

Nutshell Growth Fund

Data as of 28/2/2023¹

FUND FACTS

February Factsheet

Portfolio Manager	Mark Ellis
Fund Launch Date	18 th May 2020
Fund Type	UCITS Fund (ICAV)
Base Currency	GBP
Investment Manager	Nutshell Asset Management Limited
Administrator	Northern Trust
Depository	Northern Trust
Auditor	KPMG
Dealing	Daily
Initial Charge	0.0%
Performance Fee	0.0%
ISA Eligible?	Yes

PORTFOLIO FACTS

NAV (GBP IF, USD IF, EUR I Class)	107.52, 106.09, 109.68
Fund Size	£12.1mn
No. Equity Holdings	29
Average Market Cap	£182bn
Active Share v MSCI World	92%

GEOGRAPHICAL ALLOCATION

	%
US	65.5
Denmark	8.2
France	6.0
Netherlands	5.2
UK	4.2
Taiwan	3.5
Germany	2.4
Japan	1.8
Hong Kong	1.3
Cash & Other	1.9

SECTOR ALLOCATION

	%
Information Technology	44.2
Consumer Discretionary	17.9
Health Care	13.6
Industrials	11.3
Communication Services	6.7
Financials	4.4
Cash & Other	1.9

PERFORMANCE

Strategy Returns (GBP) (%)

1 Month	YTD	1 Year	Since Inception (Annualised)	Since Inception (Cumulative)
0.61	7.86	0.63	10.98	54.30

Strategy Returns (GBP) (%)

Year	Q1	Q2	Q3	Q4	Annual Return
2019	15.49	9.02	5.71	1.62	35.24
2020***	(8.57)	17.60	(3.53)	0.60	4.34
2021	2.99	12.71	(0.64)	8.73	25.40
2022	(10.81)	(10.81)	(2.64)	4.39	(19.16)

Nutshell Growth Fund launched 18/5/20. This table shows the returns from private money invested in the strategy as a managed account starting 1/1/19, net of fees and transaction costs. From June 2020 the strategy returns will replicate the returns of the Fund.

***Low Beta during fund launch to protect capital during start of Covid – April-August 2020.

These performance figures refer to the past, and past performance is not a reliable guide to future performance.

INVESTMENT OBJECTIVE

PORTFOLIO OBJECTIVE

- ✓ Long-term global equity investment. High conviction strategy in a concentrated portfolio of quality, resilient, exceptional companies at reasonable valuations
- ✓ To achieve returns annually in excess of both peers and the global equity markets, with reduced volatility and drawdown periods
- ✓ To align selection with ethical values, using Environmental, Social and Governance factors including sector exclusions e.g., Fossil Fuels, Tobacco and Gambling

INVESTMENT STRATEGY

- ✓ The strategy utilizes an in-house proprietary 'bottom up' investment selection process. This encompasses many fundamental, technical and valuation factors, researched over many years. These factors have contributed to significant outperformance in normal market conditions, and reduced beta, and therefore losses, when the broader equity markets suffer

RISK MANAGEMENT

- ✓ UK UCITS Compliant
- ✓ Internal risk controls and proprietary risk system
- ✓ Capital Preservation Factors and Recession Indicator

TOP 10 HOLDINGS – 56.6%

Accenture	Amgen
Atkore	AutoZone
Fortinet	Hermes International
Landstar System	Mastercard
Novo Nordisk	Taiwan Semiconductor

AWARDS

Morningstar Sustainability Rating****



As at 31/12/22 the fund's Historical Sustainability Score Percent Rank is in the top 6% within its category. Out of 7,753 Global Equity Large Cap funds as of 30/12/22. Based on 100% of AUM. Data is based on long positions only

SharingAlpha
2021
Top Fund in Category
Global Equity
WINNER

SHARE CLASS DETAILS (GBP)

SHARE CLASS	AMC	OCF	Minimum	ISIN
Institutional (F)	0.85%	1.59%	£10m	IE00BLP46L65
Institutional	1.00%	1.74%	£1m	IE00BLP46Q11
Retail	1.15%	1.89%	£1,000	IE00BLP46V63

