

Melville Douglas Select Fund Ltd

Global Equity Class

Minimum Disclosure Document as at 31 December 2019



Investment Growth***



Investment Objective

To provide long-term capital growth by investing primarily in quoted global equities, that seek to maximise investment returns in US dollars.

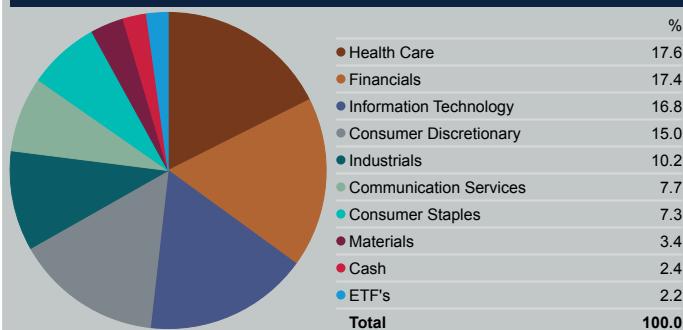
Top 10 Holdings

	Weighting %
Microsoft Corp	6.0
UnitedHealth Group Inc	4.5
Prudential PLC	4.3
Experian PLC	4.0
Alphabet Inc A	3.9
Boston Scientific Corp	3.9
Tencent Holdings Ltd	3.8
Mastercard Inc A	3.7
Unilever PLC	3.7
PepsiCo Inc	3.6

Asset Allocation

Cash	2.4			
Equity	97.6			

Sector Allocation



Operations

Name	Melville Douglas SFL Global Equity A \$
Month End Price (Current Class)	\$19.4
Total Fund Value	\$465.0 Million

Fund Managers

Justin Maloney

Justin has over 25 years' experience of managing global equity funds. Before joining Melville Douglas in 2014, he was a global equity fund manager in London for Sanlam and F&C Asset Management. He holds a BSc (Hons) degree in Business from Cass Business School, University of London and is also a CFA® Charterholder.

Prandhana Naidu

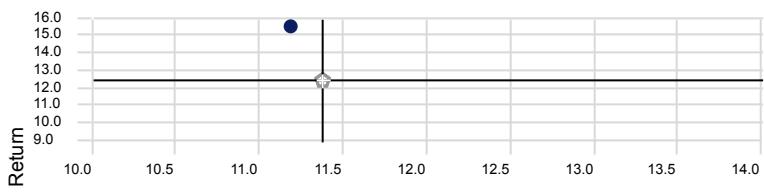
Prandhana joined Melville Douglas in 2014. She is the co-manager of the Melville Douglas Select Global Equity Fund. Prandhana also covers the global consumer staples sector. Prior to joining the company, she was a portfolio manager at Sasfin Securities. She holds a BBusSci (Hons) degree in Finance from the University of Cape Town, and is a CFA® Charterholder.

Portfolio Risk

Monthly Returns***

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2019	6.6	2.6	2.5	4.2	-4.7	6.2	0.2	-2.2	0.2	2.5	3.4	3.9	27.7
2018	7.0	-3.9	-2.1	1.1	-0.1	-0.6	4.0	1.2	0.8	-7.1	2.9	-6.6	-4.4
2017	2.4	3.0	0.8	3.1	2.6	0.5	2.5	0.7	1.4	3.7	2.1	0.7	26.2
2016	-4.4	-2.1	6.0	0.0	1.3	-1.6	3.8	0.0	0.2	-3.0	1.8	1.6	3.4
2015	-2.0	5.9	-1.8	3.1	0.0	-2.2	1.8	-6.5	-3.4	8.0	-0.7	-1.7	-0.4

Risk-Reward *



Not to be distributed outside of Jersey and South Africa



* Data is displayed over a 3 year rolling period

** Risk free rate = US Treasury T-Bill 3 Months

*** Class A since inception. Information compiled using Morningstar based on the most recent published information available to Morningstar at the end of the relevant period. This information is for illustrative purposes only.

Additional Risk Information

Where foreign securities are included in the portfolio there may be additional risks, such as potential constraints on liquidity and the repatriation of funds, macroeconomic risks, political risks, tax risks, settlement risks, interest rate risk and potential limitations on the availability of market information.

The risk rating seen on page 1 is designed to give an indication of the level of risk, measured by volatility, associated with this specific portfolio. In order to arrive at the specific risk rating of the portfolio in question, Melville Douglas measures the volatility of the fund, in the form of standard deviation, over a three year rolling period, and compares the result to internal risk parameters. Please note that these risk ratings are designed as a guide only.

Other Fund Facts

Manager	STANLIB Fund Managers Jersey Limited
Investment Manager	Melville Douglas Investment Management (Pty) Ltd
Custodian	Apex Financial Services (Corporate) Limited
Auditors	PwC, Ireland
Fund Directors	GS.Baillie, M.Farrow, and O.Sonnichler
Registered Office	47-49 La Motte Street, St Helier, Jersey
Publication Date	15 January 2020
Compliance No.	14MO44

Share Class ISIN

Class A	JE00B6VH9P99
Class B	JE00BYYD6X79
Class C	JE00BYYD6Y86

Minimum Investment

Class A	Closed to new investments
Class B	\$ 2 500
Class C	\$ 2 500

Launch Date

Class A	30 March 2012
Class B	01 September 2016
Class C	01 September 2016

Fund Costs - 12 months

Fee Class	Management Fee*	Performance Fee	TER	TC	TIC
Class A	1.20%	5% above HWM	1.69%	0.08%	1.76%
Class B	1.70%	NIL	1.75%	0.08%	1.82%
Class C	1.00%	NIL	1.35%	0.08%	1.42%

