

CQS New City Global Equity

Key Fund Facts

Portfolio Manager
Raphael Pitoun

Legal Structure
UCITS

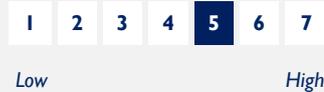
Domicile
Ireland

Reference Currency
USD

Share Classes
EUR, GBP, USD

AUM
Firm: \$18.5bn¹
Fund: \$172m²

Risk and Reward Profile



Registered
Ireland

Fund Launch Date
9 May 2019

Depository
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 cqsclientservice@cqsm.com



Raphael Pitoun
Portfolio Manager

Performance Summary²

The performance during July 2020 of the CQS New City Global Equity Fund (share class F USD) was 4.68% bringing year to date performance to 5.95%.

Investment Commentary

The month under review was marked by the start of the earnings season. We also noticed that some stocks with stable and long duration earning streams have performed particularly well as expectations of low interest rates become increasingly anchored. We would highlight Rollins and Idexx as beneficiaries, both stocks went up by more than 20% in July and their valuations need to be monitored.

In terms of earnings, stock price reactions were sometimes sharp as expectations were unusually broad given the context. Regarding the long term outlook for the companies in the portfolio, we would highlight the following:

- We are encouraged by the fact that Xylem continued to execute on its strategy with the signing of meaningful contracts (one contract to deploy digital solutions for a UK utility and another one in India) despite the difficult environment
- Some business models demonstrated a high level of resilience thanks to the importance and/or quality of their products. Despite the historical drop in economic activity in the second quarter, the organic growth of the German software maker Nemetschek (thanks to structural AEC demand) was down a modest -0.7%. The elevator maker Otis also resisted well as maintenance revenues held up. This may help the ratings of these companies down the road
- We did not notice a lot of price concessions which is helpful even for the companies such as Automatic Data Processing which were significantly hit by the increase in the jobless rate
- Demand for IT services continues unabated as Cognizant confirmed the strong business momentum reported by Accenture previously. Contrary to previous crises, technology and consulting spending are not discretionary anymore but vital to adapt to the new world

In other news, Zalando has issued a USD1bn convertible bond. Even if there is no obvious need for this, this is not surprising as the company has a significant investment plan in place, and could also seize strategic acquisition opportunities.

As far as ESG is concerned, we continued our campaign to raise awareness on carbon emissions disclosure. 80% of the companies in our investible universe report CO2 data. We wrote to the remaining ones to request disclosure as well, highlighting how important this is both from an investment and environmental sustainability perspective.

Performance Summary²

Share Class	1 Month Return (%)	3 Month Return (%)	12 Month Return (%)	YTD Return (%)	Since Inception Return (%)	NAV/Share
F USD Unhedged	4.68	12.83	13.19	5.95	17.70	117.701
MSCI World TR USD ³	4.78	12.75	7.23	(1.26)	11.15	-
F EUR	4.51	12.29	10.38	4.49	14.02	114.024
F EUR Unhedged	(0.18)	4.93	6.44	0.89	12.03	112.031
F GBP Unhedged	(0.80)	8.56	5.20	7.25	17.00	116.999
F GBP	4.57	12.30	10.36	4.18	8.55	108.552
I USD	4.65	12.72	12.82	5.79	17.18	117.182
I EUR	4.48	12.18	9.94	4.25	13.48	113.482
I EUR Unhedged	(0.21)	4.85	6.11	0.73	11.59	111.587
I GBP	4.54	12.21	9.92	3.99	13.74	113.738
I GBP Unhedged	(0.84)	8.47	4.78	7.03	16.42	116.421

Note: Share class launch dates vary.

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. *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 \$18.5bn¹ 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

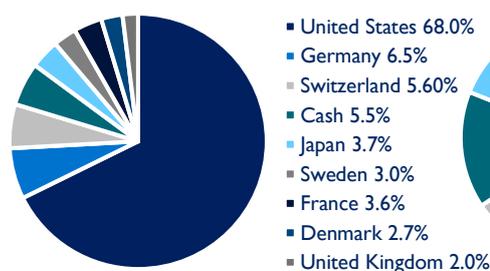
- *Step 1:* Quantitative screening based on multiple criteria including track record and growth
- *Step 2:* Deep dive into the company's products and services, business model, competitive advantages and sustainability
- *Step 3:* Portfolio construction largely based on valuation aspects with a low turnover 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	112.4

Ownership in portfolio's companies

	Average (%)	Minimum (%)	Maximum (%)
Portfolio	0.01	0.00	0.04

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

Name	Sector
Abbott Labs	Health Care
Accenture	Information Technology
Adobe Inc	Information Technology
Ansys	Information Technology
Nike	Consumer Discretionary

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 31 July 2020. ²CQS and Bloomberg as at 31 July 2020. 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.

