

Goodbody Asset Management

Goodbody Dividend Income Cautious Fund - GDI 3

- World equity markets down 2.4% in September
- Dividend equity holdings underperform the broader market
- Risk management strategy – puts contribute positively

Fund performance

The underlying dividend equity holdings were the key drag on performance in September. Equity underperformance was a result of both sector allocation and stock selection. Aggressive style rotation away from Quality and toward cyclical Value was a key equity theme late in the month. The Fund is underweight both Energy (no holdings) and Financials, the two best performing equity sectors over the month. The backdrop of rising bond yields globally also meant the Fund's fixed income holdings posted modest declines. The broader equity market weakness resulted in the Fund's downside risk management strategy (index put options) making a small positive contribution.

Fund price since inception



| Share Class B (€) | | | | | | | | | | |
|-------------------|-------|------|------|-----------|------|-------|-------|------|------|-----------------|
| 1 MTH | 3 MTH | YTD | 1 YR | 3 YR p.a. | 2020 | 2019 | 2018 | 2017 | 2016 | Since inception |
| -2.0% | 1.3% | 6.2% | 7.5% | 6.6% | 5.7% | 11.8% | -1.4% | 1.8% | 1.5% | 28.6% |

Source: Goodbody

Why consider the Goodbody Dividend Income Cautious Fund?

1. Income Oriented Multi Asset Exposure

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

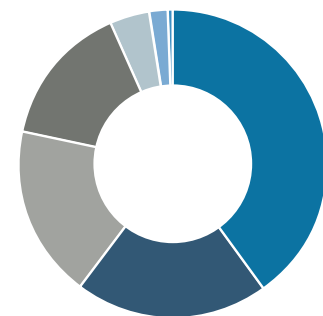
This strategy helps to reduce volatility and smooth the returns journey for investors.

The **Goodbody Dividend Income Cautious 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.

Key information

| | |
|----------------------------------|------------------|
| Fund launch date | 18 December 2015 |
| Fund type | UCITS |
| Base currency | € |
| Pricing/Dealing | Daily |
| Share class | B |
| ISIN | IE00BYWKP775 |
| Month end NAV (€) | 12.86 |
| Investment management fee | 0.50% |

Asset Split as at 30 September 2021



| | |
|------------------|------|
| Equity | 40% |
| Cash | 20% |
| Government Bonds | 19% |
| Corporate Bonds | 14% |
| Property | 4% |
| Gold | 2% |
| Put Options | 0.4% |

Source: Goodbody

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

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

Equity sector split as at 30 September 2021

| | |
|------------------------|-----|
| Technology | 30% |
| Healthcare | 17% |
| Industrials | 13% |
| Consumer staples | 11% |
| Materials | 11% |
| Consumer discretionary | 9% |
| Financials | 9% |
| Energy | 0% |
| Utilities | 0% |
| Telecoms | 0% |

Source: Goodbody

Market commentary

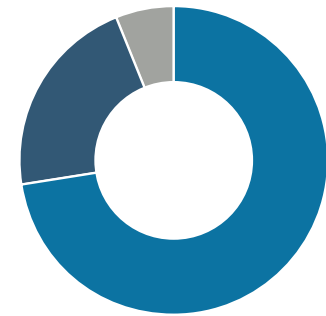
September was a volatile month for global equities. The MSCI World Index ended the month 2.4% lower in Euro terms. The dollar was strong offsetting declines for Euro based investors. EUR/USD dropped by c.2%, to end the month below the \$1.16 level. It was also a negative month for government bonds with both the US 10-year yield and the German 10-year yield rising by nearly 0.2%. A hawkish shift from central banks globally was a notable driver behind the rise in bond yields. Fed Chairman Jerome Powell signalled that the Fed could soon begin reducing the \$120bn monthly bond purchases as “substantial further progress” on employment was “all but met”. He noted that another “reasonably good” employment report would be sufficient evidence for him to conclude that the target had been met. The Bank of England was also more hawkish than expected, suggesting it could raise rates by the end of the year. Meanwhile, the potential default of Chinese property developer Evergrande made headlines over the month, with the issue still far from resolved. In Germany, the general election saw no party take a majority, meaning a government may take several weeks before being formed.

Top 10 equity holdings as at 30 September 2021

| | |
|-------------------|------|
| Apple | 4.5% |
| Microsoft | 4.2% |
| Republic Services | 3.5% |
| Analog Devices | 3.5% |
| Stryker | 3.2% |
| Sika | 3.2% |
| Amphenol | 3.1% |
| S&P Global | 3.1% |
| Dollar General | 3.1% |
| Accenture | 3.1% |

Source: Goodbody

Geographic equity mix as at 30 September 2021



| | |
|--------------------------|-----|
| North America | 73% |
| Europe (ex. UK) | 21% |
| Asia Pacific (ex. Japan) | 5% |
| Japan | 0% |
| UK | 0% |

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.

This publication has been approved by Goodbody Stockbrokers UC. The information has been taken from sources we believe to be reliable, we do not guarantee their accuracy or completeness and any such information may be incomplete or condensed. All opinions and estimates constitute best judgement at the time of publication and are subject to change without notice. The information, tools and material presented in this document are provided to you for information purposes only and are not to be used or considered as an offer or the solicitation of an offer to sell or to buy or subscribe for securities.

The Fund is a sub-fund of Goodbody Funds ICAV, which is an undertaking for Collective Investment in Transferable Securities (UCITS) with limited liability between sub-funds. Investors should read the Prospective Supplement and Key Investor Information document for the Fund, as well as the Information Memorandum prior to making a decision to invest, and for full information on the Fund including fees, risks and conflicts of interest.

This document is not to be relied upon in substitution for the exercise of independent judgement. Nothing in this publication constitutes investment, legal, accounting or tax advice, or a representation that any investment or strategy is suitable or appropriate to your individual circumstances, or otherwise constitutes a personal recommendation to you.

Registered Office: Ballsbridge Park, Ballsbridge Dublin 4, Ireland. T: +353 1 667 0400. Registered in Ireland No. 54223.

Goodbody Stockbrokers UC, trading as Goodbody, is regulated by the Central Bank of Ireland. In the UK, Goodbody is also subject to regulation by the Financial Conduct Authority. Goodbody is a member of Euronext Dublin and the London Stock Exchange. Goodbody is a member of the group of companies headed by AIB Group plc. 000749_1021