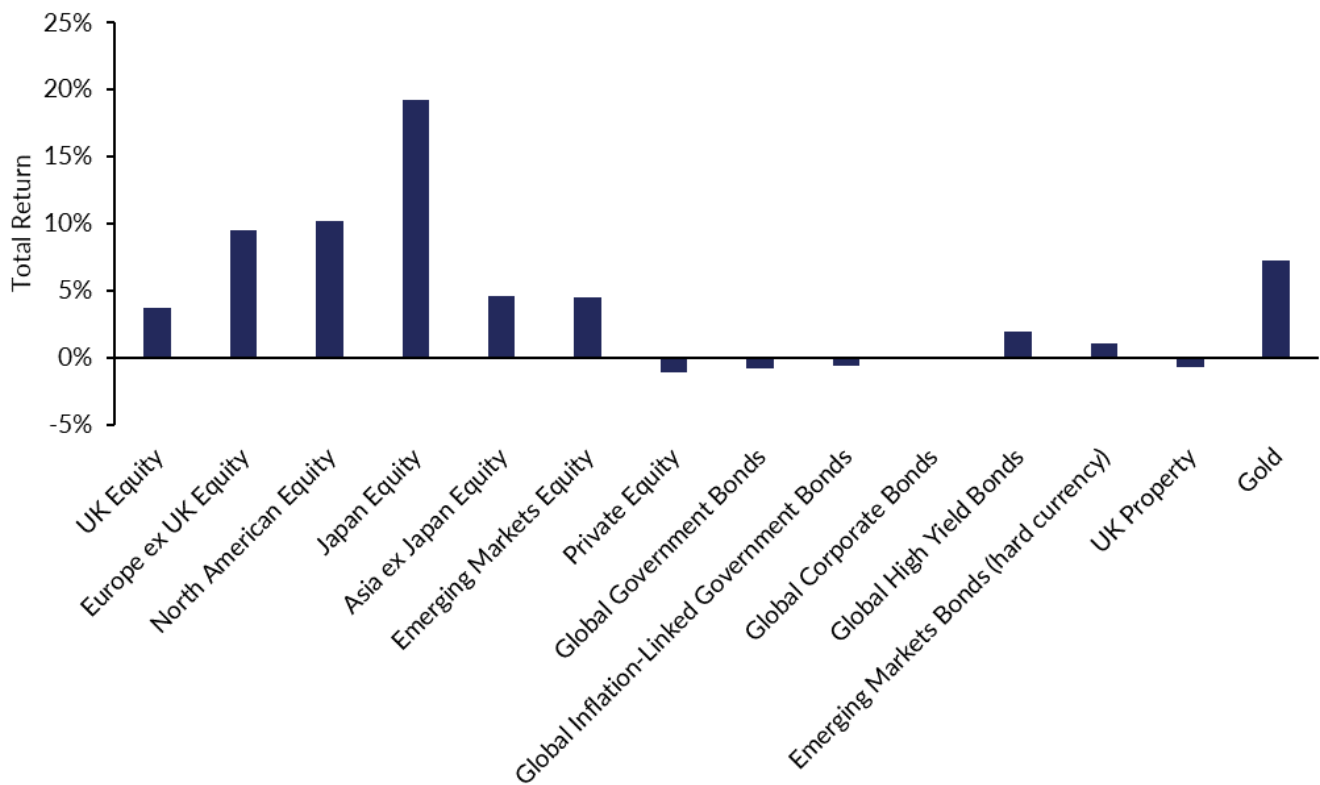
---

### Page

- 3: Quarterly Market Performance
- 4: Quarterly Fund Performance
- 5: Since Launch Fund Performance
- 6: Activity
- 7: Holdings and Outlook
- 8: Important Information



# QUARTERLY MARKET PERFORMANCE



Equity markets enjoyed a strong start to 2024, buoyed by positive economic data releases particularly from the US. Japanese equities continued to lead, although the Japanese yen remains weak as the Bank of Japan maintained its very loose monetary policy compared with other large central banks.

Bond markets were mixed in Q1, with 10 year government bond yields in the US and UK both rising by c.40bps, negatively impacting capital values, while credit spreads tightened, especially for high yield bonds, resulting in minor positive returns.

Gold reached new all-time highs in all major currencies, despite real yields (the opportunity cost of holding gold) moving higher. Other factors more than offset real yield weakness, with strong buying from central banks, elevated jewellery demand around Chinese New Year and Indian wedding season, and a rise in global conflicts supporting the gold price.

