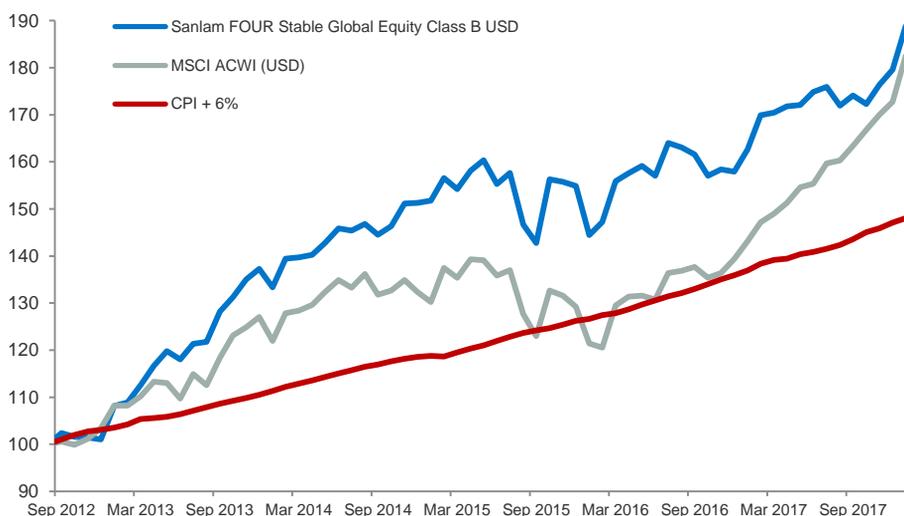


## Overview

A contrarian Fund investing in attractive US companies with the aim of achieving the highest risk-adjusted returns throughout the cycle against the benchmark. It has a value bias with a distinctive quality overlay, focussing on dividend sustainability and company valuation.

## Performance - Past performance is not a guide to future performance



Class B gross returns are used to illustrate the fund's longest track and has no fixed fee. It requires a separate agreement with Sanlam FOUR and is not available to retail clients. Class A is available to retail clients with a 0.75% p.a. fee, which would result in lower performance than shown. Please see table below for the effect of these charges on performance. **Other share classes are available, please see the table overleaf, or contact us for details.**

Source: Sanlam FOUR, SAMI, MSCI.

## Annualised Performance (%)

	Inception	1mth	YTD	1yr	3yrs	5yrs	Since Inception
<b>B Accumulation USD</b>	10/09/12	5.1	5.1	16.1	7.5	11.8	12.5
<b>A Accumulation USD</b>	18/10/13	5.0	5.0	15.2	6.7	-	8.3
<b>MSCI ACWI - USD</b>		5.6	5.6	27.5	11.9	11.0	9.8
<b>A Accumulation GBP</b>	02/01/15	0.2	0.2	1.4	9.0	-	10.1
<b>MSCI ACWI - GBP</b>		0.5	0.5	12.8	13.9	-	14.3

## Discrete Years Performance (%)

12 Months to	Jan-18	Jan-17	Jan-16	Jan-15	Jan-14
<b>B Accumulation USD</b>	16.1	12.6	-4.8	13.8	23.3
<b>A Accumulation USD</b>	15.2	11.8	-5.6	13.0	-
<b>MSCI ACWI - USD</b>	27.5	17.9	-6.8	6.8	12.7
<b>A Accumulation GBP</b>	1.4	28.3	-0.4	-	-
<b>MSCI ACWI - GBP</b>	12.8	33.0	-1.3	-	-

## Key Facts

<b>Fund AuM</b>	\$193.7m
<b>Strategy AuM</b>	\$226.4m
<b>Number of Holdings</b>	27
<b>Active Share</b>	94.3%
<b>Yield</b>	2.4%
<b>Fund Manager</b>	Colin McQueen
<b>Target</b>	CPI +6%
<b>Fund Launch Date</b>	10 September 2012
<b>Domicile</b>	Ireland
<b>Base Currency</b>	Sterling
<b>Fund Type</b>	OEIC, UCITS IV
<b>IA Sector</b>	Global
<b>Morningstar Category</b>	Global Large-Cap
<b>Dealing Deadline</b>	11:00 (GMT)
<b>Settlement Time</b>	T+3
<b>Valuation Point</b>	Midday (GMT)
<b>Distribution</b>	Quarterly

