

## Goodbody Asset Management

### Goodbody Smaller Companies Fund

- Sector allocation a headwind to performance
- UK industrial holdings trimmed on strength

## Via New Ireland

Risk rating 1 2 3 4 5 6 7

### Fund performance

The Fund lagged its benchmark in September with underperformance primarily a result of sector allocation. The Fund is underweight both Energy and Financials, the two best performing sectors over the month. Small/Mid cap energy companies jumped 16% during the period as crude oil rose to its highest level in three years. Top performing Fund holdings during September included Australian software company Altium (+20%) and Japanese digital advertising company Cyberagent (+8%). Share price strength early in the month was used to top slice holdings in UK industrial companies Diploma and Spirax Sarco – both having benefited from considerable valuation expansion YTD.

### Value of €10,000 invested



	1 MTH	3 MTH	YTD	1 YR	3 YR P.A.	Since inception
Fund	-3.0%	5.7%	28.0%	41.9%	21.4%	168.6%
Benchmark	-1.5%	1.6%	19.3%	38.6%	11.8%	94.0%

Source: New Ireland, Bloomberg

Performance of Goodbody Smaller Companies (Series 6 R)

### Why consider the Goodbody Smaller Companies Fund?

#### 1. Return enhancement potential

Global small/mid cap equities have historically offered a compelling risk/reward opportunity compared to their large cap counterparts.

#### 2. Diversification benefits

The fund invests in a segment of the equity market that is frequently overlooked and neglected by other investors.

#### 3. Proven smaller company expertise

Our investment team has successfully delivered strong performance in the small/mid cap segment of the equity market over the last 15 years.

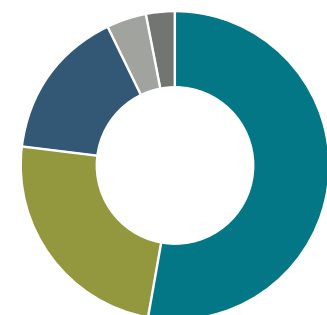
### For Financial Advisors Only

The **Goodbody Smaller Companies Fund** is an actively managed, concentrated global equity fund that offers investment in a diversified portfolio of 40 small/mid sized growth companies. The fund aims to outperform the MSCI World Small/Mid cap index by 2 - 3% per annum over the medium to long-term.

### Key information

<b>Fund launch date</b>	3 March 2016
<b>Base currency</b>	€
<b>Pricing/Dealing</b>	Daily
<b>Month end unit price (€)</b>	2.56
<b>Number of holdings</b>	34
<b>Top 10 holdings as a % of the fund</b>	38%
<b>Active share*</b>	98%

### Geographic mix as at 30 September 2021



■ North America	53%
■ Europe (ex. UK)	24%
■ UK	16%
■ Asia Pacific (ex. Japan)	4%
■ Japan	3%

Source: Goodbody

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

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

## Sector split as at 30 September 2021

Industrials	33%
Technology	22%
Healthcare	17%
Consumer discretionary	15%
Financials	6%
Materials	6%
Energy	1%
Consumer staples	0%
Real Estate	0%
Telecoms	0%
Utilities	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 holdings as at 30 September 2021

ICON	4.6%
Tractor Supply	4.1%
Paylocity	4.1%
Allegion	3.9%
Cooper Companies	3.8%
MSA Safety	3.6%
IDEX Corp	3.6%
Huntington Bancshares	3.5%
Manhattan Associates	3.4%
Spirax-Sarco	3.2%

Source: Goodbody

**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.**

\*Active Share is a measure of the Fund’s overlap with the benchmark. An active share of 100% indicates that the Fund has no holdings in common with the benchmark and active share of 0% indicates a Fund that tracks the benchmark.

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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## Contact us today

Goodbody Asset Management, 2 Ballsbridge Park, Ballsbridge, Dublin 4

T +353 1 641 9470 E [assetmanagement@goodbody.ie](mailto:assetmanagement@goodbody.ie) W [www.goodbody.ie/assetmanagement](http://www.goodbody.ie/assetmanagement)