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WEALTH MANAGEMENT

Fund Update - Alex Darwall Leaves Jupiter European



Alex Darwall - Fund Manager

Jupiter's Alexander Darwall has left Jupiter Asset Management, to establish Devon Equity Management. Darwall was manager of Jupiter's £5.3bn European fund and £2.4bn SICAV until 30th September 2019, formally passing responsibility to new managers Mark Heslop and Mark Nichols, who took over management of the fund on 1st October 2019. Both Heslop and Nichols joined Jupiter from Columbia Threadneedle. Whilst at Jupiter, Darwall also managed the Jupiter European Opportunities Investment Trust, which he ran since 2000. Darwall, through his new business Devon Equity Management, continues to manage the Trust. Darwall managed the Jupiter European fund since 31st January 2001. Over his tenure, the fund significantly outperformed its sector average, delivering **540.96%** against the IA Europe sector average **159.12%**, to 30th September 2019, according to FE Analytics.

Performance		5 Year Analysis - Cumulative Performance			
			1 Yr	3 Yrs	5 Yrs
Absolute return	540.96%	Fund	15.23%	59.54%	88.25%
Citywire rating	+ rated	Sector	13.93%	28.95%	48.66%
Morningstar rating	*****	Rank Within Sector	42/118	2/108	3/97
Rosan Helmsley Opinion	Hold	Quartile	2	1	1

Notes

- Absolute return is from the date Alexander Darwall took responsibility for the fund on 31st January 2001, until 30th September 2019.
- Citywire's Fund Manager Rating is an independent assessment of the performance of around 8,000 fund managers. See www.citywire.co.uk
- Morningstar provides investors with fund analysis and commentary. Their UK operation www.morningstar.co.uk offers access to and objective information on more than 9,000 funds available to individual investors in the UK and 42,000 stocks worldwide.
- Performance data sourced from Financial Express on 9th December 2019.



Replacement managers for Jupiter European



Mark Heslop

Mark Nichols

Darwall's replacements Mark Heslop and Mark Nichols, (pictured above) both have long and high-quality track records running sizeable European portfolios. Heslop was manager of the Columbia Threadneedle European Smaller Companies fund between 1st January 2013 and 14th April 2019. Nichols managed the Columbia Threadneedle European Select fund between 1st July 2016 and 31st March 2019.

The managers are seeking genuine growth companies; long-term winners in the universe of European listed equities. Nichols and Heslop were part of a collegiate approach at Columbia Threadneedle, whereby each potential stock went through a rigorous peer review. Whilst stock picking rather than a macro approach is the main driver of the manager's process, the team do assess themes and trends across global markets. At the stock level, there is a strong focus on the fundamentals and meeting company management is an important part of the process.

The key to the success of the team's investment approach is the depth of understanding they have of the businesses they analyse and identification of the risks to the business models and growth expectations. The team examine companies for evidence of sustainable competitive advantages. These can include high barriers to entry, owning intangible assets, having hard to beat cost advantages or benefiting from a network effect.

The fund will continue to operate in a high conviction style with focus on quality.

Heslop's performance during his tenure as manager of the **Columbia Threadneedle European Smaller Companies** fund is shown in the table below. Over his tenure, the fund outperformed its sector average, delivering **135.56%** against the IA European Smaller Companies sector average **108.15%**, to 14th April 2019, according to FE Analytics.

Performance		5 Year Analysis - Cumulative Performance			
			1 Yr	3 Yrs	5 Yrs
Absolute return	135.56%	Fund	17.55%	45.25%	97.53%
Citywire rating	AAA rated	Sector	12.53%	27.34%	66.83%
Morningstar rating	No rating	Rank Within Sector	6/26	2/25	3/21
Rosan Helmsley Opinion	Hold	Quartile	1	1	1



Nichol's performance during his tenure as manager of the **Columbia Threadneedle European Select** fund is shown in the table below. Over his tenure, the fund outperformed its sector average, delivering **23.94%** against the IA European Smaller Companies sector average **22.17%**, to 30th March 2019, according to FE Analytics.

Performance		3 Year Analysis - Cumulative Performance		
			1 Yr	3 Yrs
Absolute return	23.94%	Fund	20.07%	38.09%
Citywire rating	A rated	Sector	13.70%	25.41%
Morningstar rating	*****	Rank Within Sector	15/118	17/108
Rosan Helmsley Opinion	Hold	Quartile	1	1

Our View

We are supportive of the outlook for the Jupiter European fund. Heslop and Nicholls, are both established European equity portfolio managers, with a long-term track record in this space. Jupiter also intend to build on their resources within their European team with additional support to their portfolio managers.

Our recommendation is that investors continue to hold this fund within their Rosan Helmsley portfolio as part of a diversified growth strategy. Rosan Helmsley will continue to monitor the performance of this fund throughout the stewardship of the new managers.

Darwall intends to run a European OEIC structure through his new business, Devon Equity Management, which is awaiting FCA approval before its launch. We will inform you once this has been approved as we intend to continue supporting Darwall through his new venture given his outstanding track record in the European equity space. We will provide additional information on Darwall's new product once this is available from Devon Equity Management.