

## Goodbody Asset Management

### Goodbody Global Smaller Companies Fund

- 2020 a very strong year of outperformance
- Keywords Studios an exciting recent addition

Risk rating 1 2 3 4 5 6 7

### Fund performance

Global small/mid cap equities outperformed their large cap peers in December. The Fund broadly matched its benchmark over the period. Top performing holdings during the month included US software company Qualys (+25%) and Italian premium fashion company Moncler (+22%). During the month we initiated a new position in Keywords Studios, a leading provider of outsourced services to the global video game industry - a structural growth segment within media/technology. Overall, 2020 was a very strong year of outperformance for the Fund. The Quality/Growth businesses held in the Fund not only weathered the COVID-19 dislocation but in many cases emerged even stronger.

### Fund price since inception



|                                   | 1 MTH | 3 MTH | 2020  | 2019  | 2018  | 2017  | Since inception |
|-----------------------------------|-------|-------|-------|-------|-------|-------|-----------------|
| Goodbody Global Smaller Companies | 3.4%  | 10.2% | 13.6% | 38.6% | -7.4% | 17.8% | 82.7%           |
| Benchmark                         | 3.8%  | 16.2% | 6.8%  | 30.0% | -8.9% | 8.4%  | 49.8%           |

Source: Goodbody

### Why consider the Goodbody Global 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

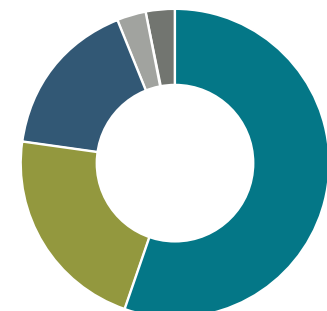
Our investment team has successfully delivered strong performance in the small/mid cap segment of the equity market over the last 10 years.

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

### Key information

|                                  |                 |
|----------------------------------|-----------------|
| <b>Fund launch date</b>          | 28 October 2016 |
| <b>Fund type</b>                 | UCITS           |
| <b>Base currency</b>             | €               |
| <b>Pricing/Dealing</b>           | Daily           |
| <b>Share class</b>               | B               |
| <b>ISIN</b>                      | IE00BYNJJZ92    |
| <b>Month end NAV (€)</b>         | 18.27           |
| <b>Investment management fee</b> | 0.50%           |
| <b>Number of holdings</b>        | 35              |
| <b>Top 10 as % of the fund</b>   | 36%             |
| <b>Active share*</b>             | 98%             |

### Geographic mix as at 31 December 2020



|                            |     |
|----------------------------|-----|
| ■ North America            | 56% |
| ■ Europe (ex. UK)          | 22% |
| ■ UK                       | 17% |
| ■ Asia Pacific (ex. Japan) | 3%  |
| ■ Japan                    | 3%  |

Source: Goodbody

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

## Sector split as at 31 December 2020

|                        |     |
|------------------------|-----|
| Industrials            | 32% |
| Technology             | 26% |
| Healthcare             | 17% |
| Consumer discretionary | 10% |
| Materials              | 7%  |
| Financials             | 6%  |
| Energy                 | 2%  |
| Consumer staples       | 0%  |
| Real Estate            | 0%  |
| Telecoms               | 0%  |
| Utilities              | 0%  |

Source: Goodbody

## Market commentary

Global equity markets continued to push higher in December with the MSCI World rising by 1.9%, bringing the 2020 return to 6.3% in euro terms. The anticipated economic and corporate profit recovery in 2021 combined with global central banks reiterating monetary support drove the market higher over the month. The ECB expanded the Pandemic Emergency Purchase Programme (PEPP) by a further €500bn, bringing the total value to €1.85tn. Meanwhile, Fed Chairman Jerome Powell pledged to keep buying at least \$120bn a month in bonds until the Fed's dual goals of full employment and sustained 2% inflation are met. Importantly, Congress finally agreed a \$900bn US fiscal stimulus package. The package included \$600 stimulus checks, an additional \$300 unemployment benefit and an extension to several supports which were due to expire at the end of the year. Within the Fixed Income market, US government bonds sold off during the month with the US 10-year yield rising by 7bps. In Europe, peripheral government debt outperformed core government debt. Elsewhere, gold rebounded somewhat after selling off in November, while bitcoin continued to make headlines having risen by c.50% over the month. Despite being a turbulent year 2020 turned out to be a broadly positive one for global markets. This can be put down to the unprecedented levels of monetary and fiscal support which ensured a prolonged recession as a result of Covid-19 was avoided.

**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.**

## Top 10 holdings as at 31 December 2020

|                       |      |
|-----------------------|------|
| Teleperformance       | 3.9% |
| Keysight Technologies | 3.8% |
| Generac               | 3.7% |
| ICON                  | 3.6% |
| Cooper Companies      | 3.6% |
| Avery Dennison        | 3.5% |
| Spirax-Sarco          | 3.5% |
| Qualys                | 3.4% |
| Halma                 | 3.4% |
| MSA Safety            | 3.2% |

Source: Goodbody

\*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.

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 FEXCO group of companies. 000895\_0121



Goodbody

## 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)