

# NEXUS GLOBAL DYNAMIC PORTFOLIO B

A Sub Fund of Libero International SICAV plc

FACTSHEET - June 2023



## INVESTMENT PROCESS

The fund manager's approach to investment combines strong valuation disciplines within a long-term strategic framework, together with a willingness to adjust asset allocation and stock selection in response to short term market opportunities. The Fund is not constrained by one particular investment style such as growth or value, but instead the manager believes that the best returns are achieved by correctly positioning the portfolio to benefit at all stages of each economic cycle. The manager has the mandate to search out value globally and is not constrained by benchmarks and so is well-placed to judge the relative merits of a wide range of investment opportunities. Irrespective of geographic locations, close attention is paid to individual companies in addition to understanding economic conditions. High conviction ideas are supported by a combination of quantitative analysis, in-house research and company visits.

## MARKET COMMENTARY

In May markets were dominated by concerns about the US debt ceiling and a mixed picture for the global economy, with an increasing divergence between the service and manufacturing sectors of the economy. Against this backdrop Nexus Dynamic was marginally down over the month, returning -0.12%.

A deal to lift the US debt ceiling has now passed through the House of Representatives and the Senate. US inflation temporarily bounced in April, with headline and core CPI both rising roughly in line with expectations. This brings the year-over-year gains to 5.0% and 5.5%, similar to last month's readings but down sharply from last summer's peaks of 8.9% and 6.6% respectively. In the UK, the April inflation report was not well received as headline CPI fell from 10.1% year-on-year to 8.7%, significantly above expectations of 8.2%. Even more concerning was the acceleration of the core CPI component from 6.2% year-on-year to 6.8%.

Despite the drama, US equities were relatively resilient in May, while UK equities were hit by lower commodity prices. Equity market leadership in the US has been narrow, with large tech companies outperforming the broader market, backed by strong earnings reports and growing investor expectations about the future potential of AI. In May, growth stocks outperformed value by nearly 7%. The hype around AI was behind the good performance of our semi stocks, with AMD, TSMC and ASML all up between 15% and 32% over the month. The new investment in Salesforce also made a positive start and was +11%.

A recession still looks probable, but the latest earnings reports suggest companies are navigating this relatively well. Signs of a moderation in inflation in the US and the likelihood that the Fed is nearing the end of its aggressive rate-hiking campaign are welcome news. However, until there is more substantial evidence that pricing pressures are easing at a fast-enough pace for central banks to hit pause, volatility is likely to remain high. In such an uncertain environment, we believe a focus on quality will continue to be of benefit.

## INVESTMENT THEMES

### Salesforce

Salesforce.com is a leading provider of Software as a Service (SaaS) with principal products in the Customer Relationship Management (CRM) market, part of the enterprise software market. Historically the stock has traded at 60x PE. Currently it trades on 24x 2024 EPS for 20% growth, and in May we made an investment. We see it as an Artificial intelligence (AI) winner - Salesforce is well placed to infuse a safe, trusted and well supervised version of generative AI into its product suite. It has been working with AI for many years (under the Einstein brand) and they will talk more about its latest AI product releases later this month.

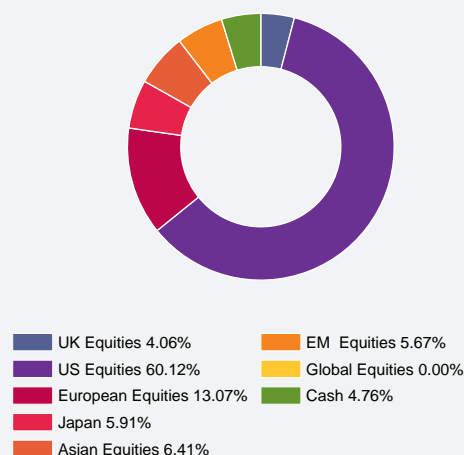
**References to specific securities are not recommendations to buy or sell those securities.**

## OBJECTIVE

The Nexus Global Dynamic Portfolio is an actively managed, globally diversified equity portfolio. The aim is for capital growth over the medium term. An understanding of macro economic conditions together with detailed research into individual securities is used to construct a diversified, highly liquid portfolio.

