

Maj Invest Global Value Equities

Strategy Profile

March 2024

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Maj Invest

Strategy	Global Value Equities
Company Description	Maj Invest is a Copenhagen-based asset management company with two major business areas: Asset Management and Private Equity. Maj Invest was founded in 2005 by the Danish pension fund LD Pensions, management and employees. Today Maj Invest is owned by management and employees
Investment Style/Strategy	The portfolio strategy follows a value-oriented philosophy. This philosophy is in itself a disciplined way of buying and selling securities based on their market value relative to their intrinsic value. By adopting this methodology, a strong and focused buy and sell discipline is implemented. Each stock is evaluated via a screening process on its relevant valuation metrics before being considered for further analysis and, ultimately, inclusion in the portfolio. Portfolio stocks are also regularly evaluated on their valuation metrics. This strategy ensures that only really cheap stocks are included in the portfolio, and that stocks which have become too expensive or fairly valued are removed.
Manager Biographies	<p>Kurt Kara is Head of Equities, Global Value Equities and has 22 years of financial market experience. Kurt joined Maj Invest in 2005, and his responsibility has been the management of the Maj Invest Global Value Equities fund since its inception. Prior to joining Maj Invest, Kurt was Equity Strategist at Danske Bank. Previously he worked at Danske Capital as Portfolio Manager for the Danske Invest Latin American Equities fund.</p> <p>Ulrik Jensen joined Maj Invest in 2006 and is Senior Portfolio Manager with co-responsibility for managing the Maj Invest Global Value Equities fund. Prior to joining Maj Invest, Ulrik was an Analyst and Portfolio Manager with Sparbank with responsibility for managing the bank's treasury holdings.</p> <p>Rasmus Pedersen joined Maj Invest in 2015 as an analyst after finishing his studies. His main responsibility is general fundamental company research, data modelling, programming and business projects.</p>
Company AuM	11.6 bn USD
Company Inception	2005
Location	Copenhagen, Denmark; London, United Kingdom
Regulator	Finanstilsynet (Danish FSA)

Global Value Equities

Return period

End March 2024	Return %	+/- idx
Total Return*	571.1	184.3
Annualised Return*	10.2	1.8
Month	4.4	1.1
Year to Date	11.7	2.8
3 years ann.	5.7	-2.9
5 years ann.	8.6	-3.4
10 years ann.	9.1	-0.3

* Since inception August 4, 2004

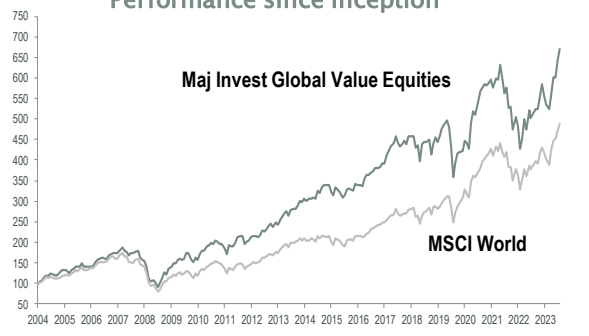
Top 10 holdings

Country	Company	Weight (percent)
USA	Cigna Corp	5.6%
Japan	SoftBank Group Corp	5.4%
USA	The Goldman Sachs Group Inc	5.1%
USA	Alphabet Inc	5.0%
USA	American Express Co	5.0%
USA	CSX Corp	4.8%
USA	Meta Platforms Inc	4.7%
USA	Lowe's Cos Inc	4.5%
USA	Packaging Corp of America	4.2%
USA	HP Inc	3.8%

Strategy information

Strategy size	6.9 bn USD
Strategy inception	08-04-2004
Benchmark	MSCI World NDR
No. of holdings	31
Concentration of top 10 holdings (%)	48
Base currency	USD
Portfolio Manager	Kurt Kara, Ulrik Jensen & Rasmus Quist Pedersen

Performance since inception



Top 10 sector allocation (relative %)

Sector	Weight
Telecommunication Services	7.7
Consumer Discretionary	7.3
Materials	3.2
Financials	2.1
Consumer Staples	0.0
Health Care	-0.8
Real Estate	-1.2
Utilities	-2.4
Energy	-4.5
Information Technology	-12.2

Track record

Annual returns % (USD)

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	Return since inception		
										Total	Annualised	Volatility
Strategy (gross)	13.02	21.67	-10.09	24.83	4.31	21.83	-24.65	26.51	11.65	571.10	10.16	16.74
Benchmark	7.51	22.40	-8.71	27.67	15.90	21.82	-18.14	23.79	8.88	386.78	8.38	15.57
Excess Return	5.51	-0.73	-1.38	-2.84	-11.59	0.01	-6.51	2.72	2.77	184.32	1.78	
AuM (\$ m)	3,951	5,549	5,460	7,258	11,043	12,851	7,637	6,867	6,898			

Source: Maj Invest, Benchmark: MSCI World Total Return Net (Bloomberg ticker: NDDUWI Index)

Top 10 country allocation (relative %)

Country	Weight
Japan	3.5
France	2.3
South Korea	2.0
Holland	1.7
Switzerland	1.1
Sweden	-0.6
Italy	-0.9
Spain	-1.0
Australia	-1.8
United Kingdom	-5.0

Monthly Commentary | March 2024

US inflation unexpectedly increased to 3.2 per cent last month, highlighting the challenge faced by the Federal Reserve in the fight against rising prices. Economists had expected annual consumer price inflation to remain at January's rate of 3.1 per cent. But this reading's rise, largely stoked by services such as motor insurance and health, triggered warnings that the Fed may have to wait longer than expected before cutting interest rates.

US Federal Reserve officials indicated that they still expect to cut interest rates by 75 basis points this year, a sign of confidence that inflation is cooling sufficiently to reduce borrowing costs. The rate forecasts, published by the US central bank, came as the Federal Open Market Committee voted unanimously to leave rates unchanged at a 23-year high of 5.25 per cent to 5.5 per cent. The Fed's so-called dot plot showed a growing number of officials believed rates would end 2024 at 4.5 per cent to 4.75 per cent, equivalent to three quarter-point cuts, in line with December's dot plot. The dot plot showed a more hawkish slant from rate setters, with fewer officials predicting deeper cuts than in previous forecasts.

The Bank of Japan has ended an era of negative interest rates, raising borrowing costs for the first time since 2007 in a historic shift as Asia's most advanced economy puts decades of deflation behind it. Following a 7–2 majority vote, the Bank of Japan lifted its overnight interest rate to a range of zero to 0.1 per cent, making it the last central bank to end the use of negative rates as a monetary policy tool.

The largest positive contributors to this month's portfolio performance were the American companies Micron Technology and Kroger. Micron Technology, the largest US maker of computer memory chips, posted its biggest gain in more than 12 years after recording surprisingly strong quarterly earnings numbers. The company beat estimates and guided above expectations for the current period thanks to robust spending on data center infrastructure for artificial intelligence. For Kroger, the company also reported full-year profit guidance that beat expectations, making it the latest retailer to offer an upbeat outlook as customers show resilience.

Kering SA was the most negative contributor this month, which came on the back of a sales warning. Kering warned that Gucci sales will plunge about 20% in the first quarter due to a steeper than expected decline in the Asia-Pacific region. Overall, comparable sales at Kering, which also owns labels like Balenciaga and Saint Laurent, will be down about 10% for the period.

In March, we neither added new companies to the portfolio, nor did we exit any companies in the portfolio.



Kurt Kara



Ulrik Jensen



Rasmus Quist
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Disclaimer

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