Lindsell Train Global Equity Fund C Class (USD)

31st October 2021
Monthly Report

Fund Profile

The portfolio is concentrated, with the number of stocks ranging from 20-35, and has low turnover.

Fund Objective

To increase the value of Shareholders' capital over the longer term from a focused portfolio of global equities, primarily those listed or traded on recognised exchanges in developed countries world-wide.

Price Data

C Class ($)	2.46
Minimum Investment	$250,000

Fees

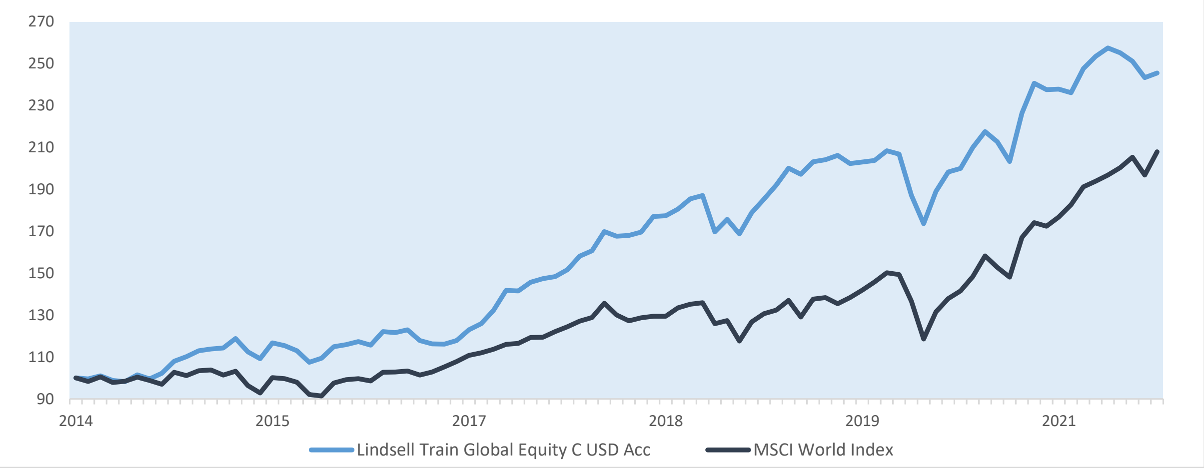
Management Fee	0.60%
TER	0.65%

*The TER is a measure of the Fund's total operating expenses over 12 months, including management fee, as a percentage of the Fund's net assets.The TER quoted is indicative, based on expenses and average assets for the month of December 2020. It is calculated by the Fund Administrator, last updated 07/05/21. It is an indication of the likely level of costs and will fluctuate as the Fund's expenses and average net assets change. The TER excludes any portfolio transaction costs.

Fund Facts

Portfolio Managers	Michael Lindsell, Nick Train, James Bullock
Fund Size	$11,457 m
Share Class Inception Date	30th June 2014
ISIN	IE00BK4Z4V95
SEDOL	BK4Z4V9
Fund Type	Dublin OEIC (UCITS)
Benchmark	MSCI World Index
Fund Sector	Global Equity
Style	Long-term, bottom-up focus
No. of Holdings	24
Valuation Point & Dealing deadline	12 noon each Dublin & UK Business Day
Unit Type	Accumulation
Auditor	Grant Thornton
Regulator	Central Bank of Ireland
Fund Depository	The Bank of New York Mellon SA/NV

Investment Growth Since Inception



Source: Morningstar Direct. As at 31st October 2021. Perfomance figures are calculated NAV-NAV,net of fees, in USD. The graph shows the growth of $100 invested in the fund vs MSCI World since inception.The illustrative investment performance which is shown is for illustrative purposes only and is calculated by taking the actual initial fees and all ongoing fees into account for the amount shown. Income is reinvested on the reinvestment date. **Past performance is not a guide to future performance.**

Performance Summary (%)

	Cumulative			Annualised			
Net Return	**1 m**	**3m**	**YTD**	**1 yr**	**3 yrs**	**5 Yrs**	**Since Inception**
C Class ($)	0.9	-3.7	2.1	20.8	13.1	15.8	13.0
MSCI World Index ($)	5.7	3.8	19.4	40.4	18.2	15.5	10.5

Calendar Year Performance (%)

Net Return	**2020**	**2019**	**2018**	**2017**	**2016**
C Class ($)	15.5	23.5	5.0	38.4	2.8
MSCI World Index ($)	15.9	27.7	-8.7	22.4	7.5

Statistics (%)

Since Inception		**DATE**
Highest annualised return	+44.1	31.01.2018
Lowest annualised return	-9.6	31.03.2020

12 month rolling performance figures

Source: Morningstar Direct. As at 31st October 2021. The figures for this share class and the index are based on total return (i.e. capital and income) in USD. All charges are accounted for except any transaction costs. Actual annual figures are available on request.

