

Redwheel Global Equity Income Fund

All you need to know



- Managed by a highly experienced team—new to Redwheel...
- ...with an established track record of delivering positive outcomes for investors
- A disciplined, proven and repeatable approach to investment
- Harnessing the full power of dividends is a tried and tested method of investing, with the potential to deliver superior long-term returns and lower-than-average volatility
- The rare combination of premium yield, sustainable dividend and attractive valuation only occurs when controversy appears
- By working hard to understand the nature of a controversy, the team aims to lean the probability of investment success in your favour

Meet the team

The Redwheel Global Equity Income team is led by income veteran Nick Clay who oversees an investment approach that has been in place for many years. Nick is joined by three long-standing colleagues and all the intellectual property that stood behind their successful investment strategy. Collectively, the team has a century of combined investment experience, making them one of the most seasoned fund management teams in the industry.



Nick Clay

Nick started his investment career in 1991, as an equity analyst at Sun Alliance and acquired a range of experiences as a UK equities manager at Morley Fund Management thereafter. In 2000, he joined Newton Investment Management where, after managing a variety of global multi-asset strategies, he managed the Global Income Strategy between 2012 and 2020. He is an associate member of the UK Society of Investment Professionals and has a BA (Hons) degree in Economics and Philosophy from the University of Leeds



Andrew MacKirdy

Andrew has worked in the investment industry since 1995, holding portfolio manager roles in global, emerging markets and European equities at Baillie Gifford, Lansdowne Partners and Franklin Templeton. In 2012, he joined Polar Capital to manage global equities, before joining the Newton Global Income team in 2018, as a portfolio manager. He has an MSc (Econ) in Accounting and Finance from LSE and a BAcc (Hons) in Accountancy from Dundee University.



Robert Canepa-Anson

Robert began his career in 2000 at Arthur Anderson in a corporate finance role, before joining Newton Investment Management in 2004 as an equity analyst. He joined the Newton Global Income team in 2017 with a primary responsibility as an analyst. He is qualified as a chartered accountant (CFA) and has a BA (Hons) in Theology and an MPhil in Old Testament Studies from the University of Oxford.



Colin Rutter

Colin began his investment career in 2004 as an analyst at Dresdner Kleinwort and joined Newton Investment Management in 2005. He joined the Newton Global Income team in 2014 with a primary responsibility as an analyst. Colin has an MSc in Finance and Investment from Cass Business School.

Leaning the probability of success in your favour – how we aim to deliver sustainable outperformance

In the investment world, nobody is right all the time. Investing is an inherently probabilistic pursuit. The Redwheel Global Equity Income Fund acknowledges the risk of being wrong and simply aims to lean the probability of investing success in your favour.



Rowing is a sporting discipline at which Great Britain has excelled in recent years, but it hasn't always been that way. Before Steve Redgrave and his crewmates rowed for gold medals in the Los Angeles Coxed Fours event in 1984, Great Britain had not won an Olympic rowing gold since London 1948. Fifty years later, spurred on by the remarkable subsequent consistency of Redgrave and the likes of Matthew Pinsent and brothers Greg and Jonny Searle, Great Britain's under-achieving Men's Eight crew set themselves the goal of winning an Olympic gold medal at the 2000 Sydney Olympics, with just two years to get there.

At the time, this was seen as an ambitious, some suggested crazy, objective because the Men's Eight crew were more used to coming last in races than they were coming first. Nevertheless, the team set out to improve their performance and developed a statistically more attractive way of working together. This involved challenging everything they did with the question, "Will it make the boat go faster?". If the answer to this question was yes, they would keep on doing it – but if it was no, they would try something else.

As the Sydney Olympics approached, the team's results started to improve. The new disciplined approach was paying off. By focusing purely on the things that were important, by working together more effectively, learning from mistakes and by making small, subtle changes which were all aimed at improving their performance, the Men's Eight boat started to move through the water at a faster rate. The odds of Olympic success started to improve.

Given its inherently probabilistic nature, this is a useful analogy for the world of investment, and the Redwheel Global Equity Income team operates with a similar attitude to this Men's Eight crew. Every activity the team undertakes is aimed at leaning the probability of long-term investing success in your favour.

As 2020 amply demonstrated, the future is highly uncertain, and it will inevitably be shaped by unforeseen events. As investors, we simply have to accept the fundamental truth that not everything is forecastable, and some events are beyond our control. Nevertheless, in spite of this uncertainty, there are always things that we can do to improve the probability that we will deliver successful outcomes for our investors.

Compounding a higher yield

The first of these things, is hard-wired into our investment approach. We will only invest in stocks if they yield at least 25% more than the yield of the global stock market. This yield discipline ensures that our strategy will be compounding a higher yield than the market. We discussed the concept of "The power of dividends" in greater detail in another article recently, but to summarise, consistently compounding a higher yield than the market, can have a profoundly positive effect on returns over longer time periods.

