Guinness Global Equity Income

Investment Commentary – August 2023

RISK

This is a marketing communication. Please refer to the prospectuses, KIDs and KIIDs for the Funds, which contain detailed information on their characteristics and objectives, before making any final investment decisions.

The Funds are equity funds. Investors should be willing and able to assume the risks of equity investing. The value of an investment and the income from it can fall as well as rise as a result of market and currency movement, and you may not get back the amount originally invested. Further details on the risk factors are included in the Fund's documentation, available on our website.

Past performance does not predict future returns.

ABOUT THE STRATEGY

Launch	31.12.2010
Index	MSCI World
Sector	IA Global Equity Income
Managers	Dr Ian Mortimer, CFA Matthew Page, CFA
Irish Domiciled	Guinness Global Equity Income Fund
UK Domiciled	TB Guinness Global Equity Income Fund

OBJECTIVE

The Guinness Global Equity Income Funds are designed to provide investors with global exposure to dividend-paying companies. The Funds are managed for income and capital growth and invest in profitable companies that have generated persistently high return on capital over the last decade, and that are well placed to pay a sustainable dividend into the future. The Funds are actively managed and use the MSCI World Index as a comparator benchmark only.

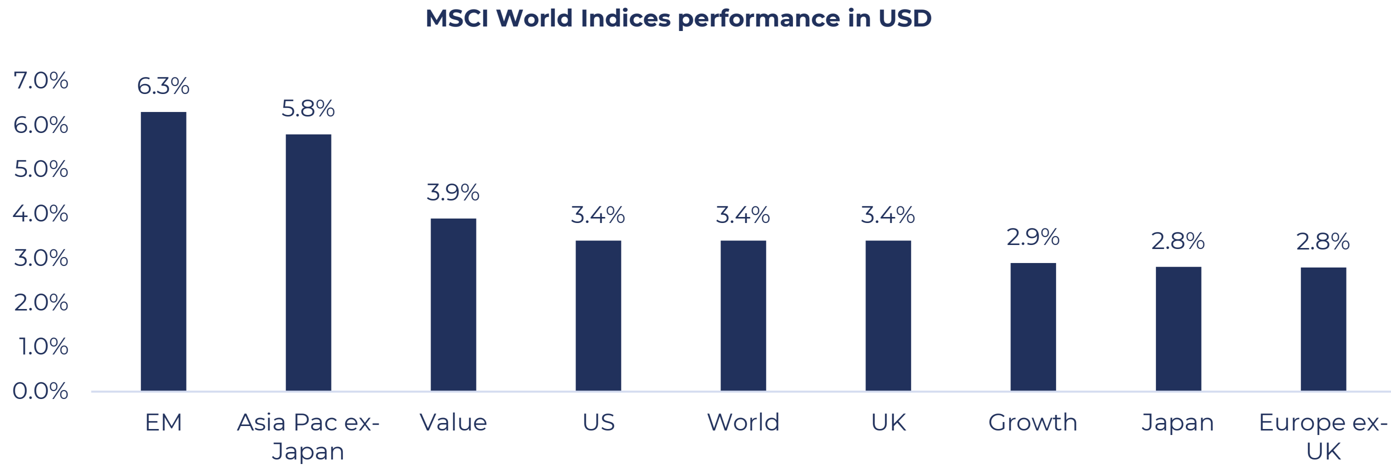
CONTENTS

COMMENTARY

In July, the Guinness Global Equity Income Fund produced a total return of 0.78% (in GBP), the MSCI World Index rose 2.13%, and the average IA Global Equity Income sector return was 1.85%. The Fund therefore underperformed the Index by 1.35% and underperformed its peer group average by 1.07%.

An array of positive economic data in July (including inflation reads, job prints and GDP figures) all pointed towards an increasingly optimistic outlook. With a robust US economy and generally promising signs emerging out of European and Asian markets, investor sentiment improved substantially. However, although the possibility of a soft landing in the US may have increased, the chances of a hard landing have not gone away altogether. The significant lag in monetary policy effects means that it can take multiple months for higher interest rates to be felt in the labour market and the wider economy. Alongside this delay, there is a range of reasons for investors to remain cautious, including the potential for energy and commodity prices to lead inflation higher, alongside sticky services inflation which, if persistent, could derail the prospects of a quick return to target headline levels.

Therefore, the Fund continues to maintain its balanced approach, focussing on high-quality businesses with strong balance sheets across a range of diversified sectors. An example is the Fund's overweight allocation to the Consumer Staples sector, which has had a solid earnings season so far. Later in this commentary we summarise the insights from recent quarterly earnings reports and discuss the broader outlook for the Fund's holdings in the sector.



Source: Bloomberg, 30.06.2023 – 31.07.2023

From a geographic allocation perspective, markets were positive across the board in July. The MSCI World was up 3.4% (in USD) but the best performing regions were Emerging Markets (+6.3%) and Asia Pacific ex Japan (+5.8%). The positive performance from Asian markets was driven by a marginally improving outlook in China, aided by some policy easing and hopes for further stimulus in the region. Europe was the worst performer in July (+2.8%) but benefited from improved investor sentiment as inflation data continued to moderate. From a stylistic perspective, value (+3.9%) outperformed growth (+2.9%), reversing the trend of the year so far and broadening the market rally.