The value of participatory interests (units) may go down as well as up and past performance is not necessarily a guide to future performance.

Issued on 10/11/2021

Lindsell Train Global Equity Fund C Class (USD)

31st October 2021
Monthly Report

Top Ten Equity Holidings (%)

Diageo	9.46%
Heineken Holding	7.61%
London Stock Exchange Group	7.36%
Unilever	7.24%
Nintendo	5.57%
RELX	4.88%
Mondelez International	4.87%
PepsiCo	4.87%
Intuit	4.83%
Walt Disney	4.67%
Total	**61.38%**

Sector Allocation (%)

Consumer Staples	44.4%
Communication Services	18.3%
Financials	13.1%
Information Technology	9.0%
Consumer Discretionary	7.1%
Industrials	4.9%
Health Care	2.2%
Cash	1.0%
Total	**100.0%**

Country Allocation (%)

UK	35.5%
USA	32.3%
Japan	19.2%
Europe ex-UK	12.0%
Cash	1.0%
Total	**100.0%**

Portfolio Manager's Comments

After a brief respite last month, the trend of underperformance versus the fund's benchmark index was reinforced with a vengeance, with global markets powering ahead in October (the MSCI World Index was up 4%) whilst the fund fell in value by 1.6%.

The cause of the underperformance is an unwelcome (for us) continuation of the market being driven by strong advances from Big Tech (it is particularly striking that the ten largest stocks in the index - all of which can be classified as Big Tech - now account for over 20% of global market cap), plus good performance from energy companies in an environment of rising commodity prices. The fund holds only a few pure tech companies and nothing in energy.

The highly concentrated nature of our portfolio is currently working against fund returns. We are concentrated on areas that are not participating as much as we would like in this bull market, while that same bull market is creating ever greater concentration in the benchmarks too. Risk is rising for everyone – for those with "not enough" tech, but also for those with heavy exposures. Should LT alter the portfolio at this juncture? The clear answer to us is no - we cannot believe we would be doing our clients a favour if we did so.

Of course, we greatly admire some Big Tech stocks (although others of them will never generate the cash flows to justify current valuations) and a handful of them sit in our wider universe under regular review. But for now – and following this period of extraordinary performance divergence - we are happy with our current portfolio, although we are always looking for ways to enhance its returns. For instance, we have taken advantage of recent weakness to build up Prada – an under-appreciated luxury gem, in our opinion.

To make matters worse last month one of our three pure tech companies, PayPal - a stalwart performer over the last 18 months - fell by 11%. During the month there had been rumours that the company might bid for Pinterest, a social media site that boasts 454 million users. PayPal denied interest in Pinterest, but the incident aroused concerns that PayPal may need to add ancillary services to its app for it to stay relevant – in an increasingly competitive market for payment volumes. To us, the network effects that PayPal has built up over many years make it more and more difficult to compete with.

At least eBay and Intuit, our two other pure tech companies, put in a good showing over the month, rising 10% and 16% respectively.

To compensate for our relatively low weighting in pure tech, we have been hoping for better performance from the companies we own that possess and create valuable media content or data. These may not be classified as tech companies in name, but their future success is just as implicated by tech innovation. Their possible upside is perhaps not as great as for an emergent tech company, but their downside is likely to be considerably lower too, because the content or data is generally unique or irreplaceable. Think Disney's ownership of the Star Wars franchise or the Japan Exchange Group's invaluable store of Japanese share trading data.

Another holding of this type is RELX. In 2020 its business performance was seriously hampered by its exhibition division, c15% of the then total revenues and these largely reliant on interaction at physical locations. The shares fell 3% in 2020, while exhibition revenues were down 70%. This year, with the exhibition business reduced to just 3% of sales, the strong underlying growth in RELX' science, legal and insurance data services helped the group grow at c.5%. The shares have responded and are up 5% in October and 29% in 2021, catching up a little with the pure tech cohort. Another poor performer last year was World Wrestling Entertainment ('WWE'). The shares fell 25% in 2020. As with RELX, 2021 has been better with the shares recovering 28%, up 9% in October. All through the pandemic consumer engagement with WWE on social media sites carried on rising, despite the lack of live events. Now live audiences are flocking back, underpinning the share price recovery. There are encouraging signs within the portfolio.

Continued...

Portfolio Manager's Comments

We must admit, though, Nintendo and The London Stock Exchange (‘LSE’) continue to languish. Both share prices fell in October (8% and 5% respectively). So far in 2021 Nintendo is down 21% and the LSE 20%. There are temporary issues with each company. Nintendo’s sales this year are bound to be down after the lockdown splurge last year and the shortage of chips means that the company cannot meet current demand (although this is better than having unsold stock sitting on inventory). The LSE is undertaking the amalgamation of Refinitiv, which should create a unique and exceptionally profitable markets and data platform business. But investors remain fixated on the short-term implementation risk. We add to this pair whenever we can. Selling out of companies as fundamentally strong as Nintendo and LSE is a dangerous business and if the next piece of news from either is good, sentiment could turn sharply for the better. Looking at Nintendo’s holiday 2021 software line-up or, say, the booming volumes running across LSE’s TradeWeb subsidiary, we expect that next piece of news could easily be surprisingly good.

