

Artemis Global Income Fund



Jacob de Tusch-Lec
Fund manager, since
launch



Sam Morley
Analyst, since April
2016



Jacob Brahms
Analyst, since May
2016

Class I accumulation units, GBP

May 2019

Data as of 30 April 2019

The fund's aims

The fund aims to achieve a rising income combined with capital growth from a wide range of investments. The fund will mainly invest in global equities but may have exposures to fixed interest securities. We will not be restricted in our choice of investments, regardless of size of the company, the industry it trades in or the geographical split of the portfolio.

Fund update

In some ways, not much changed in April. The trade talks between the US and China dragged on inconclusively and Brexit remained locked in stasis. And while there was no sign of a dramatic acceleration in economic growth, things were no longer getting worse.

While economic data improved at the margin, it was not enough to encourage 'animal spirits' to return to markets. On a net basis, money is flowing out of equities and into credit and safe-haven assets. So although equity markets have had a good 2019 (to date), the gains have not been driven by the riskier areas of the market. That said, April did see slight signs of a pro-cyclical shift. Some of this was a recalibration: the valuation gap between cyclicals and defensives, between value and growth or between cyclical yield and defensive yield had perhaps become too extreme, too stretched. There were signs of a gentle contraction in that

gap – a slight shift back towards cheaper, more cyclical stocks and away from the most defensive names. In line with that, two of our cheaper holdings with a higher degree of cyclicity – GM and Citigroup – featured among the biggest contributors to returns in April.

On an absolute basis, meanwhile, our best performer was Spanish theme park operator Parques Reunidos, which found itself on the receiving end of a bid to take it private that sent its share price 28% higher on the month.

The modest recovery in cyclical stocks such as Citigroup and GM in April was, along with the bid for Parques Reunidos, helpful for returns: we outperformed the average fund in our global equity income peer group. Yet at the same time, the fund (marginally) lagged the broader MSCI AC World Index. In part, that was because growth continues to outperform value. Global

income as a style is usually exposed to either value (defensive or cyclical) or high-dividend-paying bond proxies. Those styles are under pressure relative to a global benchmark in which growth sectors such as software are among the biggest components. A small cadre of the largest US stocks – trillion-dollar companies like Microsoft and Apple – are driving global indices. On a stock level, meanwhile, we were hurt by weakness in Posco Chemtech and Tokai Carbon. The declines weren't dramatic (in local currency terms, they fell by 4.8% and 7.5% respectively) but that they are both relatively large positions meant that they acted as a drag on performance.



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Composition

Top ten holdings

General Motors	4.0%
INWIT	3.2%
Rai Way	2.8%
Tokai Carbon	2.8%
Citigroup Inc	2.7%
Posco Chemtech Company	2.6%
Broadcom	2.5%
Zions Bancorp	2.4%
Rheinmetall	2.1%
Bank Leumi Le-Israel	2.0%

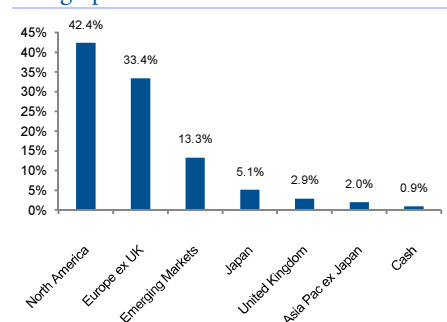
Source: Artemis as at 30 April 2019.

Market sector split

Financials	24.5%
Materials	13.5%
Energy	12.3%
Communication Services	11.8%
Industrials	11.0%
Information Technology	10.5%
Consumer Discretionary	8.1%
Real Estate	3.0%
Utilities	2.0%
Health Care	2.0%
Consumer Staples	0.3%

Source: Artemis as at 30 April 2019. Please note that figures may not add up to 100% due to rounding and the cash holding.

Geographic breakdown



Source: Artemis as at 30 April 2019. Please note figures may not add up to 100% due to rounding.

Performance

Cumulative performance

	Since launch	5 years	3 years	1 year	6 months
Artemis Global Income	180.0%	54.5%	34.3%	-1.3%	1.3%
MSCI AC World NR GBP	162.1%	81.3%	55.2%	11.0%	7.2%

'Since launch' data from 19 July 2010. Source: Lipper Limited, mid to mid in sterling to 30 April 2019. All figures show total returns with dividends reinvested. From 4 February 2019, this fund changed from a dual-priced to single-priced basis; historic performance is unaffected.

