Please click here for audio



% OF TOTAL ASSETS

3.1%

(B CLASS)

Benchmark Return (%)**

0.00

5.38

11.47

17.22

31.06

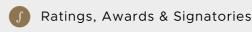
FACTSHEET • JULY 2024

WS Amati Global Innovation Fund



Fund Objective

The Fund aims to provide capital growth and to outperform global equity markets over the medium to long term (3-5 year period), by investing in companies that create value from innovative products, services and business models that address key challenges facing businesses, consumers and societies, where the impact of such innovation is not fully priced by the market. The recommended holding period is 5 years or more. To read more, please go to: Fund Overview



Signatory of:

















Contact Details

Investment Manager

Amati Global Investors Ltd 8 Coates Crescent Edinburgh EH3 7AL

T: +44 (0) 131 503 9115 F: +44 (0) 131 503 9110

E:_info@amatiglobal.com W:_www.amatiglobal.com ACD of the Fund

Waystone Management (UK) Limited 20-22 Bedford Row London WC 17 4ED

T: 0345 922 0044

E: wtas-investorservices @waystone.com

W: Waystone Management (UK) Limited

	10 Largest Holdings
	Danaher Corp
	Samsung Electronics
	Novonesis
	lqvia Holdings
	PTC Inc

Danaher Corp	4.0%
Samsung Electronics	3.9%
Novonesis	3.9%
Iqvia Holdings	3.4%
PTC Inc	3.4%
Leonardo DRS	3.3%
Cognex Corp	3.2%
Intuitive Surgical	3.1%
Labcorp	3.1%

() Key Information			
Available Platforms	Click here for list of available platforms		
Launch Date	May 2022		
Charges (no initial)	0.75% Annual Mgt Charge plus research charge of up to 0.10% (OCF capped at 1%)		
Fund Size	£10.2m		
Share price (B Class)	127.70p		
Share price (C Class)	100.96p		
ISAable fund	Yes		
IA Sector	Global		
No. of Holdings	39		
Minimum Investment	£1,000		
Net Dividend Yield	0.4%		
Initial Charge	0%		
Min Lump Sum Regula	r £50/month		
Share Type	B Accumulation		
Scheme Type	UK UCITS		
ISIN	GB00BKVF3N76		

Cumulative performance data as at 31/07/2024 *WS Amati Strategic Innovation Fund, Total Return **MSCI ACWI Index (GBP), Total Return.

Cumulative Performance

Qiagen

1 month

3 months

6 months

Since Launch#

1 year

Investment Team



Benchmark

Mikhail Zverev Fund Manager



Graeme Bencke Fund Manager

MSCI ACWI



Past performance is not a reliable indicator of future performance.

Fund Return (%)*

1.53

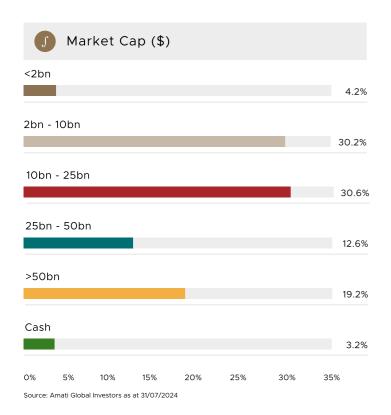
5.82

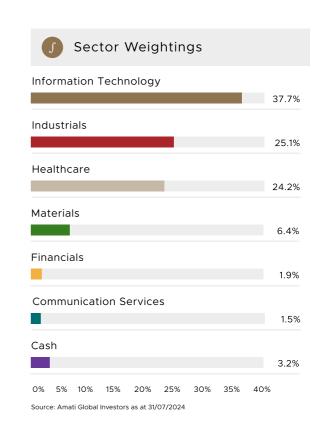
10.68

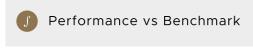
20.63

27.70











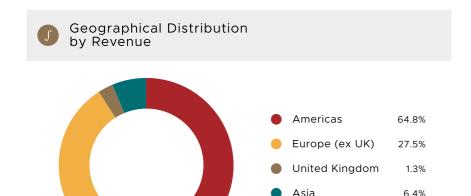
Source: Amati Global Investors as at 31/07/2024

*WS Amati Global Innovation Fund, Total Return.
**MSCI ACWI Index (GBP), Total Return. The stocks comprising the index are aligned with the Fund's objectives, and on that basis the index is considered an appropriate performance comparator for the Fund. Please note that the Fund is not constrained by or managed to the index.

Sources: Amati Global Investors Ltd and MSCI Inc

Past performance is not a reliable indicator of future performance.

Source: Amati Global Investors as at 31/07/2024





Investment Report

July has been a positive but volatile month for both the market and the Fund.

Economic indicators softened in the US and globally, and investors became more convinced that interest rate cuts by central banks are imminent. This pushed up the prices of higher risk, interest rate sensitive asset classes, including smaller companies, at the expense of the big tech, "Magnificent 7" stocks. We long believed that these mega-cap technology companies, their fundamental merits notwithstanding, have become safe havens for investors in uncertain times. More pro-risk sentiment in July resulted in their sell-off. For illustration, during the month of July MSCI World Small Cap index gained 6.9% in dollar terms, whereas the Bloomberg Magnificent 7 index lost 0.6%. This material divergence should be viewed in the context of an opposite picture over the longer time horizon: in the past 2 years the Magnificent 7 outperformed global small caps by over 70%.

