

Comment on election of Donald Trump as next US President

In 1994, the world's greatest investor Warren Buffett did an interview for the magazine *U.S. News & World Report*. In it he said "If [former] Fed Chairman Alan Greenspan were to whisper to me what his monetary policy was going to be over the next two years, it wouldn't change one thing I do."

Over 20 years on, his advice is as relevant today as then. And it applies equally well to the direction of interest rates as it does to surprising U.S. presidential results. It is advice that Setanta takes seriously. In today's age where 24-hour news and day traders are the norm, it's an increasingly rare approach.

Why do we do this?

We take a very long term investment approach and try to assess the value of assets over a multi-year time frame. Equities are merely part-ownerships in companies that will typically be around for decades to come. More pertinently, Setanta deliberately seeks out businesses that are flexible, diversified and financially strong, meaning that they are best placed to navigate the inevitable changing of financial, economic and political environments. News comes and goes. On occasion, news specific to our holdings is truly significant and may cause us to react by buying more or even selling holdings entirely. However, mostly news is just "noise" that has zero impact on long-term values. If anything, markets typically overreact to noise (as happened post the UK's vote on Brexit), which can sometimes create short-term opportunities for the patient investor.

Specifically on Trump as president, we don't have any particularly strong views, though for choice we don't view his election as good news. That said, we didn't think he would win in the first place, so our views on this – or indeed any such macro events – should be taken lightly. Do not take this to mean a lack of effort or ability on our part. Rather, it is that we know what we are good at and consequently where we should and shouldn't concentrate our efforts. The exceptional performance across Setanta's suite of funds has been achieved through years of careful bottom-up stock picking. It is unlikely that Trump's election will result in us taking much action in any of our portfolios.

If you have any specific issues you wish to discuss please contact Alan Hickey whose details are listed below.

Contact Details:

Setanta Asset Management Limited,
Beresford Court,
Beresford Place, Dublin 1, Ireland.

Alan Hickey, Tel: + 353 1 612 4903
Email: alan.hickey@setanta-asset.com
www.setanta-asset.com

IMPORTANT INFORMATION

Setanta Asset Management Limited is regulated by the Central Bank of Ireland, PO Box 559, Dame Street, Dublin 2, Ireland. This document, which is for information purposes only, does not form part of any contract. This is a marketing communication that (a) has not been prepared in accordance with legal requirements designed to promote the independence of investment research, and (b) is not subject to any prohibition on dealing ahead of the dissemination investment research. The information contained in this document is based on current legislation and is, therefore subject to change. The contents are intended as a guideline only and should not be construed as an interpretation of the law. You should always seek the advice of an appropriately qualified professional. Performance disclosures are stated above.

WARNING: Past performance is not a reliable indicator of future results. The price of units and the income from them may go down as well as up and investors may not get back the amount invested. The return may increase or decrease as a result of currency fluctuations. Forecasts are not a reliable indicator of future performance