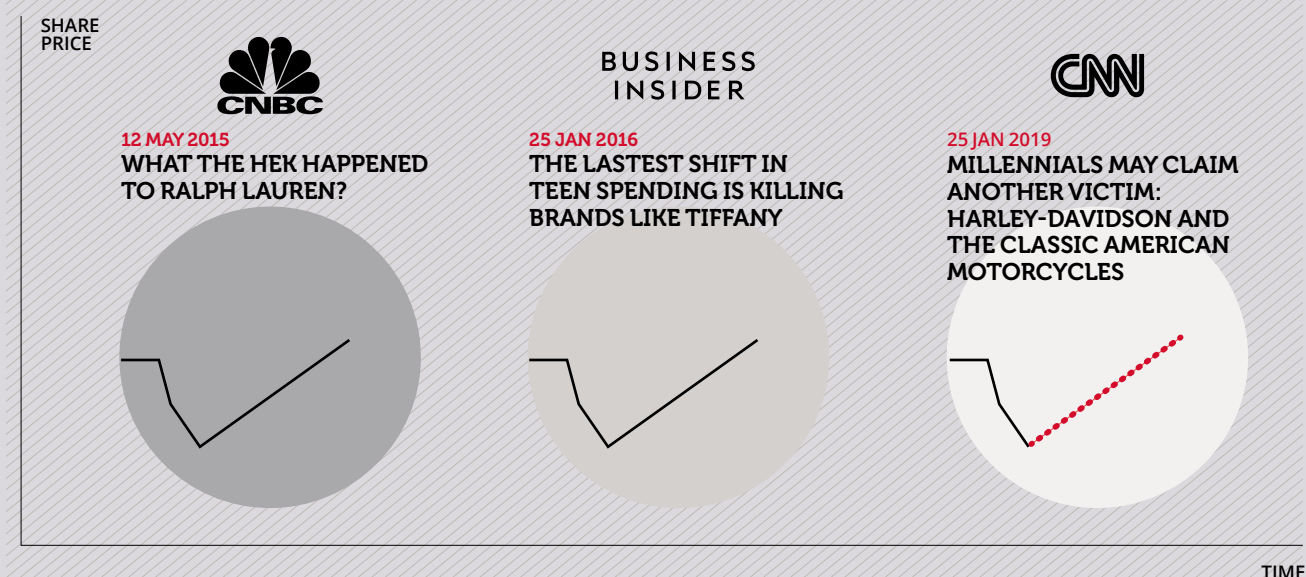
Sticking within our sphere of competence

Our yield discipline and buckets sit at the heart of our investment approach and distinguishes us from our competitors. It immediately reduces our global investment universe to approximately 750 companies. These won't be the same companies over time, but they will possess similar characteristics of a sustainable business model and cash flows available at a reasonable yield. These opportunities typically only occur when a quality company is surrounded by some form of risk or controversy.

We have identified five different buckets of controversy, which are explained in detail later in this document. All of our investment ideas will fall into one of these buckets. By focusing our attention on these five buckets and ignoring anything with which we are not already familiar, we always remain firmly within our area of competence. We believe this reduces risk, because the likelihood of understanding the nature of the controversies – their opportunities and their threats – is improved through repetition.

We are always looking for repeating patterns in our investments, building on our existing knowledge, recognising what works, aiming to repeat success and, importantly, learning from our mistakes. We believe that fishing in these same buckets over and over again, will allow us to continue to slowly lean the statistics in the right direction.

Looking for repeating patterns



Focusing on the downside

Our investment analysis involves highly focused research work, which typically takes about three months to complete. The focus of this painstaking analysis is on understanding a company's return characteristics and its ability to generate cash and sustain its dividend to investors, now and in the future.

Unlike many investment teams, we are more concerned about understanding the downside risk of an investment opportunity, than we are assessing the upside potential. For us, the answer to the question, "What if we are wrong?", is more important than, "What if we are right?". This naturally lends an element of caution to our analysis which is also helpful in leaning the statistics in your favour.

Valuation margin of safety

Investing in companies that are surrounded by controversy inevitably means we tend to be contrarian investors. We are buying into companies at a time when others are fearful. This also means that we tend to be investing at a point when valuations look attractive.

Here too, it is important to acknowledge that we cannot predict the future. Valuation work can never provide you with an undisputable answer and some humility is always necessary. In analysing the sustainability and valuation of underlying cash flows, we do not try to arrive at a precise answer. Instead, we arrive at a view of what we believe to be the fundamental value of a business, whilst accepting that, in reality, that view

is unlikely to be entirely accurate. However, by comparing that perceived value against the current share price, we can determine how attractive (or unattractive) a particular investment opportunity is.

