Guinness Global Equity Income

Investment Commentary – September 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
EU 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.

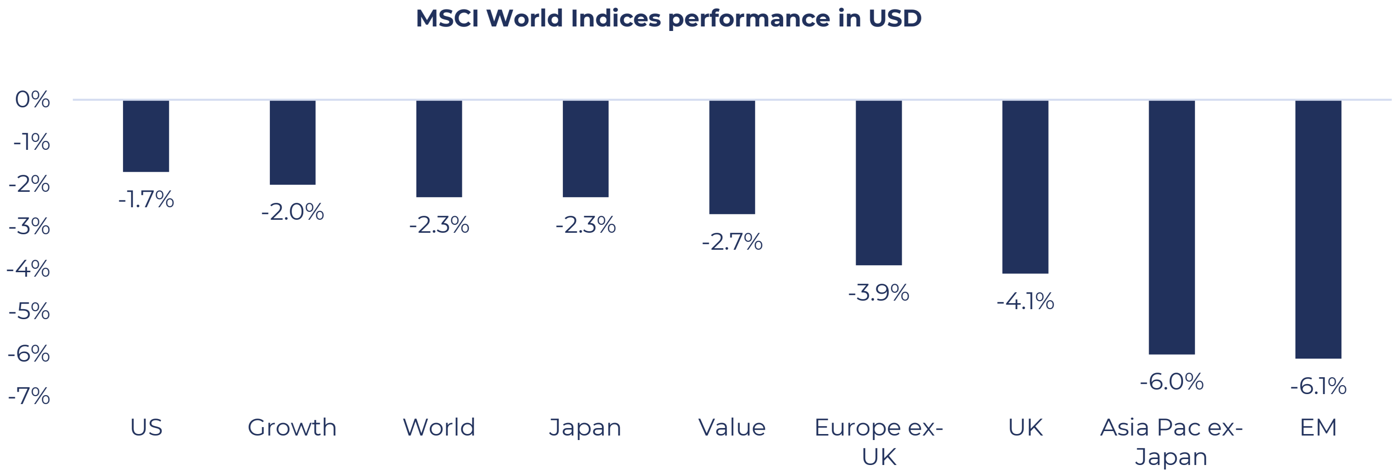
CONTENTS

COMMENTARY

In August, the Guinness Global Equity Income Fund produced a total return of 0.1% (in GBP), the MSCI World Index returned -0.9%, and the average IA Global Equity Income sector return was -1.2%. The Fund therefore outperformed the Index by 1.0% and outperformed its peer group average by 1.3%.

Equities had their first negative month since February as volatility returned to markets. At the start of August, the credit rating agency Fitch downgraded the US government's credit rating from AAA to AA+, citing unsustainable debt and deficit trajectories and increased political dysfunction. The market seemed to shrug this off relatively quickly, but a range of central bank meetings and the US Federal Reserve's annual policy speech at Jackson Hole brought further volatility over the month. On top of this, economic data released in August was mixed, and investors began to question the strength of the 'soft landing' narrative. Whilst inflation is continuing to moderate in many economies and growth remains positive (albeit sluggish), there are some leading indicators suggesting that the picture is starting to change. These factors are discussed in more detail below.

Among the main regions, the US was the best performer, supported by robust economic growth and the fact that US inflation has fallen faster than in most other developed market economies, despite a continued tight labour market. Conversely, emerging markets equities were weak, particularly the broader Asia Pacific region, which fell on the prospect of increasingly sluggish Chinese growth. China's domestic economy is experiencing a range of challenges, given heavy indebtedness of the property sector, low business confidence, declining international investment and deflationary producing price inflation (which was negative for the 10th month running). Given this backdrop, global stocks sold off and this decline was relatively broad from a sector perspective, reflecting the changing sentiment at the market level (which had been almost universally positive through the summer, and coincided with a strong market rally).



Source: Bloomberg, 31.07.2023 - 31.08.2023

Over the month of August, Fund outperformance versus the benchmark can be attributed to the following:

- The portfolio's zero allocation to the Materials and Utilities sectors, which acted as a tailwind given that these were the two worst performing sectors over the month, closing down -4.5% (USD) and -5.4% (USD) respectively. This was marginally offset by a zero allocation towards Energy, which was the only sector that saw positive performance in August, closing up 1.9% (USD).
- The overweight allocation to Healthcare was a source of relative outperformance as the sector was the second-best performer over the month.
- The Funds also benefited from good stock selection across a range of sectors. There was notably strong performance from holdings in IT (Cisco, +10.2% in USD), Financials (Arthur Gallagher, +7.6%), and Industrials (Eaton, +12.7%; Emerson Electric, + 8.1%).

