

# Trinity Street Global Equity UCITS Fund

October 2020

## Investment Objective & Strategy

### Fund objective:

To achieve long term capital growth by identifying fundamentally mis-valued businesses which will generate superior returns over time.

### Investment process:

- Equity positions taken in companies we believe to be undervalued based on under-recognised change
- Ideas generated by extensive company visits & proprietary research library
- Investments made using an 18-24 month time horizon seeking a 50% minimum return hurdle
- Portfolio is concentrated (25-35 large-mid cap equities) and is region, sector and style agnostic

## Monthly Commentary

In the run-up to the long-awaited US presidential election, the Covid pandemic and the quarterly results season were the dominant drivers of the equities market in October. While a large majority of companies reported better than expected Q3 results, this was ultimately not enough to offset investor concerns around the second wave of the pandemic, especially as new lockdowns spread throughout Europe in the second half of the month. The S&P 500, Stoxx Europe 600 and Topix all finished the month lower, with Europe leading on the downside with a 5.2% drop. The euro also weakened against the dollar, unlike the yen. The Nasdaq outperformed the S&P 500 once again, notwithstanding the action taken against Google by the US Department of Justice.

Many major internet stocks were buoyed by the digital advertising market rebounding faster than expected. However reports from the likes of Intel and SAP highlighted a soft corporate spending backdrop in the latter part of the year after an early summer post-lockdown rebound. US Treasuries did not rally against this weak equities backdrop, with the 10 year yield finishing the month almost 20bps wider at 0.87%. Brent oil dropped almost 10% on concerns about weak demand.

The Fund performed well in this environment, (USD I Class), outperforming the benchmark by 188bps. The best contribution came from IT, healthcare and consumer discretionary positions, while industrials were a drag in the portfolio.

Shimano was the best performer in the Fund, boosted by a very strong set of quarterly results which demonstrated it is benefiting from the Covid-related boom in the bicycle industry. Sales were up 19% yoy and operating profit beat the company's guidance by over 50%. The company's ability to boost capacity in the face of strong demand seems to have taken the market by surprise and we foresee continued upward pressure to street expectations.

Dolby was another stock in the portfolio that performed well in the month breaking through the limited \$60-70 range in which it had traded for a long time. We ascribe this to broad adoption of the company's technologies in the new generation of Apple products and increasing analyst excitement about the new API platform, Dolby IO.

Additionally, Alphabet shares performed well thanks to an improving digital advertising market and a strong set of quarterly results. The company's intention to start breaking out the results of the cloud business from next quarter suggests good traction while cost control has been better than expected, in line with our thesis.

Among relative detractors from performance this month, Rheinmetall was dragged down by the second wave of lockdowns in Europe and by a large institutional investor placing their shares in the market. We believe the shares are very attractively priced at this level and expect the defence business to be a strong driver of growth in the next few years.

VMware also lagged for the month due to the soft corporate spending backdrop discussed above and specific concerns around the health of the on premise IT infrastructure market. The Fund established one new position in the month and there were two full disposals.

## The Manager



## Fund Managers

### Richard Bruce

Founding Partner of Trinity Street Asset Management with over 35 years' experience in portfolio management. Previously at GLG, he started and sole managed the GLG Performance Fund. Prior to this he spent 5 years as a Japan specialist in Tokyo with Jardine Fleming, and 6 years as a European and EAFE specialist with its joint-venture partner, Rowe Price Fleming in London.

### Ed Bell

Joined Trinity Street in November 2007 after spending over 14 years as a senior analyst at Cazenove (latterly, JPMorgan Cazenove). His responsibilities included heading up, at different times, the analyst teams covering, Global Technology, Telecoms, Industrials and Engineering and Steel. He was made a partner of Cazenove in 2000 and managing director in 2003.

### Nick Mayor

Joined Trinity Street in April 2017. Nick was previously a Partner at Lancaster Investment Management, a European focused equity manager and prior to that, a Partner at Lansdowne Partners within their Global Developed Markets team. He holds an MPhil in Economics and an MA in Philosophy, Politics and Economics from the University of Oxford.

