

Global Equity Income Strategy **CANTOR Fitzgerald**

FACTSHEET

April 2019

Monthly Portfolio Commentary

Financial markets continued their strong start to 2019, with global equities rising 3.7% in April, the fourth positive month in a row (18.8% gross for year-to-date), as fears about US interest rates continued to ease and the Q1 2019 earnings results were relatively good. The Global Equity Income portfolio, even with its relatively defensive positioning and c.15% cash levels, rose by 3.4%, and ended April up 17.8% YTD (net of fees). Six holdings rose 10% or more over the month - French auto-parts company Faurecia (+21%), US financials BlackRock (+14%) and US Bancorp (+11%), Prudential (+13%), United Technologies (+11%) and Texas Instruments (+11%) – mostly on strong Q1 earnings results.

On the negative side, Walgreen Boots fell 12% on a disappointing outlook, while Danish pharmaceutical Novo Nordisk reversed some of its strong 2019 performance, retreating some 6%. Over the month we took advantage of the exceptionally strong and sharp rise in Faurecia and reduced it and cut out entirely of the disappointing Walgreen Boots. We initiated a new holding in US pharmaceutical Pfizer which had underperformed, topped up DCC and Kohls, and maintained cash reserves at 15%.

Why choose the Global Equity Income Strategy?

Much analysis has shown that in the long term the majority of equity market returns are made up of dividends and dividend growth. Hence we believe a portfolio combining high quality companies where management are focused on growing their dividend is very much aligned with our own investment beliefs.

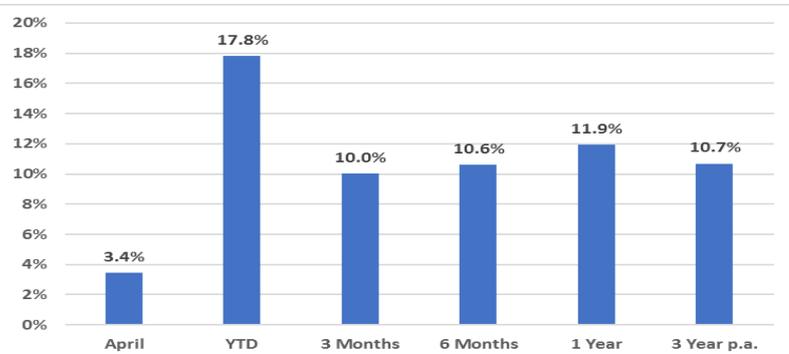
Conservatism

Conservatism features strongly in our investment process when allocating our clients capital. We are unashamed of this and protecting our clients from losses is at the forefront of our risk management process.

Experience of the team

The team was one of the first investment managers to focus on dividend paying companies as a strategy. Over the last 30 years we have experienced the peaks and troughs of the markets and have successfully navigated these events by sticking rigidly to our investment philosophy and process.

Investment Returns Net of AMC*



*Source: Cantor Fitzgerald Ireland Ltd. Research as of 30/04/2019

Investment Objective

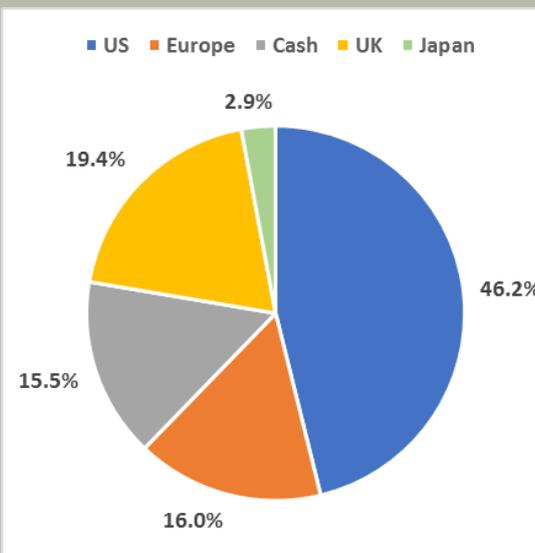
The investment objective of the Global Equity Income Fund is to invest in a diversified global portfolio of financially-strong, well-managed companies that have a proven record in paying an attractive dividend and have management commitment to consistently increase it.

We aim to improve long-term risk-adjusted total equity returns while maintaining a balanced exposure to dividend yield, quality and dividend growth. We will aim to generate a c. 5-6% return annually over the medium term.