## Top Ten Holdings

Stock Name	Weight %
Oracle	6.2%
UnitedHealth Group	5.9%
Imperial Brands	4.9%
AmerisourceBergen	4.9%
WPP	4.9%
Express Scripts Holding	4.8%
Microsoft	4.7%
Roche Holding	4.4%
Medtronic	4.2%
Aon	4.0%

The fund price is calculated on a net asset value basis, which is the total value of all assets in the portfolio including any income and expense accruals. Trail commission and incentives may be paid and are for the account of the manager. Performance figures are net of fees and annualised for periods over 12 months. The fund performance is from 12 noon to 12 noon, whilst index performance is close of business to close of business.

The value of this portfolio is subject to fluctuation and past performance is not a guide to future performance. You may not get back the amount originally invested and potentially risk total loss of capital. The actual individual investor performance will differ as a result of fees, investment and reinvestment dates, and dividend withholding tax. All terms exclude costs. The Manager does not provide any guarantee for the capital or the portfolio return. Collective Investment Schemes are traded at ruling prices and can engage in borrowing and scrip lending. Investments in collective investment schemes should always be considered as medium to long term.

The Fund has holdings which are denominated in currencies other than sterling and may be affected by movements in exchange rates. Consequently the value of an investment may rise or fall in line with the exchange rates. The Fund holds a concentrated portfolio which could mean that it will be volatile when compared to its benchmark.

The Fund is a sub-fund of the Sanlam Universal Funds plc (the 'Company'), an open-ended umbrella type Investment Company, with variable capital and segregated liability between its sub-funds. The Company is authorised by the Central Bank of Ireland as an undertaking for collective investment in transferable securities under the European Communities (UCITS) Regulation, 2003 as amended (the Regulations). The Company's shares are listed on the Irish Stock Exchange. For UK Distribution only.

The Yield is gross and is calculated on historic dividend income from the preceding 12 months. It is provided as a guide and should not be taken as a guaranteed yield. If fees are charged to the capital account then this could reduce the amount invested. Income may fluctuate in accordance with market conditions and taxation arrangements.

## Monthly Commentary

Equities continued their rally into 2018 with strong performances as measured in USD across the US, Europe, Japan and emerging markets. Economic growth remains broadly based and has translated into solid earnings growth with corporates reporting so far. This positive fundamental backdrop has been further boosted by the US corporate tax cuts at the end of 2017 from 35% to 21%.

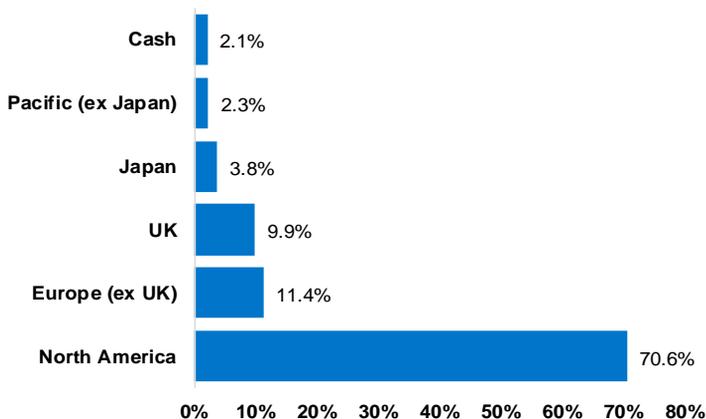
Whilst US fundamentals remain strong, early signs of labour market tightness potentially combined with the inflationary impact of tax cuts have seen the US ten-year bond yield increase from 2.4% to 2.7%. Minutes of the December ECB meeting suggested monetary policy will need to tighten in Europe soon too. This, combined with US Treasury Secretary Steve Mnuchin talking down the dollar, saw the currency decline by 3.5% on a trade weighted basis. In Asia, China saw encouraging macro data boosted by strong exports.