Over the month of July, Fund performance can be attributed to the following:

- The Fund's zero allocation towards Energy, Communication Services and Materials acted as a substantial headwind over the month. These were 3 of the 4 best performing sectors, closing up 6.5%, 6.3% and 4.7% respectively.
- The large overweight to Consumer Staples (26.9% for the Fund vs 7.3% for the benchmark) was a drag on performance as the sector underperformed.
- However, the Fund did benefit from strong stock selection within the Healthcare sector, where the Fund has an overweight allocation (16.4% vs 12.6% for the Index). The Fund's best performing stock, AbbVie, gained 12.3% in July.

Longer-term, it is pleasing to see that the Fund has outperformed the IA Global Equity Income Sector average over 3 years, 5 years, 10 years and since launch.

Past performance does not predict future returns.

Cumulative % total return in GBP to 31.07.2023	YTD	1 year	3 years	5 years	10 Years*	Launch*
Guinness Global Equity Income	5.0	5.6	45.7	62.2	171.7	273.8
MSCI World Index	11.2	7.3	42.0	57.7	186.8	269.9
IA Global Equity Income sector average	5.3	6.6	37.2	38.7	113.6	171.5
IA Global Equity Income sector ranking	^	30/55	14/51	5/46	5/31	2/13
IA Global Equity Income sector quartile	^	3	2	1	1	1

**Simulated past performance. Performance prior to the launch date of the Y class of the fund (11.03.15) is a composite simulation for Y class performance being based on the actual performance of the Fund's E class (1.24% OCF), which has existed since the Fund's launch on 31.12.10. The Fund's E class is denominated in USD but the performance data above is calculated in GBP.*

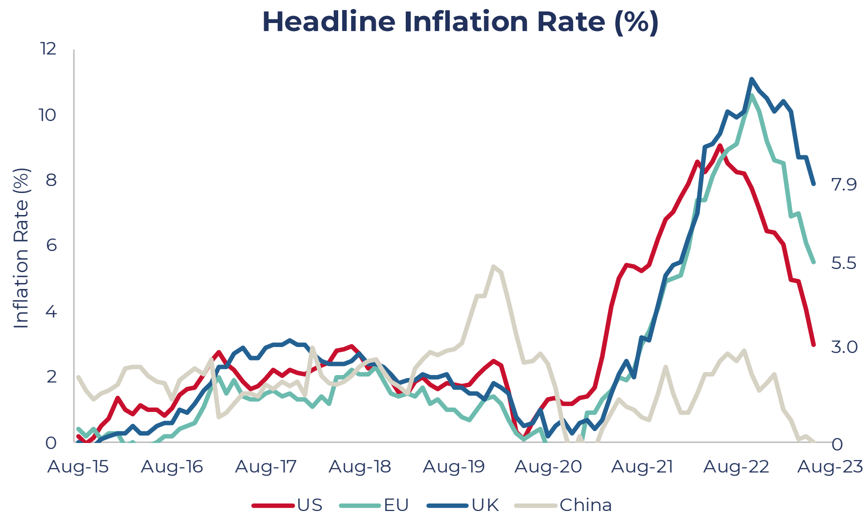
Source: FE fundinfo. Class Y shares (0.77% OCF) total return % in GBP. Fund launched on 31st December 2010.

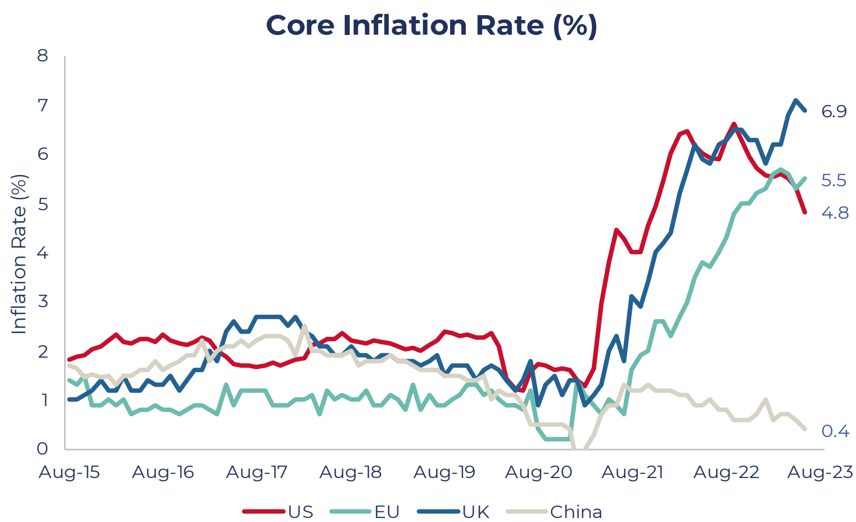
^Ranking not shown in order to comply with European Securities and Markets Authority rules.