Data: UK Equity - MSCI United Kingdom All Cap; Europe ex UK Equity - MSCI Europe ex UK; North American Equity - MSCI North America; Japan Equity - MSCI Japan; Asia ex Japan Equity - MSCI AC Asia Pacific ex Japan; Emerging Markets Equity - MSCI Emerging Markets; Private Equity - IT Private Equity; Global Government Bonds - ICE BofA Global Government; Global Inflation-Linked Government Bonds - ICE BofA Global Inflation-Linked Government; Global Corporate Bonds - ICE BofA Global Government; Global High Yield Bonds - ICE BofA Global High Yield; Emerging Markets Bonds (hard currency) - ICE BofA US Emerging Markets External Sovereign; UK Property - IA UK Direct Property; Gold - WisdomTree Physical Gold USD.

Source: FE fundinfo local currency, 31/12/2023 to 31/03/2024. See MSCI and ICE disclaimers on final page.

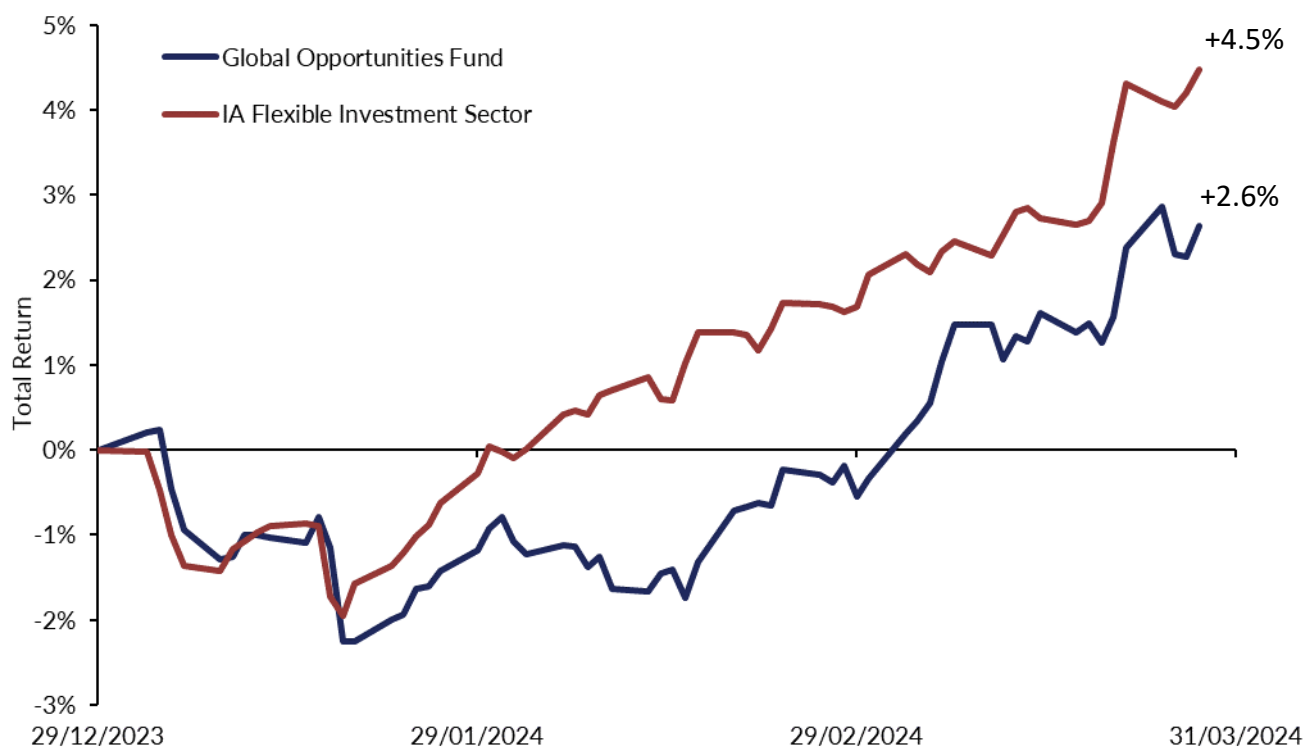
# QUARTERLY FUND PERFORMANCE

## Largest contributors:

- Artemis UK Select +0.60%
- Bluebox Global Technology +0.47%
- Taylor Maritime +0.45%

