



Delft Partners Global High Conviction is a global listed equity strategy.

We select c. 30 stocks that possess our preferred characteristics, from a universe of over 2,000 securities.

- We invest in all major markets and sectors to capture diversification benefits.
- Position sizes are based on risk and return estimates
- We do not invest in companies where we believe poor Governance is likely to penalise shareholders.
- We verify our relative portfolio ESG exposure with a quantitative score from Refinitiv.

### Benefits

- Capital appreciation and dividends from attractively valued stocks
- Consistent application of process and ESG principles
- Above market and peer group performance

For additional information please visit [www.delftpartners.com](http://www.delftpartners.com)

### Or contact us:

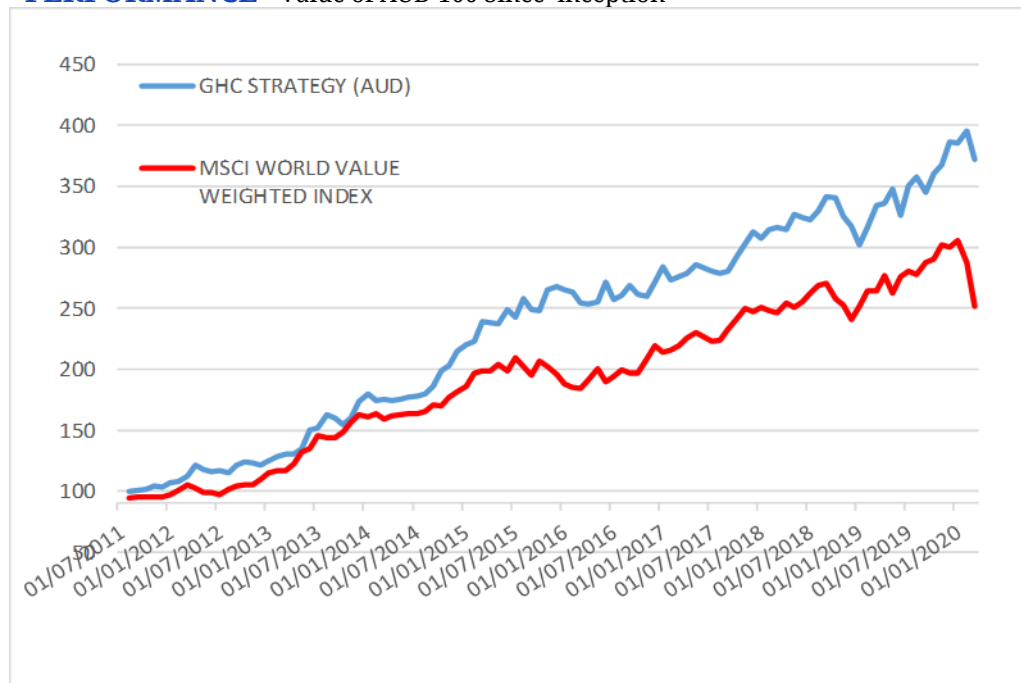
Robert Swift,  
[robert.swift@delftpartners.com](mailto:robert.swift@delftpartners.com)

Karl Hunt,  
[karl.hunt@delftpartners.com](mailto:karl.hunt@delftpartners.com)

Kevin Smith,  
[kevin.smith@delftpartners.com](mailto:kevin.smith@delftpartners.com)

31 Mar 2020	Portfolio
No. of securities	30
Wtd Avg Market cap	USD 77.5bn
Price/Earnings	12.8x
Price/Book	1.6x
Dividend Yield	4.1%
Return on Capital	12.5%
Active Risk (vs Bmk)	4.8%
ESG Score* (Portfolio/Universe)	57 / 50

### PERFORMANCE\* Value of AUD 100 Since inception



Periods ended 31 Mar 2020	3 Months	1 Year	3 Years	5 Years	Inception
Portfolio*	-10.35%	+2.85%	+7.44%	+7.73%	+15.39%
Benchmark^	-16.17%	-4.69%	+4.73%	+4.88%	+11.25%
Active	+6.94%	+7.91%	+2.59%	+2.71%	+3.72%

\*Portfolio total return net Interest Withholding Tax in AUD, gross of fees.

^Strategy Benchmark is MSCI World Value Weighted Index NTR, Inception Date: 15 July 2011

### PORTFOLIO REVIEW & MARKET UPDATE

- World markets suffered a serious set back in the first quarter.
- The rapid global spread of Covid19, a potentially fatal flu virus emanating from Wuhan Province in China, caused most governments to effectively shut down their economies.
- A simultaneous collapse in the oil price raised fears of a significant downdraft in demand.
- The AUD\$ fell significantly to buffer the declines of equity markets for Australian investors.
- Some countries have acted more effectively and quickly than others.
- The EU remains locked in disputes about fiscal consolidation. Italy needs a serious fiscal boost to prevent a depression and systemic bank failure, but Germany refuses to countenance such action. The ECB has created a new monetary programme to help but it is insufficient.
- The USA, the UK, Japan, and Australia have formulated policies to provide cash and solvency for companies and individuals. China claims to have eliminated the virus and is returning to work.
- Companies and analysts have no idea currently about the near term outlook for earnings. We do know they are going to be down or evaporate. Balance sheets and stability of product demand matter. We were defensively positioned into this but have seen significant declines in some equities we liked.
- Notable contributors and detractors in the quarter were: Gilead, General Mills, Verizon, NTT DoCoMo; AXA, Barratt Developments, Celanese Corp
- We remain unhedged for AUD\$ based investors.



The Strategy seeks long-term capital appreciation by investing in industry leading companies listed on the global market exchanges.

