

# Latitude Horizon Fund



THE OBJECTIVE OF THE LATITUDE HORIZON FUND IS TO DELIVER CAPITAL APPRECIATION OVER THE LONG TERM BY HOLDING A CONCENTRATED PORTFOLIO OF STOCKS, WHILST LOWERING THE EQUITY RISK AND ENHANCING RETURN THROUGH A SELECTION OF NON-EQUITY INVESTMENTS.

## July Commentary

As discussed in [June-17](#) and [March-18](#) there is a change in the tide of acceptance of big tech's role in society. This is now affecting the sector's role as leader in the market.

The recent 20% fall in the **Facebook** share price ends a bad chapter in its story, as management traced an arc from denial to acceptance and on to a painful resolution. Revenue growth will likely fall, costs will rise but the business will be fortified. As bad as this chapter has been, and despite some poor management decisions, Facebook's model is strong and recent events will prove to be a footnote not an epitaph. Fantastic businesses such as **Google**, Amazon and Apple have all had similar periods in their history. These transitions have strengthened rather than weakened business models despite causing considerable shareholder uncertainty at the time.

We are more confident than ever that this is the start of a new regulation cycle. The recent appointment of Jason Furman in the UK reflects the changing of the guard in Europe and will lead to stronger oversight. Moreover, it is clear that Anti-Trust legislation is being reconsidered globally. The impact technology is having on society in general, and politics in particular, is invoking legislation such as the 1890 Sherman Act which aimed to ensure that monopoly power did not cause political corruption.

This period of corporate regulation once revolved around protecting citizens but, since the 80s, this definition has narrowed to focus solely on consumers. Today regulators myopically measure success through the lens of consumer prices. This is beginning to feel anachronistic, over simplified and at odds with business models where personal data is the currency with which consumers pay for services. In the EU the European Commissioner for Competition, Margrethe Vestager, is moving the debate away from just consumer prices, for example during her recent anti-trust rulings against Google. The Federal Trade Commission in the US is pursuing vigorous antitrust enforcement action. A world in which individuals are considered citizens not merely consumers is one in which many would rather live but there will be shareholder pain to get there.

For big tech, this coming of age needn't be cause for great concern for long term shareholders. Their Icarian wings need clipping lest they soar ever closer to the sun, allowing them to fly for longer, albeit with a turbulent adjustment.

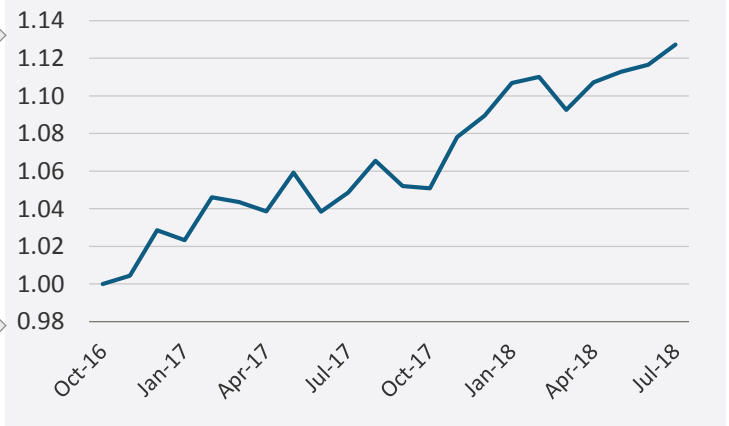
Google remains an important position in our fund. Recent results were strong and the share is performing well. We continue to believe it offers the best value within the sector, with the greatest spread of risk against the threats outlined above.

## Strategy Track Record<sup>1</sup>



Source: Odey Asset Management LLP, Latitude Investment Management LLP

## Latitude Horizon Fund Performance



## Rolling Performance

Performance to 31-Jul-18	5 year <sup>1</sup>	3 year <sup>1</sup>	1 year	Latitude Horizon Fund Since Launch	1 month
Latitude Horizon Fund <sup>1</sup>	35%	21%	7%	13%	1.0%

<sup>1</sup> Rolling performance data includes both strategy track record at Odey and Latitude Horizon Fund data since launch. Since launch data only includes Latitude Horizon Fund performance data. <sup>1</sup> Please see disclaimer for further information. The Latitude Horizon Fund performance data is for the GBP Inc and Acc share classes.