## Largest detractors:

- Cordiant Digital Infrastructure -0.21%
- Digital 9 Infrastructure -0.19%
- Phoenix Spree Deutschland -0.16%

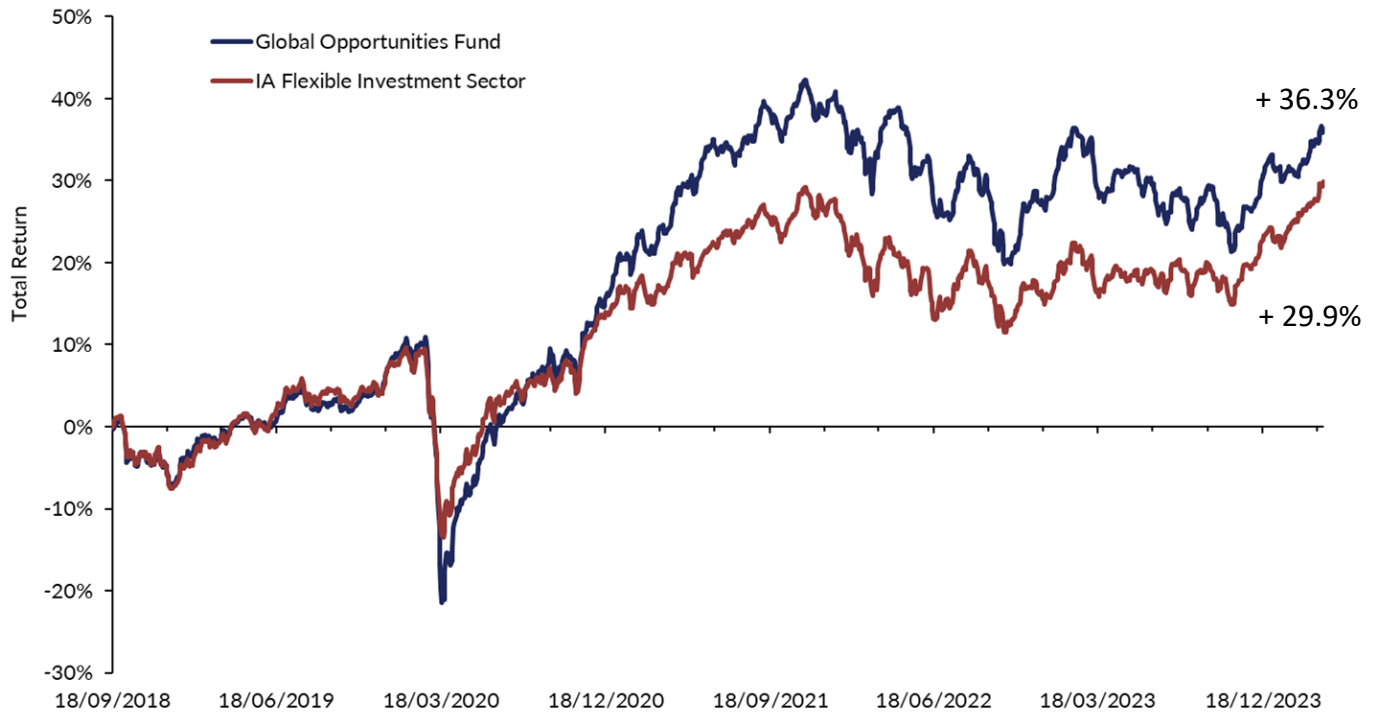


- Artemis UK Select outperformed a rising UK stock market thanks to strong stock selection.
- BlueBox Global Technology enjoyed a strong start to the year, benefitting from multiple expansion and strong results from underlying holdings.
- Taylor Maritime's discount narrowed from 38% to 27% following a positive trading update and regular buying from directors of the trust.
- Despite a positive trading update during the quarter, Cordiant Digital Infrastructure's share price drifted lower and the discount widened.
- Digital 9 Infrastructure drifted lower despite completion of the sale of one of its largest assets, allowing a material improvement in the balance sheet position through repayment of debt.
- Phoenix Spree Deutschland fell during the quarter despite progressing with asset sales at valuations materially above the share price implied valuation.

