

# Artemis US Select Fund



Cormac Weldon  
Fund manager, since  
launch

Class I accumulation shares, GBP hedged

**September 2019**  
Data as of 31 August 2019

## The fund's aims

The fund aims to achieve long-term capital growth by investing principally in the shares of companies listed, quoted or traded in the United States of America.

## Fund update

A number of factors combined to make a negative impact on the US market – and particularly on certain sectors – during August. The trade war between the US and China continued to escalate. Weakness in European economies and declining business and consumer confidence in the US also weighed on sentiment.

For now, US consumers are in a strong position. Employment levels are high and growing, incomes are rising and consumers aren't weighed down by too much personal debt. The market, however, has started to wonder when the current weakness in the industrial economy will start to be felt in the consumer economy.

Our portfolio, meanwhile, held up rather better than the wider market. We continued to benefit from our bias towards 'quality' companies

enjoying moderate growth in sales. Examples included Booz Allen Hamilton (a government contractor) and Crown Castle (a real estate investment trust). Both holdings contributed to returns on the month.

We benefited when one of our software companies, Carbon Black, was acquired by VMware. It was also nice to see our patience with Lowe's (a retailer of home products) being rewarded. This has traditionally underperformed its larger competitor Home Depot but its new management is in the early stages of effecting a turnaround. Towards the end of last year, it reported a disappointing quarter which caused the market to lose faith in the turnaround story. We recently increased our holding and have been rewarded by much better-than-expected earnings in the most recent quarter.

Shortly after the month end, the Institute of

Supply Management (ISM) manufacturing index was released. It came in below 50, thus signifying contraction in the manufacturing economy. The same report also indicated significant weakness in new orders. We believe this is due to the trade war and are not confident of seeing an improvement in the short term. For that reason, we continue to have a bias away from companies that benefit from economic growth and towards those whose prospects are less dependent on wider economic conditions.



Third party endorsements are not a recommendation to buy. For information, visit [artemisfunds.com/endorsements](https://artemisfunds.com/endorsements).

## Composition

### Top ten holdings

Microsoft	6.7%
Fidelity National Information Services	3.8%
Amazon	3.3%
Boeing	3.1%
Comcast A	3.0%
Anthem	2.9%
Crown Castle Intl	2.8%
T-Mobile US	2.6%
Mondelez International	2.5%
Booz Allen Hamilton	2.5%

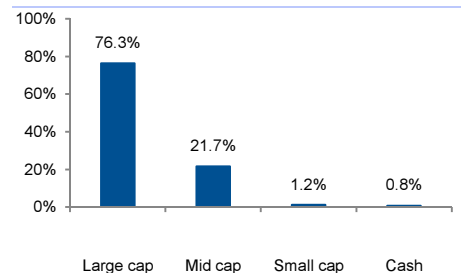
Source: Artemis as at 31 August 2019.

### Market sector split

Information Technology	21.7%
Consumer Discretionary	15.5%
Health Care	14.1%
Communication Services	12.9%
Financials	9.8%
Industrials	8.4%
Real Estate	5.2%
Consumer Staples	4.1%
Utilities	4.1%
Materials	3.5%

Source: Artemis as at 31 August 2019. Please note that figures may not add up to 100% due to rounding and the cash holding.

### Asset allocation



Source: Artemis as at 31 August 2019. Please note figures may not add up to 100% due to rounding.

Performance

Cumulative performance

	Since launch	3 years	1 year	6 months	3 months
Artemis US Select Fund	61.4%	56.9%	5.7%	10.9%	9.3%
S&P 500 TR (Hedged to GBP)	43.2%	35.6%	0.4%	5.0%	6.4%
IA North America NR	71.6%	48.5%	7.4%	14.0%	9.0%

'Since launch' data from 1 April 2016. Source: Lipper Limited, mid to mid in sterling to 31 August 2019. All figures show total returns with dividends reinvested. Benchmarks shown are for comparison: further information can be found in the fund's Key Investor Information Document. This class may be in a currency or have charges or a hedging approach different from those in the IA sector benchmark.

Discrete performance to year end

	2018	2017	2016	2015	2014
12 months to 31 December	-4.3%	25.1%	n/a	n/a	n/a

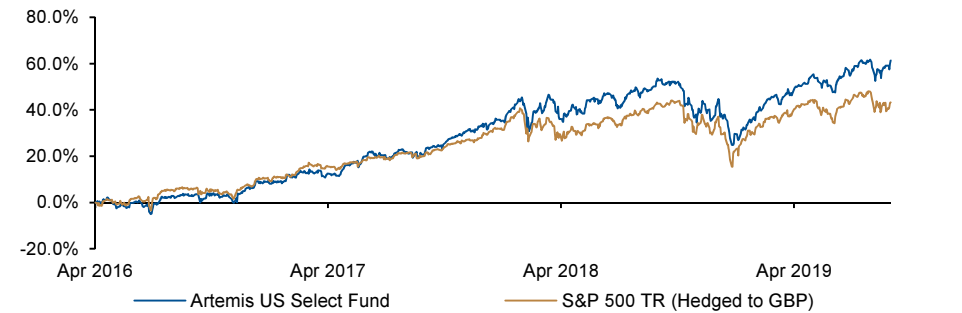
Please remember that past performance is not a guide to the future. Source: Lipper Limited, mid to mid in sterling. All figures show total returns with dividends reinvested. As the share class was launched on 1 April 2016, complete five year performance data is not yet available. Returns may vary as a result of currency fluctuations if the investor's currency is different to that of the share class.

Discrete performance to quarter end

	2019	2018	2017	2016	2015
12 months to 30 June	9.6%	18.9%	21.7%	n/a	n/a

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. As the share class was launched on 1 April 2016, complete five year performance data is not yet available. Returns may vary as a result of currency fluctuations if the investor's currency is different to that of the share class.

Percentage growth



Data from 1 April 2016. Source: Lipper Limited, mid to mid in sterling to 31 August 2019. All figures show total returns with dividends reinvested.

Key facts

Fund type	OEIC
Focus	Capital growth
Asset class	Equity
Regional focus	USA
IA sector	IA North America NR
SEDOL	BYSYZX9
ISIN	GB00BYSYZX95
Type	Accumulation
Class currency	GBP
Accumulation date	30 April
Valuation point (UK business days)	12:00
Year end	28 February
Fund launch date	19 September 2014
Class launch date	1 April 2016
Class launch price	100p
SRRI	5
Fund size (mid basis)	£1,394.2m

Source: Artemis as at 31 August 2019.

Prices and yield

Mid price	161.40p
Historic yield	0.26%

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	0.870%

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](http://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 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. The costs and benefits of currency hedging transactions will apply to hedged shares. Third parties (including FTSE and Morningstar) whose

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