

Global Flexible Fund

► Contrarian. Flexible. Patient.



February 2025 update | ISIN for Class C USD:IE00BKXGFM15

MARKETING COMMUNICATION

Our investment approach

- We target equity-like returns with less risk than the market over a full market cycle.
- Our bottom-up research drives asset allocation, agnostic of market indices.
- We patiently seek undervalued and out-of-favour opportunities across asset class and capital structure.
- We are willing to hold cash until opportunities present themselves.

Portfolio Management Team



Brian A. Selmo

24 years in the industry



Steve Romick

39 years in the industry



Mark Landecker

23 years in the industry

In this monthly note, we share the Fund's return drivers over recent periods, current portfolio positioning and put the spotlight on a stock bought/sold.

Performance and markets

President Donald Trump dominated the headlines in February with several significant actions that impacted the markets. His administration continued to push aggressive economic policies, including new tariffs and deregulation efforts. These moves contributed to market volatility, with investors reacting to the potential long-term effects on trade and economic growth. The S&P 500 declined in the face of softness in the tech sector, shifting global trade dynamics, and concerns about stagflation. Commodities also saw significant price swings; oil prices struggled with oversupply concerns, while gold found strength amid economic uncertainties. The Federal Reserve maintained interest rates at 4.5%, while the Bank of Japan kept its policy rate steady at 0.5%. Global bond markets remained volatile, with US 10-year Treasury yields at 4.2% and UK 10-year gilt yields at 4%.

Heineken was a top contributor in February for the Nedgroup Investments Global Flexible Fund. Other notable contributors for the month were Holcim, Analog Devices, Aon and Comcast.

Fund performance

Past performance is not indicative of future performance and does not predict future returns



Fund returns are in US\$ based on Class C since 1 August 2013. MSCI index returns are with net dividends reinvested. Performance indicator: 60% MSCI World NR USD, 30% Bloomberg Global Aggregate bond, 10% US Cash. Source: Morningstar, Nedgroup Investments.

Key return drivers

Month to date

Contributors		Detractors	
Heineken	0.33%	Alphabet	-0.90%
Holcim	0.23%	Jefferies Financial Group	-0.22%
Analog Devices	0.22%	Amazon	-0.22%
Aon	0.18%	International Flavors & Fragrances	-0.12%
Comcast	0.13%	Meta Platforms	-0.09%

Year to date

Contributors		Detractors	
Meta Platform	0.46%	Alphabet	-0.48%
Citigroup	0.41%	Jefferies Financial Group	-0.25%
Holcim	0.37%	Vail Resorts	-0.10%
Heineken	0.34%	Comcast	-0.09%
Compagnie Financiere Richemont	0.28%	NCR Atleos	-0.09%

Sector contribution	Month to date	Year to date
<i>Equities</i>	-0.32%	2.45%
Communication Services	-0.61%	0.22%
Consumer Discretionary	-0.13%	0.26%
Consumer Staples	0.37%	0.42%
Energy	-0.02%	0.02%
Financials	-0.10%	0.68%
Health Care	-0.11%	-0.10%
Industrials	-0.01%	0.47%
Information Technology	0.29%	0.31%
Materials	0.05%	0.22%
Real Estate	-0.05%	-0.05%

Contribution data as of reporting month end. Source: FPA, Factset.

Portfolio positioning

Portfolio structure	Portfolio weight
Fixed income	2.12%
Corporate Bonds	0.48%
Convertible Bonds	1.53%
Asset Backed Bonds	0.11%
Equities	56.81%
Communication Services	12.87%
Consumer Discretionary	6.61%
Consumer Staples	4.16%
Energy	1.64%
Financials	9.11%
Health Care	1.81%
Industrials	6.28%
Information Technology	7.18%
Materials	5.84%
Real Estate	1.20%
Utilities	0.10%
Cash & equivalents*	41.07%
Total	100%

Regional breakdown	Equity weight	Fixed income weight
North America	34.74%	0.94%
Europe ex UK	18.35%	1.18%
Asia ex. Japan	0.16%	0.00%
Japan	2.04%	0.00%
Emerging Markets	1.52%	0.00%
Total	56.81%	2.12%

Top 5 equity holdings		Portfolio weight
Alphabet	Communication Services	4.44%
Meta	Communication Services	3.11%
Holcim	Materials	2.98%
Analog Devices	Information Technology	2.93%
Citigroup	Financials	2.74%

* Includes money market securities.

Stock spotlight: Comcast

Comcast, a leading broadband and media company, has been part of the portfolio since 2018. While its media brands like Sky Sports and CNBC are well-known, the true economic strength of Comcast lies in its broadband business. Despite facing competition from fixed wireless providers and overbuilders, which has led to a decline in subscribers, the core cable and fibre infrastructure remains the company's most valuable asset.

