

## Goodbody Asset Management

### Goodbody Global Smaller Companies Fund

- Stock selection weighs on performance
- Consumer trends negatively impact YETI

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

#### Fund performance

The Fund underperformed its benchmark in August, primarily a result of stock selection. Sector allocation was also a headwind to performance as Energy was the top performing sector in August (+5%) and the Fund is underweight the industry (no holdings). Technology holdings Paylocity (+19%) and Altium (+17%) delivered strong gains over the period as both companies reported better than expected earnings. In contrast, US outdoor products retailer, YETI, declined 26%. The company cut guidance for FY22 on the back of softer customer traffic trends. While sales should still grow 16% in 2022, margins will be weaker than previously expected.

#### Fund price since inception



	1 MTH	3 MTH	YTD	1 YR	3 YR p.a.	2021	2020	2019	2018	2017	Since inception
Fund	-5.4%	1.3%	-21.0%	-16.4%	11.3%	38.3%	13.6%	38.6%	-7.4%	17.8%	99.7%
Benchmark	-2.0%	1.0%	-7.7%	-4.1%	10.5%	25.8%	6.8%	30.0%	-8.9%	8.4%	73.9%

Source: Goodbody, Bloomberg, Benchmark in Euro terms

Performance of Goodbody Global Smaller Companies Fund

#### 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

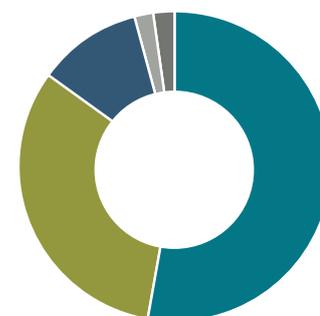
Our investment team has successfully delivered strong performance in the small/mid cap segment of the equity market over the last 15 years.

The **Goodbody Global Smaller Companies Fund** is an actively managed, concentrated global equity fund that offers an investment in a diversified portfolio of 30-40 small/mid sized growth companies. The fund aims to outperform the MSCI World Small/Mid cap index in Euro terms 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>	19.97
<b>Investment management fee</b>	0.50%
<b>Number of holdings</b>	33
<b>Top 10 as % of the fund</b>	38%
<b>Active share*</b>	98%

#### Geographic mix as at 31 August 2022



■ North America	58%
■ Europe (ex. UK)	21%
■ UK	14%
■ Asia Pacific (ex. Japan)	5%
■ Japan	2%

Source: Goodbody

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

## Sector split as at 31 August 2022

Industrials	32%
Technology	25%
Consumer Discretionary	16%
Healthcare	16%
Healthcare	8%
Financials	4%
Energy	0%
Telecoms	0%
Consumer Staples	0%
Utilities	0%
Real Estate	0%

Source: Goodbody

## Top 10 holdings as at 31 August 2022

Ulta Beauty	4.5%
ICON	4.3%
Avery Dennison	4.1%
IDEX Corp	4.1%
Manhattan Associates	4.0%
Paylocity	3.7%
Tractor Supply	3.6%
Cooper Companies	3.4%
Huntington Bancshares	3.4%
Teleperformance	3.3%

Source: Goodbody

## Market commentary

August was a volatile month for both equities and bonds with both asset classes ending the month in negative territory after a strong July. The MSCI World ended the month down 2.8% in euro terms and the US 10-year government bond yield jumped from 2.6% to 3.2%. Meanwhile, the German 10-year government bond yield rose from 0.8% to 1.5%. The declines in both asset classes were driven by the escalation in hawkish rhetoric by central banks. In his speech at the annual Jackson Hole Symposium, Fed Chairman Jerome Powell committed to higher interest rates for as long as was necessary to bring down inflation. ECB member Isabel Schnabel followed suit with an equally hawkish speech in which she argued the need for tighter policy despite slowing economic growth and the fact that inflation was predominately being driven by exogenous factors. During the month European gas and electricity prices rose to record highs over fears of a cut off of supplies from Russia. Recession fears in Europe led the euro to drop below parity relative to the US dollar.

## Prospectus and Key Investor Information

A copy of the English version of the Prospectus of the Fund and the Key Investor Information (KIID) document relating to the Fund is available [here](#) and may also be obtained [here](#) to view the Prospectus and [here](#) to view the KIID. Where required under national rules, the KIID document will also be available in the local language of the relevant EEA Member State.

## Summary of Investor Rights

A summary of investor rights associated with an investment in the Fund shall be available in English [here](#).

## Termination of Marketing Arrangements

A decision may be taken at any time to terminate the arrangements made for the marketing of the Fund in any EEA Member State in which it is currently marketed. In such circumstances, Shareholders in the affected EEA Member State will be notified of this decision and will be provided with the opportunity to redeem their shareholding in the Fund free of any charges or deductions for at least 30 working days from the date of such notification.

## Article 8 Classification

The Fund is classified as an Article 8 Fund pursuant to the Sustainable Finance Disclosure Regulation (EU) 2019/2088. While the Fund promotes environmental and social characteristics, it does not currently commit to investing in any “sustainable investments” with an environmental objective within the meaning of SFDR.

**Warning: The value of your investment may go down as well as up. This fund may be affected by changes in currency exchange rates. If you invest in this fund you may lose some or all of the money you invest.**

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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.

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## Contact us today

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