The Fund mostly kept up with a strong equity market with all but four holdings increasing in USD terms. The Fund saw a good return from its Healthcare holdings with Gilead Sciences recovering its Q4 pull-back as Hepatitis C pricing pressures appear to have abated. Allergan also recovered some earlier losses into results as investor focus switches back to its pipeline. Our Information Technology holdings were also positive with Microsoft rallying into results that did not disappoint with continuing strength in its cloud business. HP Inc saw further signs of stabilisation in its printer and PC business, and Oracle recovered from a weak finish to 2017.

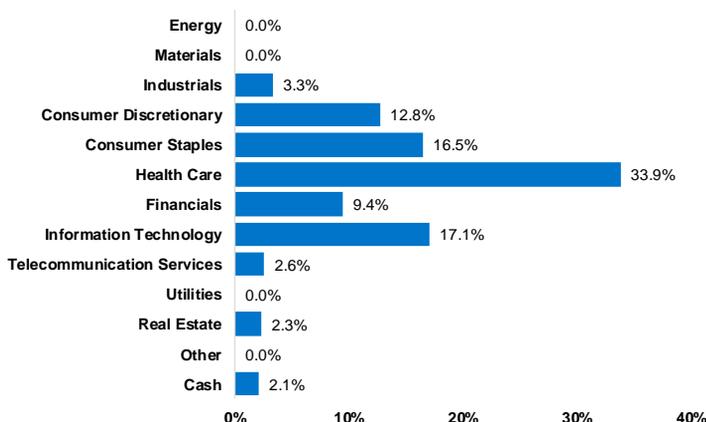
Consumer Staples and Discretionary overall did not perform as well. Imperial Brands declined as potential suitor Japan Tobacco signalled an acquisition was less likely, while Tupperware traded off with softer than forecast revenues. Procter & Gamble declined as results saw soft pricing partially offset volume growth as the firm reduces Gillette prices.

During the month we started a position in Ahold Delhaize, the Dutch listed supermarket group with a number four market position in the US, and operations in the Netherlands and Belgium. We also added to Dun and Bradstreet opportunistically as we believe earnings estimates are yet to reflect the decreased US corporate tax rate. These positions were financed with profits from Express Scripts, Gilead Sciences, Microsoft and UnitedHealth.

## Regional Breakdown



## Sector Breakdown



Sources for data: Sanlam FOUR, Bloomberg, MSCI

## Fund Information & Charges

	Inception Date	ISIN	Bloomberg	SEDOL	Initial Charge	AMC	OCF	Price	Minimum investment	Type of Share
B GBP Accumulation	05/03/2014	IE00B7F8DC07	FOURGSB	B7F8DC0	Up to 5%	*	**	15.9267	£10,000	Accumulation
B USD Accumulation	10/09/2012	IE00B8HRY559	FOURSGB	B8HRY55	Up to 5%	*	**	18.8776	\$10000	Accumulation
B EUR Accumulation	Awaiting Investment	IE00B79STG20	FOURGBE	B79STG2	Up to 5%	*	**	n/a	€10,000	Accumulation
A GBP Accumulation	02/01/2015	IE00B8HVH114	FOURAGA	B8HVH11	None	0.75%	0.97%	13.4453	£1,000	Accumulation
A GBP Income	02/11/2015	IE00BZ0P2Y70	SA4GEAG	BZ0P2Y7	None	0.75%	0.97%	12.2994	£1,000	Income
A USD Accumulation	18/10/2013	IE00B83TFX77	FOURSGA	B83TFX7	None	0.75%	0.97%	14.0956	\$1,000	Accumulation
A EUR Accumulation	19/06/2015	IE00B7F6TQ05	FOURGAE	B7F6TQ0	None	0.75%	0.97%	10.4836	€1,000	Accumulation

\*The AMC for Class B is subject to a separate agreement with Sanlam FOUR \*\*The OCF figure would be the agreed fee plus an additional 0.22%.

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