JULY IN REVIEW

Inflation is Cooling

Encouraging inflation data over the month of July (both headline and core figures) point to moderating price increases across a range of economies, most notably in America and Canada. In the US, headline inflation slowed to 3%, its lowest level on an annual basis since March 2021, and was supported in large part by declining energy costs. The core consumer price index (CPI), which strips out the more volatile food and energy prices, came in at 4.8%, a material improvement from 5.3% just one month prior. The latest figures were lower than the market had expected as prices continue to decelerate and the Federal Reserve continues its attempt to bring inflation back towards its 2% target. This positive news was compounded by signs of moderating price rises in the Eurozone. Whilst the headline figure of 5.5% in June still has a long way to go to reach the European Central Bank's (ECB) 2% target, it is a material improvement on 6.1% in May and the trend is in the right direction.





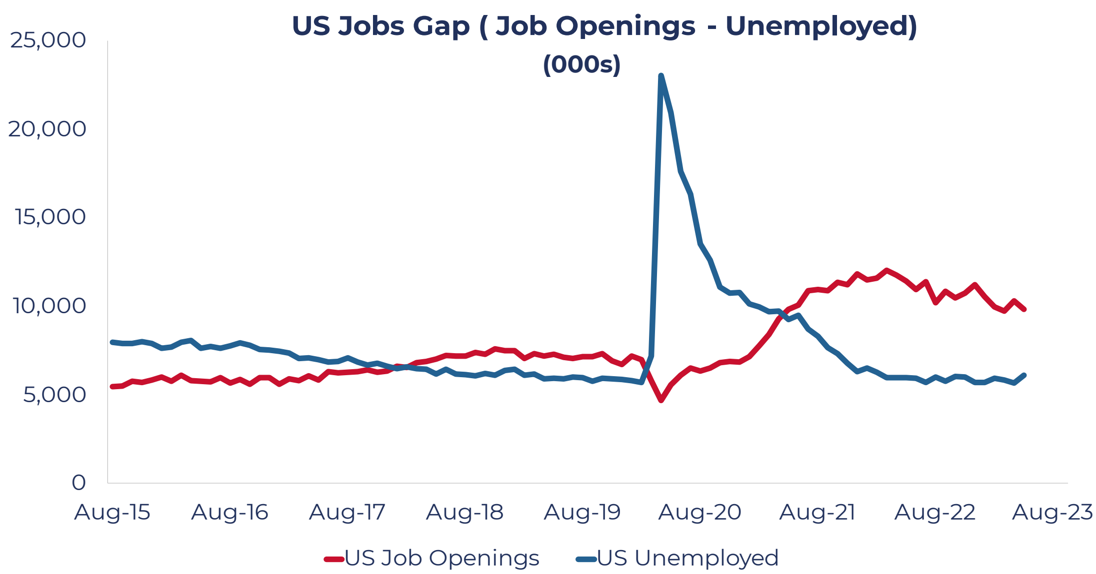
Source: Bureau of Labor Statistics (US), Office for National Statistics (UK), Eurostat (EU), National Bureau of Statistics (China) as of 31st July 2023

It is worth noting that the latest data is just one encouraging core CPI figure and that reasons for caution abound. The Bank of Japan surprised the market in July with the news that it had *de facto* abolished its strict yield curve control policy, causing Japanese yields to climb and the US market to briefly decline. The markets fretted over the short-term impacts of this move, namely the possibility that investors would move out of US credit in favour of the Japanese market, although this risk was quickly worked through, as the rally continued to gather steam. Instead, investors focussed on the largely positive forward guidance from central banks as policy makers adopted a reasonably dovish tone.

Accompanying rate hikes from the Federal Reserve and the ECB, policy speeches were perceived to be relatively optimistic. This was led by Jerome Powell's comments that "restrictive" monetary policy was now "putting downward pressure on economic growth and inflation", an acknowledgement of the progress made so far. He stressed that further changes to interest rates would be guided by incoming data, but with the data showing promising signs, the market-expected path of rates continued to go lower, as we near what may well be the final stages of the rate hiking cycle. Finally, reports from China towards the end of the month showed that authorities are considering further monetary policy support to boost the world's second-largest economy, which would be a tailwind for growth and generally bullish for markets.

Jobs & GDP: is a soft landing likely?

Sentiment was boosted not just by falling inflation, but also by the perceived strength of the US economy. The closely followed US labour market is at record tightness and shows little sign of easing as the economy continues to create jobs faster than they can be filled. The latest data released over the month showed non-farm payroll employment increased by 209,000 in June and jobless claims fell by 12,000 to 237,000. As shown by the chart below, the gap between open job positions and unemployed workers persists and highlights the strength of the domestic US labour market.

