

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.

Monthly Commentary

As of December 30, 2022, the Net Asset Value (NAV) of the USD Institutional share class, net of fees, of the FAM US Long Only stood at USD 1,258.8. This represents a decrease of 0.48% for the month.

During the month, the US inflation data confirmed some relief, but overall market sentiment was somehow undermined by upcoming annual results. Most companies continue to guide for a challenging year, although supply-chain and inventories for some sectors are improving. The conflict in Ukraine continues to be a concern for investors, while the re-opening of China should later provide some support to global consumption.

Equity markets were negative, with the S&P 500 TR Index losing 5.76%, and the MSCI ACWI Index losing 3.91%. Fixed income markets were also negative for the month, with the Barclays Global Aggregate Index down 1.18%. Volatility among commodities remains elevated, with a prolonged decrease in prices of energy to their annual lows.

Last month's top contribution came from Novo Nordisk (+35bps for the portfolio). The company is expected to deliver superior quarterly results, which also triggered some new rating upgrades. The stock found additional benefit from an overall return of the market to a broadly defensive pharma sector. Our investment case lies on diabetes leadership, brand value, and protein engineering capabilities of the name. We further like the opportunities coming from the expansion into obesity treatments and development of oral diabetes drugs. The largest detractor came from Costco Wholesale (-43bps for the portfolio). The company published quarterly results in line with expectations, however confirming the current softness in big-ticket discretionary categories. Traffic into warehouse clubs is slowing, while yearly comparisons remain overall difficult for the stock. We are convinced buyers of the unrivaled value proposition of the company, its loyal customer base, and global growth opportunities we deem superior to broader retail and consumer staples.

Month-to-Date
December **-0.48%**
(NAV: \$1,258.8)

Year to Date	-20.35%
Last 3 months	7.68%
Last 12 months	-20.35%
2021	24.84%
Since Inception	25.88%
Sharpe Ratio	0.45
Volatility	19.3%
Max Monthly Drawdown	-10.55%

Expected Dividend Yield p.a	1.17%
Weighted Market Cap.	224.17 Bln
Portfolio RoE	21.6%
P/E Weighted Avg.	22x
Gross Margin	42.4%
Alpha (ITD Annual) to S&P 500	5.28
Beta (ITD Annual) to S&P 500	0.95

Top Equity Holdings

Starbucks	4.0%
Motorola Solutions	3.8%
Microsoft	3.7%
NextEra Energy	3.6%
Estee Lauder Companies	3.5%
Abbott Laboratories	3.4%

Top Sectors

Sector	Net
Health Care	20.7%
Information Technology	19.6%
Financials	18.9%
Consumer Discretionary	11.3%
Industrials	8.7%

Monthly NAV Change in % (incl. Distributions)

Monthly NAV Returns	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2022	-10.55%	-0.66%	4.06%	-7.87%	-3.66%	-6.45%	7.58%	-2.94%	-7.74%	5.41%	2.64%	-0.48%	-20.35%
S&P 500 TR Index	-5.17%	-2.99%	3.71%	-8.72%	0.18%	-8.25%	9.22%	-4.08%	-9.21%	8.10%	5.59%	-5.76%	-18.32%
2021	-0.35%	0.54%	2.17%	7.36%	-0.80%	2.42%	3.11%	3.25%	-3.40%	5.74%	0.64%	2.16%	24.84%
S&P 500 TR Index	-1.01%	2.76%	4.38%	5.34%	0.70%	2.33%	2.38%	3.04%	-4.65%	7.01%	-0.69%	4.75%	29.88%
2020	-	-	-	-	5.90%	-0.54%	7.12%	7.35%	-3.78%	-0.90%	7.49%	1.98%	26.60%
S&P 500 TR Index	-0.4%	-8.23%	-12.35%	12.82%	4.76%	1.99%	5.64%	7.19%	-3.80%	-2.66%	10.95%	3.71%	16.26%

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 35.3 Mln
Reference Currency	USD
Launch Date	04.05.2020

Fee Structure

Institutional (capped at 100m)

Management Fee

Institutional 0.8%; Retail 1.0%

Hurdle Rate

S&P 500 Index

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