Overall, the 36% of the portfolio invested in media content and data owners has generated a total weighted return of just c.8% since the beginning of 2020. And this has been a major factor in our 2021 underperformance. Not only have these companies failed to keep up with the bull market, but they have seriously lagged behind the average performance of our three pure tech companies, which over the same period were up 125%. We continue to believe that the gap in performance is unjustified and that our portfolio, illustrated by several of the investments discussed above, offers considerable opportunity for further share price appreciation.

Michael Lindsell, 9th November 2021

Source Data: Lindsell Train Ltd & Bloomberg;
As of 31st October 2021.

Note: All stock returns are total returns in local currency.

The top three absolute contributors to the Fund’s performance in October were Intuit, Heineken, Prada and the top three absolute detractors were Nintendo, Pearson and PayPal.

Important information

This bulletin is solely for the use of professional investors and should not be relied upon by any other person. It is not intended for use by retail clients. Nothing in the document should be construed as advice and it is therefore not a recommendation to buy or sell shares.
Lindsell Train Global Equity Fund Class C (ISIN:IE00BK4Z4V95) is a sub-fund of Lindsell Train Global Funds plc, an umbrella fund with segregated liability between sub-funds. This means that the holdings of the fund are maintained separately under Irish law from the holdings of other sub-funds of Lindsell Train Global Funds plc. The Prospectus and the annual and semi-annual reports are prepared in the name of Lindsell Train Global Funds plc.
This Fund is authorised in Ireland and regulated by the Central Bank of Ireland.
Collective Investment Schemes (CIS) are generally medium to long-term investments.The value may go down as well as up and past performance is not necessarily a guide to future performance. CIS's are traded at ruling prices and can engage in borrowing and scrip lending.The CIS may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity.A schedule of fees and charges and maximum commissions is available on request from the Investment Manager.There is no guarantee in respect of capital or returns in a portfolio. A CIS may be closed to new investors in order for it to be managed more efficiently in accordance with its mandate.CIS prices are calculated on a net asset basis, which is the total value of all the assets in the portfolio including any income accruals and less any permissible deductions (brokerage, STT, VAT, auditor’s fees, bank charges, trustee and custodian fees and the annual Management fee) from the portfolio divided by the number of participatory interests (shares) in issue.Forward pricing is used. The Fund's Total Expense Ratio (TER) reflects the percentage of the average Net Asset Value* (NAV) of the portfolio that was incurred as charges, levies and fees related to the management of the portfolio. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TER's. During the phase in period TER’s do not include information gathered over a full year.It excludes transaction costs.
The investor acknowledges the inherent risk associated with the selected investments and that there are no guarantees. Please note that all documents, notifications of deposit, investment, redemption and switch applications must be received by the fund administrator, Link by or before 12 noon each Dublin & UK Business Day, to be transacted at the net asset value price for that day. Where all required documentation is not received before the stated cut off time, Link shall not be obliged to transact at that day's net asset value price.The Fund is priced at 12 noon each Dublin & UK Business Day Prices are published daily and are available on the Lindsell Train website. Performance has been calculated using net NAV to NAV numbers with income reinvested. The performance for each period shown reflects the return for investors who have been fully invested for that period. Individual investor performance may differ as a result of the actual investment date, the date of reinvestments and dividend withholding tax. Full performance calculations are available from the investment manager on request.
Lindsell Train Global Equity Fund is authorised by the FSCA under section 65 of the Collective Investment Schemes Control Act 2002.
For any additional information such as fund prices, prospectus, application forms, please go to www.lindselltrain.com.

Representative Office: Prescient Management Company (RF) (Pty) Ltd, Registration number: 2002/022560/07
Physical address: Prescient House, Westlake Business Park, Otto Close, Westlake, 7945 Postal address: PO Box 31142, Tokai, 7966
E-mail address: info@prescient.co.za
Website: www.prescient.co.za
Investment Manager & Distributor: Lindsell Train Ltd
Physical address: 66 Buckingham Gate, London SW1E 6AU
Manger: KBA Consulting Management Limited *Regulated by the Central Bank of Ireland*
Depository: The Bank of New York Mellon SA/NV, One Dockland Central Guild Street IFSC Dublin 1 Ireland

Glossary
Annualised return: The weighted average compound growth rate over the period measured.
Cumulative return: The aggregate performance of the fund over the entire time period.
Highest & Lowest return: The highest and lowest returns for any 12 months over the period since inception have been shown.
NAV: The net asset value represents the assets of a fund less its liabilities.