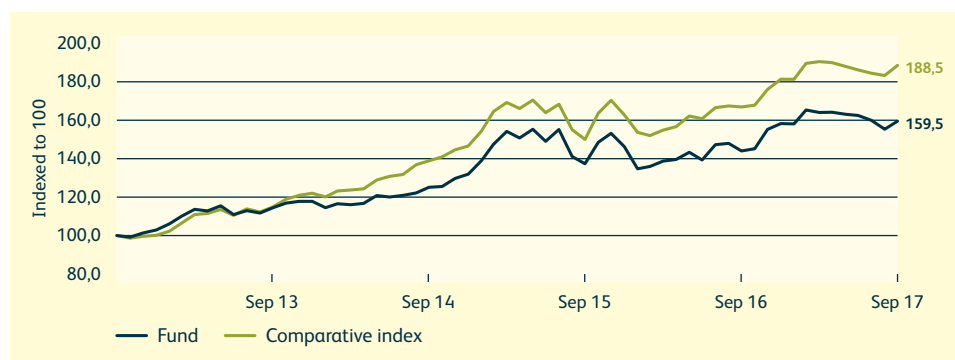


Summary

- The fund delivered mixed performance, dependent on share class, versus the MSCI World Index, with stockpicking among the consumer discretionary, materials and energy sectors supportive of relative returns.
- The fund's overweight in healthcare, as well as stock selection within the sector, weighed on performance.
- The fund manager closed the position in German chemical and pharmaceutical company Bayer; there were no new purchases during the month.

Performance over 5 years



The fund invests mainly in company shares and is therefore more likely to be subject to sudden and large falls in value than funds that invest in bonds and/or cash. As a result, you could lose the total value of your initial investment.

Key information

Fund manager	John William Olsen
Fund manager tenure from	1 July 2014
Deputy fund manager	Kasper Mikkelsen
Launch date	19 December 1967
Launch of share class	28 November 2001
Fund size (millions)	€892,04
Fund type	OEIC, incorporated in the UK
Comparative index	MSCI World Index
Comparative sector	Morningstar Global Large-Cap Blend Equity sector

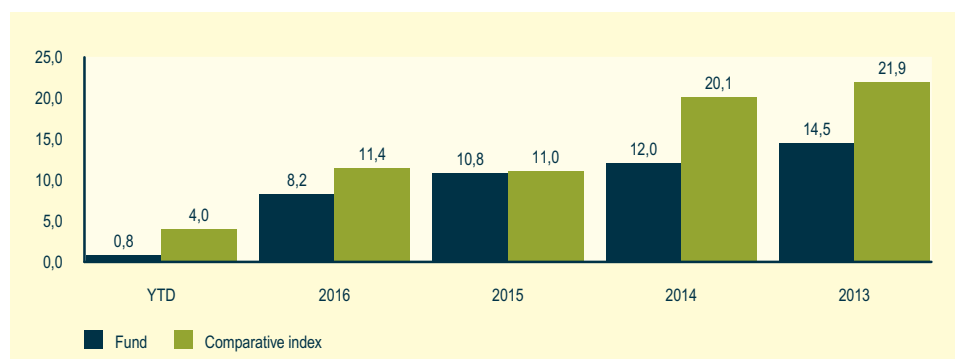
Fund performance

	1 month (%)	3 months (%)	YTD (%)	1 year (%)	3 years (%) p.a.	5 years (%) p.a.	Since tenure (%) p.a.	Since inception (%) p.a.
Fund	+2,7	-1,8	+0,8	+10,8	+8,4	+9,8	+9,1	+6,8
Index	+2,9	+1,3	+4,0	+13,0	+10,7	+13,5	+11,9	N/A
Sector	+2,7	+0,9	+4,5	+11,3	+8,6	+11,0	+9,5	+6,8
Ranking	134/274	264/274	232/267	153/260	110/198	114/155	117/190	1/1
Quartile ranking	2	4	4	3	3	3	3	1

Number of companies	32
Historic yield (Acc)	0,00 %
Historic yield (Inc)	1,74 %
Portfolio turnover over 12 months	14,1 %
Share type	Acc & Inc
Ongoing charge	1,91 %

The historic yield reflects distributions declared over the past 12 months as a percentage of the share price, as at the date shown. It does not include any preliminary charge and investors may be subject to tax on their distributions. The fund's charging policy has recently changed and, rather than being decided at fund level, certain charges are now deducted from income for accumulation share classes and from capital for income share classes. These charges include the annual management charge, administration fee and share class hedging fee (for hedged share classes). To ensure that yields quoted are representative of the fund's charging policy, for some share classes an estimated historic yield is shown. This is based on the historic yield, but adjusted for the impact of the new charging policy. This adjustment will be applied until distributions have been declared for a full year after the changes, from which time the historic yield will again be on the same basis as the distributions. For the fund's Euro Class A income shares, the policy of deducting certain charges from capital has the effect of increasing distribution(s) for the year by 1,90% and constraining capital performance to an equivalent extent.