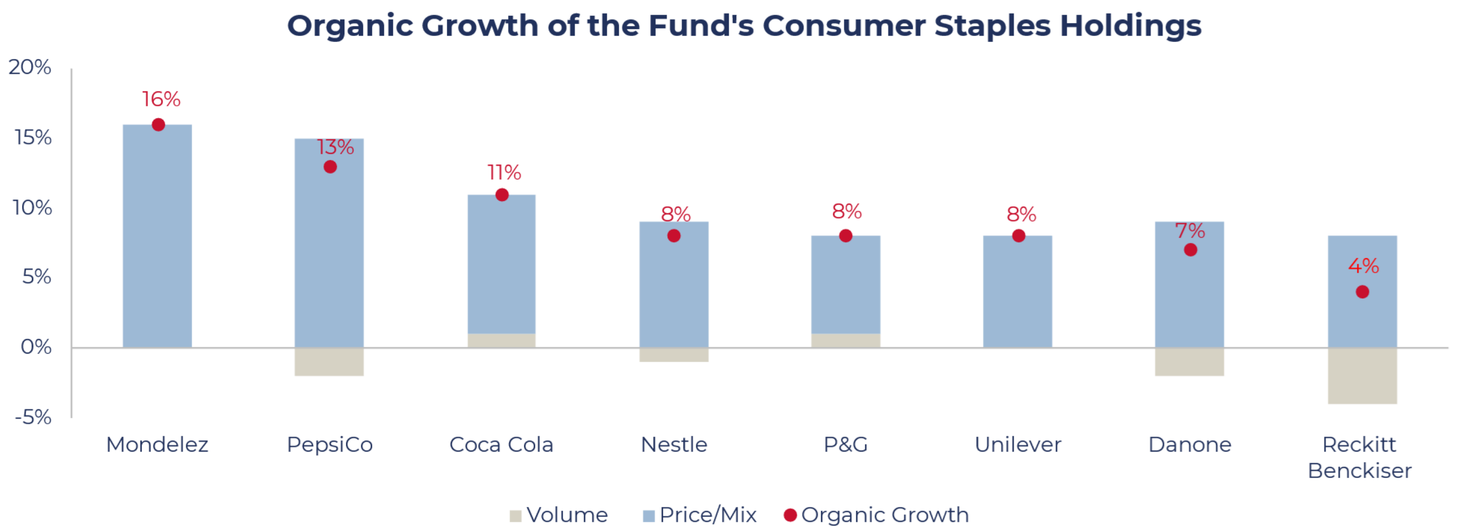


Source: Bureau of Labor Statistics as of 31st July 2023

Furthermore, over the last week of the month, the Commerce Department reported that the economy had expanded at a year-on-year pace of 2.4% in the quarter, well above both the previous quarter's growth rate of 2.0% and consensus expectations of around 1.8%. Both businesses and consumers appeared to remain in good shape and spending freely. Durable goods orders jumped 4.7%, while personal spending rose 0.5% and pending home sales also rose unexpectedly. Whilst there is a significant monetary policy lag (often 12-18 months), the impact on the economy of the fastest rate hiking cycle on record seems largely contained. In sum, the US domestic situation remains robust and therefore investors have priced in a more bullish outlook, driving the latest equity market rally.

Earnings season kicks off: focus on Staples

Earnings season began in earnest in July. Roughly two thirds of the S&P500 companies have reported so far. It may be too early to draw full conclusions, but it appears that earnings have been generally positive and the outlook better than feared. This is particularly true for the Fund's Consumer Staples holdings. At time of writing, eight out of the Fund's 10 Staples businesses have reported. The average organic growth across these businesses is 9.4%, with 10.3% price gains coupled with marginal volume declines (-0.9%). This shows clear inelastic demand and points to the continued investments in brand and marketing that these businesses have been making to drive customer retention in spite of higher prices. In addition, seven out of the eight companies have upgraded their forward revenue guidance, whereas this was only the case for around half of the Fund's Staples holdings in Q1 2023. This points to the generally robust organic growth and strong demand trends these businesses continue to enjoy.



Source: Guinness Global Investors. Data as of 31st July 2023

PORTFOLIO HOLDINGS

AbbVie was the Fund's top performer, gaining +12.3% in USD over the month. The US pharmaceutical giant reported a strong set of quarterly results that came in ahead of market consensus on both the top and bottom line. The company also did well to allay investor fears about the drop off in sales for its blockbuster arthritis drug Humira, which came off patent earlier in the year. While multiple biosimilar players have entered the market and now offer knock off versions at discounted prices, management commentary during the earnings call gave clarity on the forward demand picture. The 2023 revenue erosion rate was guided to an expected decline of 35% vs the previous 37% rate. Management also spoke of their confidence in the 2024 outlook given encouraging development from its two rising immunology drugs Skyrizi and Rinvoq. The company has guided that these could bring in more than $15 billion in annual combined sales by 2025, and Skyrizi performed particularly well over the quarter, with sales of $1.88bn, 6% ahead of consensus. The outlook remains positive, since alongside the immunology performance, growing strength from the Aesthetics portfolio has bolstered investor confidence and shows that the firm has a healthy and diversified pipeline to drive future growth.

In a similar vein, **Paychex** also performed well in July, climbing +12.2% thanks to a good set of earnings. The US provider of human resource, payroll, and benefit services reported on the last day of June, and its solid results which beat on the top line gave the stock strong momentum through July. Despite widespread investor concerns given the potential for recession, the increased chances of a soft landing (as described above) benefited Paychex as sustained strength in the US labour market presents a clear tailwind for the business. Not only did the outlook improve, but Paychex showed modest client growth (c.1.5%) which was coupled with a higher-than-average pricing realisation (towards the upper end of its 2-4% range). Furthermore, the domestic strength of the economy was highlighted by the firm's better retention rate than expected (88% vs 82% expected) and allowed management to issue more bullish guidance of around 6% - 7% organic growth in FY 2024. In sum, it was a promising quarter for Paychex and a combination of operational execution and an improving macro outlook helped the stock outperform.

