

# Global Flexible Fund

► Contrarian. Flexible. Patient.



November 2024 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.*

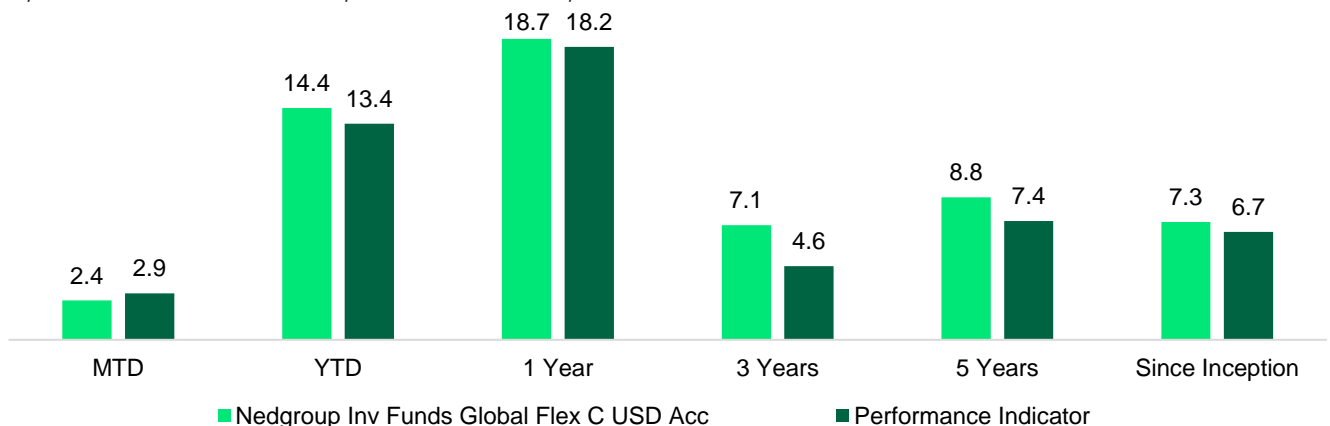
## Performance and markets

US stocks rebounded strongly, driven by positive reactions to the US election results, with the S&P 500 and Russell 2000 both posting significant gains. Despite this, fourth-quarter guidance remained cautious due to anticipated economic slowdowns. UK and European equity markets also saw gains, though more modest, with the UK outperforming its European peers thanks to the passing of the UK budget and expectations of lighter US tariffs on UK goods. Global bond markets experienced some recovery, with a particularly strong rally in the US. The promise of lower taxes and deregulation under the incoming US administration helped strengthen the dollar and push Treasury yields higher.

Jefferies was a top contributor in November for the Nedgroup Investments Global Flexible Fund. Other positive contributors for the month were Wells Fargo, Citigroup, Charter Communications and Amazon.

### 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	
Jefferies Financial Group	0.47%	International Flavors & Fragrances	-0.19%
Wells Fargo & Company	0.37%	Heineken	-0.14%
Citigroup	0.28%	JDE Peet's	-0.13%
Charter Communications	0.25%	Nexon Co.	-0.10%
Amazon.com	0.21%	Glencore plc	-0.09%

### Year to date

Contributors		Detractors	
Meta Platforms	1.66%	Heineken	-0.45%
Jefferies Financial Group	1.58%	Cb&i Sts Delaware Llc Term Loan	-0.38%
Alphabet	1.16%	JDE Peet's	-0.29%
Holcim	1.01%	Glencore	-0.27%
Wells Fargo & Company	0.97%	LG	-0.21%

Sector contribution	Month to date	Year to date
<i>Equities</i>	2.35%	12.84%
Communication Services	0.20%	3.04%
Consumer Discretionary	0.45%	1.36%
Consumer Staples	-0.32%	-1.00%
Energy	0.28%	0.78%
Financials	1.51%	4.60%
Health Care	0.00%	-0.12%
Industrials	0.32%	1.55%
Information Technology	0.00%	1.12%
Materials	-0.18%	1.08%
Real Estate	0.08%	0.43%

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

## Portfolio positioning

Portfolio structure	Portfolio weight
Fixed income	<b>2.87%</b>
Corporate Bonds	0.99%
Convertible Bonds	1.78%
Asset Backed Bonds	0.11%
Equities	<b>58.64%</b>
Communication Services	13.77%
Consumer Discretionary	6.52%
Consumer Staples	3.58%
Energy	1.67%
Financials	10.40%
Health Care	1.21%
Industrials	6.23%
Information Technology	7.29%
Materials	6.12%
Real Estate	1.31%
Utilities	0.07%
Cash & equivalents*	<b>38.49%</b>
<b>Total</b>	<b>100%</b>

\* Includes money market securities.

Regional breakdown	Equity weight	Fixed income weight
North America	37.80%	1.46%
Europe ex UK	17.34%	1.41%
UK	0.01%	0.00%
Japan	1.77%	0.00%
EM	1.74%	0.00%
<b>Total</b>	<b>58.64%</b>	<b>2.87%</b>

Top 5 equity holdings		Portfolio weight
Alphabet Inc	Communication Services	4.76%
Meta Platforms Inc	Communication Services	3.11%
Holcim Ltd	Materials	2.91%
Citigroup	Financials	2.78%
Analog Devices	Information Technology	2.78%

## Stock spotlight: National Oilwell Varco

- We recently initiated a position in National Oilwell Varco (NOV), a leading provider of equipment and technology for the oil and gas industry, with a strong presence in both onshore and offshore markets. The company is renowned for its high-quality products and innovative solutions that enhance the efficiency and productivity of drilling operations.
- Valuation:** Trading at a 25-30% premium to tangible book value, NOV's valuation is supported by high-quality receivables and a lean infrastructure. With a current valuation of less than 10 times this year's cash generation, NOV offers attractive earnings potential, even in a mid-cycle phase of the oil market.
- Long-term:** The company benefits from consistent demand for replacement and repair parts, ensuring a stable revenue base. NOV is well-positioned to capitalize on capital spending cycles, including the construction of new rigs and the revitalization of existing ones. The company's robust financials and strategic diversification make it a valuable addition to our investment portfolio.

Positioning information as of reporting month end. Some differences may exist due to rounding.

Source: FPA, Nedgroup Investments.

## Contact us

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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](http://www.nedgroupinvestments.com).

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