## ASSET ALLOCATION

As at 31 May 2023



## TOP 10 HOLDINGS

	%
Microsoft	4.60
Apple	4.10
Amazon	2.90
Bailie Gifford Japan	2.60
Linde	2.00
Merck & Co.	2.00
AMD	1.90
Pacific North of South EM Fund	1.90
TSMC	1.90
Alphabet	1.90
<b>Total Top 10</b>	<b>25.80%</b>

**IMPORTANT:** The value of investments and the income from them can go down as well as up. You may not recover what you invest.

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Cumulative Performance (%) 31 May 2023	1m	1y	3y	5y	Since Launch
Retail 'B' Acc Shares	-0.12	1.12	14.93	12.43	42.06

Source: Financial Express 31/05/2023 **Past performance is not a guide to future performance and future returns are not guaranteed.**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2014	-	-	-	-	-	-	-	-	-1.66	-0.88	3.28	-1.14	-0.48
2015	1.47	3.15	1.26	-0.72	1.14	-2.09	0.39	-4.97	-1.90	3.30	1.39	-0.42	1.72
2016	-3.56	-0.24	0.80	-0.29	0.97	-0.36	9.10	1.50	1.00	-2.48	-2.48	3.53	12.45
2017	1.07	1.40	1.51	-1.09	3.61	-2.42	1.31	1.13	-0.64	2.37	-0.85	0.60	9.01
2018	1.74	-3.88	-3.40	3.84	3.81	-1.29	2.61	-0.23	-0.07	-9.05	2.12	-5.64	-9.89
2019	2.50	5.36	1.21	3.52	-2.34	4.82	2.62	-3.10	1.27	-1.67	2.21	3.16	20.94
2020	-2.83	-6.57	-12.24	8.97	5.28	1.56	-0.45	4.16	-1.17	-2.92	8.78	2.76	3.23
2021	-2.08	1.33	3.21	3.08	-0.35	2.04	2.04	0.84	2.79	-2.70	-0.91	1.96	12.51
2022	-5.23	-3.54	4.86	-6.46	-0.23	-4.89	7.44	-0.39	-5.65	3.62	1.55	-3.95	-12.47
2023	4.41	-0.89	-0.86	0.85	-0.12								3.34

Source: Financial Express 31/05/2023 **Past performance is not a guide to future performance and future returns are not guaranteed.**

## FUND DATA

Launch Date	11 September 2014
Launch Price	GBP 100.00
Current Price	B GBP 142.0554
Fund Size	£42,126,950.28
Fund Structure	UCITS V
ISAs/SIPPs/SASSs	Eligible
Base Currency	GBP
Share Classes	Sterling Euro US Dollar
Fund Charges	5.5% Initial
Minimum Investment	£1000 Sterling €1000 Euro \$1000 Dollar
Dealing Schedule	Daily
AMC	1.85%
ISIN No.	Class B GBP Investor Shares MT7000010609

## STRATEGY MANAGERS



**Karl Williamson, CFA**

### Fund Manager

Karl graduated from LSE with a BSc in economics in 2002. He started his career in Amsterdam with market maker Mako Global Derivatives

before moving back to London to make markets in various equity and fixed income products. In 2008 Karl moved to Quilter Cheviot, where he manages portfolios on behalf of individuals, trusts and charities. He is a Member of the Chartered Securities Institute (MCSI). Karl has been managing the Nexus Portfolios since launch in 2010, initially with David Miller and since 2022 has been the lead manager. The team won the 2013 City of London Wealth Management Award for best performing fund for the Libero Cautious fund.



**Bertie Butler**

### Fund Manager

Bertie graduated from the University of Leeds with a BSc in Economics in 2014 before joining Kleinwort Benson in London. He moved to

Quilter Cheviot in 2015 and qualified as an investment manager in 2018. He is a Member of the Chartered Securities Institute (MCSI) and has been involved with managing the fund since 2018. Bertie also manages portfolios for individuals, corporates, charities and trusts.

## CONTACT DETAILS

Important Information: Investment contracts are intended as a medium to long term investment. Unit values in investment linked contracts, and any income from them can do down as well as up, and you may not get back the amount invested. Unit values in investments abroad may rise and fall due to exchange rate movements. If contributions are invested in a With-Profits fund, future bonus rates cannot be guaranteed and may vary. Blacktower Financial Management (International) Ltd is licensed by the Gibraltar Financial Services Commission. Licence Number 00805B. Authorisation: The fund is authorised in Malta and regulated by the Malta Financial Services Authority.