Our investment process selects stocks and builds portfolios by combining our quantitative stock analysis models with the team's extensive fundamental equity and market knowledge.

Our value-oriented approach pays careful attention to position sizes, sectoral and country weights.

We ensure that the active strategy pays equal attention to risk as to return.

### Benchmark(s):

MSCI World Value Weighted Index (AUD\$)

MSCI World Net (AUD\$)

**Investment Objective:** Outperform the Benchmark by 3-5% pa over rolling 5 year time periods.

### Portfolio Manager(s):

Robert Swift

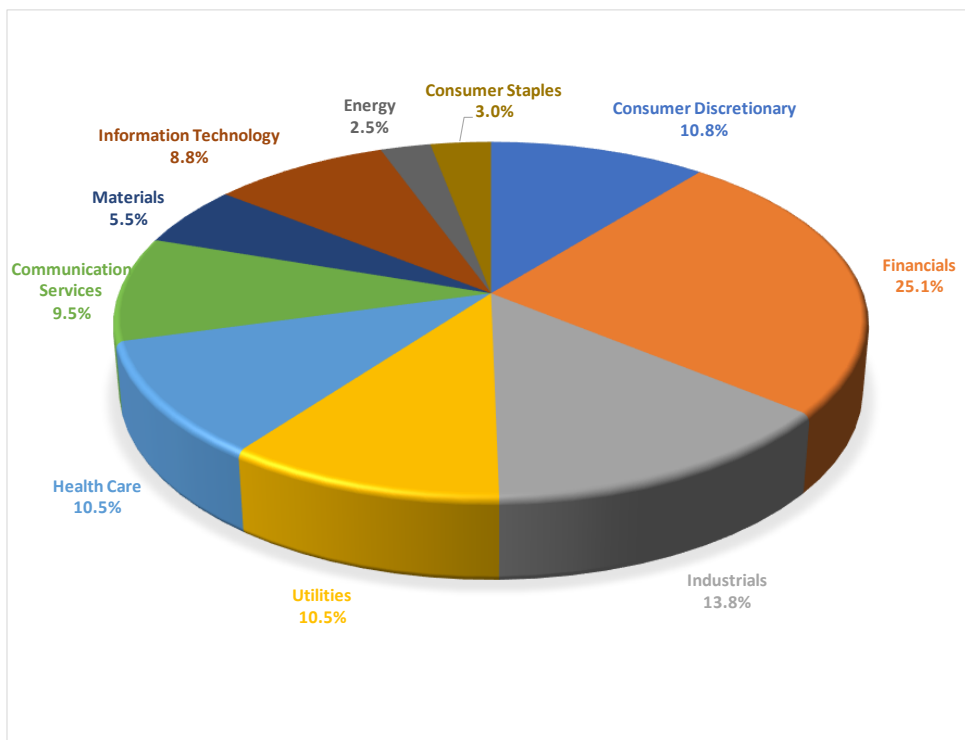
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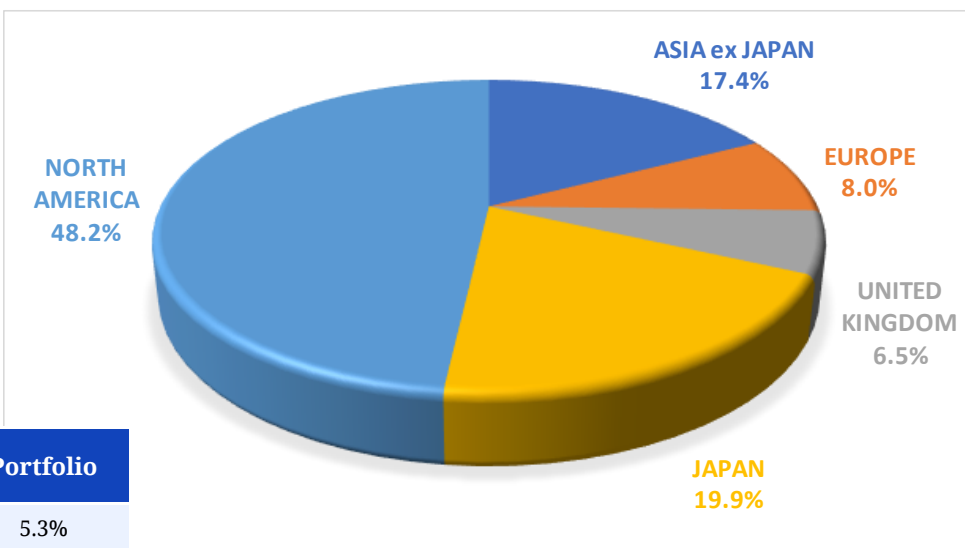
### TEN LARGEST HOLDINGS

Company Name	Country	Portfolio
Gilead	USA	5.3%
General Mills	USA	5.2%
Alibaba Group	China	5.1%
KLA Corp	USA	4.9%
Verizon Inc	USA	4.8%
Intel	USA	4.4%
Anthem	USA	4.3%
Sony Corp	Japan	4.3%
ST Engineering	Singapore	4.0%
Ping An Insurance	China	3.9%
<b>TOTAL</b>		<b>46.0%</b>

### SECTOR ALLOCATION



### REGIONAL ALLOCATION



Important note: The Global High Conviction strategy is offered on a separately managed account basis. Your portfolio may experience different performance results to the factsheet results due to account size and minimum trade lot constraints. Performance results are shown gross of fees and portfolio holdings in this fact sheet are based on the model portfolio. Delft tile images are provided by Regts Antique Tiles <https://www.antiquetileshop.com>

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