

CQS New City Global Equity

Key Fund Facts

Portfolio Manager
Raphael Pitoun

Legal Structure
UCITS

Domicile
Ireland

Reference Currency
USD

Share Classes
EUR, GBP, USD, CHF

AUM
Firm: \$19.4bn¹
Fund: \$145m²

Risk and Reward Profile



Registered
Ireland

Fund Launch Date
9 May 2019

Depositary
State Street Custodial Services
(Ireland) Limited

Administrator
State Street Custodial Services
(Ireland) Limited

Auditor
Ernst & Young

Dealing Frequency Subscriptions
Daily by 1pm Dublin time



All investors should ensure that they have received and read the latest Offering Documentation and Pre-Investment Disclosure document which is available from CQS at clientservice@cqsm.com



Raphael Pitoun
Portfolio Manager

Performance Summary²

The performance during December 2019 of the CQS New City Global Equity Fund (share class F USD) was 2.69%, bringing YTD performance (since inception 9 May 2019) to 11.09%.

Investment Commentary

Nemetschek has been performing strongly last month. The company announced an astute deal in the company's Media & Entertainment division whereby Maxon's product portfolio gets extended by Red Giants' 3D visual effects capabilities. This strengthens Nemetschek's position as a credible challenger to Adobe and Autodesk for the artistic community.

Nike took advantage of the announcement of a trade agreement between the US and China and the publication of sound results. The company continues to deliver on its online strategy. The successful relaunch of the Jordan brand also contributed to the good quarter.

The Testing, Inspection and Certification sector has been strong. Both Intertek and SGS have benefited from the progress in the trade talks. The development of an offering in sustainability could be an important growth driver particularly for Intertek.

Live Nation's stock was volatile during the month with a showdown on an old matter: the 10-year consent decree of the merger of Live Nation with Ticketmaster that was about to expire. News flourished that Live Nation were violating the agreement, something we perceive as a major risk for the company. Just on time before Christmas, a new deal was reached with the U.S. Department of Justice, which extended the merger agreement by five years. The deal included no fine, a requirement for a dedicated compliance function at Live Nation and presumably some clarification on what it means to 'bundle' ticketing and concert promotion without 'threatening' the venue. This agreement bolsters our confidence in Live Nation's growth trajectory in the US and abroad.

United Health organised its annual investor day. The company focused on its growth prospects in Medicare Advantage as well as in RX scripts. Later on in December the company announced the acquisition of a small competitor in the pharmacy benefit manager business. This adds scale to the business and might be quickly accretive.

Booking Holdings was helped by the strength of the euro and market appetite for US stocks exposed internationally. Investors also seem to better understand the unique positioning of Booking vis a vis Google.

Performance Summary²

Share Class	1 Month Return (%)	3 Month Return (%)	6 Month Return (%)	12 Month Return (%)	YTD Return (%)	NAV/Share
F USD Unhedged	2.69	7.66	6.71		11.09	111.093
MSCI World TR USD ³	3.00	8.56	9.14		12.57*	-
F EUR	2.43	6.90	5.20		9.12	109.124
F EUR Unhedged	0.87	4.61	8.17		11.04	111.044
F GBP Unhedged	0.21	(0.05)	2.29		9.09	109.092
F GBP**	2.47	7.13			4.19	104.193
I USD	2.66	7.55	6.48		10.77	110.773
I EUR	2.39	6.80	4.99		8.86	108.855
I EUR Unhedged	0.83	4.51	7.97		10.78	110.777
I GBP	2.44	7.00	5.43		9.38	109.379
I GBP Unhedged	0.17	(0.16)	2.06		8.77	108.773

Source: CQS. Please refer to the important information section for sources relating to relevant footnotes. The Fund may have since exited some/all of the positions detailed in the above commentary. All market data sourced from Bloomberg. *MSCI since CQS New City Global Equity Fund's inception 9 May 2019. **F GBP launched 17 July 2019.

Signatory of:



About CQS

CQS is a multi-strategy asset manager founded by Sir Michael Hintze in 1999 and now has \$19.4bn¹ in funds under management. CQS is headquartered in London and has a presence in key global markets.

