
Longview Partners

Global Equity: MSCI ACWI Benchmark

For the month of:

April

2023

Manager Performance Calculations

* Annualized returns

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Longview	2.49%	2.26%	9.15%	15.14%	8.68%
MSCI ACWI	1.44%	1.57%	2.06%	12.05%	7.03%

Performance Attribution & Strategy Comments

Some of the largest contributors to performance were Medtronic, HCA Healthcare and Marsh McLennan. Medical device company, Medtronic, performed well following the announcement that the FDA had approved its new insulin pump and lifted the December 2021 warning letter concerning the company's diabetes facility in Northridge, California. US hospital company, HCA Healthcare, performed strongly in April after reporting quarterly earnings and raising revenue and earnings guidance for 2023 above consensus estimates. Insurance broker, Marsh McLennan, also outperformed the index following a strong earnings report with underlying revenue growth and margins in the first quarter beating consensus expectations.

Amongst the biggest detractors from performance were CDW, Bank of New York Mellon and IQVIA. IT value added reseller, CDW, negatively pre-announced its first quarter results in mid-April guiding for the US IT market to decline high single digits in 2023 versus their prior expectation of roughly flat. The company expects to outgrow the market and the weakness is mostly in relatively low margin parts of CDW's business, thus providing some cushion to profits. Nevertheless, this was a negative development. Custody bank, Bank of New York Mellon, performed poorly in April after reporting mixed earnings with strong net interest income and reassuring deposit growth but weak fee income. The share price was also impacted by continuing market worries over bank stability. IQVIA, a pharmaceutical data and contract research outsourcing provider, underperformed the index despite reporting first quarter results that beat consensus estimates and reiterating their guidance for 2023.

Manager Style Summary

Longview is a "bottom-up" manager, whose process is driven by individual security selection. Country allocations are a by-product of the stock selection process, which drives the portfolio country over and under weights, and is unconstrained by the index weights. The portfolio holds 30-35 securities at a time, and stocks are equally weighted. It is a concentrated global equity portfolio, and as such, may experience more volatility relative to the market.

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Portfolio Guideline Compliance

Portfolio Guideline:	Longview	Min	Max	Compliance
B3. Security position <= 5% of the account @ purchase				Yes
B4. Number of issues	30.0	30	35	ok
B5. Normal Regional Exposures (* benchmark +/- min/max):				
United States & Canada	83%	35%	80%	check
Europe incl U.K.	17%	20%	50%	check
Japan	0%	0%	20%	ok
Emerging Markets	0%	0%	15%	ok
Non-Index Countries	0%	0%	10%	ok
Total	100%			
B6. Normal Global Portfolio Characteristics				
Median Mkt Cap (in billions)	79,070	\$10		ok
Price/Earnings (Trailing)	22.4	10	17	check
Dividend Yield	2%	0.5%	2.0%	ok
Price/Cash Flow (Trailing)	14.0	10	14	check
C1. No executed forward w/o a corresponding securities position.				Yes
C2. Foreign Currency (cash or cash equiv) <= 8% of Account value				Yes
F2. Brokerage commissions not to exceed \$0.06/share for U.S. equities				Yes
F3. Annual turnover	21%	25%	50%	check
The portfolio is in compliance with all other aspects of the Portfolio Guidelines			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

Manager Explanations for Deviations from Portfolio Guidelines

B5. Regional Exposures: The output of our investment process is a concentrated, yet diversified, portfolio of typically 35 names, unconstrained by geography or sector.

B6. Price/Earnings: Price/Earnings is not targeted and stands at 22.44 in April.

B6. Price/Cash Flow: Price/Cash Flow is not targeted and stands at 14.02 in April.

F3. Annual Turnover: We do not target a specific level of turnover. Annual turnover is calculated on a rolling 12 month period and includes client flows.

Total Firm Assets Under Management (\$m) as of: Qtr 2 \$ 17,869

Organizational/Personnel Changes

There were no changes to the investment team in April.

Account Turnover

Gained: Number of Accounts: 0 (\$m): \$ -
 Lost: Number of Accounts: 1 (\$m): \$ (62.9)
 Reason(s): One account terminated due to change of investment strategy