## Fund Facts

<b>Structure</b>	UCITS Fund
<b>Domicile</b>	Ireland
<b>Liquidity</b>	Daily
<b>Fund AUM</b>	\$43.36m
<b>Strategy AUM</b>	\$1093.36m
<b>Inception</b>	05 October 2018
<b>Original Fund Launch Date</b>	December 2009

<b>Share Class</b>	I Pooled
<b>Currency</b>	EUR/USD/GBP
<b>Mgt. Fee</b>	0.80%
<b>Perf. Fee</b>	20%
<b>Min Init. Sub.</b>	5,000,000 (waivable)
<b>ISIN Codes</b>	EUR: IE00BF41PS61 GBP: IE00BF41PT78 USD: IE00BF41PV90

<b>Share Class</b>	A Pooled
<b>Currency</b>	EUR/USD/GBP
<b>Mgt. Fee</b>	0.80%
<b>Perf. Fee</b>	20%
<b>Min Init. Sub.</b>	50,000
<b>ISIN Codes</b>	EUR: IE00BF41PW08 GBP: IE00BF41PX15 USD: IE00BF41PY22

<b>Share Class</b>	X Pooled
<b>Currency</b>	EUR/USD/GBP
<b>Mgt. Fee</b>	0.40%
<b>Perf. Fee</b>	20%
<b>Min Init. Sub.</b>	15,000,000
<b>ISIN Codes</b>	EUR: IE00BF41PP31 GBP: IE00BF41PQ48 USD: IE00BF41PR54

# Trinity Street Global Equity UCITS Fund

October 2020

## USD Class I Pooled

### Performance Returns

The Trinity Street Global Equity UCITS Fund (USD I Class Pooled) returned -0.59% for the October period.

### UCITS Performance

Fund Name	The Trinity Street Global Equity UCITS Fund (USD Class I Pooled)
Benchmark	MSCI All Country World Total Return Index Net
Reporting Date	31/10/2020
Reporting Currency	USD

NAV 238.36

### Risk Statistics

No of stocks 34  
Net Exposure 98.61%

	1 year	3 year*
Tracking error*	6.39%	5.84%
Beta	1.04	1.13
Sharpe ratio*	0.01	0.04
Information ratio*	-0.70	-0.59
Volatility*	23.85%	19.61%

\*Annualised. Source: Trinity Street and Factset

	1 month	3 month	6 months	YTD	1 Year	3 years	5 years	Inception
Fund return	-0.59%	-2.63%	+12.66%	-6.60%	-0.13%	+4.20%	+33.77%	+117.80%
Annualised						+1.38%	+5.99%	+7.45%
Benchmark return	-2.43%	+0.20%	+13.61%	-1.09%	+4.89%	+17.48%	+47.71%	+129.63%
Annualised						+5.52%	+8.11%	+7.98%
Relative return	+1.88%	-2.82%	-0.84%	-5.57%	-4.78%	-11.31%	-9.44%	-5.15%
Annualised						-3.92%	-1.96%	-0.49%

Source – Fund: Northern Trust. Total Return Basis, Net of fees. Source - Benchmark Return: Factset. Relative return calculated on a geometric return basis. The performance figures quoted above after the merger on 5 Oct 2018 represent the performance of the The Trinity Street Global Equity UCITS Fund (USD Class I Pooled). The returns prior to 5 Oct 2018 represent the performance of the Trinity Street Funds – Global Equity Sub-Fund (USD I) since launch on December 2009. These performance figures refer to the past and past performance is not a reliable guide to future performance.

## USD Class A Pooled

### Performance Returns

The Trinity Street Global Equity UCITS Fund (USD A Class Pooled) returned -0.59% for the October period.

