

30 November 2017

EQUITIES

## Key Facts

Domicile	Ireland
Inception	30th January 2015
Legal Structure	Common Contractual Fund
Regulatory Structure	UCITS
Fund Size	\$386.70m
Benchmark	FTSE RAFI US 1000 Index - QSR
Dealing Frequency	Daily
Cut Off	12:00pm Irish Time on the Dealing Day
Minimum Initial Investment	\$30m
Minimum Subsequent Investment	\$100,000
ISIN	NA
Base Currency	USD
Currencies Offered	USD/GBP/EUR
Portfolio Manager	Nick Dymond

Inception date is indicative of funding date on initial share class

## Portfolio Information

	Fund	Index
Forecast EPS growth	10.0	10.0
Trailing PE	19.8	19.8
Average Capitalisation	28,099.0	28,086.3
P/B Ratio	2.2	2.2
Dividend Yield***	2.2	2.2
Return on Equity	15.0	15.1
Number of Equity Holdings	985	986
5-year beta	-	-

## Top Ten Holdings

Exxon Mobil Corporation	2.64%
Apple Inc.	2.23%
JPMorgan Chase & Co.	2.07%
Chevron Corporation	1.99%
AT&T Inc.	1.59%
Wells Fargo & Company	1.56%
Bank of America Corporation	1.55%
Microsoft Corporation	1.50%
Citigroup Inc	1.47%
Wal-Mart Stores, Inc.	1.26%

## INVESTMENT MANAGER

Northern Trust Global Investments Limited has been appointed Investment Manager for the Northern Trust U.S. Fundamental Index Fund (the Fund).

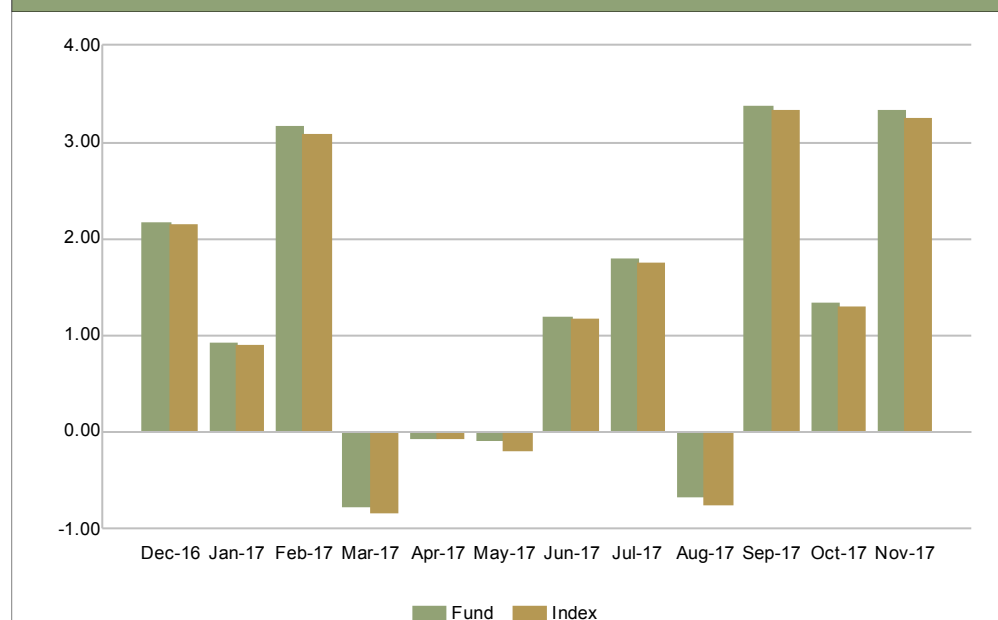
## INVESTMENT OBJECTIVE

The investment objective of the Fund is to closely match the risk and return of the FTSE RAFI (Research Affiliates Fundamental Index) US 1000 Index - QSR (the Index) with net dividends reinvested. The Fund primarily invests its assets in companies included in the Index and may utilise proprietary optimisation techniques in an effort to minimise costs and reduce risks.

## INVESTOR PROFILE

Investors seeking diversified equity exposure in the U.S. market. Designed for institutional investors including: multinationals, pension funds, insurance companies, sovereign wealth funds, charities and sub-advisory.

## Fund Performance in USD



	1 Month (%)	3 Month (%)	YTD (%)	1 Year (%)	3 Year* (%)	Since Inception (%)*
<b>Fund</b>	3.32	8.19	14.21	16.69	--	11.37
<b>Index</b>	3.23	8.03	13.58	16.01	--	10.65

\*\*\* The Dividend yield is calculated by Factset as a weighted average of the gross dividend yield of the stocks within the portfolio and index

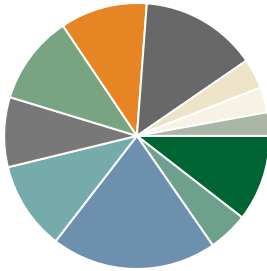


## Country Breakdown

United States	100.00%
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## Sector Breakdown

Consumer Discretionary	10.71 %
Consumer Staples	8.49 %
Energy	10.89 %
Financials	20.19 %
Health Care	10.57 %
Industrials	10.47 %
IT	14.24 %
Materials	3.65 %
Real Estate	2.86 %
Telecomms	3.09 %
Utilities	4.85 %



\*Country and Sector breakdowns may not sum to 100% as the fund has a small allocation to futures.

## PORTFOLIO MANAGER

Northern Trust has a team approach to portfolio management to ensure consistency of coverage and performance. The Northern Trust U.S. Fundamental Index Fund is managed in London by the Equities Management team which is led by Nick Dymond.

## PORTFOLIO MANAGER COMMENTARY

The Fed unanimously left its key interest rate unchanged in a range of 1% to 1.25% in its November monetary policy meeting. Federal Reserve officials expressed largely optimistic views of economic growth at their most recent meeting but also started to worry that financial market prices are getting out of hand and posing a danger to the economy. While there were disagreements on the pace of inflation, and even a discussion about changing the Fed's approach to price stability, the sentiment otherwise was largely positive. Moreover, they stated that the picture could get even better if Congress lowers corporate taxes as part of the reform plan making its way through the Senate. Meanwhile, President Trump nominated Jerome Powell as the new Chairman to Federal Reserve, bypassing Janet Yellen for a second term, but turning to a replacement whom is expected to stay the course on monetary policy if the economy continues its steady growth.

On the economic front, the economy added 261K jobs in October below the expectations of 310K jobs and the unemployment rate fell to 4.1% (vs 4.2% prior) as labour conditions returned to normal following the storm weakened September. Wage growth again disappointed, with earnings actually off by 1% an hour and showing just a 2.4% annualized gain. Meanwhile, a second estimate of third-quarter GDP on Wednesday showed that the US economy grew at a 3.3% annualized rate, the strongest since Q3 2014. The headline inflation increased 0.1% m/m after 0.5% rise in September, while CPI increased 2% y/y in October. The core inflation rose 0.2% m/m after rising 0.1% in prior month; climbed 1.8% y/y. Retail sales rose 0.2% in October from a blistering 1.9% rise in September. Housing starts surged 13.7% to a seasonally adjusted annual rate of 1.29 million units, while September's sales pace was revised up to 1.135 million units from the previously reported 1.127 million units.

### For More Information

Please visit [www.northerntrust.com/pooledfunds](http://www.northerntrust.com/pooledfunds) or please contact your local Northern Trust representative using the information below.

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