

Global Flexible Fund

► Contrarian. Flexible. Patient.



January 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

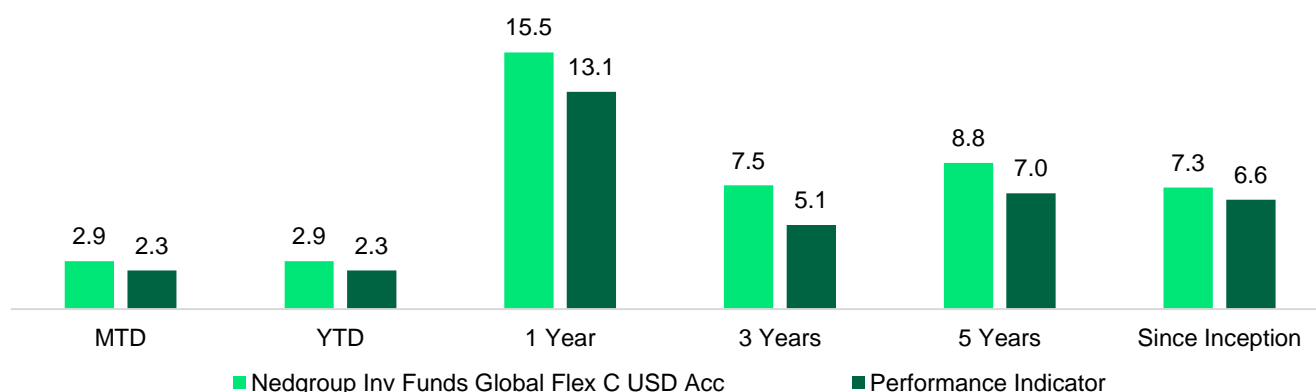
In this monthly note, we share the Fund's return drivers over recent periods, current portfolio positioning and put the spotlight on a stock bought/sold.

Performance and markets

Global equity markets started the year on a positive note, with major regions locking in solid gains. Notably, Chinese start-up DeepSeek challenged US leadership in artificial intelligence, causing some volatility in the tech sector. In its first meeting of the year, the Federal Reserve held interest rates steady after three consecutive cuts in 2024. The US labour market showed continued resilience, with the unemployment rate edging down to 4%. US inflation remained somewhat elevated, but the trend continued downward. The UK benefitted from a rotation out of US tech stocks and easing trade tariff concerns. The Bank of Japan implemented a third rate hike, raising the policy rate to 0.5% and the Nikkei 225 surged, supported by a weaker yen and positive economic outlook. Global bond markets experienced volatility, with yields remaining high in the US and UK due to the "higher for longer" stance on interest rates. Meta was a top contributor in January for the Nedgroup Investments Global Flexible Fund. Other notable contributors for the month were Citigroup, Alphabet, Richemont and Wells Fargo.

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	
Meta	0.55%	Comcast	-0.23%
Citigroup	0.44%	NEXON Co	-0.08%
Alphabet	0.41%	Vail Resorts	-0.06%
Compagnie Financiere Richemont	0.24%	NCR Voyix Corporation	-0.04%
Wells Fargo & Company	0.19%	Naspers & Prosus	-0.04%

Year to date

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Sector contribution	Month to date	Year to date
<i>Equities</i>	2.78%	2.78%
Communication Services	0.83%	0.83%
Consumer Discretionary	0.39%	0.39%
Consumer Staples	0.05%	0.05%
Energy	0.04%	0.04%
Financials	0.78%	0.78%
Health Care	0.01%	0.01%
Industrials	0.48%	0.48%
Information Technology	0.02%	0.02%
Materials	0.17%	0.17%
Real Estate	0.01%	0.01%

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

Portfolio positioning

Portfolio structure	Portfolio weight
Fixed income	2.04%
Corporate Bonds	0.47%
Convertible Bonds	1.47%
Asset Backed Bonds	0.11%
Equities	57.03%
Communication Services	13.93%
Consumer Discretionary	6.78%
Consumer Staples	3.56%
Energy	1.67%
Financials	9.84%
Health Care	1.35%
Industrials	5.90%
Information Technology	6.78%
Materials	5.84%
Real Estate	1.28%
Utilities	0.10%
Cash & equivalents*	40.92%
Total	100%

Regional breakdown	Equity weight	Fixed income weight
North America	36.52%	0.75%
Europe ex UK	17.06%	1.30%
Asia ex. Japan	0.16%	0.00%
Japan	1.75%	0.00%
Emerging Markets	1.54%	0.00%
Total	57.03%	2.04%

Top 5 equity holdings		Portfolio weight
Alphabet	Communication Services	5.48%
Meta	Communication Services	3.39%
Citigroup	Materials	3.05%
Holcim	Financials	2.87%
Analog Devices	Information Technology	2.68%

* Includes money market securities.

Stock spotlight: NXP Semiconductors

Despite the current cyclical downturn in the semiconductor industry, there remains strong long-term demand for analogue semiconductors, driven by trends like industrial automation and automotive advancements. While the timing of the industry's recovery is uncertain, recoveries tend to be swift when they occur. We focus on the intrinsic value of businesses over the next three to five years, rather than short-term performance and NXP is considered well-positioned for long-term growth due to their strong market positions and exposure to growth trends.

- NXP has a **significant presence in the automotive market**, particularly in areas such as driver assistance systems and battery management for electric vehicles.
- Additionally, NXP holds a **strong position in industrial and IoT markets** and leads in mobile payment technologies, including chips used for contactless payments.
- Despite current challenges, NXP maintains a **healthy profit margin** and **returns** a significant portion of **its cash to investors** through **buybacks and dividends**.

Looking ahead, NXP is expected to grow at a mid-single-digit rate, with potential for margin improvement due to investments in their own fabrication facilities, positioning them well for long-term growth despite short-term uncertainties. This position was 0.95% 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.

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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.

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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.

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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.

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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.