

## Monthly Commentary

### Investment Objective

Index outperformance through fundamental deep-dive equity research and subsequent investment in quality companies with widening business moats and earnings power. Alpha generation through time-arbitrage by taking a private buyer approach to public companies, low portfolio turnover, and average portfolio concentration to minimize drawdown. No market timing to enable stable participation in broader market returns.

As of August 31, 2022, the Net Asset Value (NAV) of the USD Institutional share class, net of fees, of the FAM US Long Only stood at USD 1,267.2. This represents a decrease of 2.94% for the month.

During the month, the inflationary pressure and some of the macro indicators pointing to an upcoming recession were once again the main concerns of investors. Late Q2 earnings were published and showed better than feared fundamentals, however not enough to provide some further market relief. Equity markets were overall negative, with the S&P 500 TR Index losing 4.08%, and the MSCI ACWI Index losing 3.64%. Fixed income markets were also negative for the month, with the Barclays Global Aggregate Index down 2.61%. Volatility amongst gas and oil-related commodities remains elevated.

Last month's top contribution came from Walt Disney (+7 Bps for the portfolio). The company reported strong overall Q3 results, in particular from parks. The company will raise the price of domestic Disney+ ad-free on December, as well as introduce an ad-supported version. Leverage of the business has also recently improved, offering some further optionality for capital management. We continue to find the company attractive as new platforms and content licensing present unprecedented margins upside.

The largest detractor came from Microsoft (-34 Bps for the portfolio). The company is currently challenged by Office products and cloud services in a likely deceleration over the next two quarters, driven by purchasing delays by enterprises, a strong dollar and difficult year-on-year comparisons. A further sector rotation at the expenses of broader tech giants didn't help the stock performance. However, we like the acceleration in digital transformation investments combined with increasingly competitive offerings in cloud, communication and security, and remain buyers of the long term value story.

Month-to-Date  
**August** **-2.94%**  
**(NAV: \$1,267.2)**

Year to Date	-19.82%
Last 3 months	-2.32%
Last 12 months	-15.80%
2021	24.84%
Since Inception	26.72%
Sharpe Ratio	0.55
Volatility	18.5%
Max Monthly Drawdown	-10.55%

Expected Dividend Yield p.a	1.10%
Weighted Market Cap.	240.11 Bln
Portfolio RoE	22.2%
P/E Weighted Avg.	22x
Gross Margin	42.5%
Alpha (ITD Annual) to S&P 500	1.14
Beta (ITD Annual) to S&P 500	0.94

## Top Equity Holdings

Microsoft	5.2%
Alphabet	3.7%
NextEra Energy	3.6%
Estee Lauder Companies	3.6%
Motorola Solutions	3.6%
JP Morgan	3.5%

## Top Sectors

Sector	Net
Information Technology	27.8%
Financials	16.4%
Health Care	13.6%
Consumer Discretionary	9.3%
Industrials	7.8%

## Monthly NAV Change in % (incl. Distributions)

Monthly NAV Returns	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
<b>2022</b>	-10.55%	-0.66%	4.06%	-7.87%	-3.66%	-6.45%	7.58%	-2.94%					<b>-19.82%</b>
<b>S&amp;P 500 TR Index</b>	-5.17%	-2.99%	3.71%	-8.72%	0.18%	-8.25%	9.22%	-4.08%					<b>-16.36%</b>
<b>2021</b>	-0.35%	0.54%	2.17%	7.36%	-0.80%	2.42%	3.11%	3.25%	-3.40%	5.74%	0.64%	2.16%	<b>24.84%</b>
<b>S&amp;P 500 TR Index</b>	-1.01%	2.76%	4.38%	5.34%	0.70%	2.33%	2.38%	3.04%	-4.65%	7.01%	-0.69%	4.75%	<b>29.88%</b>
<b>2020</b>	-	-	-	-	5.90%	-0.54%	7.12%	7.35%	-3.78%	-0.90%	7.49%	1.98%	<b>26.60%</b>
<b>S&amp;P 500 TR Index</b>	-0.4%	-8.23%	-12.35%	12.82%	4.76%	1.99%	5.64%	7.19%	-3.80%	-2.66%	10.95%	3.71%	<b>16.26%</b>

## Fund Facts

Fund Domicile	Austria
Fund Type	UCITS
Fund Manager	Fairway Asset Management AG
Fund Management Co.	LLB Invest KAG
Custodian	Liechtensteinische Landesbank AG
Representation Switzerland	LLB Swiss Investment AG
Paying Agent	Bank Linth LLB AG
Auditor	Ernst & Young
Trading Frequency	Daily
Redemption Notice	None
Share Class A (Min. USD 50,000)	AT0000A2EKM2
Share Class B (Inst. – Min. USD 500,000)	AT0000A2EKN0
Fund Assets	USD 35.8 Mln
Reference Currency	USD
Launch Date	4 May 2020

### Fee Structure

### Institutional (capped at 100m)

Management Fee

Institutional 0.8%; Retail 1.0%

Hurdle Rate

S&P 500 Index

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