Discrete performance to year end

	2018	2017	2016	2015	2014
12 months to 31 December	-12.5%	11.6%	22.5%	6.6%	12.9%

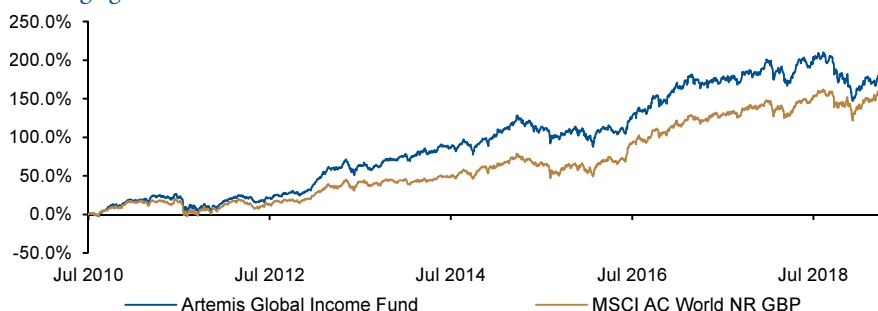
Please remember that past performance is not a guide to the future. Source: Lipper Limited, mid to mid in sterling. All figures show total returns with dividends reinvested.

Discrete performance to quarter end

	2019	2018	2017	2016	2015
12 months to 31 March	-0.6%	-1.3%	30.5%	-3.5%	20.0%

Please remember that past performance is not a guide to the future. Source: Lipper Limited, mid to mid in sterling. All figures show total returns with dividends reinvested.

Percentage growth



Data from 19 July 2010. Source: Lipper Limited, mid to mid in sterling to 30 April 2019. All figures show total returns with dividends reinvested. From 4 February 2019, this fund changed from a dual-priced to single-priced basis; historic performance is unaffected.

Key facts

Fund type	Unit trust
Focus	Income
Asset class	Equity
Regional focus	Global
IA sector	IA Global Equity Income NR
SEDOL	B5ZX1M7
ISIN	GB00B5ZX1M70
Type	Accumulation
Class currency	GBP
Accumulation date	31 March, 30 September
Valuation point (UK business days)	12:00
Year end	31 July
Fund launch date	19 July 2010
Class launch date	19 July 2010
Class launch price	50p
SRRI	5
Fund size (mid basis)	£3,445.6m

Source: Artemis as at 30 April 2019.

Prices and yield

Mid price	133.14p
Historic yield	3.21%

The historic yield reflects distributions declared over the past twelve months as a percentage of the mid-market price, as at the date shown. It does not include any preliminary charge and investors may be subject to tax on their distributions.

Charges

Initial charge	0%
Ongoing charge	0.825%

The ongoing charge includes the annual management charge of 0.75% and is shown as at the date of the Key Investor Information Document (KIID), where a full explanation of the fund's charges can be found.

Risks and important information

To ensure you understand whether this fund is suitable for you, please read the Key Investor Information Document and Costs and Charges Information document, which are available, along with the fund's Prospectus, from artemisfunds.com

The value of any investment, and any income from it, can rise and fall with movements in stockmarkets, currencies and interest rates. These can move irrationally and can be affected unpredictably by diverse factors, including political and economic events. This could mean that you won't get back the amount you originally invested.

The fund's past performance should not be considered a guide to future returns.

The fund may have investments concentrated in a limited number of companies, industries or sectors. This can be more risky than holding a wider range of investments.

The fund may invest in emerging markets, which can involve greater risk than investing in developed markets. In particular, more volatility (sharper rises and falls in unit/share prices) can be expected.

The fund may invest in the shares of small and medium-sized companies. Shares in smaller companies carry more risk than larger, more established companies because they are often more volatile and, under some circumstances, harder to sell. In addition, information for reliably determining the value of smaller companies – and the risks that owning them entails – can be harder to come by.

Because one of the key objectives of the fund is to provide income, some or all of the annual management charge is taken from capital rather than income. This can reduce the potential for capital growth.

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