### UCITS Performance

Fund Name	The Trinity Street Global Equity UCITS Fund (USD Class A Pooled)
Benchmark	MSCI All Country World Total Return Index Net
Reporting Date	31/10/2020
Reporting Currency	USD

NAV 232.66

### Risk Statistics

No of stocks 34  
Net Exposure 98.61%

	1 year	3 year*
Tracking error*	6.39%	5.82%
Beta	1.04	1.13
Sharpe ratio*	0.01	0.05
Information ratio*	-0.70	-0.58
Volatility*	23.85%	19.60%

\*Annualised. Source: Trinity Street and Factset

	1 month	3 month	6 months	YTD	1 Year	3 years	5 years	Inception
Fund return	-0.59%	-2.63%	+12.65%	-6.60%	-0.13%	+4.46%	+34.04%	+115.67%
Annualised						+1.47%	+6.04%	+7.35%
Benchmark return	-2.43%	+0.20%	+13.61%	-1.09%	+4.89%	+17.48%	+47.71%	+129.63%
Annualised						+5.52%	+8.11%	+7.98%
Relative return	+1.88%	-2.82%	-0.84%	-5.57%	-4.78%	-11.08%	-9.25%	-6.08%
Annualised						-3.84%	-1.92%	-0.58%

Source – Fund: Northern Trust. Total Return Basis, Net of fees. Source - Benchmark Return: Factset. Relative return calculated on a geometric return basis. The performance figures quoted above after the merger on 5 Oct 2018 represent the performance of the The Trinity Street Global Equity UCITS Fund (USD Class A Pooled). The returns prior to 5 Oct 2018 represent the performance of the Trinity Street Funds – Global Equity Sub-Fund (USD A) since launch on December 2009. These performance figures refer to the past and past performance is not a reliable guide to future performance.

# Trinity Street Global Equity UCITS Fund

October 2020

## GBP Class A Pooled

### Performance Returns

The Trinity Street Global Equity UCITS Fund (GBP Class A Pooled) returned -0.61% for the October period.

### UCITS Performance

Fund Name	The Trinity Street Global Equity UCITS Fund (GBP Class A Pooled)
Benchmark	MSCI All Country World Total Return Index Net
Reporting Date	31/10/2020
Reporting Currency	GBP

NAV 281.91

### Risk Statistics

No of stocks 34  
Net Exposure 98.61%

	1 year	3 year*
Tracking error*	6.55%	5.78%
Beta	1.07	1.07
Sharpe ratio*	-0.03	0.05
Information ratio*	-0.68	-0.68
Volatility*	19.72%	15.44%

\*Annualised. Source: Trinity Street and Factset

	1 month	3 month	6 months	YTD	1 Year	3 years	5 years	Inception
Fund return	-0.61%	-1.16%	+9.89%	-4.31%	-0.05%	+6.39%	+58.44%	+167.87%
Annualised						+2.08%	+9.64%	+9.52%
Benchmark return	-2.45%	+1.72%	+10.83%	+1.34%	+4.97%	+20.66%	+76.42%	+186.80%
Annualised						+6.46%	+12.02%	+10.21%
Relative return	+1.88%	-2.83%	-0.84%	-5.57%	-4.78%	-11.83%	-10.19%	-6.60%
Annualised						-4.11%	-2.13%	-0.63%

Source – Fund: Northern Trust. Total Return Basis, Net of fees. Source - Benchmark Return: Factset. Relative return calculated on a geometric return basis. The performance figures quoted above after the merger on 5 Oct 2018 represent the performance of the The Trinity Street Global Equity UCITS Fund (GBP Class A Pooled). The returns prior to 5 Oct 2018 represent the performance of the Trinity Street Funds – Global Equity Sub-Fund (GBP A) since launch on December 2009. These performance figures refer to the past and past performance is not a reliable guide to future performance.

## EUR Class A Pooled

### Performance Returns

The Trinity Street Global Equity UCITS Fund (EUR Class A Pooled) returned 0.07% for the October period.