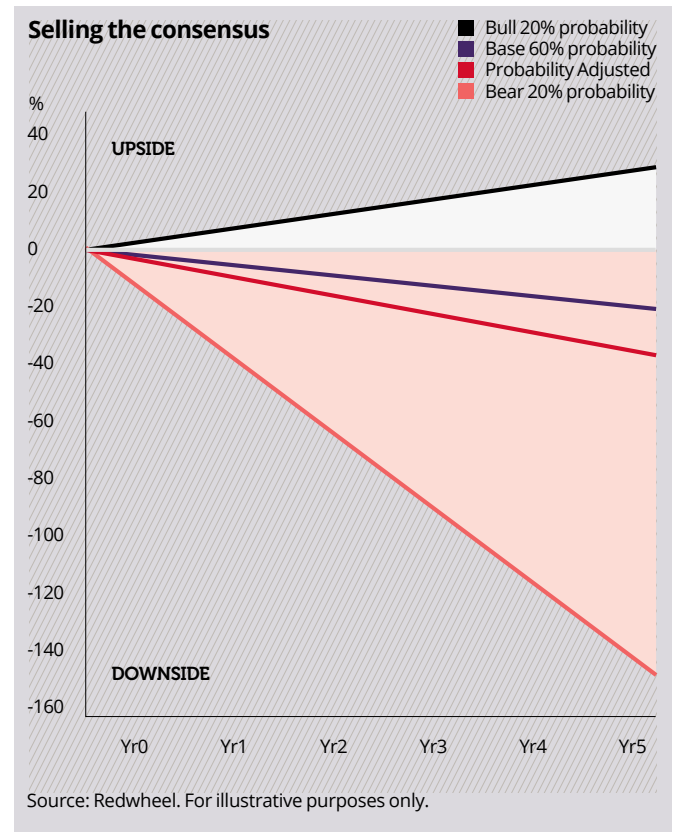
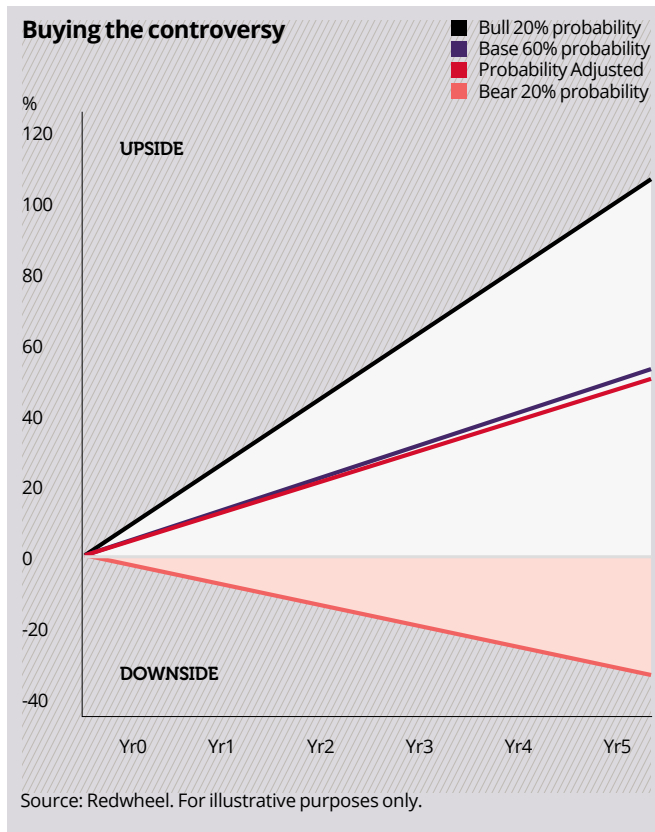
By focusing on those opportunities that look most attractive from this perspective (and, by definition, avoiding those that look most unattractive), we build a valuation margin of safety into everything we do. In turn, this helps edge the probabilities in your favour.

Scenario analysis

This valuation margin of safety can be illustrated in the 'fan of expectations' that we produce and continuously monitor for all holdings. This calibrates a range of future outcomes for each stock through evidence-based scenario analysis.

We are looking for asymmetry in these fans, where the risk is skewed to the upside. This is a uniform output, which allows a like-for-like comparison of all holdings and makes the job of evaluating competition for capital within the portfolio much easier.

The charts on the next page illustrate how we aim to buy the controversy and sell the consensus. We produce these charts for each individual position and collate them all to form a fan of expectations for the entire portfolio. This is, quite literally, a visual representation of how the probabilities can be tilted towards investment success.



Flagging progress

When we make a new investment in a company, we identify a number of metrics at the outset which will provide tangible evidence to help us track whether our investment thesis is developing positively or negatively.

We call these our 'flags', and they help us to remain disciplined when reacting to events. All investors will recognise that human emotions can impact one's ability to dispassionately assess how the progress of a share price may relate to a fundamentally grounded investment thesis. The presence of these flags helps prevent us from falling into this behavioural trap. If a share price declines but our flags indicate that operational progress is on track, we can ignore the share price decline and, indeed, consider adding to the position. Furthermore, these flags can sometimes highlight mistakes in our initial analysis which we can react to with the same discipline, to avoid compounding our mistakes.

Setting out in advance what evidence will help us to track the fundamental progress of investment, means we can monitor any structural changes, rather than worrying about short-term share price movements. By retaining discipline in this, as in everything we do, we can improve the probability of achieving successful outcomes.

Summary

On the 25th September 2000, the Men's Eight boat came first at the Sydney Olympics, finishing 0.8 seconds ahead of the Australian home crew and winning Gold in that discipline for Great Britain for the first time since 1912. Their accomplishments over the prior two years should act as a reminder that, in combination, the right team, the right approach and the right support, can deliver extraordinary outcomes.

Just like the triumphant Men's Eight crew in Sydney 2000, we believe that embedding discipline into every step of our investment approach, is a sensible starting point for generating positive long-term results. We also always strive to improve by learning from mistakes and by fine-tuning every element of our approach whenever we believe we can. The Global Equity Income Fund is new to Redwheel, but the team behind it has been deploying this investment strategy for many years. The knowledge library accumulated through disciplined repetition, resides with the Redwheel team.

Historically, these disciplines stand at the very heart of the consistent outperformance we have delivered. Individually, none of them are likely to make a material difference to investor outcomes. Collectively, however, they are very powerful, and make for a distinctive and repeatable investment approach.

The three requisite features of every investment we make are: a premium yield; dividend sustainability; and a valuation margin of safety. These are relatively easy to find individually but, in combination they are rare and typically only occur when a company is surrounded by some form of risk or controversy.

Our analysis centres on attempting to understand whether the controversy that has befallen a company is temporary (and therefore an opportunity) or permanent (and therefore something to avoid). We are keen to stick firmly within our areas of competence and so, in order to improve the probability of getting these initial calls right, we look for repeating patterns. This involves looking for similar characteristics to other investments we have been involved with, recognising what works and looking to repeat success.