OTHER IMPORTANT INFORMATION:

This document has been issued by CQS (UK) LLP (FRN 400496) which is authorised and regulated by the UK Financial Conduct Authority and/or (as the case may be) CQS (US), LLC which is a registered investment adviser with the SEC. The information is intended solely for sophisticated investors who are (a) professional investors as defined in Article 4 of the European Directive 2011/61/EU or (b) accredited investors (within the meaning given to such term in Regulation D under the U.S. Securities Act of 1933, as amended) and qualified purchasers (within the meaning given to such term in Section 2(a)(51) of the U.S. Investment Company Act 1940, as amended).

CQS is a founder of the Standards Board for Alternative Investments ("SBAI") (formerly, the Hedge Fund Standards Board) which was formed to act as custodian of the alternative investment managers' industry best practice standards (the "Standards") published by the Hedge Fund Working Group ("HFWG") in 2008 and to promote conformity to the Standards. SBAI is also responsible for ensuring that they are updated and refined as appropriate. The Standards were drawn up by HFWG which comprised the leading hedge funds (based mainly in London) in 2007 in response to concerns about the industry, including financial stability and systematic risk. The HFWG completed its work in January 2008 and published its report outlining the Standards. By applying the Standards, managers commit to adopt the "comply or explain" approach described in the Standards.

The term "CQS" as used herein may include one or more of any CQS branded entities including CQS (UK) LLP, CQS Cayman Limited Partnership which is registered with the Cayman Islands Monetary Authority, CQS (Hong Kong) Limited which is regulated by the Hong Kong Securities and Futures Commission, CQS (US), LLC which is registered with the US Securities and Exchange Commission, and CQS Investment Management (Australia) Pty Limited which is registered with the Australian Securities & Investments Commission, Australian Financial Services Licence No. 386047.

This document has been prepared for general information purposes only and has not been delivered for registration in any jurisdiction nor has its content been reviewed by any regulatory authority in any jurisdiction. The information contained herein does not constitute: (i) a binding legal agreement; (ii) legal, regulatory, tax, accounting or other advice; (iii) an offer, recommendation or solicitation to buy or sell shares or interests in any fund or any security, commodity, financial instrument or derivative linked to, or otherwise included in, a portfolio managed or advised by CQS; or (iv) an offer to enter into any other transaction whatsoever (each a "Transaction").

Any decision to enter into a Transaction should be based on your own independent investigation of the Transaction and appraisal of the risks, benefits and suitability of such Transaction in light of your individual circumstances. Any decision to enter into any Transaction should be based on the terms described in the relevant prospectus, supplement, offering memorandum, private placement memorandum, subscription documents, trading strategy, constitutional document and/or any other relevant document as appropriate (each an "Offering Document"). Any Transaction will be subject to the terms set out in its Offering Document and all applicable laws and regulations. The Offering Document supersedes this document and any information contained herein.

Nothing contained herein shall constitute or give rise to the relationship of partnership nor shall it constitute a joint venture or give rise to any fiduciary or equitable duties. Any information contained herein relating to any third party not affiliated with CQS is the sole responsibility of such third party and has not been independently verified by CQS or any other independent third party. The information contained herein is not warranted as to completeness or accuracy and no representations are made in such respect, nor should it be deemed exhaustive information or advice on the subjects covered; as such, the information contained herein is not intended to be used or relied upon by any counterparty, investor or any other party. The information contained herein, as well as the views expressed herein by CQS professionals made as of the date of this document, is subject to change at any time without notice.

CQS uses information sourced from third-party vendors, such as statistical and other data, that are believed to be reliable. However, the accuracy of this data, which may also be used to calculate results or otherwise compile data that finds its way over time into CQS research data stored on its systems, is not guaranteed. If such information is not accurate, some of the conclusions reached or statements made may be adversely affected. CQS bears no responsibility for your investment research and/or investment decisions and you should consult your own lawyer, accountant, tax adviser or other professional adviser before entering into any Transaction. CQS is not liable for any decisions made or action taken by you or others based on the contents of this document and neither CQS nor any of its directors, officers, employees or representatives (including affiliates) accept any liability whatsoever for any errors and/or omissions or for any direct, indirect, special, incidental or consequential loss, damages or expenses of any kind howsoever arising from the use of, or reliance on, any information contained herein.

Information contained in this document should not be viewed as indicative of future results as past performance of any Transaction is not indicative of future results. Any investment in any fund or other vehicle managed by CQS (a “CQS Fund”) or any of its affiliates involves a high degree of risk, including the risk of loss of the entire amount invested. The value of investments can go down as well as up. An investment in any CQS Fund will involve a number of material risks which include, without limitation, risks associated with adverse market developments, volatility of markets invested in, currency and exchange rate risks, risk of counterparty or issuer default and risk of illiquidity. Any assumptions, assessments, intended targets, statements or other such views expressed herein (collectively “Statements”) regarding future events and circumstances or that are forward looking in nature constitute only subjective views, outlooks or estimates and are based on CQS’s expectations, intentions or beliefs. The Statements should not in any way be relied upon, and involve inherent risk and uncertainties beyond CQS’s control.