### UCITS Performance

Fund Name	The Trinity Street Global Equity UCITS Fund (EUR Class A Pooled)
Benchmark	MSCI All Country World Total Return Index Net
Reporting Date	31/10/2020
Reporting Currency	EUR

NAV 277.86

### Risk Statistics

No of stocks 34  
Net Exposure 98.61%

	1 year	3 year*
Tracking error*	6.46%	6.74%
Beta	1.03	1.16
Sharpe ratio*	-0.20	0.04
Information ratio*	-0.70	-0.50
Volatility*	21.82%	18.75%

\*Annualised. Source: Trinity Street and Factset

	1 month	3 month	6 months	YTD	1 Year	3 years	5 years	Inception
Fund return	+0.07%	-1.15%	+5.93%	-10.00%	-4.34%	+4.18%	+26.21%	+167.07%
Annualised						+1.38%	+4.77%	+9.49%
Benchmark return	-1.78%	+1.72%	+6.82%	-4.69%	+0.46%	+17.49%	+40.07%	+182.84%
Annualised						+5.52%	+6.97%	+10.07%
Relative return	+1.89%	-2.82%	-0.84%	-5.57%	-4.78%	-11.33%	-9.89%	-5.57%
Annualised						-3.93%	-2.06%	-0.53%

Source – Fund: Northern Trust. Total Return Basis, Net of fees. Source - Benchmark Return: Factset. Relative return calculated on a geometric return basis. The performance figures quoted above after the merger on 5 Oct 2018 represent the performance of the The Trinity Street Global Equity UCITS Fund (EUR Class A Pooled). The returns prior to 5 Oct 2018 represent the performance of the Trinity Street Funds – Global Equity Sub-Fund (EUR A) since launch on December 2009. These performance figures refer to the past and past performance is not a reliable guide to future performance.

# Trinity Street Global Equity UCITS Fund

October 2020

## GBP Class X Pooled

### Performance Returns

The Trinity Street Global Equity UCITS Fund (GBP Class X Pooled) returned -0.58% for the October period.

### UCITS Performance

Fund Name	The Trinity Street Global Equity UCITS Fund (GBP Class X Pooled)
Benchmark	MSCI All Country World Total Return Index Net
Reporting Date	31/10/2020
Reporting Currency	GBP

	1 month	3 month	6 months	YTD	1 Year	3 years	5 years	Inception**
Fund return	-0.58%	-1.06%	+10.12%	-3.84%	+0.49%	-	-	+1.42%
Annualised								+0.93%
Benchmark return	-2.45%	+1.72%	+10.83%	+1.34%	+4.97%	-	-	+8.61%
Annualised								+5.59%
Relative return	+1.91%	-2.73%	-0.64%	-5.11%	-4.27%	-	-	-6.62%
Annualised								-4.41%

Source – Fund: Northern Trust. Total Return Basis, Net of fees. Source - Benchmark Return: Factset. Relative return calculated on a geometric return basis These performance figures refer to the past and past performance is not a reliable guide to future performance.

\*\*GBP Class X Pooled date of inception: 25 April 2019.

## USD Class X Pooled

### Performance Returns

The Trinity Street Global Equity UCITS Fund (USD Class X Pooled) returned -0.56% for the October period.

### UCITS Performance

Fund Name	The Trinity Street Global Equity UCITS Fund (USD Class X Pooled)
Benchmark	MSCI All Country World Total Return Index Net
Reporting Date	31/10/2020
Reporting Currency	USD

	1 month	3 month	6 months	YTD	1 Year	3 years	5 years	Inception**
Fund return	-0.56%	-2.53%	+12.87%	-6.15%	+0.39%	-	-	+1.89%
Annualised								+1.26%
Benchmark return	-2.43%	+0.20%	+13.61%	-1.09%	+4.89%	-	-	+7.98%
Annualised								+5.25%
Relative return	+1.91%	-2.73%	-0.65%	-5.11%	-4.28%	-	-	-5.64%
Annualised								-3.79%

Source – Fund: Northern Trust. Total Return Basis, Net of fees. Source - Benchmark Return: Factset. These performance figures refer to the past and past performance is not a reliable guide to future performance.

\*\*USD Class X Pooled date of inception: 30 April 2019.