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MONTHLY COMMENT

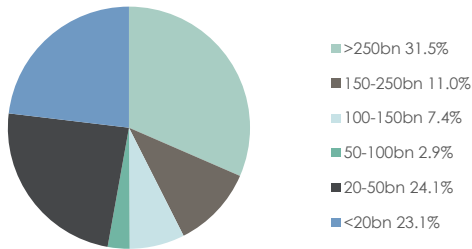
February was a challenging month for equity markets, as they followed their usual seasonal trend and weakened in the second half of the month. Despite early gains, stronger data led to increased expectations for the Federal Reserve's terminal rate to be higher and for longer (Fed Funds futures are currently implying a target rate of 5.4% by the summer). However, we remain optimistic about the future as we believe that the Federal Reserve's hawkish approach and general pessimism will gradually fade. Investors are likely to recognise positive factors such as companies' strong balance sheet health, employment, declining inflation, a weaker USD, and the benefits of the rapid opening of China, which may prevent the highly anticipated recession from occurring. Additionally, favourable seasonality is expected to benefit investors, particularly those who focus on Quality Growth strategies, which have recently experienced a rare period of underperformance.

As long-term investors, although we are very interested in the macro environment, we understand that the market, viewed one way, is a time series of adverse events and headlines that could shake one's resolve. It is necessary therefore to stick to the plan, knowing that these events will pass and that more fruitful times are characterised on the other side. As such, we remain positive in the knowledge that we own a portfolio of truly high-quality companies, with wide moats and high stable profit margins, at little premium to the US market as a whole. We look forward to sticking to our process of investing globally in exceptional companies which offer exposure to quality factors at attractive valuations. As we move through 2023, we are optimistic that many of the worries of 2022 are likely to be resolved and sentiment will normalise along with asset prices.

Our proprietary multi-factor model means our approach is truly bottom-up and helps us uncover rare stocks that our peers often miss. Accordingly, February's outperformance was in large part driven by two such holdings. Furthermore, our model also helped us swiftly recognise the exceptional results of Novo Nordisk and take advantage of the post-earnings sell-off by increasing our position in the company. Our rigorous and unique investment process, combined with a keen eye for market opportunities, sets us apart in delivering value to our clients. The Nutshell Growth Fund IF GBP share class returned 0.61% for February, net of all fees and costs. The top 3 contributors for the month were Atkore, Novo Nordisk and Encore Wire. The main detractors were Adobe, Amgen and Mastercard.

LIQUIDITY AND PORTFOLIO STATISTICS

Liquidity - Market Cap Distribution (US\$ ex Cash)



	PORTFOLIO	MSCI World
P/E	21.5	16.2
Return on Equity %	55.9	14.6
Net Profit Margin %	27.5	9.3
Average Beta	1.10	1.00
Average Market Cap	\$221bn	\$39bn

PLATFORM AVAILABILITY



¹UCITS Fund Launched 18th May with the majority of the portfolio not established until the last day of the month.

**These returns are from private money invested in the strategy net of fees and transaction costs. From June 2020 the strategy returns replicate the Nutshell Growth Fund returns. GBP and USD returns include the IF share class Fund returns. EUR returns include the I share class Fund returns.

***Beta reduced at fund launch to protect capital during start of Covid - April-August 2020.

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Contact Details

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The Manager of the Fund is Waystone Management Company (IE) Ltd ("Waystone"), a company regulated by the Central Bank of Ireland. Waystone does not offer investment advice or make recommendations regarding investments. The MontLake UCITS Platform ICAV is registered and regulated as an open-ended Irish collective asset-management vehicle with segregated liability between sub-Funds formed in Ireland under the Irish Collective Asset management Vehicles Act 2015 and authorised by the Central Bank as a UCITS pursuant to the UCITS Regulations. The state of the origin of the Fund is the Republic of Ireland. The Management Company may decide to terminate the arrangements made for the marketing of the Fund in accordance with Article 93a of Directive 2009/65/EC. To view the Summary of Investor Rights, please visit the following [link](#). This is a marketing communication.

Note 1: Portfolio based on all month-end positions and overnight orders.

****Morningstar Sustainability Rating Disclosures

Historical Sustainability Score as of 30/12/2022. Sustainability Rating as of 30/12/2022. Sustainalytics provides company-level analysis used in the calculation of Morningstar's Historical Sustainability Score.

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