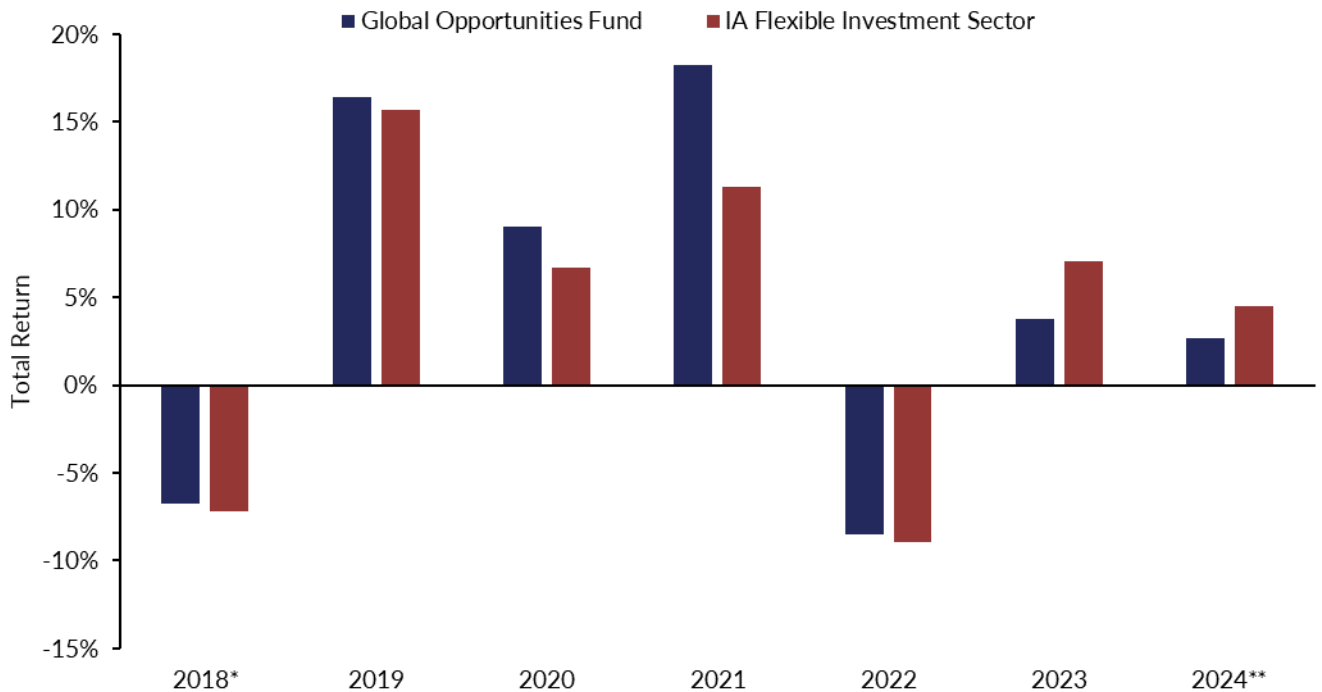
Source: FE fundinfo and internal 31/12/2023 to 31/03/2024, must be held for entire period and uses month end weighting (text). FE fundinfo, 31/12/2023 to 31/03/2024 (chart).

