

CBL US Leaders Equity Fund



Class R Acc USD
Class R Acc EUR (hedged)

October 2021

Investment Objective

ULEF investments are concentrated on equities with a long-term growth perspective. The Fund seeks to invest in a diversified portfolio of technically attractive US stocks with desirable fundamental characteristics, including robust earnings growth, strong financial position and profitability.

Investment Process

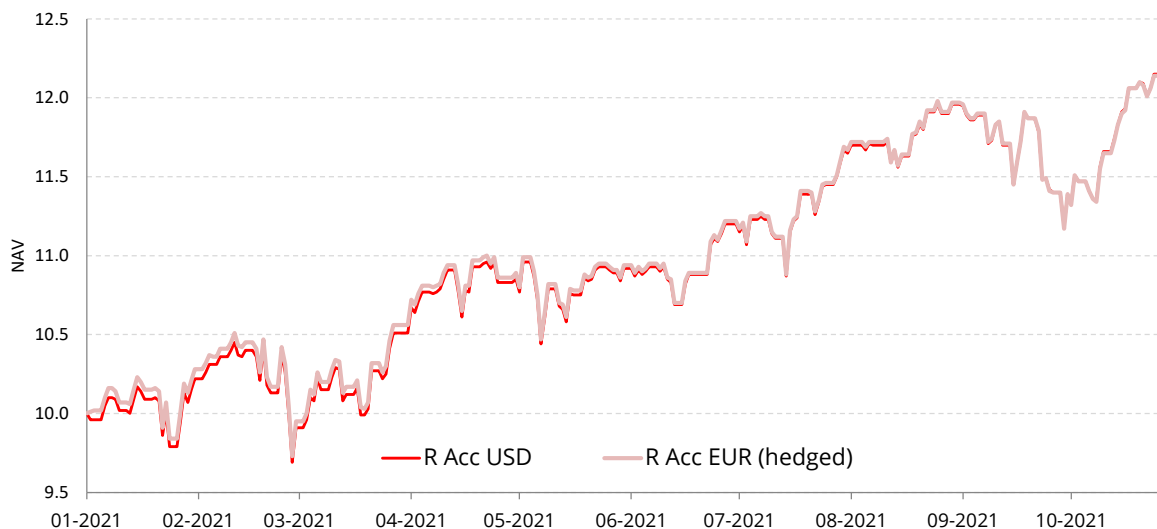
- Bottom-up individual stock selection
- Regular portfolio rebalancing
- Daily market monitoring
- Monthly result evaluation
- Industry diversification

Fund Overview

Management Company	CBL Asset Management
Fund Managers	Igor Lahtadir, CFA Andrejs Pilka
Custodian bank	Citadele banka
Inception Date	06/01/2021
Fund Size	USD 15.8 mln
Management Fee	1.4% p.a.
Front Load Fee	Up to 1.0%
Issue/redemption	Daily
Distribution Status	Accumulative
Legal Status	UCITS IV, Latvia

	Class R Acc USD	Class R Acc EUR (H)
ISIN	LV0000401032	LV0000400992
Bloomberg Code	CBULERA LR	CBULERH LR
Base Currency	USD	EUR
Share Class Size	5.0 mln	9.3 mln

Performance History



Total Return by Period

	YTD	1M	3M	6M	1Y	2Y	3Y	5Y	SI	2020	2019	2018
Class R Acc USD	21.5%	6.4%	6.1%	12.2%	-	-	-	-	21.5%	-	-	-
Class R Acc EUR (hedged)	21.4%	6.4%	5.9%	11.8%	-	-	-	-	21.4%	-	-	-

Top 10 Holdings

	Weight
Fortinet Inc	3.2%
Old Dominion Freight Line Inc	2.6%
Monolithic Power Systems Inc	2.4%
Robert Half International Inc	2.4%
Arista Networks Inc	2.4%
Gartner Inc	2.3%
Accenture PLC	2.3%
S&P Global Inc	2.3%
Intuitive Surgical Inc	2.3%
Intuit Inc	2.3%
Total	24.7%

