

## RISK

This is a marketing communication. Please refer to the Prospectus, Supplement, KIDs and KIID for the Fund, which contain detailed information on its characteristics and objectives, before making any final investment decisions.

The Fund is an equity fund. Investors should be willing and able to assume the risks of equity investing. The value of an investment and the income from it can fall as well as rise as a result of market and currency movement, and you may not get back the amount originally invested. Further details on the risk factors are included in the Fund's documentation, available on our website.

Past performance does not predict future returns.

## ABOUT THE STRATEGY

<b>Launch</b>	31.12.2010
<b>Index</b>	MSCI World
<b>Sector</b>	IA Financials and Financial Innovation
<b>Managers</b>	Will Riley Tim Guinness
<b>EU Domiciled</b>	Guinness Global Money Managers Fund

## OBJECTIVE

The Fund aims to deliver long-term capital growth by capturing the strong returns that successful asset management companies can deliver to shareholders. We expect asset managers to outperform the broad market over the long term, primarily due to the ability of successful managers to grow their earnings more rapidly than the broad market. The Fund is actively managed and uses the MSCI World Index as a comparator benchmark only.

## CONTENTS

Commentary	1
Key Facts	7
Performance	8
Important Information	9

## COMMENTARY

In this month's update, we review the money management sector and our Fund performance over the first half of the year, and consider the outlook for the rest of the year and beyond.

The third quarter saw several episodes of market volatility, driven by weaker US economic data and an interest rate increase from the Bank of Japan. Against this, the long-anticipated start of the Federal Reserve's rate cutting cycle in September and new stimulus measures in China, helped to drive healthy returns in the quarter for most asset classes.

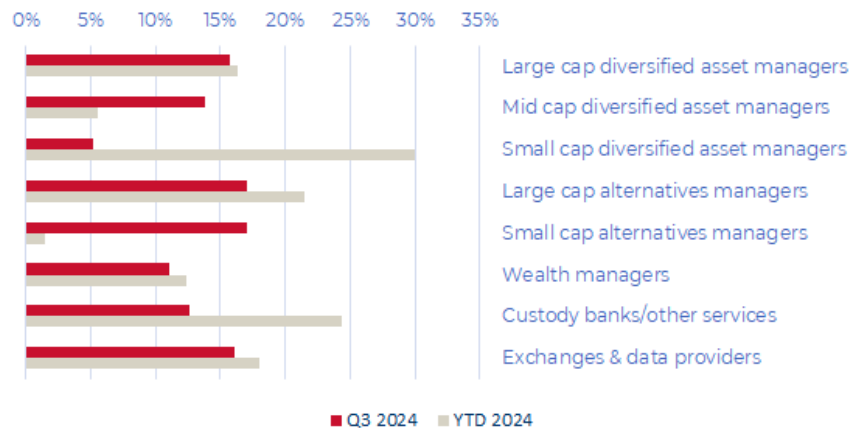
A comparison of market pricing for future interest rates at the start and end of the third quarter demonstrates how the rate outlook has shifted. On 30 June, market pricing saw US interest rates reaching 4.4% by the middle of 2025. Now, investors believe that rates are more likely to hit 3.5% over the same period. With inflation cooling, other western central banks also began to cut rates. The European Central Bank delivered its second rate cut in September, taking interest rates to 3.5%, while the Bank of England began its own easing cycle with a 25 basis point (bp) cut in August.

Sectors that had previously suffered more from higher interest rates tended to outperform, meaning growth stocks gave up some of their recent outperformance. Nonetheless, growth stocks remain the strongest performers year-to-date. Fixed income markets were lifted by the prospect of lower rates, with particularly good returns for emerging market debt. Commodities were quieter, with Brent crude prices down on faltering Chinese demand, although gold did rally to new highs.

Against this backdrop, the money management sector performed well in the third quarter, outperforming broader financials and the MSCI World. Over the first nine months of the year, the sector has performed strongly, but lags the MSCI World, with strongly positive equity returns for asset managers tempered by more muted fixed income returns.

## Guinness Global Money Managers

### Money Management subsector performance: Q3 2024 and year-to-date 2024 % (USD)



Money management subsector performance YTD (median)

Source: Bloomberg; Guinness Global Investors. Total return (USD) 31.12.2023 – 30.09.2024

Similarly to 2023, one of the best performing subsectors within the Fund so far this year has been large cap alternative managers. Conditions have been good for those such as Ares (+34% in USD) that are geared to the private credit growth opportunity. KKR (+58%) has also been a strong performer, with deployable capital reaching a record high and a new partnership this year with Capital Group to target mass retail markets being well received. Blackstone (+19%), which is the world's largest real estate investor, is an outsized beneficiary of the interest rate cutting cycle that has now commenced in the US.