# SINCE LAUNCH FUND PERFORMANCE

## Cumulative performance

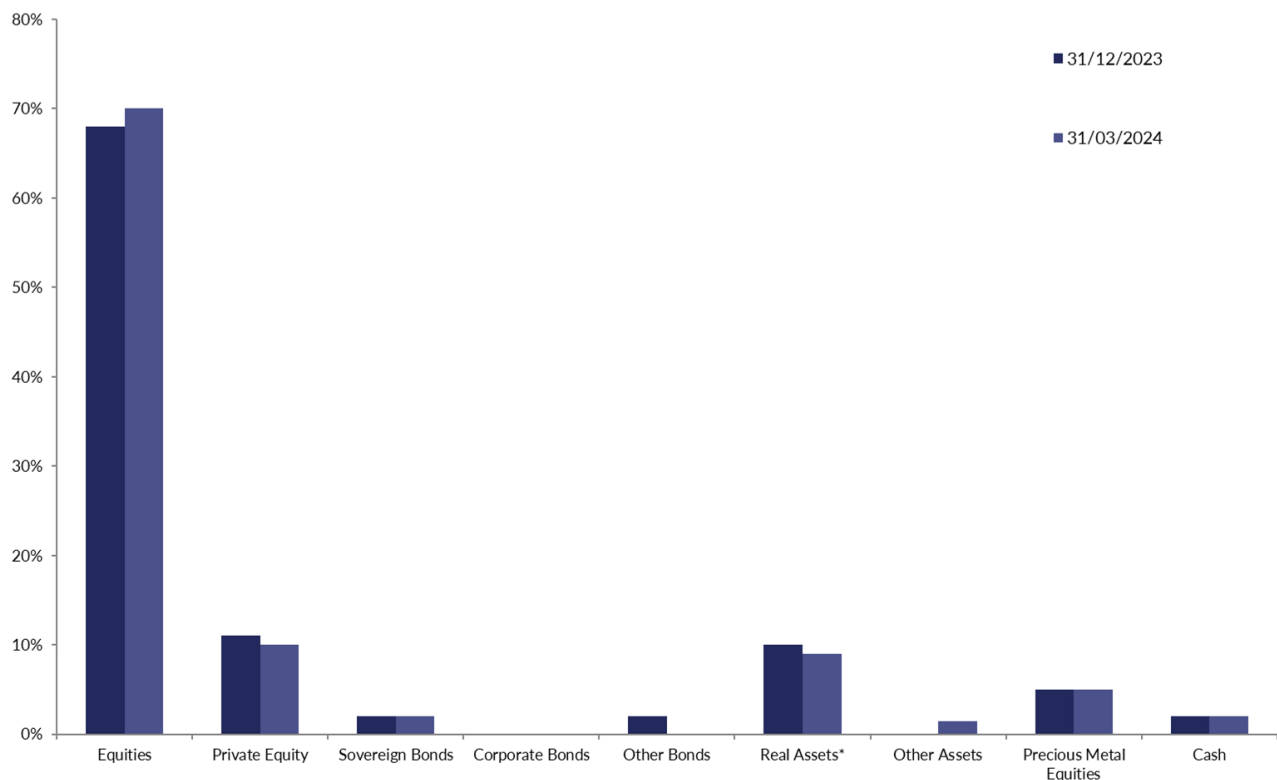


## Discrete calendar year performance



Source: FE fundinfo, 18/09/2018 to 31/03/2024 (top). \*From launch on 18/09/2018, \*\*to 31/03/2024 (bottom).

# ACTIVITY



This chart calculates the asset breakdown on a look through basis of the underlying holdings, therefore there may be differences in the breakdown shown here and on page 7.

## Purchases:

- Fiera Atlas Global Companies
- WS Lightman European

## Disposals:

- BioPharma Credit
- Gresham House Energy Storage
- Federated Hermes Asia ex Japan Equity

## Summary:

We introduced a position in Fiera Atlas Global Companies, a global growth Fund with an excellent management team and long term track record that we have previously held in the fund and which is attractively valued relative to its history.

We banked profits in BioPharma Credit on shares purchased in autumn 2023 after a strong recovery in the share price, with the discount narrowing from 20% to 6% after the trust initiated a buyback programme.

We exited the small remaining position in Gresham House Energy Storage, on concerns about the revenue backdrop and the ability for the trust to pay a meaningful dividend.

Federated Hermes Asia ex Japan Equity was sold to facilitate a new holding in WS Lightman European. Introducing Lightman diversifies the geographic exposure of the Fund, reducing exposure to China, whilst not compromising on portfolio quality or valuation.

# HOLDINGS

---

## **Equities 86%**

Aberforth Split Level Income  
Aberforth UK Small Companies  
Arcus Japan  
Artemis UK Select  
Augmentum Fintech  
BlueBox Global Technology  
Chikara Indian Subcontinent  
Chrysalis Investments  
CIM Dividend Income  
Fiera Atlas Global Companies  
Geiger Counter  
Golden Prospect  
ICG Enterprise Trust  
M&G Japan Smaller Companies  
Ninety One Global Gold  
Nippon Active Value  
Oakley Capital Investments  
Odyssean Investment Trust  
Pacific North of South EM Income Opportunities  
Pantheon International  
Polar Capital Biotechnology  
Polar Capital Global Financial  
Polar Capital Japan Value  
Polar Capital UK Value Opportunities  
Prusik Asian Equity Income (Unhedged)

River & Mercantile UK Micro Cap  
Schroder Capital Global Innovation Trust  
Slater Growth  
Strategic Equity Capital  
VT De Lisle America  
VT Teviot UK Smaller Companies  
WS Gresham House UK Multi Cap Income  
WS Lightman European