NAV 101.42

### Risk Statistics

No of stocks 34  
Net Exposure 98.61%

	1 year	3 year*
Tracking error*	6.53%	-
Beta	1.08	-
Sharpe ratio*	0.00	-
Information ratio*	-0.60	-
Volatility*	19.84%	-

\*Annualised. Source: Trinity Street and Factset

NAV 101.89

### Risk Statistics

No of stocks 34  
Net Exposure 98.61%

	1 year	3 year*
Tracking error*	6.35%	-
Beta	1.05	-
Sharpe ratio*	0.04	-
Information ratio*	-0.61	-
Volatility*	23.96%	-

\*Annualised. Source: Trinity Street and Factset



# Trinity Street Global Equity UCITS Fund

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## GBP Class E Pooled

### Performance Returns

The Trinity Street Global Equity UCITS Fund (GBP Class E Pooled) returned -0.57% for the October period.

### UCITS Performance

Fund Name	The Trinity Street Global Equity UCITS Fund (GBP Class E Pooled)
Benchmark	MSCI All Country World Total Return Index Net
Reporting Date	31/10/2020
Reporting Currency	GBP

	1 month	3 month	6 months	YTD	1 Year	3 years	5 years	Inception**
Fund return	-0.57%	-1.05%	+10.18%	-	-	-	-	+14.22%
Annualised								
Benchmark return	-2.45%	+1.72%	+10.83%	-	-	-	-	+18.50%
Annualised								
Relative return	+1.92%	-2.72%	-0.59%	-	-	-	-	-3.61%
Annualised								

Source – Fund: Northern Trust. Total Return Basis, Net of fees. Source - Benchmark Return: Factset. Relative return calculated on a geometric return basis These performance figures refer to the past and past performance is not a reliable guide to future performance.

\*\*GBP Class E Pooled date of inception: 13 March 2020.

## Fund Statistics

Market Cap	Fund %	Benchmark %
\$200bn+	12.33	27.32
\$10bn - \$200bn	57.40	63.56
\$2bn - \$10bn	27.29	8.98
\$300m - \$2bn	1.59	0.14
Cash	1.39	--

Source: Trinity Street and Factset

Market Cap*	Fund %	Benchmark %
£155bn+	12.33	27.32
£7.7bn - £155bn	57.40	63.56
£1.5bn - £7.7bn	27.29	8.98
£232m - £1.5bn	1.59	0.14
Cash	1.39	--

Source: Trinity Street and Factset

Market Cap*	Fund %	Benchmark %
€172bn+	12.33	27.32
€8.6bn - €172bn	57.40	63.56
€1.7bn - €8.6bn	27.29	8.98
€257m - €1.7bn	1.59	0.14
Cash	1.39	--

Source: Trinity Street and Factset

\*Market Cap GBP and EUR value exchange rate used: MSCI taken as at the end of the month and are rounded. Base rate is USD.

NAV 114.22

### Risk Statistics

No of stocks	34
Net Exposure	98.61%

	1 year	3 year*
Tracking error*	-	-
Beta	-	-
Sharpe ratio*	-	-
Information ratio*	-	-
Volatility*	-	-

\*Annualised. Source: Trinity Street and Factset

Region	Fund %	Benchmark %
Emerging Markets	7.96	12.54
Europe Ex UK	16.95	12.85
Japan	13.14	6.94
North America	55.29	60.72
Pacific Ex Japan	2.40	3.49
United Kingdom	2.86	3.46
Cash	1.39	--
	<b>100</b>	<b>100</b>

Source: Trinity Street and Factset

Sector	Fund %	Benchmark %
Communication Services	9.24	9.74
Consumer Discretionary	23.46	13.05
Consumer Staples	2.24	7.85
Energy	1.59	2.75
Financials	3.95	12.72
Health Care	11.75	12.31
Industrials	12.83	9.63
Information Technology	30.25	21.21
Materials	3.29	4.79
Real Estate	--	2.73
Utilities	--	3.22
Cash	1.39	--
	<b>100</b>	<b>100</b>

Source: Trinity Street and Factset

# Trinity Street Global Equity UCITS Fund

October 2020

## Contact Details

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