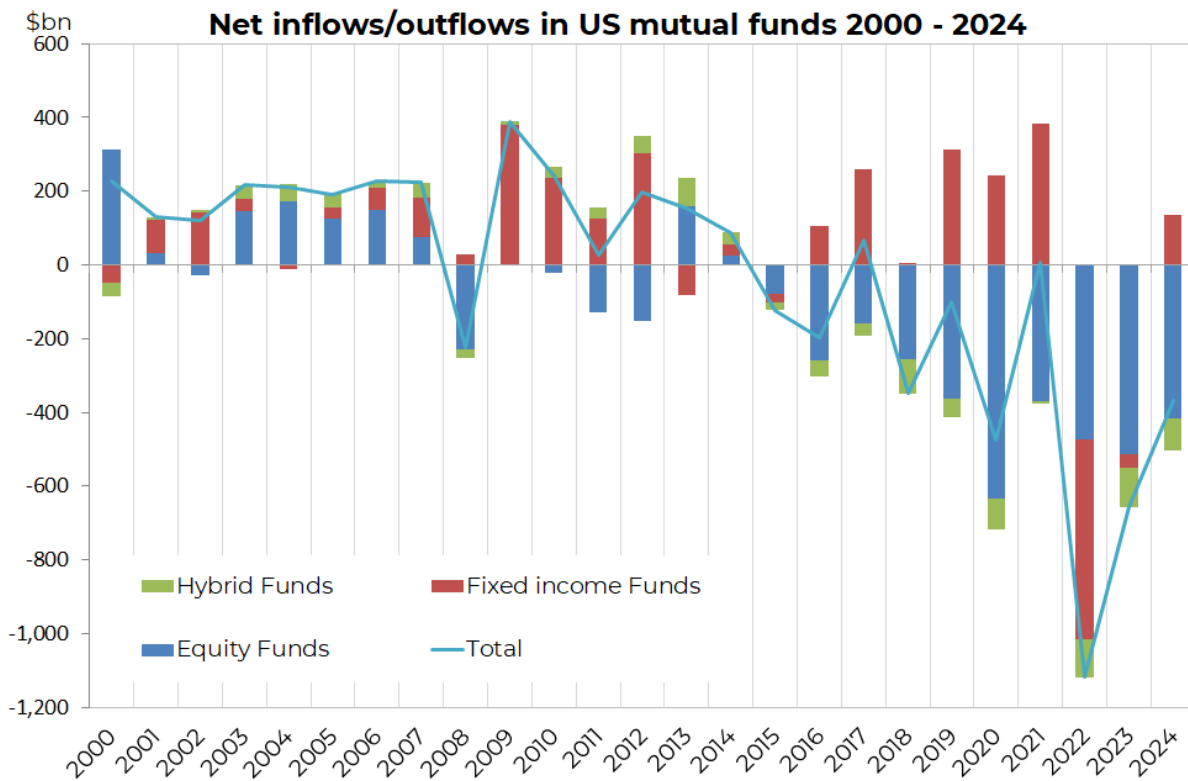
Strength in the S&P500 so far this year was especially beneficial to our most US equity-levered traditional asset managers, including Blackrock (+19%) and Janus Henderson (+31%). Janus Henderson has around 70% of its total assets under management in equities, making it one of the highest beta plays in our portfolio to stock market returns.

Within the exchange sector, it has been pleasing to see Nasdaq return to outperformance (+27%) after a weaker 2023. Nasdaq has grown its 'fin tech' sales to more than a third of overall company revenues, and this portion of the business is expected to continue to grow most rapidly. De-leveraging of the company's balance sheet is ahead of schedule, which should give the opportunity to accelerate share repurchases.

In the UK, Polar Capital's (+28%) focus on technology has served it well, with the tech sector being the strongest performing sector within the MSCI this year. The market also responded positively to a return in April to small net inflows after a number of quarters of net outflows.

