



Investment Objective

The investment objective of EP Global Opportunities Trust plc is to provide shareholders with an attractive real long-term total return by investing globally in undervalued securities.

The portfolio is managed without reference to the composition of any stockmarket index.

Market Commentary

- The quarter was marked by supply chain disruption throughout the global economy and volatile movements in bond yields driven by shifting inflation expectations
- Shortages of semiconductors are having a dramatic impact on the automotive industry with production volumes running far below demand levels
- Bond yields were volatile during the quarter – the market is uncertain whether the current inflationary pressures are transitory or more permanent in nature
- We continue to look for opportunities to recycle capital from expensive holdings into new ideas. The automotive supply chain is a key focus given the potential for a significant rebound in volumes over the medium term

Portfolio Review

- The portfolio no longer has exposure to Finland, China and Peru following the sales of Nokia, Shanghai Fosun Pharma and Credicorp respectively
- Exposure to the Health Care sector reduced largely driven by the sale of Shanghai Fosun Pharmaceutical whose share price had risen sharply
- The sale of Nokia, prompted by recent strong share price performance, reduced the exposure to the Information Technology sector
- The difficulty in finding undervalued securities and the exuberance of asset markets generally, continue to give serious cause for concern. For these reasons, an investment was made in the Templeton European Long-Short Equity fund; we believe this fund is likely to perform well when asset markets decline
- As a consequence of these changes, the direct equity holdings held have been reduced to just over 66% of net assets



Performance Commentary

- The Net Asset Value (NAV) total return per share was 2.6% in the quarter. The portfolio is managed without reference to any index
- Our positions in European Banks and Food Retail contributed to performance. Bank earnings surprised positively, and the sector is a key beneficiary of rising bond yields while Food Retailers have benefitted from higher inflation
- Energy stocks performed well following the rise in oil prices during the period
- Fresenius Medical Care and Samsung Electronics were the key detractors. Fresenius Medical Care suffered from the continued impact of Covid-19 on the dialysis industry while Samsung Electronics was hurt by a correction in memory pricing which is the key driver of profits

Discrete Performance

	30 Sep 20 30 Sep 21	30 Sep 19 30 Sep 20	30 Sep 18 30 Sep 19	30 Sep 17 30 Sep 18	30 Sep 16 30 Sep 17
Share Price	10.3	-12.9	-2.5	7.0	15.2
Net Asset Value (NAV) per share	15.7	-10.4	-2.0	5.7	19.2

Past performance is no guide to future performance

Share Price total returns are sourced from Refinitiv Datastream/Bloomberg. Share price returns are calculated on a closing mid price basis. NAV returns, including current period income, are sourced from Edinburgh Partners. All dividends are reinvested at the ex-dividend date.

Further information on the Company can be found within the latest factsheet and KID.

Risk Warnings

All investments have the potential for profit or loss and as such your capital may be at risk. This document does not constitute or form part of, and should not be construed as, a recommendation, offer or invitation to purchase or subscribe for securities or services mentioned herein. The information and opinions contained in this document are those of the authors and are subject to change without notice.

This document contains information on investments which does not constitute independent research. Accordingly, it is not subject to the protections afforded to independent research and Edinburgh Partners Limited and its staff and the Directors of the Company may have dealt in the investments concerned.

EP Global Opportunities Trust plc (the Company) is an investment trust and as such is not authorised or regulated by the Financial Conduct Authority. Further details of the risks associated with investment in the Company, information about how charges are applied, and a Key Investor Document can be obtained by contacting the number or email address alongside.

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