Henkel was the Fund's worst performer over July, closing down -3.2%. There was no news over the month to explain the underperformance, but Henkel's pricing has been more aggressive relative to European category peers, and ahead of the company's earnings release in early August, investors may be gauging whether continued price increases are feeding through to lower volumes. Additionally, while the outlook for US Staples businesses has been strong this earnings season, there have been signs of weakness for some European companies and auto manufacturing has also been muted, which is a headwind for Henkel's adhesives business. However, the business has shown resilience during previous periods of macroeconomic volatility and we believe the firm is well placed to continue growing, irrespective of the uncertain European operating environment.

It was also a weaker quarter for chip making giant **TSMC** (-2.9%). The world's largest semiconductor foundry reported earnings in mid-July. Results did beat expectations, but the company still posted year-on-year revenue declines of 10% and a 23% drop in EPS, due to dampened end market demand and continuing inventory adjustment by customers. Whilst the latter is a symptom of the over-supply issues that plagued markets in 2022 (and still largely being worked through), management noted more positive forward guidance as they see 3-nanomenter technologies as a key future tailwind for the chip industry.

Thank you for your continued support.

Portfolio Managers

Matthew Page
Ian Mortimer

Investment Analysts

Sagar Thanki
Joseph Stephens
William van der Weyden
Jack Drew

GUINNESS GLOBAL EQUITY INCOME FUND - FUND FACTS

Fund size	$5105.8m
Fund launch	31.12.2010
Benchmark	MSCI World TR
Historic yield	2.1% (Y GBP Dist)

Historic yield reflects the distributions declared over the past 12 months expressed as a percentage of the mid-market price, as at the latest month end. It does not include any preliminary charges. Investors may be subject to tax on the distribution.

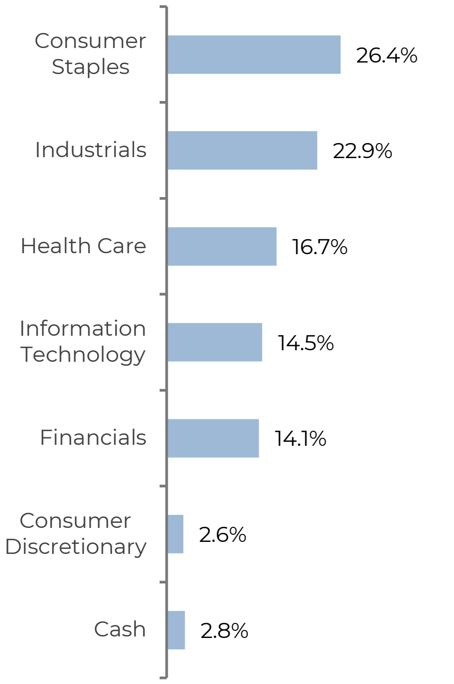
GUINNESS GLOBAL EQUITY INCOME FUND - PORTFOLIO

Top 10 holdings

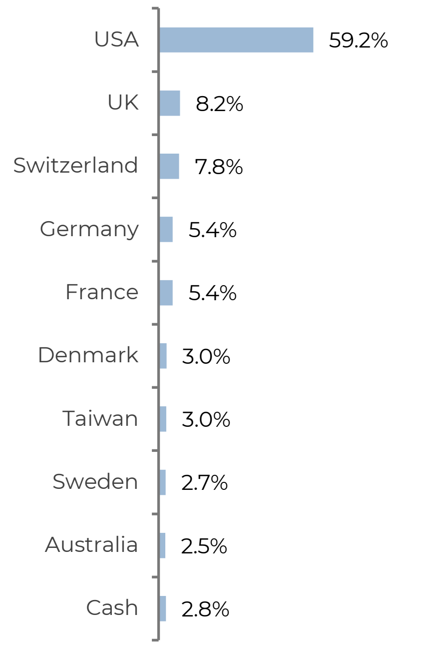
Eaton	3.5%
Abbvie	3.2%
Broadcom	3.1%
Cisco Systems	3.1%
Deutsche Boerse	3.1%
Microsoft	3.0%
Novo Nordisk	3.0%
Taiwan Semiconductor	3.0%
Mondelez International	3.0%
CME Group	2.9%

Top 10 holdings	30.8%
Number of holdings	35

Sector



Country



Past performance does not predict future returns.