We have identified five separate buckets of controversy, which are detailed below. These different types of controversy do not follow traditional industry boundaries, so our familiarity with them depends upon our understanding of the way they re-appear in different settings and at different times. Each bucket provides a template for investigating a company and the controversy that surrounds it. The characteristics we look for in each bucket are different as are the specific questions we try to answer, because the associated risks can vary a great deal.

(The descriptions below refer regularly to ROIC, which stands for 'Return on Invested Capital'. ROIC is an important metric for us because it provides a tangible indication of how good a company is at allocating capital to generate future growth and profits. Companies that consistently deliver a high ROIC, such as those that dominate buckets one and two below, are often referred to as 'quality' businesses. High returns allow these businesses to sustain underlying cashflows and afford them the ability to suffer without threatening their ability to sustain dividend payments. Delivering consistent high returns also means that a company's ability to pay its dividend is less sensitive to analytical assumptions and to changes in their operating environment.)

Bucket 1: Troubled compounding machines

Companies with a dependable track record of delivering a high ROIC and consistent growth are sometimes referred to as 'compounders'. They may not be the most exciting businesses in the world, but steady growth delivered year after year, tends to result in extremely impressive long-term share price performance.

Compounders are therefore popular among fund managers, us included. However, this popularity often means a high valuation – some investors would argue that high valuations are justified for these compounding machines and, indeed, that the market doesn't rate them highly enough. However, our dividend discipline means we don't need to engage in that debate.

Instead, our focus is limited to buying these compounders when they fall under a cloud. Often the trouble will relate to one part of an overall business (divisionally or regionally), but it comes to dominate the consensus view of that stock. In other words, the controversy provides us with an opportunity to invest in that business at a low valuation, when the share price is already discounting a lot of bad news.

Troubled compounding machines: Some of the things we need to know

- How is the rest of the business doing?
- What is the downside if the problem area isn't fixed?
- What is the upside if it is fixed?
- What are the probabilities of these different outcomes prevailing?

Bucket 2: Ex-growth cash generators

Companies with a track record of generating a high ROIC do sometimes trade at a market discount. Often this is because of some perceived existential threat that is expected to disrupt a successful business, sending future returns sharply lower. The threat posed to Kodak by digital technologies around the turn of the millennium, is a good case study of how this can play out deleteriously for a complacent incumbent.

Although some companies will inevitably face a Kodak-like future, more often than not, we find that the perceived threat is exaggerated. Usually, a combination of headwinds dent growth temporarily but do not amount to anything terminal. This is an opportunity for us.

We particularly like companies with a strong franchise that have the ability to adapt to the challenges they face. Mature technology companies have demonstrated this adaptability in the past. Slowing growth and new competitors can be interpreted by the market as the death knell for a hitherto dominant franchise. However, closer analysis can reveal a different picture. In situations like this, we work on building evidence for a counter-argument. A simple survey of customers, for example, may reveal a strong reluctance to compromise security or performance, not to mention the technical difficulties of changing providers. Where this is the case, a franchise may prove to have significantly more longevity than the market realises. With patience, and by tracking the progress of the investment thesis with some pre-determined flags, we can ultimately be rewarded when growth returns.

Ex-growth cash generators: Some of the things we need to know

- How vulnerable is this business to disruption?
- Has the company or its industry risen to the challenge of disruption before?
- How strong are customer relationships?
- How specialised is the company's offering?
- What are the barriers to entry?
- What evidence is there for wholesale customer switching?

Bucket 3: Profitability transformation

The stock market consensus has a preference for extrapolation – observing a trend and projecting its continuation into the future. The market struggles to forecast moments of inflection, where a company's profits take a turn in a new direction, either up or down. The presence of controversy makes it even more likely that the market will fail to anticipate a positive change of fortune.

Companies in this bucket, therefore, tend to be exposed to some form of cycle but it can include any business that has the potential for a positive profit inflection. Cyclical businesses can often be misleading – if they are delivering healthy profits and dividends, we are inclined to be cautiously positive because we know that, at some stage, the cycle will turn. Conversely, a more sensible starting point for us is to look for companies that are delivering depressed profitability within a historic cycle of peaks and troughs.

Calling the turning point of a cycle is notoriously difficult, but our focus on the sustainability of the dividend guides us towards companies that have robust cashflows even at the trough of the cycle. A cost advantage over competitors helps in this regard, as does a clean balance sheet with limited debt. Where we find these characteristics, the emphasis of our research moves towards what is priced into the stock. If the market is discounting an improbably extended down-cycle, the asymmetry of future returns is likely to work in our favour. The length of the down-cycle and the path of the subsequent recovery are typical sources of controversy in this bucket. Sometimes this has specific ramifications for a particular business; other times, an entire industry may be implicated.

Profitability transformation: Some of the things we need to know

- How has the industry changed since the last cycle turned?
- How long is the market expecting this down cycle to prevail?
- What conditions do we need to see to have confidence in a cyclical upswing?
- How should returns and profits behave as the cycle reasserts itself?

Bucket 4: Capital intensity

Companies with a high ROIC attract most of our attention (buckets one and two tend to account for about two-thirds of the portfolio's assets), but lower ROIC companies can also provide opportunity. These tend to operate in more capital-intensive industries, such as property, insurance and utilities, but, as long as a company makes a return that comfortably exceeds the cost of its capital, it can still represent an attractive proposition, especially if those returns are highly durable. A utility business with a revenue stream underpinned by regulation, for example, maybe a candidate for inclusion in this bucket, but we may also include companies which lack such certainty but that have demonstrated historic resilience through a strong franchise and culture.

