

Davy Funds Plc

Davy Global Equity Fund

CLASS "E Acc" UNITS

INVESTMENT OBJECTIVE

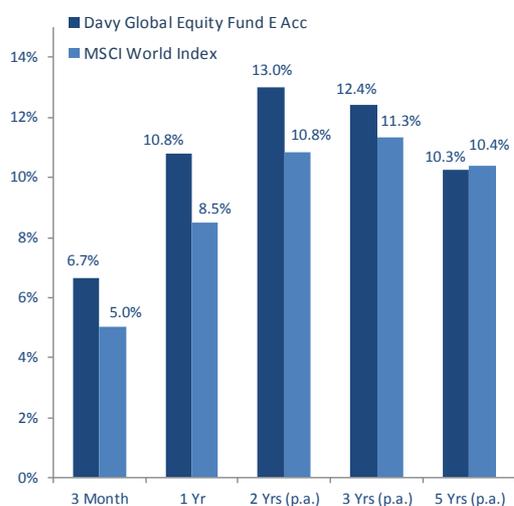
The investment objective of the Davy Global Equity Fund ('the Fund') is to seek to achieve capital appreciation over the long term.

INVESTMENT STRATEGY

The Davy Global Equity Fund will endeavour to achieve its objective by primarily investing in a global portfolio of equity securities with diversification by sector and country. The markets the Fund will invest in will generally be those in developed regions and countries.

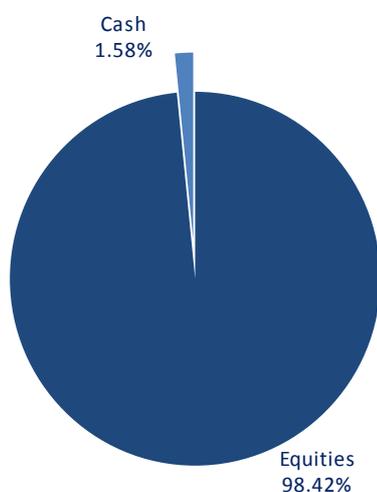
NOTE: All information below is provided as at 30.09.2019

INVESTMENT PERFORMANCE



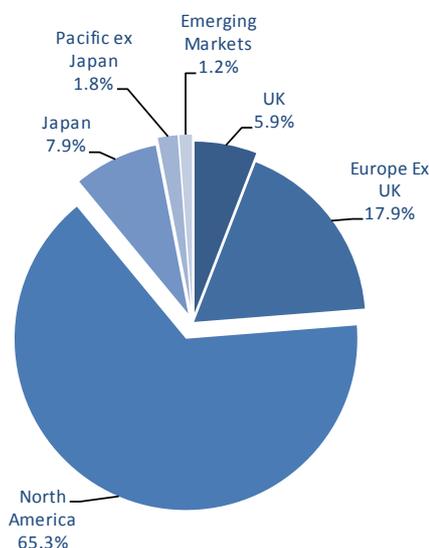
Source: Stadia, Northern Trust & Factset. Single Pricing, Net of Fees, Income Reinvested, Performance in Euro. Fund Inception: May 2010. Performance shown is that of a predecessor fund (subsumed through a scheme of amalgamation) which had the same investment strategy. On the 30th Sep 2016 the benchmark changed from FTSE World to MSCI World. For more information please contact Davy Asset Management.

ASSET ALLOCATION (% Fund)



GEOGRAPHIC ALLOCATION (% Equity)

Equity Portfolio Geographic Allocation



TOP 10 HOLDINGS (%)

10 Largest Equity Holdings (% Fund)

Stock	Country	Weight
Alphabet	North America	4.8%
Microsoft	North America	4.5%
Apple	North America	4.4%
Visa	North America	3.5%
Medtronic	North America	2.8%
JP Morgan	North America	2.7%
Merck & Co	North America	2.6%
Home Depot	North America	2.4%
Iberdrola	Spain	2.1%
Boeing	North America	2.0%
Total		31.7%

Davy Asset Management

September 2019

ABOUT THE FUND

Base Currency:

Euro

Fund Size (EUR):

8.14 m

No. of Equity Holdings:

c. 65

Investment Manager:

Davy Asset Management

Type of Unit:

Accumulation

Valuation Point:

Close of business in the relevant market where assets are listed

Order Cut-Off Point:

Daily – All orders must be received by 16:00 p.m. (Irish time) one Business Day immediately preceding the relevant Dealing Day.