TER = (Total Expense Ratio), TC = (Transaction Costs), TIC = (Total Investment Cost ; TER + TC = TIC)

Where a transaction cost is not readily available, a reasonable best estimate has been used. TER reflected is 1 month in arrears. Estimated transaction costs may include Bond, Money Market and FX Costs (where applicable)

*Management fee includes fee payable to Manco

Fund Costs - 36 months

Fee Class	Management Fee*	Performance Fee	TER	TC	TIC
Class A	1.20%	5% above HWM	1.86%	0.08%	1.93%
Class B	1.70%	NIL	1.75%	0.08%	1.83%
Class C	1.00%	NIL	1.39%	0.08%	1.46%

TER = (Total Expense Ratio), TC = (Transaction Costs), TIC = (Total Investment Cost ; TER + TC = TIC)

Where a transaction cost is not readily available, a reasonable best estimate has been used. TER reflected is 1 month in arrears. Estimated transaction costs may include Bond, Money Market and FX Costs (where applicable)

*Management fee includes fee payable to Manco

Contact Details

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Statutory Disclosure and General terms and Conditions

This document does not constitute an offer to buy or a solicitation of an offer to buy or sell shares of the Fund in any jurisdiction in which an offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer of solicitation and is for information purposes only. Subscriptions will only be received and shares issued on the basis of the current prospectus and prospective investors should carefully consider the risk warnings and disclosures for the Fund set out therein. The value of shares may go down as well as up and investors may get back less cash than originally invested. Performance is calculated for the portfolio, as well as that the individual investor performance may differ as a result of initial fees, the actual investment date, the date of reinvestment and dividend withholding tax. Past performance is not necessarily a guide to future performance. An investment in the shares of the Fund is not the same as a deposit with a banking institution. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. Please refer to the prospectus for more details on the charges and expenses that may be recovered from the Fund. Shares are valued on a daily basis using 23:59 (UK Time) prices. Transaction requests received before 14h30 (UK Time) will receive the following valuation point share price. This is an accumulation portfolio and does not distribute income. Telephone calls may be recorded. Apex Financial Services (Corporate) Limited, STANLIB Fund Managers Jersey Limited and Melville Douglas Select Fund Limited are regulated by the Jersey Financial Services Commission.

Prices are calculated and published daily and are available from the Manager on request.

Performance figures are calculated for the relevant class on a NAV basis.

Collective investment schemes are traded at ruling prices and can engage in borrowing and scrip lending. Collective Investment Schemes are generally medium to long-term investments.

An investment management agreement exists between the Fund, the Manager and Melville Douglas Investment Management (Pty) Ltd appointing Melville Douglas Investment Management (Pty) Ltd as the sole representative for the investment management functions performed in South Africa. Melville Douglas Investment Management (Pty) Ltd is a company registered in South Africa with company number 1987/05041/07, and a subsidiary of Standard Bank Group Limited. Melville Douglas Investment Management (Pty) Ltd is licensed as a financial services provider in terms of Section 8 of the Financial Advisory and Intermediary Services Act, 2002 (Act No. 37 of 2002). The appointed representative for the Fund in South Africa is STANLIB Collective Investments (RF) Pty Ltd.

The manager does not provide any guarantee either with respect to the capital or the return of the portfolio.

Quarterly Commentary

Fund Review

Over the quarter the fund's A-class, B-class, C-class and X-class shares were up +10.03%, +10.22%, +10.41% and +10.64% respectively. Over the same period the MSCI All Country World index was up +8.95%.

Positive sector allocation and stock selection contributed to the fund's outperformance against the index over the quarter. The fund benefited from avoiding the bond-like utilities and real estate sectors, which lagged amidst a modest bond market sell-off. The largest contributor to performance was a rebound in the health insurance stocks (UnitedHealth and Anthem) on more tempered plans to change Medicare from leading Democratic presidential candidates. The fund's financial sector holdings (Prudential, Partners Group and JPMorgan) also added value given their sensitivity to capital markets and higher bond yields.

Market Overview

What a difference a year makes. Over the final quarter of 2018 the MSCI All Country World index plunged -13%. By contrast, the same index was up almost +9% this quarter, contributing to a +27% return in 2019. The drivers of the quarter and the year were a mirror image of 2018. Easing US-China trade tensions, better macroeconomic data and dovish central bank policy all combined to lead markets higher despite sluggish corporate earnings growth.

ICON plc was added to the fund. The company is a global provider of outsourced drug development services to the pharmaceutical and biotech industry. ICON offers its clients a more efficient and cost-effective route to market given the regulatory pathway is typically difficult, time consuming and expensive. ICON makes money assisting their clients' drug development programme whatever the outcome. If a drug fails to live up to expectations, ICON still gets paid for conducting the trial. Consistent double-digit profit growth is expected to be delivered over the next five years due to steady growth in biopharma R&D, increasing outsourcing and expanding drug pipelines.

Looking ahead

Although dissipating geopolitical and business cycle risks bode well, a fickle US President could yet upset the apple cart. Nonetheless, given it is less than a year until the US presidential election, Donald Trump has a clear incentive to keep the economy on track. Arguably a more important factor is monetary policy, which was the key driver of financial markets in 2019 and will likely be just as crucial in 2020. Monetary policy is expected to support equity valuations given the Federal Reserve is indicating little urge to tighten any time soon and the commitment by the European Central Bank to buy government bonds "for as long as necessary". As such we expect further positive returns from the stocks held in the fund, driven by attractive underlying earnings growth.