These are less glamorous than high ROIC businesses, but this means they are often overlooked by other investors. This is an obvious starting point for potential valuation opportunities. When combined with a controversy that we can effectively neutralise with evidence, lower ROIC business can start to look very appealing.

This bucket of controversy has some overlap with buckets one and two, despite the different ROIC characteristics. However, it requires a separate category because capital intensive businesses require a different set of questions to be answered during the research process. Debt levels are often higher, so these opportunities require particular work to test the durability of revenues and cashflows, to mitigate the financial risk that comes with leverage.

Capital intensity: Some of the things we need to know

- How important is the company's credit rating?
- How would changes to the credit rating effect our scenarios?
- How conservative is the company's financing (debt tenure, interest rates fixed or variable, currencies hedged)?
- How reliable are the company's cashflows?

Bucket 5: Special situations

Lastly, the special situations bucket typically contains companies with complicated conglomerate structures and complex issues surrounded by uncertainty.

Often the valuation aspect of the investment thesis here will rely on a sum of the parts methodology. The controversy will typically relate to one segment of a business, but it will influence the market's perception of the entirety. This may lead to other assets becoming underappreciated and the opportunity for hidden value to ultimately be realised.

The complexity associated with special situations can bring additional risk, so our research work needs to be tested against robust downside scenarios, and a slightly different set of questions needs to be addressed.

Special situations: Some of the things we need to know

- What can management do to address the under-valuation of certain assets?
- If each division was independent, how would the market value them?

Bringing it all together

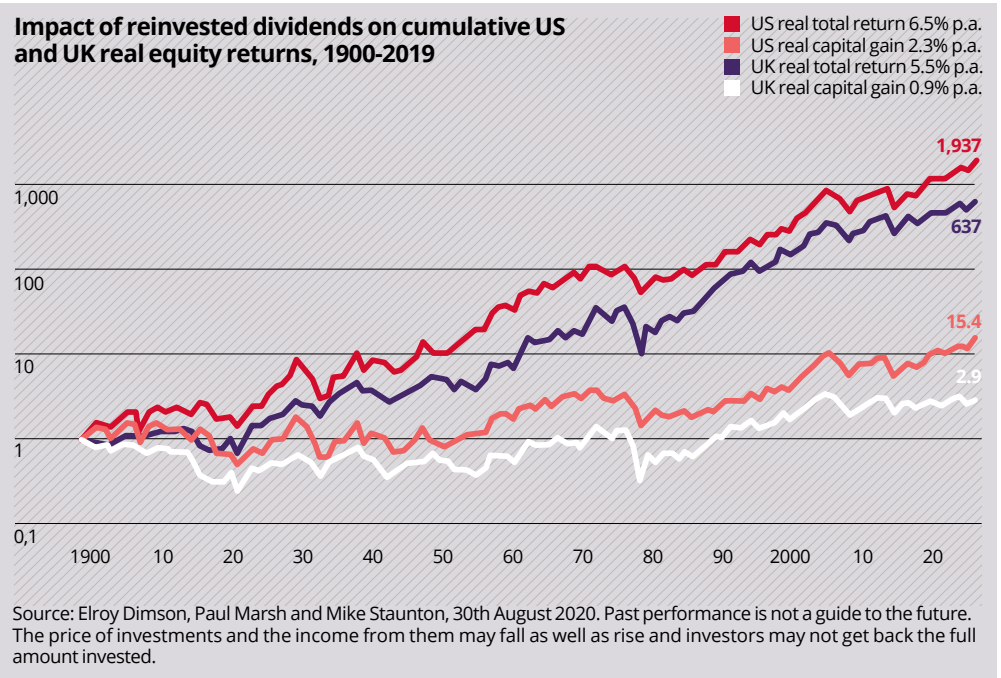
Every investment opportunity we look at will be exposed to several weeks of careful scrutiny, as we try to answer the relevant questions for each bucket, as well as those specific to the unique circumstances of each business. Moving through the investment process, this analysis is brought together to form a fan of potential outcomes, ranging from worst-case to best-case scenarios. We also identify several flags at the outset, against which we can track the operational progress of a business in relation to our investment thesis.

Throughout our time managing this investment strategy, we have been determined to stick firmly within our sphere of influence, which is defined by the buckets articulated above. This approach has worked well historically and, given we are doing nothing differently, we are confident of continued future success.