The Large cap tech correction in July was exacerbated by the growing unease about the fact that tens of billions of dollars that these companies invested in AI had so far not produced any commensurate returns, or even visibility of such returns in the foreseeable future. This concern is increasingly prevalent in the venture capital community but is only now entering the consciousness of public market investors.

In our pursuit of innovation we can and do go anywhere, and invest across the market capitalisation range. Regular followers of the fund remember that we were enthusiastic about AI earlier in the journey but became wary of uncritical enthusiasm that the market had for NVidia and other AI bellwether stocks. We always looked beyond the largest, most publicised and popular benchmark holdings in our search for undiscovered innovation beneficiaries. In fact in the past 12 months we had neither NVidia nor any other Magnificent 7 stock in our portfolio. This was a headwind for our fund during the mega-cap rally, but it is gratifying and reassuring to see that despite this the Fund materially outperformed its benchmark over the past year and indeed in the past month. We continue to believe that we can generate returns from innovation beyond the most popular and widely held mega-cap ideas.

Top contributors to fund return in the month included **IQVIA**, a US listed clinical research organisation. IQVIA's business supports clinical trials and product launches by pharma and biotech companies. During the month the company reported better than expected results, driven more by drug launch activity than by the R&D activity of its customers, but the pipeline for the latter is growing. We continue to expect multi-year growth of new drug discoveries and launches and see IQVIA as a well positioned enabler of this healthcare innovation.

Another strong contributor was **Moog**, a US listed supplier of electromechanical components for defence and aerospace. The sentiment for defence spending and defence innovation opportunities continued to improve. The company's position as an enabler of a number of exciting new programmes is increasingly appreciated, supported during the month by contract win announcements and analyst upgrades. Our own recent visit to Eurosatory 2024, a global defence industry trade show, and our conversation with the company and its customers supports this view.

Finally, **Danaher**, a US listed life sciences tools company, reported a strong set of results, suggesting that an extended period of destocking in some of their end markets is over, and they are returning to their long-term growth trend. Danaher is a leading supplier of essential equipment and consumables to biomanufacturing of next generation medicines and is one of the leading vendors of equipment for the broadening range of medical diagnostics, enabling two innovation frontiers that we think are particularly attractive.

Detractors to the fund performance in the month included **Eli Lilly**, a US listed pharmaceuticals company with a strong franchise in diabetes and obesity and a promising newly approved drug for Alzheimer's disease. Lilly performed very strongly year-to-date, but investors are growing more concerned about a slew of new obesity treatments in development by its competitors. This reached fever pitch in the month with pipeline progression announcements from a number of companies that sent their share prices rocketing. Competition in this space is inevitable, while prior drug launch dynamics have taught us that first mover advantage is a tangible and lasting benefit.

Booz Allen Hamilton, a US listed defence technology consulting company, had results that demonstrated strong progress on sales, backlog and capacity expansion, but disappointed on margins. The stock underperformed as a result. We see this as a transitory issue, largely the result of timing of hiring and revenue recognition in the quarter and see no change to our long-term thesis.





Investment Report

Finally, **Infineon**, a German listed auto and industrial semiconductor company was also weak. Several of its competitors reported lacklustre results showing that demand is cyclically depressed, macro uncertainty is affecting their industrial end markets, and the auto industry is undergoing inventory correction. These are cyclical headwinds that do not detract from a longer term structural opportunity and we remain positive on the stock.

We did not buy any new stocks for the portfolio but used market volatility during the month to make small additions to our existing positions (including Infineon mentioned above) where we see long-term upside and the market is too preoccupied by transitory or cyclical uncertainty. We see such volatility as an opportunity and will look to continue to take advantage of that in the future.





Risk Warning

Past performance is not a reliable guide to future performance. The value of investments and the income from them may go down as well as up and you may not get back the amount originally invested. Tax rates, as well as the treatment of OEICs, could change at any time. The return on investments in overseas markets may increase or decrease as a result of exchange rate movements. There may be occasions where there is an increased risk that a position in the Fund cannot be liquidated in a timely manner at a reasonable price. In extreme circumstances this may affect the ability of the Fund to meet redemption requests upon demand. A dilution levy may be applied to the share price when the fund is expanding or contracting. Should you buy or sell in these circumstances it may have an adverse impact on the return from your investment.

This factsheet does not provide you with all the facts you need to make an informed decision about investing in the Fund. Before investing you should read the Key Investor Information Document (KIID) and associated Fund documentation. If you are in any doubt as to how to proceed you should consult an authorised intermediary.

Fund documentation can be requested from Waystone Management (UK) Limited or Amati using the contact details above, and is available to download from our website.

Issued by Amati Global Investors Limited, which is authorised and regulated by the Financial Conduct Authority.