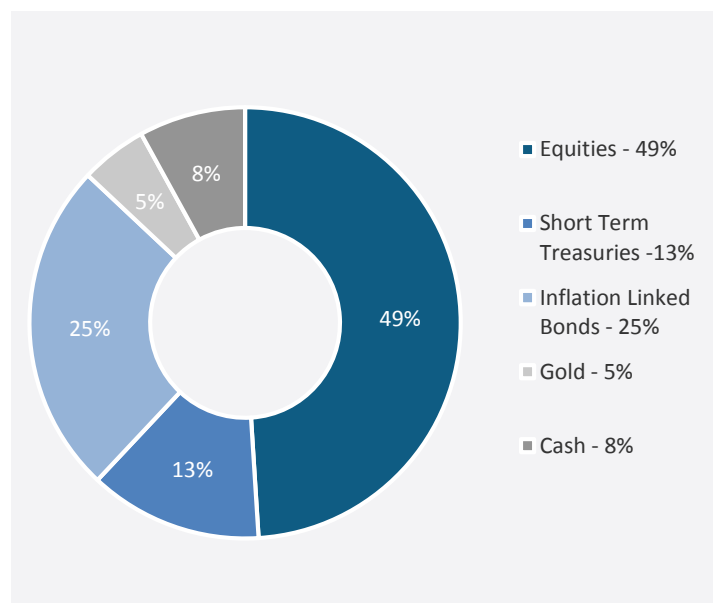
## Latitude Horizon Fund



## Top 10 Equity Holdings

Stock	Percentage
Tesco	3.6%
Unilever	3.6%
Advance Auto Parts	3.5%
Bank of America	3.4%
Sony	3.3%
Shiseido	3.3%
Visa	3.3%
Imperial Brands	3.2%
Orange	3.2%
Autozone	3.2%
<b>Total Top 10</b>	<b>33.6%</b>

## Asset Allocation – July 2018



## Key Fund Information

Fund Launch Date	1st November 2016
Fund Manager	Freddie Lait
Legal Structure	Irish Domiciled UCITS V Fund - ICAV
Regulator	Central Bank of Ireland
Base Currency	Sterling
Regional Exposure	Global, primarily developed markets
Benchmark	The fund is not benchmarked
Share Classes	£ - A/I IE00BDC7CZ89 / IE00BD37NY30 \$ - A/I IE00BD37NZ47 / IE00BDC7JY67 € - A/I IE00BDC7CX65 / IE00BDC7CW58
Management Fee	1% per annum
Performance Fee	0%
Dealing	Daily
Administrator	SEI Investments – Global Fund Services
Custodian	SEI Investments Trustee and Custodial Services (Ireland)
Auditors	PriceWaterhouseCoopers
Legal Council	Matheson
Firm Compliance	Optima Partners
Primary Platforms (Full list available upon request)	Cofunds FNZ Hargreaves Lansdown Interactive Investor Raymond James Transact Alliance Trust Old Mutual Wealth
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**Strategy's Previous Track Record<sup>1</sup>** - This is a composite of Freddie Lait's performance in long-only global absolute return portfolios principally the Odey Atlas Fund ("Atlas") he managed from 19 October 2012 to 31 October 2016 during his time at Odey Asset Management LLP ("Odey") and Latitude Horizon Fund performance data since launch 1 November 2016. The information above and below is for information purposes, only the Latitude Horizon Fund is being offered for investment. Performance above is for the I share class, net of fees and other charges. Past performance does not guarantee future results and the value of all investments and the income derived therefrom can decrease as well as increase. Investments that have an exposure to currencies other than the base currency of the strategy may be subject to exchange rate fluctuations. The data above and below reflects the reinvestment of all interest and dividends received. The new Latitude Horizon Fund is a long only UCITS fund managed with similar investment guidelines, using the same investment process and subject to similar fees and charges. For full details always refer to the prospectus. While every effort will be made to manage the Latitude Horizon Fund in the same manner there is no guarantee that there will be similar performance. Note that Atlas Fund changed from a long only UCITS fund to a long-short UCITS fund on 23 April 2014. In order to show a consistent long term track record for Freddie Lait which is a more accurate representation of how the Latitude Horizon Fund will be managed, the performance of Atlas in the chart above from 23 April 2014 to 31st October 2016 is a carve-out of his actual long only portfolio over this period, which includes his long only equity and non-equity positions, rebased to cancel out any effects from leverage. Further details on the carve-out are available upon request.

Please seek advice from your regulated Investment Advisor, before making any investment decisions. Past performance is not a guide to future performance and may not be repeated, the value of an investment may go down as well as up and you may not get back the total value of your investment. Foreign currencies denominated investments are subject to fluctuations in exchange rates that could have a positive or adverse effect on the investor's return. This product may put your capital at risk. This is an Undertaking for Collective Investment in Transferable Securities (UCITS) regulated by Central Bank of Ireland (CBI). The information herein was obtained from various sources. We do not guarantee its accuracy. This information is for your private information and is for discussion purposes only. A variety of market factors and assumptions may affect this analysis, and this analysis does not reflect all possible loss scenarios. There is no certainty that the parameters and assumptions used in this analysis can be duplicated with actual investments. Unless otherwise stated, any pricing information in this presentation is indicative only and is subject to change. Prior to undertaking any investment, you should discuss with your professional tax, accounting or other adviser how such a particular investment(s) affect you and whether it is suitable. All analysis (whether in respect of tax, accounting, law or of any other nature), should be treated as illustrative only and not relied upon as accurate. This document is being made available by Latitude Investment Management LLP who are Authorised and Regulated by the Financial Conduct Authority under registration number 774437. Latitude Horizon Fund, a sub-fund of DMS UCITS Platform ICAV (An Irish collective asset-management vehicle constituted as an umbrella fund with segregated liability between sub-funds with registration number C141639 and authorised by the Central Bank of Ireland pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities). Regulations 2011 (as amended). Management Company provided by DMS Investment Management Services (Europe) Limited.

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**For Hong Kong investors:** You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice. This document and its contents have not been reviewed by any regulatory authority in Hong Kong.

Latitude Horizon fund data source - Latitude Investment Management LLP and external published sources.