Portfolio Management Team

Pramit Ghose, Bernard Murphy & Gareth Walsh

Geographical Exposure*



Calendar Year Returns*

2018	2017	2016
-7.1%	6.8%	10.7%

*Source: Cantor Fitzgerald Ireland Ltd. Research as at 30/04/2019

WARNING: Past performance is not a reliable guide to future performance. The value of your investment may go down as well as up.

WARNING: This fund may be affected by changes in currency exchange rates

Cantor Fitzgerald Ireland Ltd. Is regulated by the Central Bank of Ireland and is a member firm of the Irish Stock Exchange and the London Stock Exchange.

Top 10 Equity Holdings (38.1% of assets)*:

Company	Sector
Novo Nordisk	Health Care
M&T Bank	Financial
US Bancorp	Financial
Unilever	Consumer Staples
Prudential	Financial
Nestle	Consumer Staples
Honeywell Intl	Industrial
Royal Dutch Shell	Energy
Kohls Corp	Consumer Discretionary
DCC	Industrial

Sector Weights*:

Sector	Global Equity Income
Cash	15%
Financials	18%
Consumer Staples	15%
Technology	11%
Industrials	10%
Consumer Discretionary	12%
Energy	7%
Health Care	9%
ETF	3%
Materials	0%
Utilities	0%
Communication Services	0%
Real Estate	0%

Holding Update**



Carnival Corporation have been operating cruise ships since 1972. They operate globally through the following brands: Carnival Cruise Line, Holland America Line, Princess Cruises, and Seabourn in North America. The Europe, Australia, and Asia segment comprises of AIDA, Costa, Cunard, P&O Cruises (Australia), P&O Cruises (UK).

Outside of the ships, the Cruise Support segment represents port destinations and private islands for the benefit of its cruise brands. The Tour and Other segment operate hotel and transportation operations of Holland America Princess Alaska Tours.

Market Cap : \$37.5 BLN USD

Dividend Yield : 3.7%

Carnival are operating in a growing industry with high barriers to entry and a limited amount of competition. The cruise holiday is becoming increasingly popular; and offers a fantastic business model for the operators to sell ever more services whilst customers are onboard.

Fuel and foreign exchange rates do effect profit in the short term, often providing opportunities to add or reduce positions as the stock overreacts to short term issues.

It currently offers an attractive 3.7% yield and the balance sheet is well managed with the average Net debt to EBITDA ratio at 1.9x over the last 5 years. This is despite dividend increases and stock buy backs over the same period. At less than 12x next year's earnings, we feel it is an attractive company to own.

**Source: Bloomberg & Cantor Fitzgerald Ireland Ltd. Research

WARNING: This is not a stock recommendation

*Source: Bloomberg & Cantor Fitzgerald Ireland Ltd. Research as at 30/04/19

DISCLAIMER

This document has been prepared and distributed by Cantor Fitzgerald Ireland Ltd (CFIL) for information purposes only. It is not intended to and does not constitute personal recommendations or investment advice nor does it provide the sole basis for any evaluation of the securities that may be the subject matter of the report. CFIL recommends that specific advice should always be sought prior to investment, based on the particular circumstances of the individual investor. CFIL takes all responsibility to ensure that reasonable efforts are made to present accurate information but CFIL gives no warranty or guarantee as to, and does not accept responsibility for, the correctness, completeness, timeliness or accuracy of the information provided or its transmission. This is entirely at the risk of the recipient of the report. Nor shall CFIL, its subsidiaries, affiliates or parent company or any of their employees, directors or agents, be liable to for any losses, damages, costs, claims, demands or expenses of any kind whatsoever, whether direct or indirect, suffered or incurred in consequence of any use of, or reliance upon, the information. Any person acting on the information contained in this report does so entirely at his or her own risk. All estimates, views and opinions included in this report constitute CFIL's judgment as of the date of the report but may be subject to change without notice.

WARNING: Past performance is not a reliable guide to future performance. The value of your investment may go down as well as up.

WARNING: This fund may be affected by changes in currency exchange rates



Dublin: 75 St. Stephen's Green, Dublin 2. Tel: +353 1 633 3633.

email : ireland@cantor.com web : www.cantorfitzgerald.ie



Twitter : @cantorireland



Linkedin : Cantor Fitzgerald Ireland