



Strategic Europe Quality Fund Strategic Global Quality Fund

March 2021 Fund Commentary



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Portfolio Manager

The **Strategic Europe Quality Fund** returned +5.97%* in March. The main detractor to alpha was stock selection for the Consumer Staples sector, however, this was partially offset by the Funds relative overweight to the sector. Stock selection for the Financials sector was a noteworthy contributor to alpha.

The best performing sectors for the benchmark over the period were Consumer Staples, Communication Services, Consumer Discretionary and Industrials; while Energy, Health Care and Real Estate were the worst performing sectors.

The **Strategic Global Quality Fund** returned +3.18%** in March, in line with its index. Sector allocation was the main driver of return, primarily due to the Funds relative overweight to the Consumer Staples sector. Stock picking for the Consumer Discretionary sector was also a positive driver.

The best performing sectors for the benchmark over the month were Utilities, Consumer Staples and Industrials; while Information Technology, Communication Services, Energy and Health Care were the worst performing sectors.

For both strategies, JDE Peet's was the only noteworthy detractor, the Funds remain invested as the investment case remains solid.

Market Outlook

We expect to see a strong economic recovery in the short term as economies begin to reopen. Longer-term inflation is a risk; we will be monitoring this to see how things develop. From our perspective, valuations in certain parts of the market are expensive.

Investment Approach

A valuation driven investment approach aiming to buy high-quality businesses at discounted prices. Quality being defined as companies which are market leaders, benefit from long-term structural growth, have high margins and low capital intensity. The Fund has a structural bias towards consumer, healthcare, IT and generally avoids high cost of capital sectors such as insurers, utilities and the oil and gas majors.

Investment Objective

To achieve long term capital growth.

A sub-fund of E.I. Sturdza Funds plc.

Registered in Ireland.

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* B EUR Class. For detailed performance information based on complete 12-month periods since inception, please refer to page 2. Past performance is not an indicator of future performance.

** B USD Class. For detailed performance information based on complete 12-month periods since inception, please refer to page 2. Past performance is not an indicator of future performance.



Performance Data As at end of March 2021

Strategic Europe Quality Fund

Annualised Returns % ¹

	1M	3M	1Y	3Y	5Y	10Y	Annualised Inception
B EUR Class	5.97	6.28	15.13	7.52	5.54	10.30	10.12
Benchmark	6.47	8.35	35.32	7.26	7.52	7.08	7.23

Calendar Year Returns % ²

	YTD 2021	2020	2019	2018	2017	2016	Fund Inception
B EUR Class	6.28	-8.18	27.57	-5.86	13.73	-6.94	173.08
Benchmark	8.35	-3.32	26.05	-10.57	10.24	2.58	106.98

B EUR Share Class performance includes an extended track from Fund inception on 29 October 2010.

Benchmark: MSCI Europe Net Total Return EUR Index.

Strategic Global Quality Fund

Annualised Returns % ¹

	1M	3M	1Y	2Y	3Y	5Y	Annualised Inception
B USD Class	3.18	-1.45	24.82	8.11	8.44	8.87	9.31
Benchmark	3.33	4.92	54.03	17.47	12.81	13.36	10.10

Calendar Year Returns % ²

	YTD 2021	2020	2019	2018	2017	2016	Fund Inception
B USD Class	-1.45	8.53	23.59	-6.24	29.74	-5.30	74.48
Benchmark	4.92	15.90	27.67	-8.71	22.40	7.51	82.54

Benchmark: MSCI World Net Total Return USD Index.

Source: Morningstar.

¹ Annualised Returns as of the date of the reporting over the defined period. Data less than 1 year is not annualised.

² Calendar Year Returns: Annual Performance for the stated calendar year.

Past performance is not an indicator of future performance.

Ratings & Awards



Morningstar Low Carbon Rating
as at 31/12/2020



Morningstar Sustainability Rating
as at 28/02/2021



Morningstar Low Carbon Rating
as at 31/12/2020



Morningstar Sustainability Rating
as at 28/02/2021

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The Strategic Global Quality Fund received a Morningstar Low Carbon Award. Carbon Metrics as of 31/12/2020. Based on 87.13% of AUM. Data is based on long positions only. The Strategic Global Quality Fund received a Morningstar 4 Globe Morningstar Sustainability Award. Out of 6,928 Global Equity Large Cap funds as of 28/02/2021. Based on 96.54% of AUM. Data is based on long positions only. Historical Sustainability Score as of 31/01/2021. Sustainability Rating as of 28/02/2021. Sustainalytics provides company-level analysis used in the calculation of Morningstar's Historical Sustainability Score.

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