## **Cash 2%**

## **Real Assets 10%**

Cordiant Digital Infrastructure  
Digital 9 Infrastructure  
Hipgnosis Songs  
Life Science REIT  
Phoenix Spree Deutschland  
Taylor Maritime  
Tufton Oceanic Assets

## **Bonds 2%**

Allianz Index-Linked Gilt

# OUTLOOK

---

Our equities exposure is highly differentiated compared to passive index options and many other actively managed funds. We have little exposure to large cap US equities which trade on close to all-time high valuations and therefore offer close to all-time low prospective returns over the long-term. Instead, our exposure is focused on attractively valued portfolios managed by experienced, highly active fund managers able to take advantage of huge valuation dispersion to build portfolios with attractive return prospects without having to take on significant balance sheet or cyclical risks. Areas where we identify excellent opportunities include UK equities (across the market cap spectrum), which trade at historically low valuations. Japanese equities, where corporate governance improvements are helping to unlock the significant value in the market and with the potential benefits of the yen exposure (which is historically cheap vs other currencies) in weaker market conditions. Many areas of Asian and emerging market equities are also historically cheap, offering very high starting yields (6-8%) underpinning future return prospects.

Within government bonds, the shift higher in real yields from the deeply negative levels that have prevailed over the last decade means it's possible to harvest a positive return on these more defensive assets for the first time in years.

Our investment trust exposure is skewed towards deeply discounted alternative assets such as infrastructure, shipping, private equity and song royalties where engagement and corporate events are key to realising value over the coming 12-18 months. The weighted average discount in the portfolios is -25%, wider than the trust sector as a whole at -16% which has also widened in recent weeks.

Source: Internal, 31/03/2024. Each fund has been allocated to an asset class for this breakdown, therefore there may be differences in the breakdown shown here and on the asset breakdown chart on page 6.

## CONTACT US

---



**David Chapman**  
Business Development Manager  
[david.chapman@hawksmoorfm.co.uk](mailto:david.chapman@hawksmoorfm.co.uk)  
07384 114953

[www.hawksmoorim.co.uk](http://www.hawksmoorim.co.uk)

## IMPORTANT INFORMATION

---

This document is issued by Hawksmoor Fund Managers which is a trading name of Hawksmoor Investment Management (“Hawksmoor”), the investment manager of the MI Hawksmoor Global Opportunities Fund (“Fund”). Hawksmoor is authorised and regulated by the Financial Conduct Authority. Hawksmoor’s registered office is 2nd Floor Stratus House, Emperor Way, Exeter Business Park, Exeter, Devon EX1 3QS. Company Number: 6307442. The Fund’s Authorised Corporate Director, Apex Fundrock Ltd (“Apex Fundrock”) is also authorised and regulated by the Financial Conduct Authority. This document does not constitute an offer or invitation to any person, nor should its content be interpreted as investment or tax advice for which you should consult your financial adviser and/or accountant. The information and opinions it contains have been compiled or arrived at from sources believed to be reliable at the time and are given in good faith, but no representation is made as to their accuracy, completeness or correctness. Hawksmoor, its directors, officers, employees and their associates may have a holding in the Fund. Any opinion expressed in this document, whether in general or both on the performance of individual securities and in a wider economic context, represents the views of Hawksmoor at the time of preparation and may be subject to change. Past performance is not a guide to future performance. The value of an investment and any income from it can fall as well as rise as a result of market and currency fluctuations. You may not get back the amount you originally invested. FPC24109.

Please read the Prospectus and the relevant version of the Key Investor Information Document (“KIID”) which can be found on our website [www.hawksmoorim.co.uk](http://www.hawksmoorim.co.uk) before making an investment. All information referred herein is at 31/03/2024 for the C Acc share class unless otherwise stated.

Source: MSCI. Neither MSCI nor any other party involved in or related to compiling, computing or creating the MSCI data makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any of such data. Without limiting any of the foregoing, in no event shall MSCI, any of its affiliates or any third party involved in or related to compiling, computing or creating the data have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. No further distribution or dissemination of the MSCI data is permitted without MSCI’s express written consent.

The index data referenced herein is the property of ICE Data Indices, LLC, its affiliates (“ICE Data”) and/or its Third Party Suppliers and has been licensed for use by Hawksmoor Investment Management Limited. ICE Data and its Third Party Suppliers accept no liability in connection with its use. See <https://www.hawksmoorim.co.uk/ice-data-indices-disclaimer/> for a full copy of the Disclaimer.