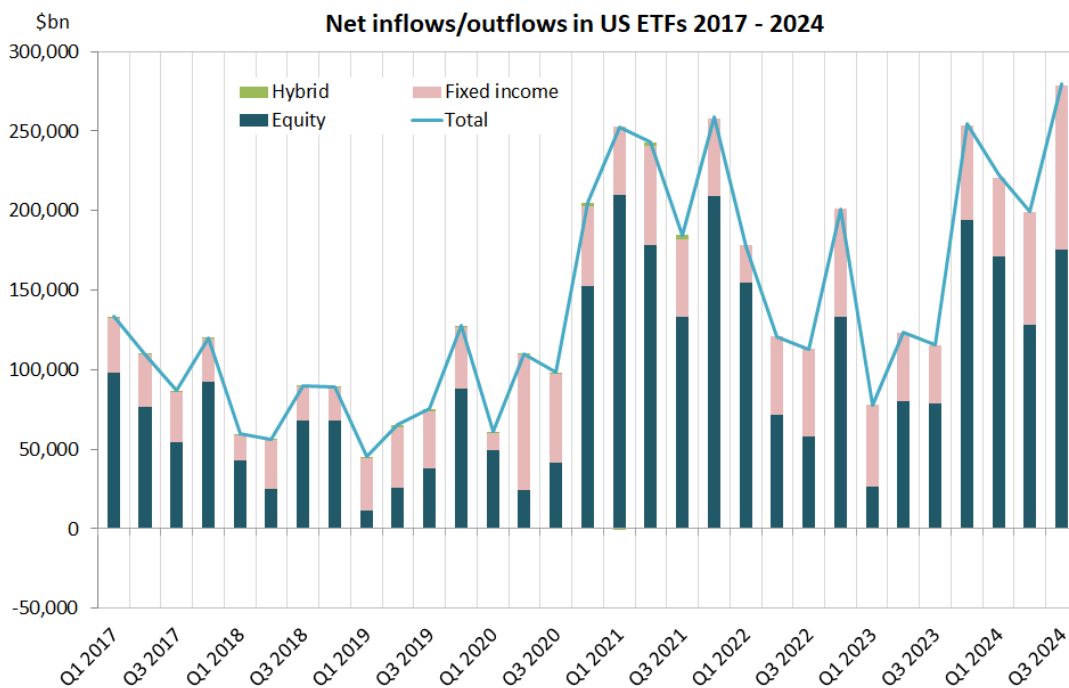
Weaker stocks included Hong Kong based manager Value Partners (-9%) and US asset manager Franklin Resources (-28%). Value Partners has seen its position as a specialist in Asian investing remaining out of favour relative to developed markets for most of the last nine months, though the stock rallied well in September thanks to stimulus measures being announced in China. Franklin Resources, meanwhile, has suffered from a period of outflows, both in fixed income and equities, whilst the company's alternatives division has only achieved flat assets under management in an environment where peers have been raising assets.

Net flows from the active mutual fund sector in the US turned negative in 2022 (having been small positive in 2021), a trend that has continued in 2023 and 2024. So far this year, active equity and hybrid fund have seen outflows, partially offset by fixed income inflows:



Source: ICI; Guinness Global Investors; 30.09.2024

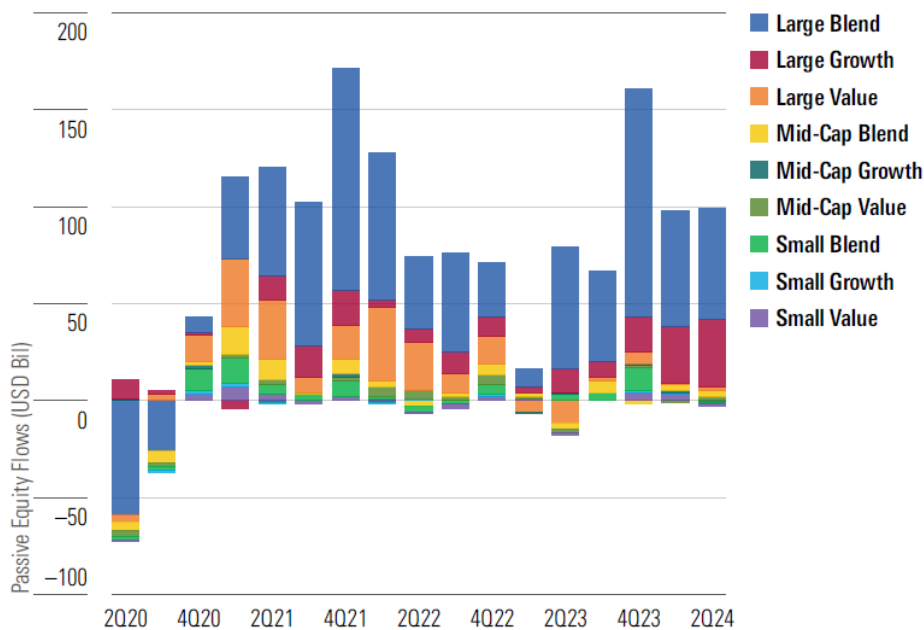
Data from the US ETF industry shows inflows across equity ETFs, bond & income ETFs and hybrid ETFs in every quarter since the start of 2017. The trend has continued into 2024, with net inflows accelerating materially over the past nine months:



Source: ICI; Guinness Global Investors; 30.09.2024

Looking in more detail at the passive flows in the US, and it is interesting to note how dominant flows are into large cap equities – either large cap ‘blend’ equities (i.e. a combination of growth and value equities) or increasingly large cap growth equities.

