



Monthly CIO Update
2021 – New Beginnings

January 2021

Long-termism shapes our relationships and our investments

2021 – New beginnings.



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As we start 2021 we do so with optimism and opportunity, hope, and look to achieve, always achieve.

I hope, we all hope, we are nearer the end of this pandemic than we are in the middle. The scale of human ingenuity to get a series of roll-out vaccines is remarkable. I believe that same human development will get us through to a level of 'normality' later this year and into the future. We are optimistic.

It is with this sense of optimism that we invest on behalf of our clients. A sense that future investment opportunities will be just as exciting than the past - the globalisation of technological shifts we have witnessed over the past 20 years will generate additional opportunities in the immediate and long-term future. The nature and dynamism around the exponential nature of technology is mostly still misunderstood. We aim to understand this better than many.

Our performance for 2019 and 2020 has been very good, indeed, if I can be so bold to say, exceptional at times, many times. However, we do not care for our past achievements, we care for what we can achieve this year and into future years. Whilst we have economic concerns, as a result of a follow-through from last year around the pandemic, we remain focused that our investment approach designed around a concentration on real forward looking growth opportunities for the long-term is the right approach in such market dislocations. The investments we make are fully aligned to our thinking. We monitor events very carefully and act if necessary, but we do not act for the sake of action, only when we feel it is in the interest of our investment objectives.

As we have articulated previously, we have a global outlook, there is a big focus for us around China and the US. We believe these two economies are well placed, post pandemic, to recover much, China is already demonstrating this. Real, and disruptive innovation is happening in China and the US. There continues to be a range of exciting companies to invest in both countries now or will be coming to the market in the near future. The US/China axis will prevail this year economically, politically and we believe in investment markets. We have significant investment exposure to China, which returned around 9% during the month.



Our investment positioning continues to be built around the mantra of: high conviction, focused diversification and viewing all of this within a long-term global mindset. *This is the Binary Capital philosophy.* We are always conscious of hurdles that we need to overcome to achieve our aims and if such hurdles present themselves in 2021 (we expect many) we aim to overcome them with resilience, determination and persistence.

From a performance perspective we start 2021 as we left 2020, in good, positive momentum: our Active Growth portfolio returned 1.1% in January against an index return of -0.6%, and our Sustainable Growth portfolio return 2.4%, out-performing by 3.0% during the month. We had similar out-performance in other strategies.

In summary, a good start to the year, a welcome start to the year, we hope for more to come in the coming months. As ever we remain dedicated to the task in hand.

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