Annual performance (%)



Fund ratings

Overall Morningstar rating **★★★★**
 Source of Morningstar ratings: Morningstar, as at 31 August 2017
 Ratings should not be taken as a recommendation.

Past performance is not a guide to future performance.

The value of investments and the income from them will fluctuate. This will cause the fund price to fall as well as rise. There is no guarantee the fund objective will be achieved and you may not get back the original amount you invested.

On 1 January 2016 the fund's comparative index changed from MSCI AC World to MSCI World Index, which is more representative of the fund's investment universe. Please note the index returns shown for all time periods are those of the MSCI World Index.

Please note that returns titled 'since inception' are calculated from 31 December 1971, rather than the fund's official launch date. This is the earliest date that performance data is available from Morningstar for this share class.

Risk characteristics

As at 31/08/17	
Alpha (%)	0,21
Information ratio	0,06
Sharpe ratio	1,73
Historic tracking error (%)	2,97
Beta	0,95
Standard deviation (%)	10,01
Forecast tracking error (active risk, %)	3,09
Active share	93,60

Alpha: Portfolio return less comparative index return, annualised. **Information ratio:** Risk-adjusted relative return, measured as the ratio of active return (difference between portfolio return and index return), divided by tracking error (standard deviation of active returns). **Sharpe ratio:** Risk-adjusted absolute return, measured as the ratio of portfolio excess return (difference between mean portfolio return and the risk-free rate) divided by the standard deviation of portfolio returns. **Historic tracking error:** Measure of the actual deviation of portfolio returns from comparative index returns. These four risk measures are calculated using realised, rolling, three-year fund returns. **Beta:** Forecast sensitivity of portfolio returns to the comparative index. **Standard deviation:** Forecast absolute volatility of portfolio returns. **Forecast tracking error (active risk):** Forecast standard deviation of a portfolio's returns relative to its comparative index. **Active share:** Sum of overweight and underweight positions within the portfolio away from the comparative index, divided by two. These four risk measures are calculated with reference to the returns of underlying securities portfolios, not fund returns. Numbers are based on four years of daily data using a 3-6 month horizon.

Industry breakdown (%)

	Fund	Index	Relative weight
Financials	20,4	18,1	2,3
Healthcare	20,0	12,3	7,7
Information technology	13,5	16,2	-2,7
Consumer discretionary	12,2	12,1	0,1
Industrials	10,6	11,5	-0,9
Consumer staples	9,2	9,1	0,1
Materials	6,7	5,1	1,6
Energy	1,7	6,2	-4,5
Real estate	0,0	3,1	-3,1
Telecommunications	0,0	2,9	-2,9
Utilities	0,0	3,2	-3,2
Cash and near cash	5,6	0,0	5,6

Largest holdings (%)

	Fund	Index	Relative weight
Novo Nordisk	5,9	0,2	5,7
WH Smith	5,6	0,0	5,6
Unitedhealth Group	5,1	0,5	4,6
Becton Dickinson	5,1	0,1	5,0
Nestle	4,3	0,7	3,6
Microsoft	4,1	1,4	2,6
Bank of New York Mellon	3,8	0,1	3,7
Ball	3,8	0,0	3,8
Alphabet	3,5	1,5	2,0
AIG	3,3	0,1	3,2

Largest overweights (%)

	Fund	Index	Relative weight
Novo Nordisk	5,9	0,2	5,7
WH Smith	5,6	0,0	5,6
Becton Dickinson	5,1	0,1	5,0
Unitedhealth Group	5,1	0,5	4,6
Ball	3,8	0,0	3,8
Bank of New York Mellon	3,8	0,1	3,7
Nestle	4,3	0,7	3,6
AIG	3,3	0,1	3,2
Tokio Marine	3,1	0,1	3,0
Discover Financial Services	3,0	0,1	3,0

Largest underweights (%)

	Fund	Index	Relative weight
Apple	0,0	2,1	-2,1
Facebook	0,0	1,1	-1,1
Amazon	0,0	1,0	-1,0
Johnson & Johnson	0,0	0,9	-0,9
Exxon Mobil	0,0	0,9	-0,9
JP Morgan	0,0	0,9	-0,9
Wells Fargo	0,0	0,7	-0,7
Bank of America	0,0	0,7	-0,7
Royal Dutch Shell	0,0	0,7	-0,7
AT&T	0,0	0,6	-0,6

Country breakdown (%)

	Fund	Index	Relative weight
US	56,8	59,1	-2,3
UK	10,1	6,7	3,4
Netherlands	5,9	1,4	4,5
Denmark	5,9	0,7	5,2
Germany	4,4	3,7	0,7
Switzerland	4,3	3,1	1,2
Japan	3,1	8,6	-5,6
France	2,9	3,9	-1,1
Other	1,0	12,9	-11,8
Cash and near cash	5,6	0,0	5,6