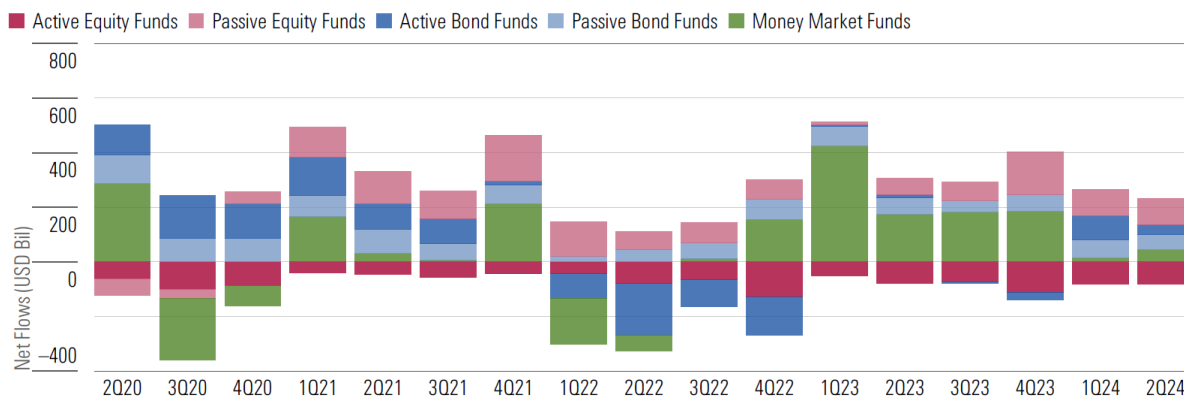
Private markets' share of global AuM, 2000-24



Source: Morningstar; data to 30.06.2024

Another notable trend has been the rotation of capital into money market funds, active and passive. Since April 2020, nearly \$1.4 trn has flowed into money market funds, which have held a record high \$6.1 trn in Assets under Management (AuM) in recent months. The majority of inflows came in 2023, coincident with rising interest rates. As the rate cutting cycle has now started, however, we expect to see money market fund flows move negative in 2025, as funds rotate to fixed income and equities.

US ETF and Open-End Fund Net Flows (\$ bn) Q2 2020 – Q2 2024



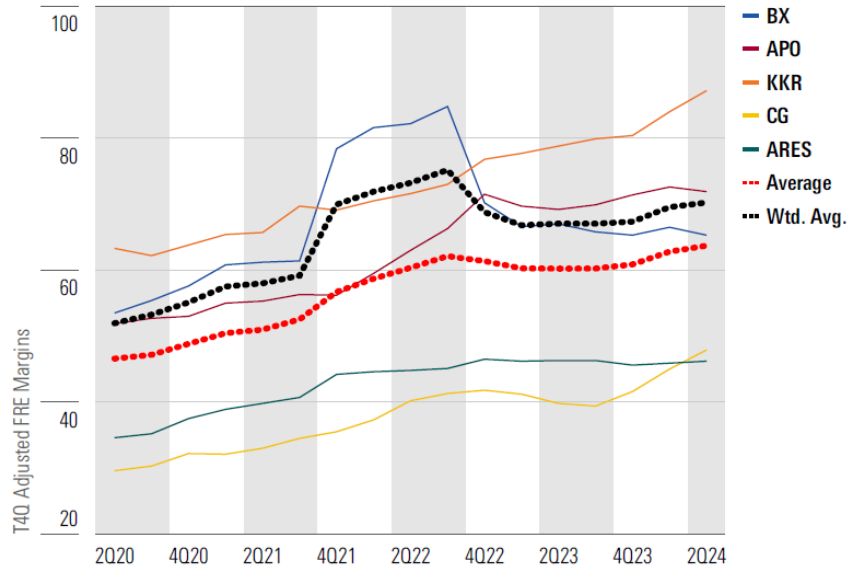
Source: Morningstar; data to 30.06.2024

In the world of alternative managers, private equity remains the largest asset category and continues to lead fund raising efforts in the money management industry. Within the alternatives sector, private equity assets account for 56% of total fund raising over the last five years, followed by private debt and real estate at 17% and 19% respectively.