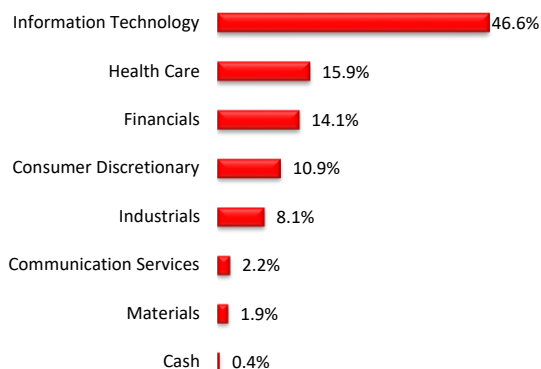
Portfolio Statistics

Number of Holdings	50
Average Security Weight	2.0%
Median P/E	35.2
Median P/B	15.9
Weighted Average Dividend Yield	0.0

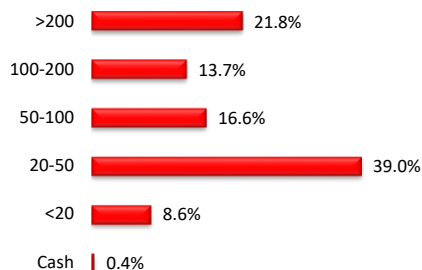
Performance Statistics (3Y)

Volatility (St. Dev., %)	-
Sharpe Ratio	-
Sortino Ratio	-
Value-at-Risk (30d / 95%)	-

Sector Breakdown



Market Capitalization Breakdown, bn USD



Events of the Month

- After weak performance in September, global stocks confidently regained momentum in October. S&P500 index (+6.9%) reached another all-time high, breaking above the 4,600-point threshold. European bourses also looked very strong, as broad regional market gauge STOXX 600 gained 4.6%. Over the month, European single currency remained broadly unchanged against the US dollar.
- Impressive start of the earnings season has been the key driver of stellar market gains on both sides of the Atlantic. In the US, more than 60% of companies have already reported their 3Q financial results, which on average have exceeded estimates by 9.7%. So far, among S&P500 index companies we see earnings beats in absolutely all sectors, and in terms of revenue growth the only disappointment delivered Utilities sector.
- Meanwhile, the 3Q reporting season in Europe has been also bringing strong numbers. On the index level, earnings exceeded forecasts by 10.0%, with the most confident beats coming from such sectors as Industrials, Financials and Technology.
- In October, risk appetite was also supported by positive developments in the Chinese property sector, which has been dragging on global sentiment since the summer. Evergrande, the largest beleaguered developer, finally made interest payments which had been previously missed. In addition, Chinese authorities issued several regulations aimed at controlling contagion risks to the entire economy.
- Global macroeconomic data has been mixed. In October, high frequency data pointed to the robust recovery in the US, but fading economic momentum in Eurozone, where business activity expanded at the slowest pace since April amid increasing supply bottlenecks and ongoing COVID-19 concerns.
- The Fund (USD class) returned 6.4% in October, slightly lagging behind the broad market. The portfolio underperformed primarily from less successful stock selection in Consumer Discretionary sector.

Contributors and Detractors

- + In October, the largest positive contribution to the Fund's results came from Technology sector. Among individual stocks, the most noticeable performers were cyber security solutions company Fortinet (+13.9%) and cloud solutions provider Arista Networks (+17.8%).
- No sector delivered negative contribution to the Fund's results in October. Among individual securities, the largest losses came from navigation accessories manufacturer Garmin (-9.1%) and teeth straightening device manufacturer Align Technology (-8.2%).

Portfolio Positioning

- In October, we performed regular portfolio rebalancing, aligning the Fund in line with the most topical fundamental and technical trends.

Outlook and Strategy

Despite several key indexes refreshing historical records, we retain our view that strong corporate earnings should continue driving equity markets higher. In our view, equities are better positioned than other asset classes for the environment of longer lasting inflation, and we see increasing evidence that strong demand allows for price increases to be passed on to consumers. Finally, despite mounting talks of sharp policy reversals, key monetary authorities still provide ample liquidity, which remains supportive for risk assets.

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