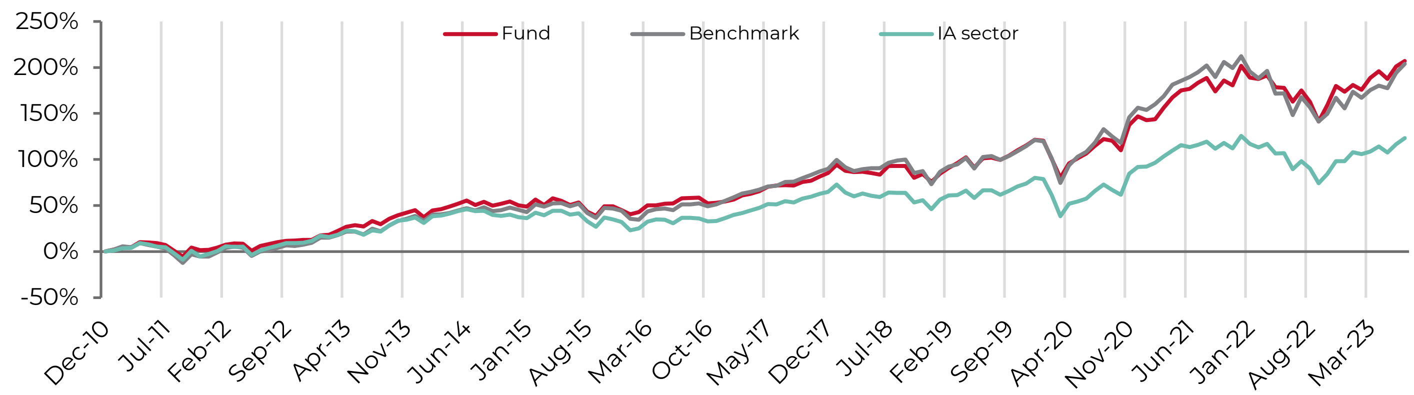
GUINNESS GLOBAL EQUITY INCOME FUND - CUMULATIVE PERFORMANCE

Total Return (GBP)	1 Month	YTD	1 yr	3 yr	5 yr	10 yr
Fund	+0.8%	+5.0%	+5.6%	+45.7%	+62.2%	+171.6%
MSCI World TR	+2.1%	+11.2%	+7.3%	+42.0%	+57.7%	+186.8%
IA Global Equity Income TR	+1.9%	+5.3%	+6.6%	+37.2%	+38.7%	+113.6%
Total Return (USD)	**1 Month**	**YTD**	**1 yr**	**3 yr**	**5 yr**	**10 yr**
Fund	+2.0%	+12.3%	+11.7%	+42.8%	+59.0%	+130.5%
MSCI World TR	+3.4%	+19.0%	+13.5%	+39.2%	+54.7%	+143.4%
IA Global Equity Income TR	+3.1%	+12.6%	+12.7%	+34.5%	+36.1%	+81.3%
Total Return (EUR)	**1 Month**	**YTD**	**1 yr**	**3 yr**	**5 yr**	**10 yr**
Fund	+0.9%	+8.7%	+3.3%	+53.2%	+68.8%	+178.0%
MSCI World TR	+2.3%	+15.2%	+5.0%	+49.3%	+64.2%	+193.2%
IA Global Equity Income TR	+2.0%	+9.0%	+4.2%	+44.3%	+44.4%	+118.4%

GUINNESS GLOBAL EQUITY INCOME FUND - ANNUAL PERFORMANCE

Total Return (GBP)	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Fund	+2.1%	+23.3%	+8.1%	+21.2%	+0.7%	+9.6%	+26.9%	+2.2%	+10.1%	+26.3%
MSCI World TR	-7.8%	+22.9%	+12.3%	+22.7%	-3.0%	+11.8%	+28.2%	+4.9%	+11.5%	+24.3%
IA Global Equity Income TR	-1.2%	+18.7%	+3.3%	+18.6%	-5.8%	+10.4%	+23.2%	+1.5%	+6.7%	+20.4%
Total Return (USD)	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**	**2013**
Fund	-9.3%	+22.2%	+11.5%	+26.0%	-5.2%	+20.0%	+6.4%	-3.4%	+3.7%	+28.7%
MSCI World TR	-18.1%	+21.8%	+15.9%	+27.7%	-8.7%	+22.4%	+7.5%	-0.9%	+4.9%	+26.7%
IA Global Equity Income TR	-12.3%	+17.6%	+6.5%	+23.4%	-11.3%	+20.8%	+3.3%	-4.0%	+0.4%	+22.7%
Total Return (EUR)	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**	**2013**
Fund	-3.4%	+31.5%	+2.3%	+28.3%	-0.4%	+5.4%	+9.6%	+7.7%	+18.0%	+23.2%
MSCI World TR	-12.8%	+31.1%	+6.3%	+30.0%	-4.1%	+7.5%	+10.7%	+10.4%	+19.5%	+21.2%
IA Global Equity Income TR	-6.5%	+26.6%	-2.3%	+25.7%	-6.9%	+6.1%	+6.4%	+6.9%	+14.4%	+17.4%

GUINNESS GLOBAL EQUITY INCOME FUND - PERFORMANCE SINCE LAUNCH (USD)



Simulated past performance in 10 year and since launch numbers. Performance prior to the launch date of the Y class (11.03.15) is a composite simulation for Y class performance being based on the actual performance of the Fund's E class (1.24% Ongoing Charges Figure - OCF). Source: FE fundinfo 31.07.23. Investors should note that fees and expenses are charged to the capital of the Fund. This reduces the return on your investment by an amount equivalent to the OCF. The current OCF for the share class used for the fund performance returns is 0.77%. Returns for share classes with a different OCF will vary accordingly. Transaction costs also apply and are incurred when a fund buys or sells holdings. The performance returns do not reflect any initial charge; any such charge will also reduce the return.