Based on results in the first half of 2024, it seems likely that private capital fundraising this year will surpass 2022 and 2023, sitting behind 2021 which was the highest year for raises. The expansion of alternative asset managers, combined with greater permanent capital in their product mix, has resulted in a continued rise in net revenue margins across the sector:

## Guinness Global Money Managers

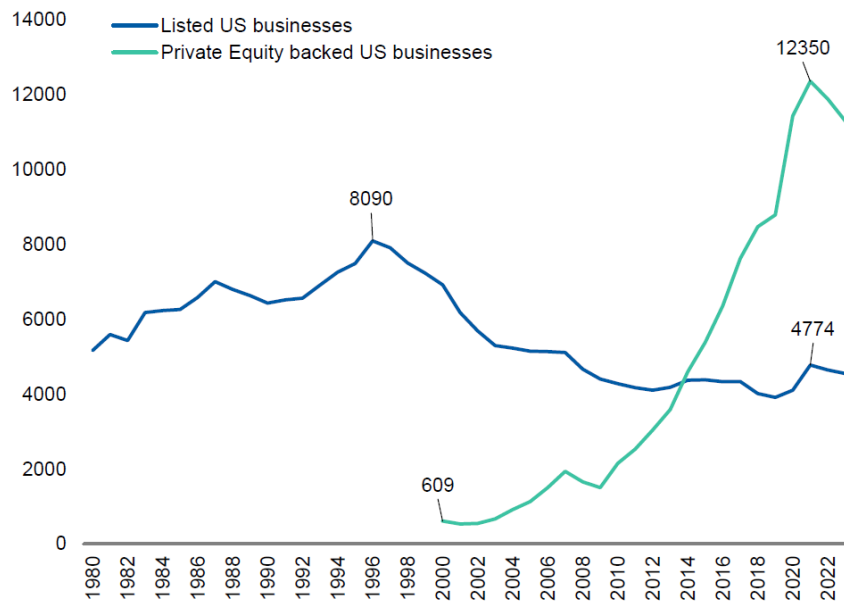
### Fee-related earning margins for alternative-asset managers Q2 2020–Q4 2024



Source: Morningstar; data to 30.06.2024

When considering alternative managers, there is a risk today of considering the sector still as the niche it was within broader investment markets back in the early 2000s. Instead, there has been a remarkable increase in the number of private equity-backed businesses in, for example, the US, where they now comfortably outnumber the number of listed US businesses:

### Private equity-backed vs publicly listed US companies (1980-2023)

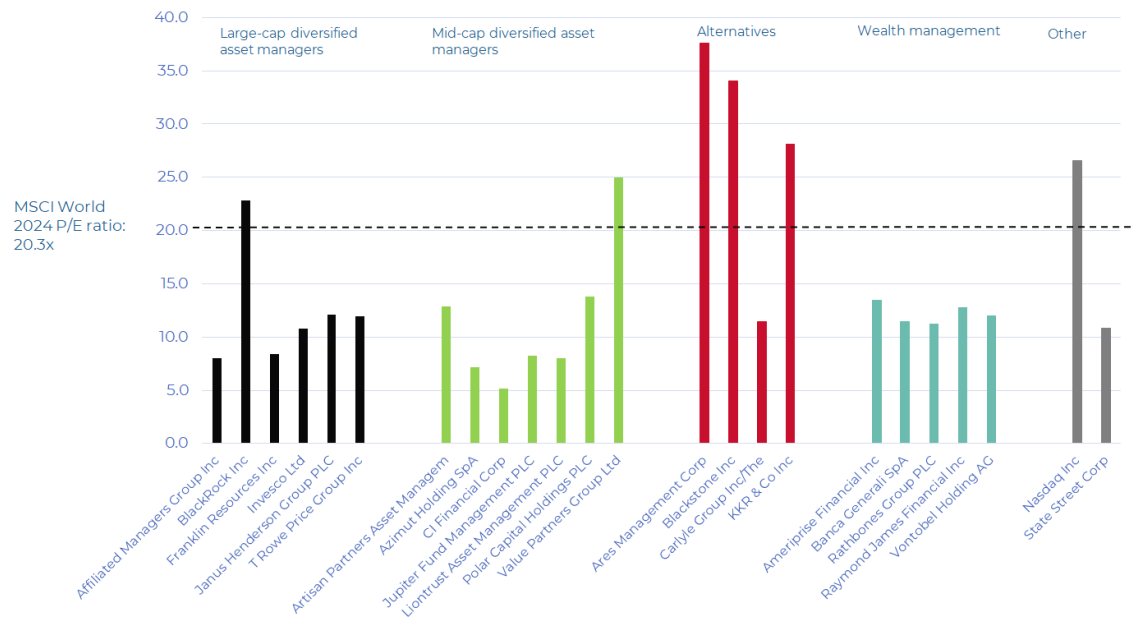


Source: Morgan Stanley; data to 31.12.2023

In our portfolio, we keep a mix of alternative managers, as well as those traditional managers we think can achieve asset inflows via differentiated investment performance. At the end of September, the 2024 price to earnings (P/E) for the fund was 14.2x, a 30% discount to the MSCI World P/E for 2024 which sits at 20.3x. This represents a wider discount versus twelve months prior. Overall, we see stocks in this sector trading at reasonable multiples, both in absolute and relative terms.