Capitalisation breakdown (%)

	Fund	Index	Relative weight
Mega cap (> \$50bn)	47,4	53,9	-6,6
Large cap (\$10 - \$50bn)	31,6	35,3	-3,7
Mid cap (\$2 - \$10bn)	15,4	10,6	4,8
Small cap (< \$2bn)	0,0	0,1	-0,1
Cash	5,6	0,0	5,6

Performance review

Developed market equities finished the month up in euro and US dollar terms, while sterling returns were negative, reflecting relative currency strengths during September. Markets grappled with a number of issues during the month, including a series of destructive hurricanes, ongoing tensions with North Korea and the outlook for monetary policy on both sides of the Atlantic. As some of these concerns

dissipated, the S&P went on to reach record highs in dollar terms, while euro returns in European markets outpaced the wider global universe.

In this environment, the energy sector delivered the strongest performance, amid a sharp rise in the price of oil during the month. Other more cyclical sectors also performed relatively well, including financials, industrials and consumer discretionary. Some of the more defensive sectors, however, fared worse for the month, with utilities, consumer staples and telecoms all underperforming the wider market.

Against this background, the fund performed broadly in line with the MSCI World Index in dollar terms, fell behind in euro and outperformed in sterling. Stockpicking within the consumer discretionary, materials and energy sectors was supportive of relative returns, while the overweight in healthcare, as well as stock selection within healthcare and information technology, weighed on performance.

At a stock level, the fund's largest contributor was UK-listed retailer WH Smith. In August the company reported that its travel business, which includes concessions in airports and train stations, had continued to deliver robust sales across all of its channels, while its high street stores, which have delivered cost savings and margin improvements, had maintained performance in line with expectations – investors were pleased by the news, and this positive mood carried into September.

Oil rig equipment maker National Oilwell Varco buoyed returns as well, with the oil price rise providing a tailwind for the company's shares. Other supportive holdings included direct banking and payments company Discover Financial Services, which benefited from improved sentiment in the financial sector, and industrial gases supplier Linde. Linde has continued to deliver operational success, with its share price further boosted in September after shareholders of US rival Praxair approved the planned merger of Praxair with Linde.

It is also worth noting that not holding shares in tech giant Apple, which makes up more than two per cent of the index, was beneficial to relative returns for the month, in light of weakness in its share price.

On the downside, the fund's largest detractor was addiction cessation drug maker Indivior. The company's share price fell sharply at the beginning of September, after it lost a patent case in the US – this could clear the way for generic rivals to copy its Suboxone Film opioid addiction treatment if Indivior fails to successfully appeal the case.

Other detractors within healthcare included medical equipment manufacturer Becton Dickinson and diversified managed healthcare company UnitedHealth Group, both of which experienced a degree of profit taking.

Elsewhere, shares in engineering simulation software developer Ansys slipped after management outlined plans at an investor day to focus on long-term revenue growth, at the expense of slightly lower margins. The share price of global food and beverage company Nestlé, meanwhile, was relatively volatile during the month, as investors pondered the influence of activist investors and questioned the company's stake in beauty company L'Oreal following the death of Liliane Bettencourt, heiress to the business.

Key changes

Fund Manager John William Olsen closed the position in German chemical and pharmaceutical company Bayer. He does not believe that its proposed acquisition of US agribusiness Monsanto is a good allocation of capital, and would rather deploy investors' money elsewhere – he took advantage of the recent share price rise to sell. There were no new purchases during the month.

Fund codes and charges

Share class	ISIN	Bloomberg	Annual management charge	Ongoing charge	Minimum initial investment	Minimum top up investment
Euro A Acc	GB0030938145	MGIGEEA LN	1,75 %	1,91 %	€1.000	€75
Euro A Inc	GB00BK6MB281	MGGGEAI LN	1,75 %	1,91 %	€ 1.000	€ 75
Euro B Acc	GB00BDCQM882	MGGSBAE LN	2,25 %	2,42 %	€1.000	€75
Euro C Acc	GB0030938251	MGIGECA LN	0,75 %	0,91 %	€500.000	€50.000
Euro C Inc	GB00BK6MB398	MGGGEI LN	0,75 %	0,91 %	€ 500.000	€ 50.000

The ongoing charge figures disclosed above include direct costs to the fund, such as the annual management charge (AMC), administration charge and custodian charge, but does not include portfolio transaction costs. They are based on expenses for the period ending 28 February 2017.

Please note that not all of the share classes listed above might be available in your country.

Important information

Cash and near cash may be held on deposit and/or in the Northern Trust Cash Funds (a range of collective investment schemes) and/or in short-dated government bonds.

The Morningstar Overall Rating based on the fund's Euro Class A shares. Copyright © 2017 Morningstar UK Limited. All Rights Reserved. Ratings should not be taken as recommendation.

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