TB GUINNESS GLOBAL EQUITY INCOME FUND - FUND FACTS

Fund size	£111.6m
Fund launch	09.11.2020
Benchmark	MSCI World TR
Historic yield	2.3% (Y GBP Inc)

Historic yield reflects the distributions declared over the past 12 months expressed as a percentage of the mid-market price, as at the latest month end. It does not include any preliminary charges. Investors may be subject to tax on the distribution.

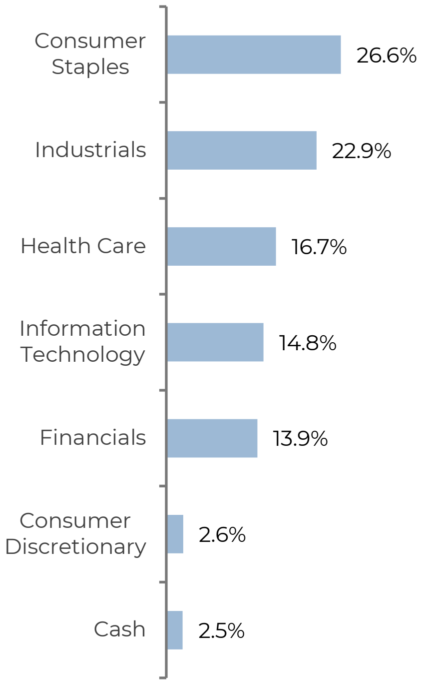
TB GUINNESS GLOBAL EQUITY INCOME FUND - PORTFOLIO

Top 10 holdings

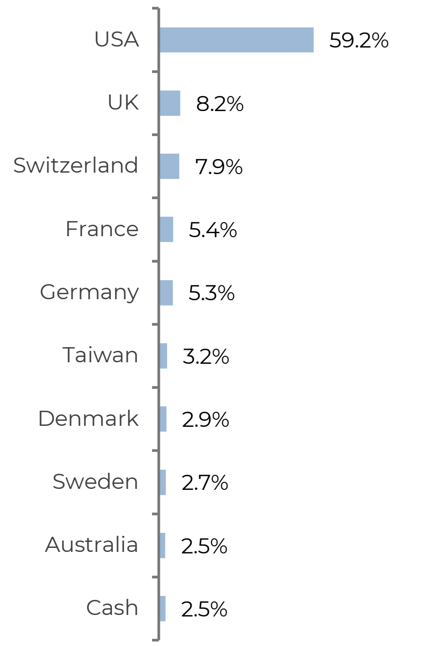
Eaton	3.4%
Taiwan Semiconductor	3.2%
Broadcom	3.2%
Abbvie	3.2%
Cisco Systems	3.1%
Microsoft	3.0%
Mondelez International	3.0%
Deutsche Boerse	3.0%
Unilever	3.0%
Pepsico	3.0%

Top 10 holdings	31.1%
Number of holdings	35

Sector



Country



Past performance does not predict future returns.

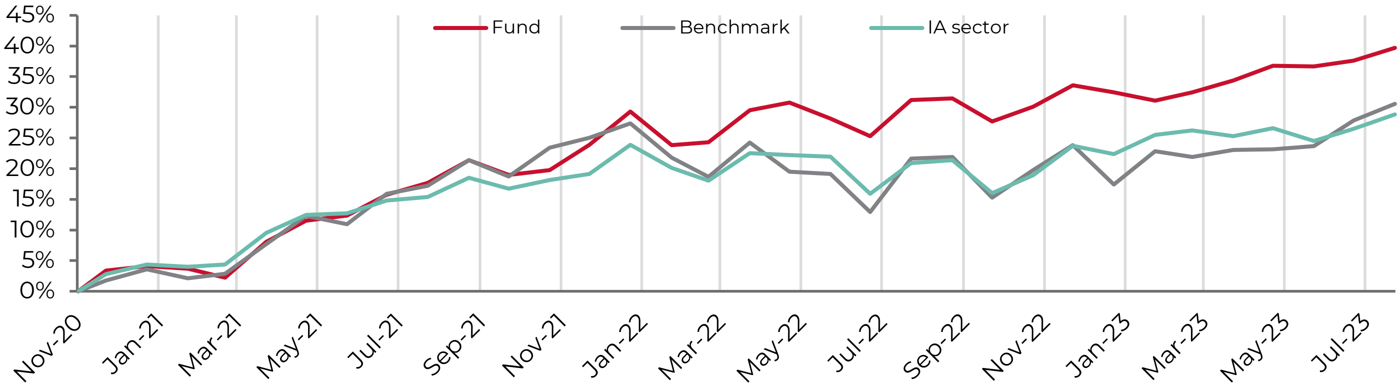
TB GUINNESS GLOBAL EQUITY INCOME FUND - CUMULATIVE PERFORMANCE

Total Return (GBP)	1 Month	YTD	1 yr	3 yr	5 yr	10 yr
Fund	+1.5%	+5.5%	+6.5%	-	-	-
MSCI World TR	+2.1%	+11.2%	+7.3%	-	-	-
IA Global Equity Income TR	+1.9%	+5.3%	+6.6%	-	-	-