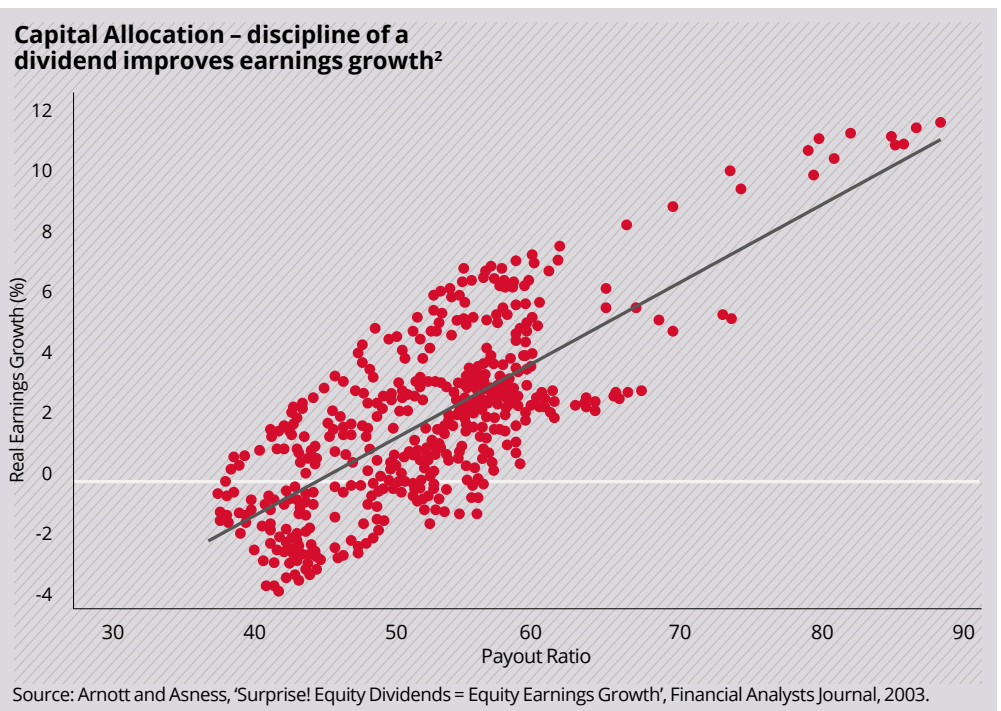
What to expect from the fund

The Redwheel Global Equity Income team's approach to investment is disciplined, proven and repeatable.

By focusing on dividends, the team is harnessing the full power of what Einstein called the eighth wonder of the world: compounding. Over the long-term, dividends and the reinvestment of dividends, represent the dominant source of real returns from equity markets. The power of compounding a sustainable number through time dominates all else.



Furthermore, companies that pay a regular dividend tend to allocate capital more efficiently and sustain better rates of long-term growth. Focusing on the statistical power of dividends, therefore tilts a portfolio towards successful investment outcomes.



Although the team is new to Redwheel, it has a consistent track record of delivering attractive returns with low volatility. The approach the team is deploying at Redwheel has not changed – we are therefore confident the fund is well-placed to deliver similarly successful long-term outcomes for its investors.

What returns should investors expect?

The fund's track record can be traced back to 2005, but it was disrupted by the team's decision to move to Redwheel Partners in 2020. Historic performance data is publicly available, which will independently verify a long-term track record of consistent outperformance of the global equity market index. This has come despite an enduringly adverse backdrop for income-oriented investment strategies.

During this period, equity markets have seen two major sell offs (the global financial crisis of 2007-09 and more recently, the coronavirus crisis from which we are yet to fully emerge) and the environment has been pretty much as difficult as it can be for income investing. Given the fund's yield discipline, it has not been able to participate in the narrow, growth-oriented conditions that have characterised markets in the post-financial crisis era, with returns dominated by a handful of low-yielding US technology stocks, most of which are very low-yielding.

To outperform in these conditions is a significant achievement, and it is testament to the team's disciplined and repeatable investment philosophy and approach.

Should investors expect a volatile ride?

The fund invests in equities, which are volatile, so there will inevitably be periods in which the fund's value decreases and there can be no guarantee that the fund will meet its objectives.

Volatility in the equity asset class is more of a problem over short time periods, however. If investors are prepared to take a longer-term view, say three-years or more, the prospect of a positive outcome from this fund will improve meaningfully.

More than half of the returns delivered by the fund team have historically come from dividend income, which is a more stable, lower volatility source of returns. So, although the fund is exposed to the daily ups and downs of the stock market, it is unlikely to see the same degree of volatility as the broader market.

In what sort of market conditions will the fund struggle?

The strategy is likely to underperform in very strong equity market conditions. These will tend to be times when markets are seeing the recovery of value stocks at the start of a market cycle or seeing momentum in growth stocks towards the end of a market cycle.

Strong market conditions at these times are unlikely to suit the fund from the perspective of relative returns. In more ordinary conditions, however, the fund will tend to deliver a better relative performance. That is also the case in bear markets, where the team's focus on limiting downside risk means the fund is likely to decline by less than the broader market. Through the cycle, this is likely to mean superior returns with low volatility, as demonstrated by history.

Could I receive back less than my original investment?