# Guinness Global Money Managers

## Global Money Managers portfolio: 2024 P/E ratio vs MSCI World



Source: Bloomberg; Guinness Global Investors; 30.09.2024

In the longer term we expect asset managers as a sector (and therefore the Fund) to outperform the broad market, due primarily to the ability of successful asset management companies to grow their earnings more rapidly than the broad market.

The Fund remains positioned to capitalise on the increasing value of successful companies in the sector.

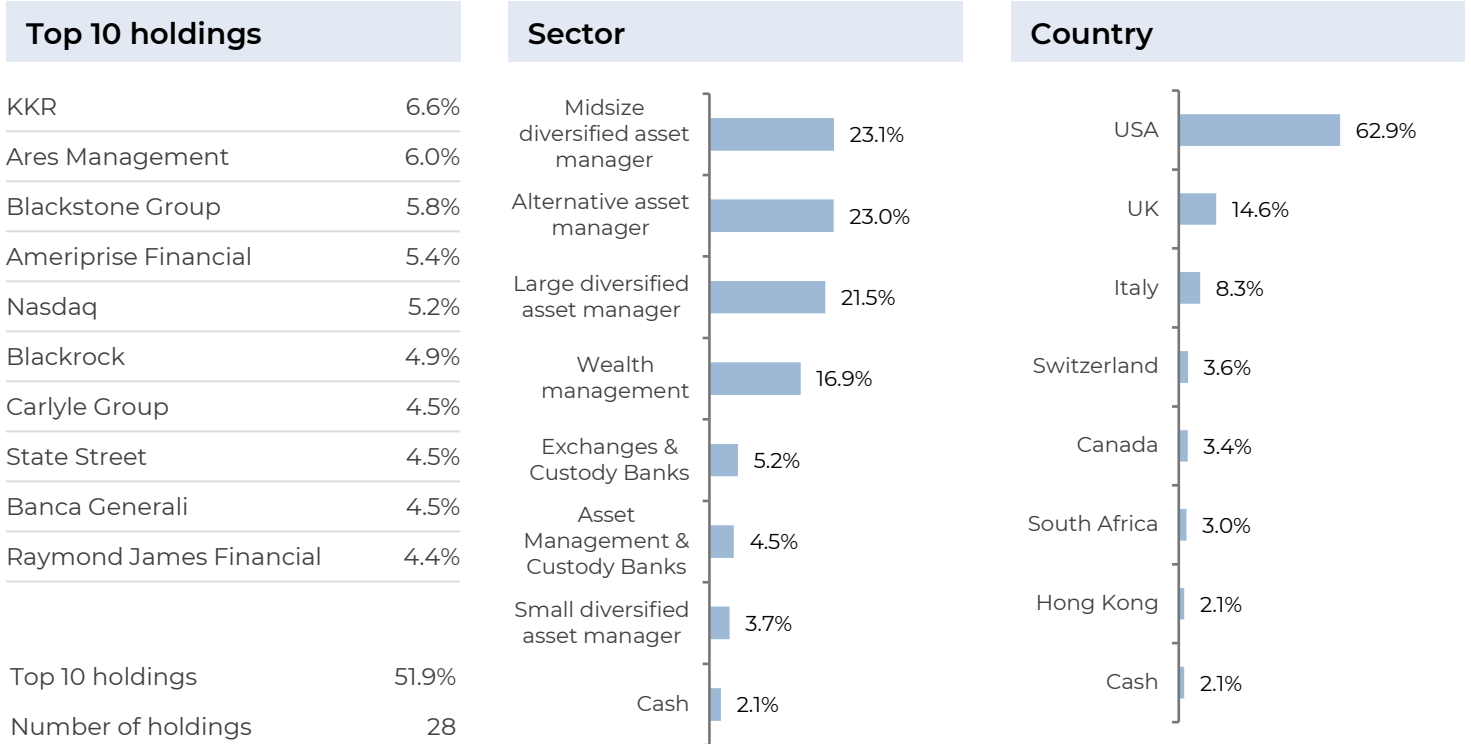
### Will Riley & Tim Guinness

October 2024

**GUINNESS GLOBAL MONEY MANAGERS FUND - FUND FACTS**

Fund size	\$9.1m
Fund launch	31.12.2010
OCF	0.74%
Benchmark	MSCI World TR

**GUINNESS GLOBAL MONEY MANAGERS FUND - PORTFOLIO**



# Guinness Global Money Managers Fund

Past performance does not predict future returns.