Structure:

UCITS*

* The assets of the Prescient Select Total Equity Fund, a sub-fund of the Prescient Select Portfolio (non-UCITS) were transferred to a new sub-fund of Davy Funds plc (UCITS), which is named the Davy Global Equity Fund, on 18th December 2015. The same Strategy applies to both sub-funds.

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DAVY GLOBAL EQUITY FUND

CLASS "E Acc" UNITS

Q3 2019 MARKET REVIEW

The Davy Global Equity Fund returned 6.65% during the third quarter of 2019. Global equity markets rose by 5.15% in a volatile third quarter dominated by slowing growth, tumbling bond yields, political drama in the UK and rising trade tensions.

Central Banks were active during the quarter, as the ECB and the Federal Reserve joined numerous other central banks around the world in cutting interest rates in the face of weakening economic sentiment. There were dissenting voices from ECB Council members following the Bank's decision to cut rates further into negative territory and renew quantitative easing. However, the broad range of weak economic indicators released since that rate cut suggest that Christine Lagarde may have to follow Draghi's lead in the months ahead.

While the initiation of impeachment process against the US president grabbed the headlines late in the quarter, the trade war and rate cuts remain the main movers of markets. Tariffs on Chinese goods rose again in September adding to the cost-base of US manufacturers and retailers. A survey of manufacturing managers, released after the quarter-end, revealed the weakest sentiment since the Global Financial Crisis. A deal on trade would be greeted positively by equity investors.

Renewed monetary easing by central banks across the globe drove the Utilities, Real Estate and Consumer Staples sectors to the top of the performance table during the quarter. Energy and Materials stocks were the worst performers, reflecting slowing economic momentum and global trade.

Eurozone, UK and global government bonds all had a strong third quarter, with the JP Morgan Global Index (euro hedged) returning 2.43%, due to dovish central banks, weaker than expected economic data, intensifying US/China trade war risks, and Brexit uncertainty.

At the ECB's policy meeting in September, the deposit rate was cut for the first time since 2016. The Bank also announced the relaunching of the Quantitative Easing programme, "for as long as necessary", with ECB President Mario Draghi saying risks remained "tilted to the downside". This forced the yield on the German bund to fall (causing prices to rise).

In the UK, the rising prospect of a 'hard' Brexit under new Prime Minister Boris Johnson, in addition to dovish central banks globally, saw yields fall. The UK 10-year Gilt yield fell to 0.40%. This is not only lower than in 2016 after the Brexit Referendum result, but also a new record low for the UK 10-year Gilt.

Source: Bloomberg

CALENDAR YEAR FUND PERFORMANCE (%)

	2018	2017	2016	2015	2014
Davy Global Equity Fund E Acc	-2.7%	9.2%	6.8%	9.5%	15.4%
MSCI World Index	-4.1%	7.5%	10.7%	11.0%	20.2%

Single Pricing, Net of Fees, Income Reinvested, Performance in Euro.
Performance shown is that of a predecessor fund (subsumed through a scheme of amalgamation) which had the same investment objective and policy. On the 30th Sep 2016 the benchmark changed from FTSE World to MSCI World. For more information please contact Davy Asset Management.

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Davy Asset Management

September 2019

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Warning: Past performance may not be a reliable guide to future performance. The value of your investment may go down as well as up. If you invest in this product you may lose some or all of the money you invest. An investment in the Fund should be regarded as long term.