

Latitude Horizon Fund



Investment Objective

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

It is remarkable that 86% of the global bond market now yields less than 2%, with 60% yielding less than 1% and 25% offering negative returns in exchange for investor capital. 50% of the market offered 4% or better in 2005.

This environment favours financial assets whose value lies further into the future. These are investments such as long-dated bonds, where coupons are meagre in comparison to the future repayment of principle, or companies with low current earnings but high growth potential.

Shares in general are also a clear beneficiary of this, as we alluded to in May's [factsheet](#). £100 invested into stocks today will be generating around £4 in earnings (25x Price to Earnings) possibly growing, in aggregate, at 5-10% a year. Over the next five years they will earn c.£20-25 in earnings thus, one investing today is ascribing >75% to the future value created in year six and beyond.

This is rational, as long as cash interest rates and bond yields remain low, which is likely until underlying inflation returns. Balancing a portfolio of stocks with inflation protected assets such as inflation-linked bonds and gold is increasingly important in such an environment.

The financial assets which have been left behind the most in this rally are stocks which generate strong free cash flow in the present, but offer less growth than the market.

Tesco is a prime example, with free cash flow generation potential of c.10% of their market value each year available to fund dividends (currently c.5%) and buybacks in the future. Sales and earnings should grow steadily over time, and are intrinsically inflation protected. Over the next five years, equity investors will earn 50% of the present market value, half of which will be paid back in dividends and half will be retained for reinvestment into the business or used to decrease shares outstanding. Despite the clearly defensive characteristics of the food retail business investors are not, at present, attributing much value for longer term earnings.

To further illustrate the point, the Tesco ten year bond yields just 2%, down from 6% in 2015 when it was going through its restructuring, and offers no growth or inflation protecting prospects.

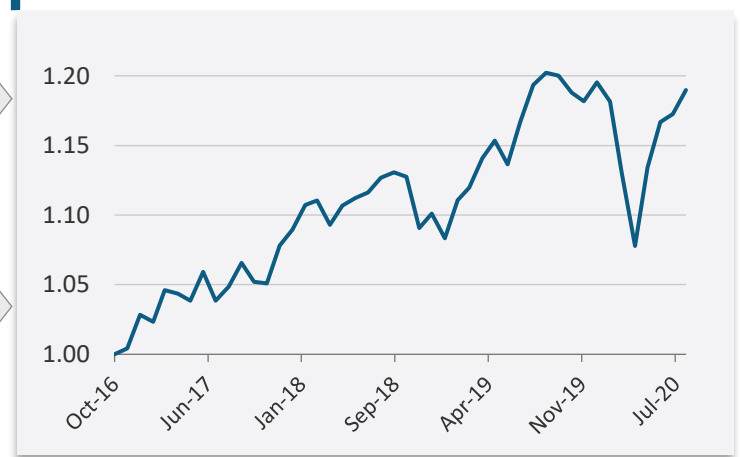
In the current search for yield and growth, investors are neglecting the defensive value stocks hiding in plain sight. These offer both great absolute value and a balance to portfolios in the event of rising inflation or interest rates, as and when that day comes.

Strategy Track Record¹



Source: Quintillion, Latitude Investment Management LLP

Latitude Horizon Fund Performance



Rolling Performance

Performance to 31-Jul-20	Since Inception ¹ (Oct-12)	3 year	Horizon Fund Since Launch (Oct-16)	2020	1 month
Latitude Horizon Fund ¹	71.5%	13.5%	19.0%	-0.5%	1.5%

¹ 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. ¹ Please see disclaimer for further information. The Latitude Horizon Fund performance data is for the GBP Acc share class.

