

Goodbody Asset Management

Goodbody Dividend Income 3 Fund - **GDI 3**

- 2019 a strong year of performance
- Dividend equities and Gold drive December performance

Via New Ireland

Risk rating 1 2 **3** 4 5 6 7

Fund performance

The Fund finished December in positive territory. The Fund’s global dividend-paying equities were the primary driver of performance. Top performing holdings included Sika (+6%), a Swiss chemical company, US industrial distributor Fastenal (+2%) and global healthcare giant Johnson & Johnson (+4%). Gold (+2%) also provided a positive contribution to performance, further extending its recent strength. The Fund’s fixed income holdings acted as a marginal drag on performance as increasing growth and inflation expectations, albeit both remain relatively muted, put upward pressure on yields. The Fund’s put option protection also acted as a drag given the strong underlying equity market environment.

Value of €10,000 invested



	1 MTH	3 MTH	YTD	1 YR	Since inception
Goodbody Dividend Income 3 (Series 6 R)	0.2%	0.6%	12.0%	12.0%	18.2%
Benchmark (3 month Euribor +3%)	0.2%	0.6%	2.6%	2.6%	10.6%

Source: New Ireland, Bloomberg

Why consider the Goodbody Dividend Income 3 Fund?

1. Multi-asset with target returns

The Fund invests in high quality dividend paying equities which act as the engine of real returns for investors. Other assets, such as cash, fixed income and exchange traded funds are used to provide diversification and reduce volatility.

2. Active asset allocation

The Investment Team employs an asset allocation framework to tactically adjust exposure to equities throughout the investment cycle.

3. Risk management strategy

This strategy helps to reduce volatility and smooth the returns journey for investors.

**Warning: Past performance is not a reliable guide to future performance.**

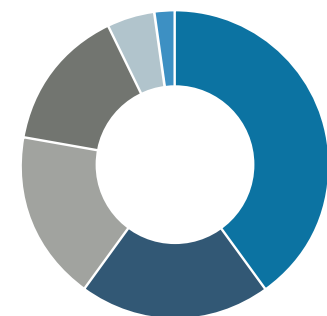
For Financial Advisors Only

The **Goodbody Dividend Income 3 Fund** is a risk managed multi-asset fund which invests in high quality dividend paying stocks as well as income generating Bonds, REITS, Alternatives and Cash. The fund is targeting a return of cash +3% p.a. over a rolling five year period.

Key information

Fund launch date	3 March 2016
Base currency	€
Pricing/Dealing	Daily
Month end unit price (€)	1.13
*Bond duration (years)	5.2

Asset Split as at 31 December 2019



Equity	40%
Cash	20%
Government Bonds*	18%
Corporate Bonds*	15%
Gold	5%
Property	2%

Source: Goodbody

Performance is shown gross of taxation and gross of fund management fees.

## Equity sector split as at 31 December 2019

Technology	30%
Healthcare	16%
Consumer staples	14%
Consumer discretionary	11%
Materials	11%
Financials	8%
Industrials	6%
Energy	3%
Utilities	0%
Telecoms	0%

Source: Goodbody

## Market commentary

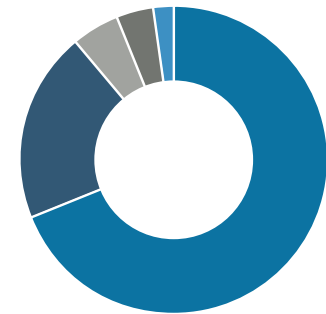
December rounded off an impressive decade for financial markets with the MSCI world rising by 1.2% over the month, bringing the total return in 2019 to 30.0%, in euro terms. Again, US stocks outperformed with the S&P 500 rising by 3.0%, in US dollar terms. European stocks performed well with the STOXX 600 rising by 2.2%. After a strong year for global bond markets, government bonds were weaker in December. The US and German 10-year yields increased by 14bp and 18ps respectively. Risk-on momentum over the month was driven by a combination of geopolitical events and central bank policy. The much-anticipated US-China “phase one” trade deal was agreed, calming investor concerns heading into 2020. While a full agreement is a long way away, the risk of tensions escalating have somewhat abated for the immediate future. Elsewhere, Boris Johnson’s triumph in the UK general election was welcomed by the market. Both the Fed and the ECB reiterated their accommodative stance at their respective meetings last month. Christine Lagarde held her first meeting as head of the ECB. Meanwhile, Fed Chairman, Jerome Powell, confirmed continued liquidity to support the troubled repo market and flexibility should inflation “run hot”.

## Top 10 equity holdings as at 31 December 2019

Apple	4.2%
Microsoft	3.5%
Avery Dennison	3.4%
L’Oréal	3.4%
Accenture	3.3%
DBS Group	3.2%
Republic Services	3.1%
Costco	3.1%
Broadridge Financial	3.1%
ResMed	3.1%

Source: Goodbody

## Geographic equity mix as at 31 December 2019



North America	69%
Europe (ex. UK)	20%
UK	5%
Asia Pacific (ex. Japan)	4%
Japan	2%

Source: Goodbody

**Warning: Dividend Income is not guaranteed and may rise or fall in value.**

**Warning: The value of your investment may go down as well as up.**

**Warning: This fund may be affected by changes in currency exchange rates.**

**Warning: If you invest in this fund you may lose some or all of the money you invest.**

The Fund is a unit linked fund of the life company. The value of your life assurance policy is linked to the performance of the Fund. Please contact your financial adviser or New Ireland to make additional premiums. Please refer to your policy documentation for information on fees, charges and risks that apply to your investment.

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