



# Martin Currie Global Portfolio Trust



**MARTIN CURRIE**  
A Legg Mason Company

31 JANUARY 2019

## PROFILE

Objective	To achieve long-term capital growth in excess of the capital return of the FTSE World index.
Benchmark	FTSE World index
Sector	Global
Launch	1999

## PORTFOLIO

### Region allocation

	31 Dec	31 Jan
North America	42.9%	44.8%
Europe	34.6%	34.6%
Emerging Markets	7.2%	8.1%
Asia Pacific ex Japan	8.2%	7.7%
Israel	3.5%	3.6%
Cash	3.6%	1.2%

### Top 10 holdings

(36.2% of total portfolio)

AIA	4.1%
Automatic Data Processing	4.0%
Straumann	3.7%
Visa	3.7%
Linde	3.7%
Check Point	3.6%
CSL	3.6%
Unilever	3.3%
Tencent Holdings	3.3%
Waters	3.2%
Number of holdings	37
Number of countries	16
Active share <sup>1</sup>	93.8%

### Key facts

Total assets	£205.9m
Share price (p)	242.0
Net asset value per share (p)	245.9
Discount (premium)	1.6%
Historic net yield <sup>2</sup>	1.7%

## PERFORMANCE

### Cumulative performance over periods to 31 January 2019

	One month	Three months	Six months	One year	Three years	Five years
Share price	4.3%	(0.8%)	(4.4%)	(0.3%)	48.0%	71.3%
NAV	5.2%	(0.4%)	(5.1%)	1.6%	47.5%	73.0%
Benchmark	4.4%	(1.6%)	(4.9%)	0.9%	51.9%	78.1%

### 12-month performance

	To end Q4 2018	To end Q4 2017	To end Q4 2016	To end Q4 2015	To end Q4 2014
Share price	(3.5%)	11.2%	28.7%	2.2%	11.1%
NAV	(2.8%)	12.0%	27.1%	3.5%	9.3%
Benchmark	(3.1%)	13.3%	29.6%	4.3%	11.3%

### Past performance is not a guide to future returns.

Source: Martin Currie. The NAV basis used is cum-income in £. Please note prior to July 2017 the NAV basis used was ex-income NAV in £. Ex-income NAVs exclude current-year income, while cum-income NAVs include current-year income. These figures do not include the cost of buying and selling shares in an investment trust. If these were included, performance figures would be reduced.

Prior to 30 June 2011 the Company's benchmark was the FTSE All-Share index and the FTSE World index thereafter.

## MANAGER'S COMMENTARY

The market performed strongly in January, up 4.4% in sterling terms. Some of the concerns which had been the focus of investors during the sell-off at the end of 2018 eased off: Chinese authorities continued to take measures to support the country's economic momentum (which in our view will help alleviate some fears of a China hard landing); the US Federal Reserve has turned more dovish in its policy comments, pausing rate hikes; and there have been encouraging comments over a potential resolution to China-US trade tensions. However, Brexit remains an important focal point for the market, with a growing lack of clarity on what shape the UK's exit from the European Union might take, despite the fast-approaching deadline. Given the UK Parliament's lack of support for either a 'no-deal' Brexit, or the solution initially tabled by Prime Minister Theresa May, it is difficult to have any conviction on the direction of any potential resolution to the current deadlock. Volatility in equity markets is likely to remain high until we have more visibility on the final outcome. We have naturally been assessing our positions for companies that are more exposed to the Brexit outcome, as part of good portfolio risk management.

Within the market, emerging markets and North America led the field, while Europe and Japan were laggards. In sector terms, oil & gas, industrials and technology fared best, while more defensive sectors – telecoms, healthcare, and utilities – struggled to keep up with the market move.

In this environment, the company's NAV gained 5.2%, with stock selection the main driver. Notable positives over the month were auto-parts firm Aptiv, and healthcare names, including Straumann. The industrials holdings also performed well, notably Waters, Mettler-Toledo and Rockwell, which all posted supportive results. On the negative side, Unilever and Coloplast were weaker, the former on results, while the latter declined following strong performance previously. Reckitt Benckiser also struggled, suffering from weak results, and the announcement of a search for a new candidate to replace the existing CEO. In terms of portfolio activity during the month, we continued to focus the portfolio on our highest-conviction stocks. We sold Airbus, Richemont, Inditex, Croda and CVS and bought Adidas, Moncler, Kering and Canadian National Railway. There remains many uncertainties facing the market, which makes it even more important to focus on company fundamentals, and on approaching investing with a longer-term investment horizon – our approach of long-term unconstrained investing lends itself well to such environment.