Longer-term, it is pleasing to see that the Guinness Global Equity Income Fund has outperformed the IA Global Equity Income Sector average over 1 year, 3 years, 5 years, 10 years and since launch.

Past performance does not predict future returns.

Cumulative % total return in GBP to 31.08.2023	YTD	1 year	3 years	5 years	10 Years*	Launch*
Guinness Global Equity Income Fund	5.1	6.0	44.2	60.9	184.9	274.2
MSCI World Index	10.2	6.2	34.6	53.0	196.4	266.6
IA Global Equity Income sector average	4.1	4.9	32.7	36.1	118.1	168.3
IA Global Equity Income sector ranking	^	19/55	9/51	4/46	5/31	2/13
IA Global Equity Income sector quartile	^	2	1	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.

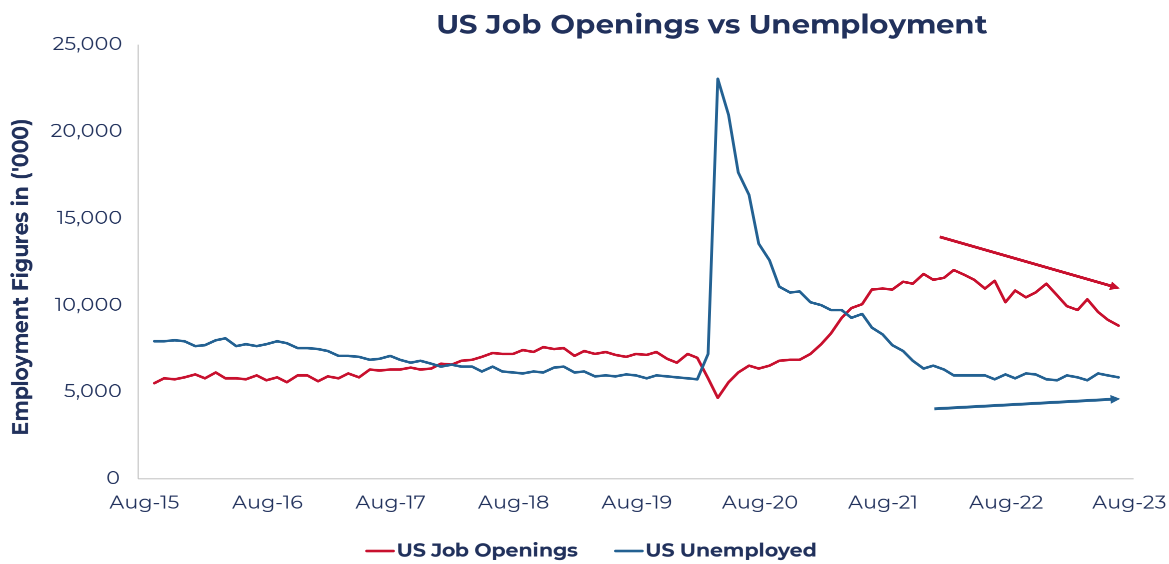
^Ranking not shown in order to comply with European Securities and Markets Authority rules.

AUGUST IN REVIEW

Is bad news now good news?

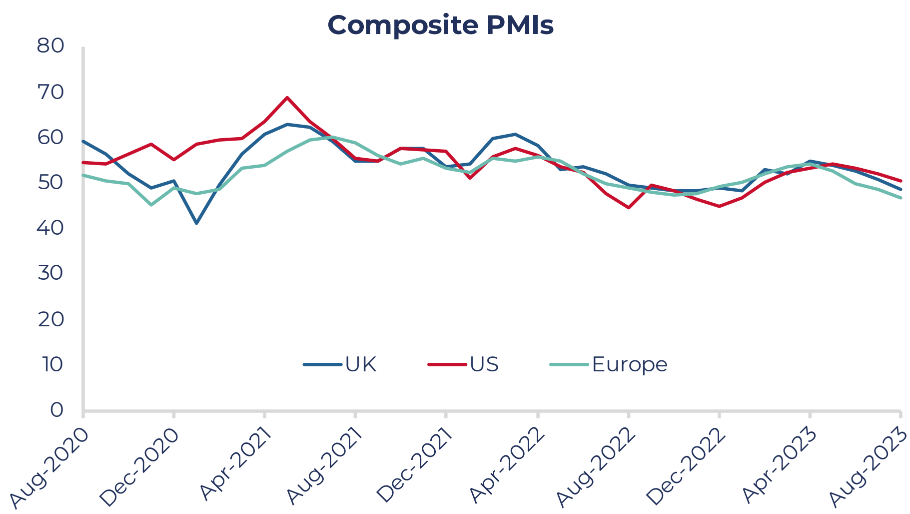
In several of our monthly market commentaries over the past year, we have outlined the implied market view that good news in the economy can, in some instances, be interpreted as bad news for equity markets. For example, the continued strength of the US labour market, solid GDP prints, and broadly healthy PMI figures have been viewed by some investors as potentially supporting the case for a more hawkish stance from the Federal Reserve (Fed) – and therefore negative for equity prices if there is a greater chance of either higher interest rates, or at least higher rates for a longer period. In recent months, this narrative has started to work in the opposite direction; tentative signs of a cooling economy and a marginally weakening outlook from several data points have been viewed as a positive for markets over the medium term, as investors began to price in central bank rate cuts sooner than had previously been expected. However, over the month of August, this outlook was challenged once more. A range of policy speeches from global central banks have emphasised that interest rates will need to stay higher for longer, until inflation is firmly under control. As a result, we saw markets adopt a marginally more negative outlook in August, especially given new signs of deterioration from major economies continuing to feed through.