Fund Description

- Long-only global equities fund with a disciplined, specialist and repeatable process
- Investing in a concentrated portfolio of 20-25 companies listed in the OECD and with a market cap above \$3bn²
- Selection of exceptional companies in terms of quality, growth and predictability
- Targeting 12-15% return p.a. over a full cycle⁴

Investment Philosophy

- Strategy based on the core belief that a small group of performers create the majority of economic value
- Selection of distinctive business models based on customer focus, product and delivery as opposed to brands
- These companies usually combine a high level of innovation and excellent business organisation
- Inclusion of ESG criteria provides an analysis framework to identify sustainable, long term growth

Investment Process

Long term strategy based on an in-depth analysis of each company

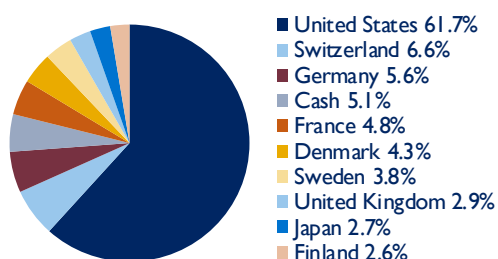
- *Step 1:* Quantitative screening based on multiple criteria including track record and growth
- *Step 2:* Deep dive into the company's products and services, business model, competitive advantages and sustainability
- *Step 3:* Portfolio construction largely based on valuation aspects with a low turnover approach

Risks Involved

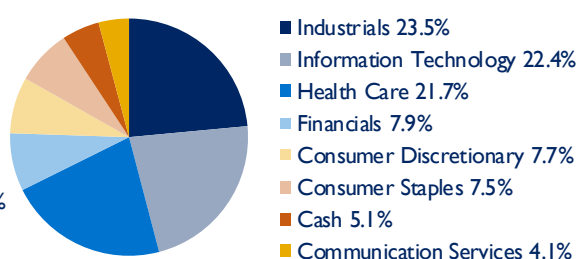
- Investments in global equities are primarily subject to equity and foreign exchange risk

PORTFOLIO ANALYSIS^{2, 5}

Region (% of NAV)



Industry (% of NAV)



Average market capitalisation

	(\$bn)
Portfolio	69

Ownership in portfolio's companies

	Average (%)	Minimum (%)	Maximum (%)
Portfolio	0.02	0.00	0.06

TOP 5 HOLDINGS (Alphabetical Order)^{2,5}

Name	Sector
Abbott Labs	Healthcare
Dassault Systemes SA	Technology
Mastercard Inc	Financials
Nike Inc	Consumer Discretionary
Xylem Inc	Industrials

Source: CQS. Please refer to the important information section for sources relating to relevant footnotes.

Key Fund Facts

(continued)

Management Fee

- F: 0.35% p.a.
- I: 0.75% p.a.
- A: 1.50% p.a.
- S: 0.50% p.a.

Minimum Investment Size

- F: €1m or currency equivalent
- I: €1m or currency equivalent
- A: €35,000 or currency equivalent
- S: €30m or currency equivalent

Ongoing Charges/Expenses

- 0.25% (all share classes)

SECURITY NUMBERS

ISIN

F USD*:	IE00BJ320L65
F EUR:	IE00BJ320G13
F EUR*:	IE00BJ320F06
F GBP*:	IE00BJ320H20
F GBP:	IE00BJ320J44
I USD:	IE00BJ320Q11
I EUR:	IE00BGVIK036
I EUR*:	IE00BJ320M72
I GBP:	IE00BJ320P04
I GBP*:	IE00BJ320N89

*Unhedged share classes

Bloomberg

F USD*:	CQGEFUH
F EUR:	CQGEFEH
F EUR*:	CQGEFEU
F GBP*:	CQGEFGU
F GBP:	CQGEFGH
I USD:	CQGEIUU
I EUR:	CQGEIEH
I EUR*:	CQGEIEU
I GBP:	CQGEIGH
I GBP*:	CQGEIGU

*Unhedged share classes

REPORTING

Investor Report
Monthly Factsheet

Fiscal Year-End

30 June

PORTFOLIO CHARACTERISTICS

Expected Number of Positions
20 – 25

Maximum Single Issuer Concentration

10% (UCITS 5/10/40 limit)

IMPORTANT INFORMATION:

Source: ¹CQS estimated as at 2 January 2020. ²CQS and Bloomberg as at 31 December 2019. ³The MSCI World Index is a broad-based global equity index that represents large and mid-cap equity performance across 23 developed market countries. It covers approximately 85% of the free-float adjusted market capitalisation in each country and does not offer exposure to emerging markets. ⁴Target returns are estimated and gross of anticipated fees, expenses and income reinvested. A client's return will be reduced by these fees and other expenses incurred by the management of the fund. They are based on long-term performance projections of the investment strategy and market conditions at the time of modelling and are therefore subject to change. There is no guarantee that any target return can be achieved. Investors should not place any reliance on such target return in deciding whether to invest in the Fund. Target returns are for illustrative purposes only. ⁵Actual allocations at month-end. There is no guarantee that the Fund will invest in this way at all or do so in the same manner as set forth in this factsheet. Figures may not sum to 100 due to rounding. Past performance may not be a reliable guide to future performance. The value of investments can go down as well as up. Please read the important legal notice at the end of this document.

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PRI Note: PRI is an investor initiative in partnership with UNEP Finance and the UN Global Compact.

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