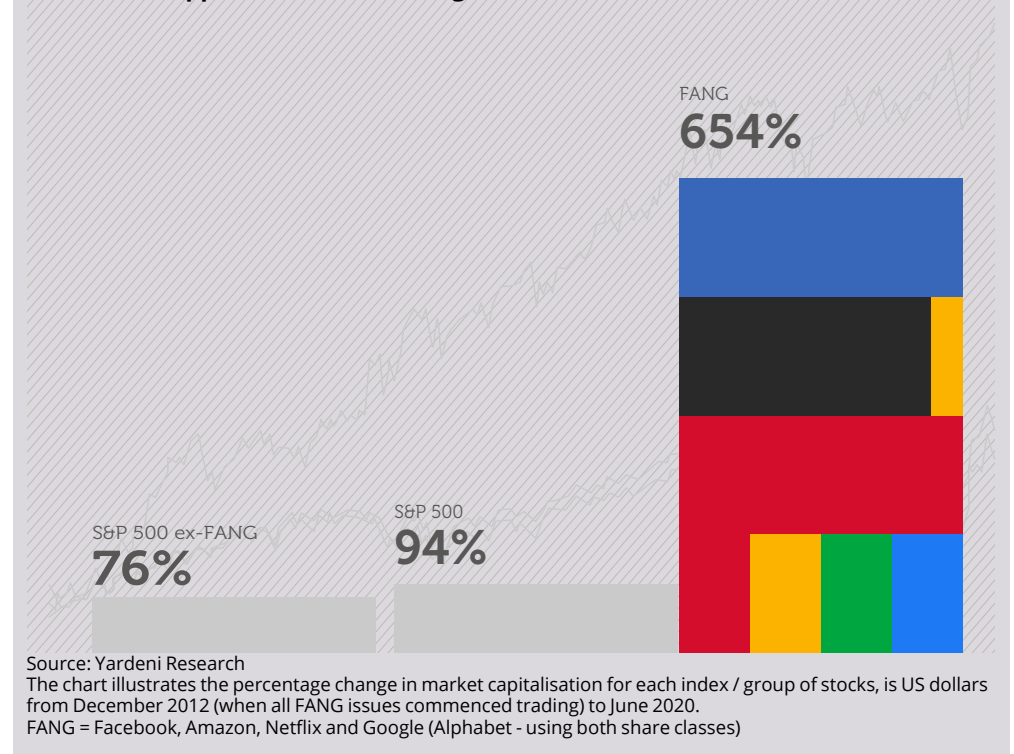
Yes, as with any equity investment, your fund will be exposed to daily market volatility and may decline in value. This is particularly the case over shorter time periods, but over sensible time horizons of three years or more, the probability of a positive outcome from this fund improves meaningfully.

Why consider the fund?

Wind assisted returns

The ascendancy of the growth style of investing over the last decade has been unusual in its strength and duration. There are now signs that the winds of change are blowing through global equity markets.

Global equity markets have been growth obsessed –but what happens when that changes?



A flight from London to New York is typically scheduled to take about eight hours. The flight back, however, typically takes less than seven hours. The simple reason for the big difference in flight times is wind! Flying west across the Atlantic means flying against the jet stream which represents a rather substantial headwind. Literally. But when flying east, from North America to Europe, the aircraft benefits from a tailwind. The return leg of the journey is wind-assisted, which normally allows the flight to be completed in a much faster time.

What if a growth-investing headwind...

Global equity markets have become growth obsessed. The US technology behemoths such as Facebook, Amazon, Apple, Netflix and Google are by no means the only growth stocks around, but they have come to represent a powerful and, for some investors, irresistible force in markets. Due to their sheer size and importance to US and global stock market indices, these high priests of growth investing have left practically everything else in their slipstream over the last decade.

Although many factors have contributed to this growth obsession, an enduring period of ultra-low interest rates has undoubtedly been an important engine. Official interest rates reflect the rate at which future cashflows are discounted, so a lower interest rate increases the value of future cashflows from equity investments. In theory, this should increase the current value of all equities, but it tends to favour growth companies, where a greater proportion of current value is deemed to be associated with future cashflows, more than it does those with traditional “value” characteristics, where more of the value is associated with the here and now.

Nevertheless, the longer this dynamic has played out in markets, the more stretched valuations have become among many growth stocks. The long history of financial markets suggests that there must eventually come a point at which the valuation stretch in markets starts to normalise. The valuation altimeters for many of the stocks that most closely personify this growth obsession make for scary reading, and the prospect of a nose-dive cannot be completely ruled out.

In the meantime, however, these conditions have inevitably represented a headwind for any investor unable or unwilling to embrace these stocks and others like them. Our disciplined investment approach means that we will leave them on the table. Our yield discipline prevents us from investing in any stock unless it yields more than 25% above the global average. That immediately screens these growth stocks which, as a result of their seemingly unstoppable share

price performance, offer very little in terms of dividend yield, out of our investable universe. Irrespective of this distinctive yield criteria, however, our broader investment disciplines would prevent us from participating, given the substantial valuation risk that these stocks now entail.

Make no mistake, though – we do like some growth characteristics. We love to invest in quality businesses that can deliver long-term growth in earnings and cashflows. Just not at any price. It is the price that has become the problem for many stocks, not the concept of sustainable growth. Our entire investment process is designed to identify and invest in quality companies that can deliver growth at a time when they are not priced for growth. Each stock must deliver a premium yield, dividend sustainability and a valuation margin of safety. That is why we call it “Quality at a Reasonable Yield”.

We believe this disciplined process is robust and repeatable, and it has delivered outperformance over the last decade. This is a significant achievement in such a relentlessly adverse investment environment.

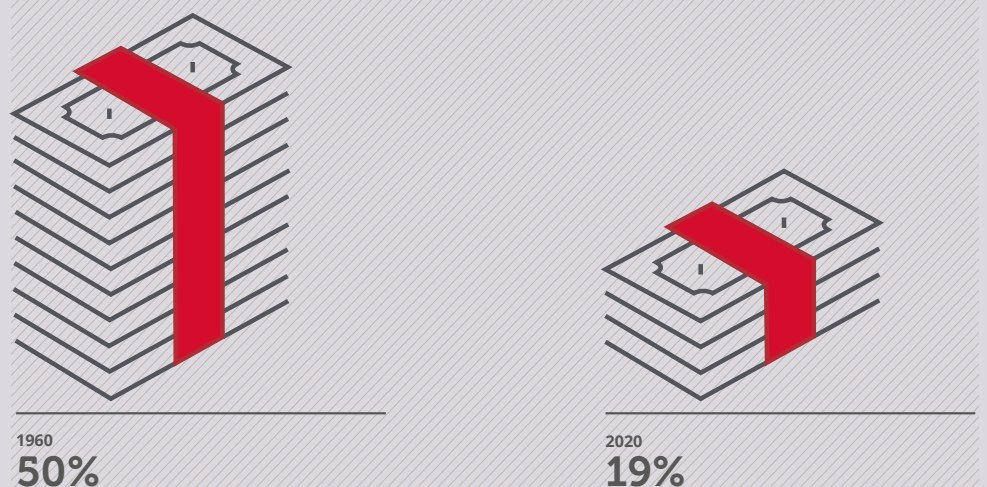
...becomes a dividend-investing tailwind?

