

Goodbody Asset Management

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

- Resiliency in the face of equity volatility
- Put option protection and Gold mitigate equity market weakness

Via New Ireland

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

Fund performance

The Fund was resilient in the face of heightened equity market volatility in December, outperforming the return implied by the underlying equity exposure. Performance was driven by several factors: the Fund’s put option protection mitigated broader equity-related weakness, gold prices rose 4% (highlighting its value in the context of heightened equity volatility), both corporate and government bond holdings provided a positive contribution to return, and the underlying dividend equity holdings outperformed the market. Within the Fund’s equity holdings, we initiated a new position in Motorola Solutions, a provider of mission-critical communication software and devices, while trimming positions in Consumer Staples such as Clorox and Nestle.

Value of €10,000 invested



Source: New Ireland

	1 MTH	3 MTH	YTD	1 YR	Since inception
Goodbody Dividend Income 3 (Series 6 R)	-2.9%	-3.3%	-0.8%	-0.8%	5.6%
Benchmark (3 month Euribor +3%)	0.2%	0.7%	2.7%	2.7%	7.8%

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.**

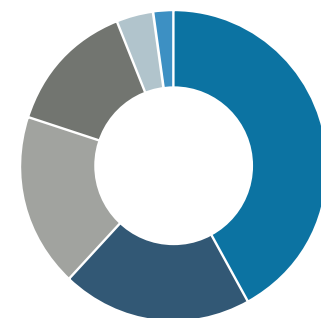
For Financial Advisors Only

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 (€)	1.01
*Bond duration (years)	4.4

Asset Split as at 31 December 2018



Equity	42%
Corporate Bonds*	20%
Cash	18%
Government Bonds*	14%
Gold	4%
Property	2%

Source: Goodbody

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

## Equity sector split as at 31 December 2018

Technology	19%
Consumer discretionary	15%
Consumer staples	14%
Financials	14%
Industrials	14%
Healthcare	13%
Materials	5%
Energy	3%
Utilities	2%
Telecoms	0%

Source: Goodbody

## Market commentary

Global equities ended 2018 on a negative note, declining 8.5% in December to bring the total return for the year to -4.1%. A confluence of factors contributed to such weakness in equity markets: concerns of a potential US recession, fears of excessive tightening by the Fed, increasing credit spreads, ongoing trade uncertainty, and a desynchronization of global growth. From a geographic perspective, US stocks underperformed their European counterparts in the month (S&P 500 -9%, Euro Stoxx 50 -5%). Energy stocks were the worst performing sector, dragged lower by ongoing oil price weakness, while Utilities, a traditionally defensive sector, outperformed. In fixed income markets, the US 10 year yield fell from ~3.0% to ~2.7%, pricing in a potentially lower growth and inflation outlook. Oil prices fell a further 8% in December, having collapsed 20% in the month prior. On the geopolitical front, the highly anticipated G20 meeting has led to a temporary de-escalation in trade tensions, with US and China agreeing to halt the imposition of tariffs for a 90 day period.

**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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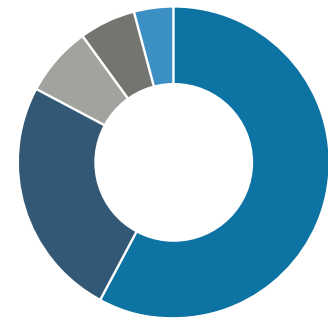


## Top 10 equity holdings as at 31 December 2018

Johnson & Johnson	4.0%
Microsoft	3.8%
Unilever	3.7%
3M	3.4%
US Bancorp	3.3%
Dollar General	3.2%
DBS	3.2%
Linde	3.1%
Pfizer	3.0%
Intercontinental Hotels Group	3.0%

Source: Goodbody

## Geographic equity mix as at 31 December 2018



North America	58%
Europe (ex. UK)	25%
UK	7%
Japan	6%
Asia Pacific (ex. Japan)	4%

Source: Goodbody

## Fund Manager

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## Contact us today

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