Zehrid Osmani

<sup>1</sup>Source: Martin Currie and FIS APT. Active share is a measure of the percentage difference between the portfolio holdings and the index constituents. We generally consider >70% as a high active share.

<sup>2</sup>Source for historic yield: Martin Currie as at 31 January 2019. The historic yield reflects dividends declared for the previous financial year as a percentage of the mid-market share price, as at the date shown. Investors may be subject to tax on their dividends.

The NAV stated in our reporting is inclusive of current year revenue. All sources (unless indicated): Martin Currie as at 31 January 2019.

## CAPITAL STRUCTURE

Ordinary shares 83,724,832

## BOARD OF DIRECTORS

Neil Gaskell (chairman) Mike Balfour  
Marian Glen Gary Le Sueur  
Gillian Watson

## KEY INFORMATION

Year end 31 January  
Annual general meeting June  
Interim dividends paid January, April, July, October  
Investment management fee<sup>^</sup> 0.40%  
Ongoing charge as at 31 January 2018<sup>§</sup> 0.68%  
Performance fee 12.5% of the outperformance of the benchmark above 1%. Capped at 1% of the NAV. The first performance review period is to 31 January 2020, with performance fee opportunity annual thereafter. For more detail please refer to the website.  
TIDM code MNP  
Reuters code MNPL  
Sedol code O537241

<sup>^</sup> 0.4% of the NAV of the Company per annum, calculated quarterly.

<sup>§</sup> Percentage of shareholders' funds. Includes annual management fee at historic rate of 0.5% of the NAV. Management fee of 0.4% effective 1 February 2018.

## Net asset value and dividend history

As at 31 January	Share price	NAV per share	Discount/ (premium)	Dividend per share
2000	89.5p	110.0p	18.6%	1.42p
2001	101.0p	115.7p	12.7%	1.47p
2002	80.5p	89.9p	10.5%	1.50p
2003	57.8p	65.1p	11.2%	1.55p
2004	79.0p	83.0p	4.8%	1.87p
2005	85.0p	91.5p	7.1%	1.99p <sup>*</sup>
2006	109.0p	116.9p	6.8%	2.20p
2007	117.3p	127.5p	8.0%	2.40p
2008	124.3p	134.8p	7.8%	2.60p
2009	89.8p	93.1p	3.5%	3.50p
2010	113.5p	122.2p	7.1%	3.50p
2011	125.0p	135.5p	7.7%	3.50p
2012	129.0p	139.2p	7.3%	3.70p
2013	147.4p	152.6p	3.4%	3.90p
2014	156.5p	157.4p	0.6%	4.00p
2015	179.5p	178.6p	(0.5%)	4.10p
2016	173.0p	176.3p	1.9%	4.15p
2017	223.8p	224.0p	0.1%	4.20p
2018	247.0p	246.2p	(0.3%)	4.20p

## Past performance is not a guide to future returns.

<sup>\*</sup>Includes special dividend of 1.61p.

## IMPORTANT INFORMATION

This information is issued and approved by Martin Currie Investment Management Limited. It does not constitute investment advice. Market and currency movements may cause the capital value of shares, and the income from them, to fall as well as rise and you may get back less than you invested. Please note that, as the shares in investment trusts are traded on a stockmarket, the share price will fluctuate in accordance with supply and demand and may not reflect the value of underlying net asset value of the shares.

Depending on market conditions and market sentiment, the spread between purchase and sale price can be wide. As with all stock exchange investments the value of investment trust share purchases will immediately fall by the difference between the buying and selling prices, the bid-offer spread. The value of investments and the income from them may go down as well as up and is not guaranteed. An investor may not get back the amount originally invested.

The majority of charges will be deducted from the capital of the Company. This will constrain capital growth of the Company in order to maintain the income streams.

Martin Currie Investment Management Limited, registered in Scotland (no SC066107)

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This company is authorised and regulated by the Financial Conduct Authority. Please note that calls to the above number may be recorded.

## MANAGER'S BIOGRAPHY

### Zehrid Osmani

Zehrid joined Martin Currie from BlackRock where, during his ten years, he played a key part in building their successful European equity franchise. He held a number of senior roles at the company, including Head of European Research, with responsibility for a 23-strong team of analysts. In this role, he developed and implemented a fundamental research platform, demonstrating his strong understanding of equity research. Zehrid also managed a number of equity funds at BlackRock, with a specific focus on managing the team's unconstrained, high conviction, long term portfolios, driven by fundamental research.

## WEBSITE

The Company has its own website at [www.martincurriegllobal.com](http://www.martincurriegllobal.com). There you will find information on Martin Currie, daily share prices (and associated risks), and you can access regular videos by the manager.



[www.martincurriegllobal.com](http://www.martincurriegllobal.com)