TB GUINNESS GLOBAL EQUITY INCOME FUND - ANNUAL PERFORMANCE

Total Return (GBP)	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Fund	+2.4%	+24.3%	-	-	-	-	-	-	-	-
MSCI World TR	-7.8%	+22.9%	-	-	-	-	-	-	-	-
IA Global Equity Income TR	-1.2%	+18.7%	-	-	-	-	-	-	-	-

TB GUINNESS GLOBAL EQUITY INCOME FUND - PERFORMANCE SINCE LAUNCH (GBP)



Source: FE fundinfo to 31.07.23. Investors should note that fees and expenses are charged to the capital of the Fund. This reduces the return on your investment by an amount equivalent to the Ongoing Charges Figure (OCF). The current OCF for the share class used for the fund performance returns is 0.79%. Returns for share classes with a different OCF will vary accordingly. Transaction costs also apply and are incurred when a fund buys or sells holdings. The performance returns do not reflect any initial charge; any such charge will also reduce the return.

IMPORTANT INFORMATION

Issued by Guinness Global Investors which is a trading name of Guinness Asset Management Limited which is authorised and regulated by the Financial Conduct Authority.

This report is primarily designed to inform you about the Guinness Global Equity Income Fund and the TB Guinness Global Equity Income Fund. It may provide information about the Funds' portfolio, including recent activity and performance. It contains facts relating to the equity markets and our own interpretation. Any investment decision should take account of the subjectivity of the comments contained in the report.

This document is provided for information only and all the information contained in it is believed to be reliable but may be inaccurate or incomplete; any opinions stated are honestly held at the time of writing, but are not guaranteed. The contents of the document should not therefore be relied upon. It should not be taken as a recommendation to make an investment in the Funds or to buy or sell individual securities, nor does it constitute an offer for sale.

GUINNESS GLOBAL EQUITY INCOME FUND

Documentation

The documentation needed to make an investment, including the Prospectus, the Key Information Document (KID), Key Investor Information Document (KIID) and the Application Form, is available in English from www.guinnessgi.com or free of charge from:-

- the Manager: Link Fund Manager Solutions (Ireland) Ltd (LFMSI), 2 Grand Canal Square, Grand Canal Harbour, Dublin 2, Ireland; or the Promoter and Investment Manager: Guinness Asset Management Ltd, 18 Smith Square, London SW1P 3HZ.

LFMSI, as UCITS Man Co, has the right to terminate the arrangements made for the marketing of funds in accordance with the UCITS Directive.

Investor Rights

A summary of investor rights in English is available here:https://www.linkgroup.eu/policy-statements/irish-management-company/

Residency

In countries where the Fund is not registered for sale or in any other circumstances where its distribution is not authorised or is unlawful, the Fund should not be distributed to resident Retail Clients. **NOTE: THIS INVESTMENT IS NOT FOR SALE TO U.S. PERSONS.**

Structure & regulation

The Fund is a sub-fund of Guinness Asset Management Funds PLC (the "Company"), an open-ended umbrella-type investment company, incorporated in Ireland and authorised and supervised by the Central Bank of Ireland, which operates under EU legislation. If you are in any doubt about the suitability of investing in this Fund, please consult your investment or other professional adviser.

Switzerland

This is an advertising document. The prospectus and KID for Switzerland, the articles of association, and the annual and semi-annual reports can be obtained free of charge from the representative in Switzerland, Carnegie Fund Services S.A., 11, rue du Général-Dufour, 1204 Geneva, Switzerland, Tel. +41 22 705 11 77, www.carnegie-fund-services.ch. The paying agent is Banque Cantonale de Genève, 17 Quai de l'Ile, 1204 Geneva, Switzerland.

Singapore

The Fund is not authorised or recognised by the Monetary Authority of Singapore ("MAS") and shares are not allowed to be offered to the retail public. The Fund is registered with the MAS as a Restricted Foreign Scheme. Shares of the Fund may only be offered to institutional and accredited investors (as defined in the Securities and Futures Act (Cap.289)) ('SFA') and this material is limited to the investors in those categories.

TB GUINNESS GLOBAL EQUITY INCOME FUND

Documentation

The documentation needed to make an investment, including the Prospectus, the Key Investor Information Document (KIID) and the Application Form, is available in English from www.tbaileyfs.co.uk or free of charge from:-

T. Bailey Fund Services Limited ("TBFS")
64 St James's Street
Nottingham
NG1 6FJ
General enquiries: 0115 988 8200
Dealing Line: 0115 988 8285
E-Mail: clientservices@tbailey.co.uk

T. Bailey Fund Services Limited is authorised and regulated by the Financial Conduct Authority.

Residency

In countries where the Fund is not registered for sale or in any other circumstances where its distribution is not authorised or is unlawful, the Fund should not be distributed to resident Retail Clients.
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Structure & regulation

The Fund is a sub-fund of TB Guinness Investment Funds, an investment company with variable capital incorporated with limited liability and registered by the Financial Conduct Authority.

Telephone calls will be recorded and monitored.