An important consideration for investors at this juncture should be, how should an income-oriented strategy such as ours perform if the growth headwind turns into a tailwind? Increasingly, there are signs that the winds of change are already blowing through global equity markets.

Investors are sounding the alarm bell around the extreme valuations of technology stocks and other parts of the market that display classic ‘growth’ characteristics. Many people believe we are in bubble territory and are questioning the elevated share prices in parts of the market that have driven returns in recent years. For example, valuations of some of the big US technology companies have reached almost 10x sales. The combined market capitalisation of the five largest US stocks is equivalent to the third largest country in the world, with only the US and China’s GDP greater. The assumptions on future growth that will be required to enable investors to make a positive return from here are extraordinary. In fact, we would argue, they are basically impossible.

Certainly, they are not priced for anything to go wrong, which is interesting given that governments the world over are wrestling with how to raise taxes to pay for some of the extraordinary stimulus spent and promised. Corporation tax for the largest companies has fallen from 50% in the 1960s to below 20% today, and many of the largest technology companies pay 10% or less. It doesn’t seem inconceivable that corporates will be forced to pay a share of the costs of dealing with the pandemic, especially those that have benefited from it.

Corporation tax rates for the largest companies has declined significantly in recent years.



Source: Empirical Research to October 2020

The chart illustrates the decline in large cap stocks median effective tax rate, as measured by income tax divided by pre-tax income.

About the fund

Fund name

Redwheel Global Equity Income Fund

Fund objective

To provide a combination of income and long term (over five years) capital growth, net of fees, by investing primarily (over 70%) in a concentrated portfolio of global companies.

Fund management team

Nick Clay	Fund Manager
Andrew MacKirdy	Fund Manager
Colin Rutter	Investment Analyst
Robert Canepa-Anson	Investment Analyst

Fund details

Launched

11 December 2020

Structure

UCITS IV Lux SICAV

Domicile

Luxembourg

Currencies available

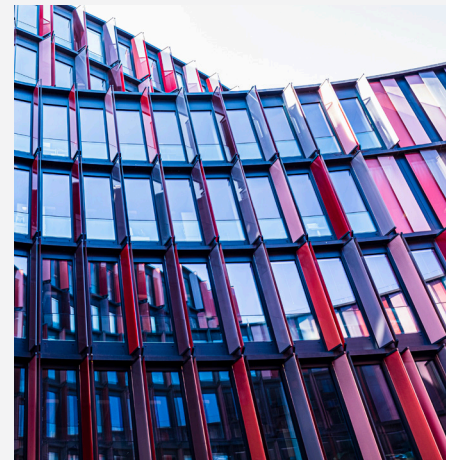
EUR, GBP, USD

Distribution Frequency:

Quarterly

XD dates: 31/03, 30/06, 30/09, 31/12

Pay dates: 15/04, 13/07, 13/10, 14/01



Fund Charges and Minimum Investment

	Currency	AMC	A&O	OCF*	Minimum Investment
Class A	EUR, USD	1.40%	0.20%	1.65%	25,000
Class B	EUR, GBP, USD	0.70%	0.20%	0.91%	10,000,000
Class S	EUR, GBP, USD	0.60%	0.15%	0.76%	100,000,000

Fund Codes and Performance

	ISIN	Sedol	Bloomberg	NAV	1 Month	YTD	Income dist	Income dist period	Launch date
A EUR DIST	LU2240803010	BLF7RC3	RWGEIAE LX	120.37	0.53	-0.21	0.7746	Q1	2020-12-11
A USD DIST	LU2240803101	BLF7RD4	RWGEIAU LX	110.58	0.61	-1.51	0.7074	Q1	2020-12-11
B EUR DIST	LU2240803283	BLF7RF6	RWGEIBE LX	121.55	0.59	-0.03	0.7814	Q1	2020-12-11
B EUR	LU2283059363	BM8D833	RWCGBEALX	-	-	-	-	-	-
B GBP DIST	LU2240803366	BLF7RG7	RWGEIBG LX	113.28	2.51	1.48	0.7256	Q1	2020-12-11
B USD DIST	LU2240803440	BLF7RH8	RWGEIBU LX	111.68	0.68	-1.32	0.7138	Q1	2020-12-11
B USD	LU2264161618	BMD0787	RWGIBUA LX	115.50	0.68	-1.32	-	-	2020-12-11
SEUR	LU2264081188	BMFKL38	RWGISEA LX	125.95	0.61	0.01	-	-	2020-12-11
S GBP DIST	LU2264081006	BMFKL27	RWGESGD LX	113.49	2.52	1.51	0.7267	Q1	2020-12-11
S USD	LU2264080883	BMFKL05	RWGISUA LX	115.71	0.69	-1.29	-	-	2020-12-11
S USD DIST	LU2264080966	BMFKL16	RWGISUI LX	111.89	0.69	-1.29	0.7158	Q1	2020-12-11

Contact us

Please contact us if you have any questions or would like to discuss any of our strategies.

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