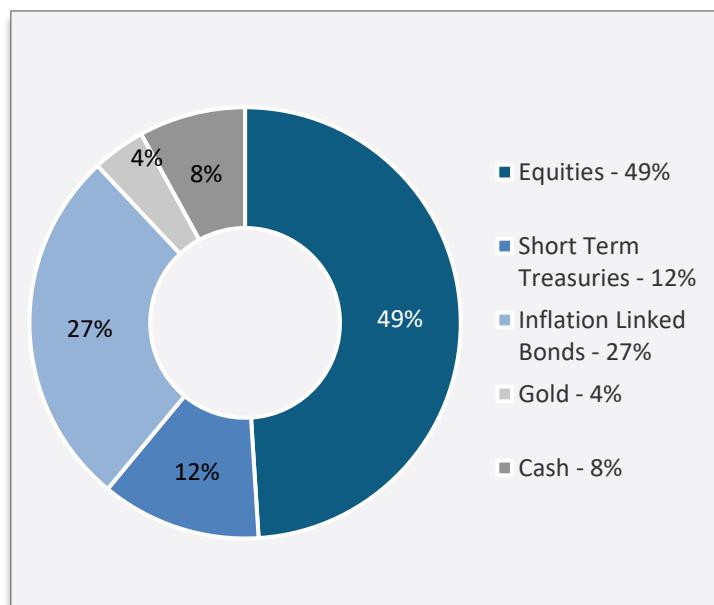
Latitude Horizon Fund



Top 10 Equity Holdings

Stock	Percentage
Unilever	3.0%
Sony	3.0%
Autozone	2.9%
Air Liquide	2.9%
Dollar Tree	2.7%
Advance Auto Parts	2.6%
Tesco	2.6%
Alphabet	2.6%
Visa	2.5%
Goldman Sachs	2.4%
Total Top 10	27.3%

Asset Allocation – July 2020



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Key Fund Information

Fund Manager	Freddie Lait
Fund Assets	£167m
Firm Assets	£224m
Legal Structure	Irish Domiciled UCITS V Fund - ICAV
Regulator	Central Bank of Ireland
Base Currency	Sterling
Regional Exposure	Global
Benchmark	The fund is not benchmarked
Management Fee	1% per annum 0.75% per annum (Institutional Classes)
Performance Fee	0%
Dealing	Daily, 2pm Dublin cut off
Administrator	SEI Investments – Global Fund Services
Custodian	SEI Investments Trustee and Custodial Services (Ireland)
Auditors	PricewaterhouseCoopers
Primary Platforms <i>(Full list available upon request)</i>	Cofunds, FNZ, Hargreaves Lansdown, Interactive Investor, Raymond James, Transact, Alliance Trust, Old Mutual Wealth, Fidelity, AJ Bell, AllFunds
Contact Details	patrick.valentine@latitudeim.com +44 (0)207 087 9278

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Latitude Horizon Fund



Share Classes and identifiers

Share Class	Class	Minimum	Management Fee	TER*	ISIN	SEDOL
GBP Accumulation		No Min.	1.00%	1.29%	IE00BDC7CZ89	BDC7CZ8
GBP Income		No Min.	1.00%	1.29%	IE00BD37NY30	BD37NY3
EUR Accumulation		No Min.	1.00%	1.29%	IE00BDC7CX65	BDC7CX6
EUR Income		No Min.	1.00%	1.29%	IE00BDC7CW58	BDC7CW5
USD Accumulation		No Min.	1.00%	1.29%	IE00BD37NZ47	BD37NZ4
USD Income		No Min.	1.00%	1.29%	IE00BDC7JY67	BDC7JY6
GBP Accumulation	I	£20m	0.75%	1.04%	IE00BG1TMR88	BG1TMR8
GBP Income	I	£20m	0.75%	1.04%	IE00BG1TMP64	BG1TMP6
EUR Accumulation	I	€20m	0.75%	1.04%	IE00BG1TMQ71	BG1TMQ7
EUR Income	I	€20m	0.75%	1.04%	IE00BG1TMK10	BG1TMK1
USD Accumulation	I	\$20m	0.75%	1.04%	IE00BG1TMT03	BG1TMT0
USD Income	I	\$20m	0.75%	1.04%	IE00BG1TMS95	BG1TMS9

Strategy's Previous Track Record¹ - 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 Atlas Fund 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 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.

Representative and Paying Agent in Switzerland: The representative and paying agent in Switzerland is BNP Paribas Securities Services, Paris, Succursale de Zurich, Selnaustrasse 16, 8022 Zurich, Switzerland. Place where the relevant documents may be obtained: The Prospectus, the key investor information documents, the instrument of incorporation as well as the annual and half-yearly reports may be obtained free of charge from the representative in Switzerland. Place of Performance And Jurisdiction: Both the place of performance and the place of jurisdiction for Shares in the Fund offered or distributed in or from Switzerland shall be the seat of the Swiss representative. In Switzerland, the distribution of the Fund is restricted to Qualified Investors only.

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.