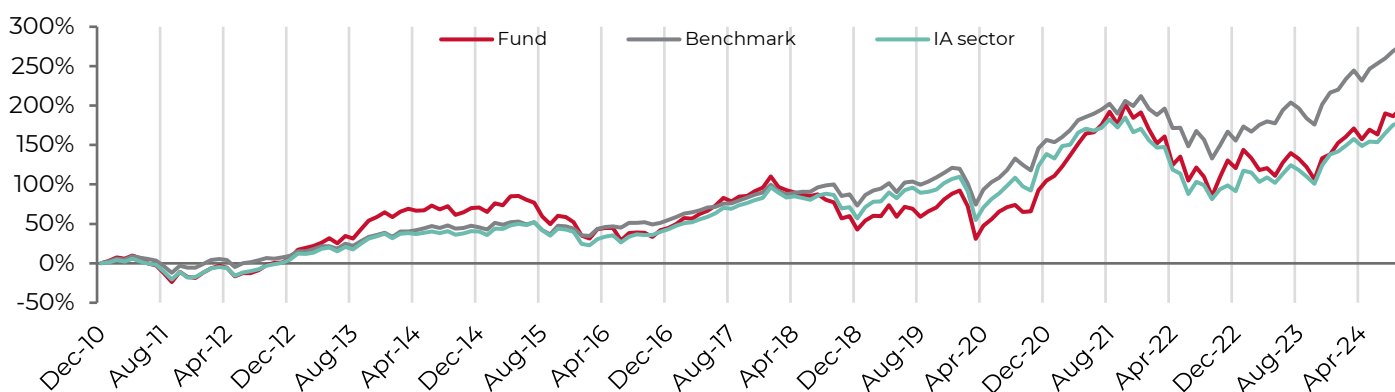
## GUINNESS GLOBAL MONEY MANAGERS FUND - CUMULATIVE PERFORMANCE

(GBP)	1 Month	YTD	1 yr	3 yr	5 yr	10 yr
Fund	+1.6%	+9.9%	+21.7%	+8.1%	+64.5%	+122.5%
MSCI World TR	-0.2%	+13.0%	+20.5%	+30.5%	+69.6%	+215.6%
IA Financials and Financial Innovation TR	-0.7%	+11.4%	+20.8%	+3.1%	+34.4%	+147.2%
(USD)	1 Month	YTD	1 yr	3 yr	5 yr	10 yr
Fund	+3.7%	+15.6%	+33.7%	+7.5%	+79.0%	+84.1%
MSCI World TR	+1.8%	+18.9%	+32.4%	+29.8%	+84.6%	+161.1%
IA Financials and Financial Innovation TR	+1.3%	+17.2%	+32.8%	+2.6%	+46.3%	+104.5%
(EUR)	1 Month	YTD	1 yr	3 yr	5 yr	10 yr
Fund	+2.8%	+14.4%	+26.8%	+11.7%	+74.4%	+105.2%
MSCI World TR	+1.0%	+17.6%	+25.6%	+34.8%	+80.3%	+195.6%
IA Financials and Financial Innovation TR	+0.5%	+16.0%	+26.0%	+6.5%	+42.9%	+131.5%

## GUINNESS GLOBAL MONEY MANAGERS FUND - ANNUAL PERFORMANCE

(GBP)	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Fund	+9.8%	-14.6%	+43.3%	+5.5%	+27.0%	-22.7%	+23.4%	+13.7%	-5.7%	+10.0%
MSCI World TR	+16.8%	-7.8%	+22.9%	+12.3%	+22.7%	-3.0%	+11.8%	+28.2%	+4.9%	+11.5%
IA Financials and Financial Innovation TR	+12.3%	-16.8%	+14.6%	+11.6%	+26.9%	-9.0%	+16.9%	+22.0%	+5.5%	+8.4%
(USD)	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Fund	+16.3%	-24.1%	+42.0%	+8.9%	+32.1%	-27.2%	+35.1%	-4.7%	-10.9%	+3.6%
MSCI World TR	+23.8%	-18.1%	+21.8%	+15.9%	+27.7%	-8.7%	+22.4%	+7.5%	-0.9%	+4.9%
IA Financials and Financial Innovation TR	+19.0%	-26.1%	+13.6%	+15.1%	+32.0%	-14.3%	+27.9%	+2.3%	-0.3%	+2.0%
(EUR)	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Fund	+12.4%	-19.2%	+52.8%	-0.4%	+34.2%	-23.7%	+18.4%	-2.1%	-1.0%	+17.7%
MSCI World TR	+19.6%	-12.8%	+31.1%	+6.3%	+30.0%	-4.1%	+7.5%	+10.7%	+10.4%	+19.5%
IA Financials and Financial Innovation TR	+15.0%	-21.3%	+22.2%	+5.6%	+34.5%	-10.0%	+12.4%	+5.4%	+11.1%	+16.2%