The statements should not be assumed to be accurate or complete, now or in the future (including with respect to the composition and investment characteristics of any CQS Fund), and may be subject to change. CQS undertakes no responsibility or obligation to revise or update such Statements. Target returns and volatility targets discussed in this document are high-level, may change with market conditions and are generally used only as guidelines. Target returns reflect subjective determinations by CQS. Performance may fluctuate, particularly over short periods of time. Targeted returns should be evaluated over the time periods indicated and not over shorter periods. Target returns are not intended to be actual performance and should not be relied upon as any indication of actual or future performance. Some of the information contained in this document may be aggregated data of transactions executed by CQS that has been compiled so as not to identify the underlying transactions of any particular CQS Fund.

Any indices included in this document are included to simply show the general market trends relative to the types of investments CQS tends to select for certain CQS Funds for the periods indicated within this document. The indices are not representative of CQS Funds in terms of either composition or risk (including volatility and other risk related factors). CQS Funds are not managed to a specific index.

This document is not intended for distribution to, or use by, the public or any person or entity in any jurisdiction where such use is prohibited by law or regulation. In accepting receipt of this information, you represent and warrant that you have not been solicited, directly or indirectly, by CQS and are receiving this information at your own request. It is your responsibility to inform yourself of and to observe all applicable laws and regulations of any relevant jurisdiction.

The information contained herein is confidential and may be legally privileged and is intended for the exclusive use of the intended recipient(s) to which the document has been provided. In accepting receipt of the information transmitted you agree that you and/or your affiliates, partners, directors, officers and employees, as applicable, will keep all information strictly confidential. Any review, retransmission, dissemination or other use of, or taking of any action in reliance upon, this information is prohibited. Any distribution or reproduction of this document is not authorized and prohibited without the express written consent of CQS, or any of its affiliates.

Information required, to the extent applicable, for Distribution of Foreign Collective Investment Schemes to Qualified Investors in Switzerland: The representative in Switzerland is ARM Swiss Representatives SA, Route de Cité-Ouest 2, 1196 Gland, Switzerland. The distribution of Shares of the relevant CQS Fund in Switzerland will be exclusively made to, and directed at, qualified investors (the “Qualified Investors”), as defined in the Swiss Collective Investment Schemes Act of 23 June 2006, as amended (“CISA”) and its implementing ordinance (the “Swiss Distribution Rules”). Accordingly, the relevant CQS Fund has not been and will not be registered with the Swiss Financial Market Supervisory Authority (“FINMA”). The paying agent in Switzerland is Banque Cantonale de Genève, 17, quai de l’Ile, 1204 Geneva, Switzerland. The relevant Offering Document and all other documents used for marketing purposes, including the annual and semi-annual report, if any, can be obtained free of charge from the representative in Switzerland. The place of performance and jurisdiction is the registered office of the representative in Switzerland with regards to the Shares distributed in and from Switzerland. CQS (UK) LLP (as the distributor in Switzerland) and its agents do not pay any retrocessions to third parties in relation to the distribution of the Shares of the relevant CQS Fund in or from Switzerland. CQS (UK) LLP (as the distributor in Switzerland) and its agents do not pay any rebates aiming at reducing fees and expenses paid by the relevant CQS Fund and incurred by the investors.

IN LIGHT OF THE ONGOING ECONOMIC AND FINANCIAL MARKET UNCERTAINTY RELATING TO THE COVID-19 PANDEMIC, THE CONTENTS OF THIS DOCUMENT SHOULD BE TREATED AS SUBJECT TO CHANGE AS MARKETS CONTINUE TO REACT TO CURRENT WORLD EVENTS.

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

CQS (UK) LLP
4th Floor, One Strand
London WC2N 5HR
United Kingdom
Tel: +44 (0) 20 7201 6900
Fax: +44 (0) 20 7201 1200

CQS (US), LLC
152 West 57th Street
40th Floor
New York
NY 10019
United States
Tel: +1 212 259 2900
Fax: +1 212 259 2699

CQS (Hong Kong) Limited
1308 One Exchange Square
8 Connaught Place
Central, Hong Kong
China
Tel: +852 3920 8600
Fax: +852 2521 3189

About CQS New City Equity

CQS New City Equity is the open-ended equities investment business of CQS. CQS is a multi-strategy asset manager founded in 1999. Our Firm’s deep experience allows us to offer solutions for investors across a range of return objectives and risk appetites. CQS is an active asset manager with expertise across corporate capital structures including corporate credit, structured credit, asset backed securities, convertibles, loans and equities. We are committed to delivering performance and high levels of service to our investors.

CQS has offices in London, New York, Hong Kong. Our investors include pension funds, insurance companies, sovereign wealth funds, funds of funds, endowments and foundations, and private banks.