

## Select Fund: Equity Class

Quarter 3 2024

### Objective

To offer a convenient vehicle for investing in a portfolio of global equities, which are anticipated to provide the best opportunities for risk-adjusted capital growth.

### Investment policy

To invest in a broad range of global equities, diversified across sector and geography. The strategy may use passive funds for managing tracking error and where deemed more appropriate, for example in Emerging Markets.

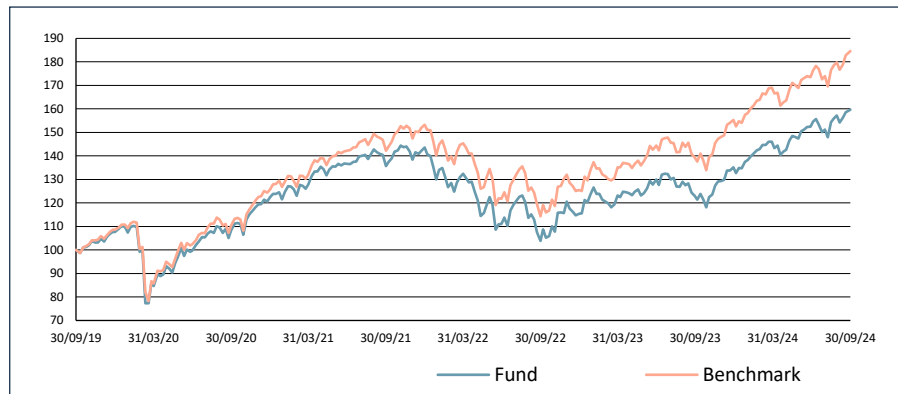
### Investment process

The investment process utilises a combination of top-down and bottom-up analysis. The strategy is benchmark aware and typically has exposure to every major sector. Stocks tend to exhibit attractive quality and value characteristics, with long-term themes used to help ensure that the exposure is tilted towards sectors or companies with long-term tailwinds.

### Key facts as at 30 September 2024

Currency	USD
Valuation	Weekly
Dealings	Friday
Front end fee	None
Units available	Accumulation
Identifier	BUTSLEQ.BH
Fiscal year end	30 June
Minimum investment	USD 10,000
Total expense ratio	1.20%
Size of fund (millions)	USD 84.74
NAV per share	USD 26.84

### Performance chart



### Average annual compound returns

	Quarter	1 year	3 years	5 years	10 years
Total returns	4.76%	29.79%	5.59%	9.81%	7.80%
Benchmark	6.36%	33.10%	8.89%	13.66%	10.27%

### Fund review

The Select Equity Fund returned 4.76% in the third quarter, lagging the MSCI World index, which returned 6.36%. For the first nine months of 2024, the Fund returned 18.19%, largely in line with the MSCI World, which returned 18.86%. Market breadth improved in the third quarter, which was a notable contrast to the second quarter when markets were driven by a narrow range of large-cap technology-oriented stocks.

The quarter saw a number of rotations between sectors and themes. Artificial Intelligence has been a strong driver of market returns over the past 18 months, but as second-quarter earnings came in, the market worried that expectations had risen too far too fast. The summer also saw a rise in worries surrounding the health of the US economy, and more specifically the labour market. A lower-than-expected Consumer Price Index (CPI) print in July further increased confidence that the Federal Reserve would start cutting interest rates in September. This combination of lower bond yields and heightened economic concerns led to a rally in defensive sectors, such as utilities and real estate. The fund's underweight position in utilities was a drag on relative performance, but stock selection in real estate was positive as Welltower benefited from lower rates and increased occupancy in its senior housing facilities.

The consumer staples sector also benefited from the shift toward defensive sectors. Walmart performed particularly well as it attracted cost-conscious consumers, which helped to drive sales growth. The valuation multiple has expanded as the market has been willing to pay a premium for attractive defensive growth

### Benchmark composition

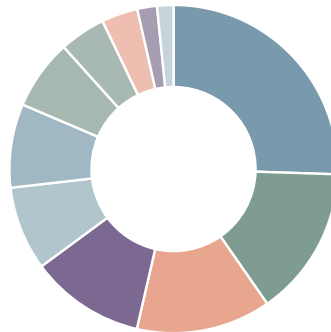
100% MSCI World (Free) Index.

### Contact us

**Butterfield  
Asset Management  
Limited**

Tel: (441) 299 3817

### Asset allocation

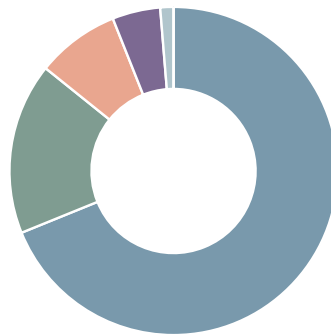


Information Technology	25.5%
Financials	14.8%
Health Care	13.3%
Industrials	11.3%
Consumer Discretionary	8.3%
Communication Services	8.3%
Consumer Staples	6.9%
Energy	4.5%
Materials	3.6%
Utilities	1.9%
Real Estate	1.6%

characteristics. In contrast, our exposure to the energy sector was a drag on relative returns. Oil prices fell, even as the situation in the Middle East deteriorated. This was driven by both supply and demand factors, as production remained strong and worries around global growth meant demand forecasts were revised lower.

During the quarter, we trimmed our exposure to a number of stocks after a strong run of performance. Electrification continues to be a favourable theme in markets, driven by infrastructure spending, the energy transition, and data centres. Our holdings in Trane Technologies and ABB have benefited from the electrification theme. We took profit on the back of good performance and added Quanta Services, which is benefiting from similar trends, as well as outsourcing.

### Regional allocation



North America	68.9%
Europe developed	16.9%
Asia/Pacific	8.2%
UK	4.7%
Emerging markets	1.3%

### Top 10 holdings

1	iShares MSCI Japan ETF	6.7%
2	iShares Global Financials ETF	6.4%
3	NVIDIA Corporation	5.1%
4	Apple Inc.	4.9%
5	Microsoft Corporation	3.7%
6	The Financial Select Sector SPDR ETF	3.2%
7	Alphabet Inc. - Class C	2.9%
8	Amazon.com Inc	2.7%
9	Chubb Ltd.	2.5%
10	Novartis AG ADR	2.5%

[www.butterfieldgroup.com](http://www.butterfieldgroup.com)

Past performance is not indicative of future performance. This document is for information purposes only and does not constitute an offer or solicitation of products or services where prohibited by applicable law. Further, this document is not intended to provide specific investment, financial, accounting, legal or tax advice and no reliance should be placed on the information it provides. Butterfield Asset Management Limited and Butterfield Bank (Cayman) Limited are each wholly-owned subsidiaries of The Bank of N.T. Butterfield & Son Limited. Butterfield Asset Management Limited is licensed to conduct investment business by the Bermuda Monetary Authority. Registered office address: 65 Front Street, Hamilton HM12, Bermuda. Butterfield Bank (Cayman) Limited is licensed to conduct securities investment business by the Cayman Islands Monetary Authority. Registered office address: Butterfield Place, 12 Albert Panton Street, PO Box 705, Grand Cayman KY1-1107, Cayman Islands.