## GUINNESS GLOBAL MONEY MANAGERS FUND - PERFORMANCE SINCE LAUNCH (USD)



Source FE fundinfo to 30.09.24 Investors should note that fees and expenses are charged to the capital of the Fund. This reduces the return on your investment by an amount equivalent to the Ongoing Charges Figure (OCF). The current OCF for the share class used for the fund performance returns is 0.74%. Returns for share classes with a different OCF will vary accordingly. Transaction costs also apply and are incurred when a fund buys or sells holdings. The performance returns do not reflect any initial charge; any such charge will also reduce the return.



## IMPORTANT INFORMATION

**Issued by Guinness Global Investors**, a trading name of Guinness Asset Management Limited, which is authorised and regulated by the Financial Conduct Authority.

This report is designed to inform you about equities and equity markets invested in by the Guinness Global Money Managers Fund. It may provide information about the Fund's portfolio, including recent activity and performance. It contains facts relating to the equity markets and our own interpretation. Any investment decision should take account of the subjectivity of the comments contained in the report. OCFs for all share classes are available on [www.guinnessgi.com](http://www.guinnessgi.com).

This document is provided for information only and all the information contained in it is believed to be reliable but may be inaccurate or incomplete; any opinions stated are honestly held at the time of writing, but are not guaranteed. The contents of the document should not therefore be relied upon. It should not be taken as a recommendation to make an investment in the Fund or to buy or sell individual securities, nor does it constitute an offer for sale.

### Risk

The Guinness Global Money Managers Fund is an equity fund. Investors should be willing and able to assume the risks of equity investing. The Fund invests only in companies involved in asset management and other related industries; it is therefore susceptible to the performance of that one sector and can be volatile. The value of an investment and the income from it can fall as well as rise as a result of market and currency movement, and you may not get back the amount originally invested. Further details on the risk factors are included in the Fund's documentation, available on our website.

### Documentation

The documentation needed to make an investment, including the Prospectus, the Key Information Document (KID), the Key Investor Information Document (KIID) and the Application Form, is available in English from [www.guinnessgi.com](http://www.guinnessgi.com) or free of charge from:-

- the Manager: Waystone Management Company (IE) Limited (Waystone IE) 2nd Floor 35 Shelbourne Road, Ballsbridge, Dublin D04 A4E0, Ireland; or,
- the Promoter and Investment Manager: Guinness Asset Management Ltd, 18 Smith Square, London SW1P 3HZ.

Waystone IE is a company incorporated under the laws of Ireland having its registered office at 35 Shelbourne Rd,

Ballsbridge, Dublin, D04 A4E0 Ireland, which is authorised by the Central Bank of Ireland, has appointed Guinness Asset Management Ltd as Investment Manager to this fund, and as Manager has the right to terminate the arrangements made for the marketing of funds in accordance with the UCITS Directive.

### Investor Rights

A summary of investor rights in English is available here: <https://www.waystone.com/waystone-policies/>

### Residency

In countries where the Fund is not registered for sale or in any other circumstances where its distribution is not authorised or is unlawful, the Fund should not be distributed to resident Retail Clients. **NOTE: THIS INVESTMENT IS NOT FOR SALE TO U.S. PERSONS.**

### Structure & regulation

The Fund is a sub-fund of Guinness Asset Management Funds PLC (the "Company"), an open-ended umbrella-type investment company, incorporated in Ireland and authorised and supervised by the Central Bank of Ireland, which operates under EU legislation. If you are in any doubt about the suitability of investing in this Fund, please consult your investment or other professional adviser.

### Switzerland

This is an advertising document. The prospectus and KID for Switzerland, the articles of association, and the annual and semi-annual reports can be obtained free of charge from the representative in Switzerland, REYL & Cie S.A., Rue du Rhône 4, 1204 Geneva, Switzerland. The paying agent is Banque Cantonale de Genève, 17 Quai de l'Île, 1204 Geneva, Switzerland.

### Singapore

The Fund is not authorised or recognised by the Monetary Authority of Singapore ("MAS") and shares are not allowed to be offered to the retail public. The Fund is registered with the MAS as a Restricted Foreign Scheme. Shares of the Fund may only be offered to institutional and accredited investors (as defined in the Securities and Futures Act (Cap.289)) ('SFA') and this material is limited to the investors in those categories.

Telephone calls will be recorded and monitored.