- The media industry's evolution, seen in the likes of Netflix, has put pressure on this segment of the company. Recently, Comcast sold its remaining stake in Hulu and is looking to sell MSNBC, signalling a strategic shift towards focusing on broadband rather than media. This move underscores the importance of their core business, which enjoys significant competitive advantages over other cable providers. Comcast's substantial investment in fibre infrastructure makes it difficult for competitors like AT&T, Verizon, and T-Mobile to match their offerings in the near future.
- Although Comcast lost around 150,000 broadband subscribers in the last quarter, its consolidated revenue increased over the year. The company generated \$3.5 billion in free cash flow for the quarter, highlighting its financial health. The shares are considered undervalued, and with strong free cash flow, Comcast is expected to perform well in the long term. Their growing wireless offerings also present attractive upside potential for the stock.
- This position was 2.26% of the portfolio as at month-end.

Positioning information as of reporting month end. Some differences may exist due to rounding.
Source: FPA, Nedgroup Investments.

Contact us

Email: Clientsolutions@nedgroupinvestments.com

London: 7th Floor, 12 Arthur Street, EC4R 9AB, +44 (0) 7960 901396

Disclaimer

This is a marketing communication. Please refer to the prospectus, the key investor information documents (the **KIIDs/PRIIPS KIDS**) and the financial statements of Nedgroup Investments Funds plc (the **Fund**) before making any final investment decisions.

These documents are available from Nedgroup Investments (IOM) Ltd (the **Investment Manager**) or via the website: www.nedgroupinvestments.com.

This document is of a general nature and intended for information purposes only, it is not intended for distribution to any person or entity who is a citizen or resident of any country or other jurisdiction where such distribution, publication or use would be contrary to law or regulation. Whilst the Investment Manager has taken all reasonable steps to ensure that this document is accurate and current at the time of publication, we shall accept no responsibility or liability for any inaccuracies, errors or omissions relating to the information and topics covered in this document.

The Fund is authorised and regulated in Ireland by the Central Bank of Ireland. The Fund is authorised as a UCITS pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 as amended and as may be amended, supplemented, or consolidated from time-to-time and any rules, guidance or notices made by the Central Bank which are applicable to the Fund. The fund is domiciled in Ireland. Nedgroup Investment (IOM) Limited (reg no 57917C), the Investment Manager and Distributor of the Fund, is licensed by the Isle of Man Financial Services Authority. The Depositary of the Fund is Citi Depositary Services Ireland DAC, 1 North Wall Quay, Dublin 1, Ireland. The Administrator of the Fund is Citibank Europe plc, 1 North Wall Quay, Dublin 1, Ireland.

The sub-funds of the Fund (the **Sub-Funds**) are generally medium to long-term investments and the Investment Manager does not guarantee the performance of an investor's investment and even if forecasts about the expected future performance are included the investor will carry the investment and market risk, which includes the possibility of losing capital.

The views expressed herein are those of the Investment Manager/Sub-Investment Manager at the time and are subject to change. The price of shares may go down as well as up and the price will depend on fluctuations in financial markets outside of the control of the Investment Manager. Costs may increase or decrease as a result of currency and exchange rate fluctuations. If the currency of a Sub-Fund is different to the currency of the country in which the investor is resident, the return may increase or decrease as a result of currency fluctuations. Income may fluctuate in accordance with market conditions and taxation arrangements. As a result an investor may not get back the amount invested. Past performance is not indicative of future performance and does not predict future returns. The performance data does not take account of the commissions and costs incurred on the issue and redemption of shares.

Fees are outlined in the relevant Sub-Fund supplement available from the Investment Manager's website.

The Sub-Funds are valued using the prices of underlying securities prevailing at 11pm Irish time the business day before the dealing date. Prices are published on the Investment Manager's website. A summary of investor rights can be obtained, free of charge at www.nedgroupinvestments.com.

Distribution : The prospectus, the supplements, the KIIDs/PRIIPS KIDS, constitution, country specific appendix as well as the annual and semi-annual reports may be obtained free of charge from the country representative and the Investment Manager. The Investment Manager may decide to terminate the arrangements made for the marketing of its collective investment undertakings in accordance with Art 93a of Directive 2009/65/EC and Art 32a of Directive 2011/61/EU.

Germany: The Fund's Facilities agent in Germany is Acolin Europe AG, with the registered office at Line-Eid-Strasse 6, 78467 Konstanz. The Prospectus (in English) and the PRIIPS KID (in German), may be obtained free of charge at the registered office of the Facilities agent, or electronically by Email via facilityagent@acolin.com, or by using the contact form at <https://acolin.com/services/facilities-agency-services>.

Switzerland: the Representative is Acolin Fund Services AG, Maintower, Thurgauerstrasse 36/38, CH-8050 Zurich, whilst the Paying agent is Banque Heritage SA, Route de Chêne 61, CH-1211 Geneva 6. Nedgroup Investments (IOM) Limited is affiliated to the Swiss ombudsman: Verein Ombudsstelle Finanzdienstleister (OFD), Bleicherweg 10, CH-8002 Zurich.

U.K: Nedgroup Investment (UK) Limited (reg no 2627187), authorised and regulated by the Financial Conduct Authority, is the facilities agent. The Fund and certain of its sub-funds are recognised in accordance with Section 264 of the Financial Services and Markets Act 2000.

Isle of Man: The Fund has been recognised under para 1 sch 4 of the Collective Investments Schemes Act 2008 of the Isle of Man. Isle of Man investors are not protected by statutory compensation arrangements in respect of the Fund.