Economic data



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

Whilst the overall US economy still remains in good shape, GDP data released over the month showed second quarter growth came in at 2.1% annualised, a downward revision from the 2.4% pace reported the month before. This downgrade showed early signs of a cooling economy and was coupled with a slight narrowing in the 'jobs gap', as shown above. The US unemployment rate remains low, but month-on-month US job openings fell by 340k from 9.17m to 8.83m. Additionally, the flash US Purchasing Managers' Index (PMI) for August, showed the US figure had fallen further into contraction territory at 47 versus 49 in July. More concerning was US Services PMI, which fell to 50.4, well below the July reading of 52.3 and a six-month low, with new orders falling for the first time since February. PMI data also showed falling business activity in both the UK and the EU, with PMI falling to 47 for the latter (its lowest level ex-Covid since 2012). The chart below shows the Composite PMI (weighted average of manufacturing and service sector PMIs) across these regions.



Source: S&P Global as of 31st August 2023

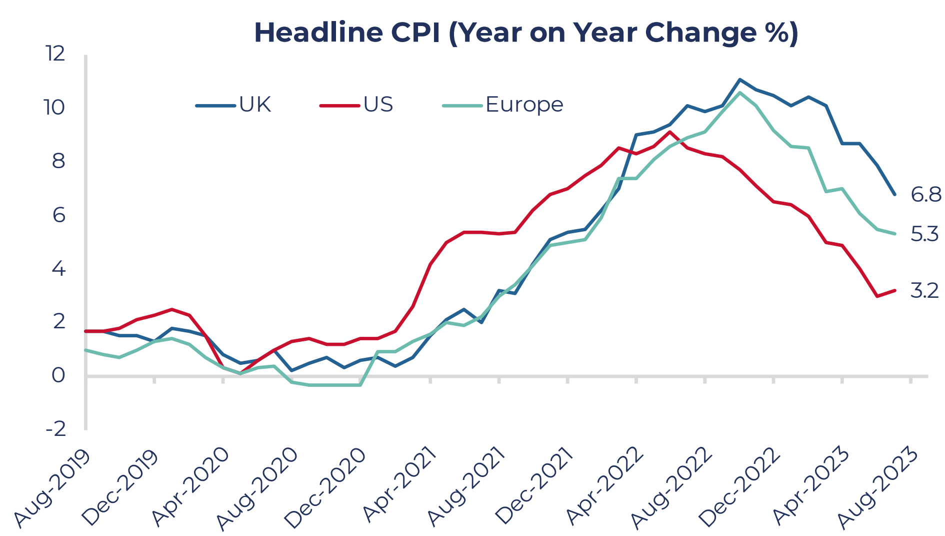
Given the latest data, a "Goldilocks" scenario (inflation decreases without a recession) that supported the recent equities rally until the end of July has been called into question. August's volatility and cooling data points serve as a reminder of the negative impact of tighter monetary policy and of its lagged effects. The path to low inflation may therefore be bumpier than previously expected.

Inflation and central bank policy

US: Headline US CPI increased slightly in July to 3.2% year-on-year due to higher food and energy prices, while core CPI decelerated slightly to 4.7% year-on-year from 4.8% in June.

EU: Headline CPI defied expectations and remained flat in August at 5.3% year-on-year. Core inflation, however, did fall modestly from 5.5% year-on-year in July to 5.3% in August.

UK: UK Headline CPI eased in line with expectations to 6.8% year-on-year, down from 7.9% a month prior.



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

Policy: The big news over August was Fed Chair Jerome Powell's keenly anticipated speech at Jackson Hole, a three-day event where global central bankers, policymakers, and economists discuss the state of play. Powell largely met expectations with a broadly hawkish message. Whilst the market expectation is for either one further rate hike or no further rate hikes, it was widely anticipated that Powell would stick closely to previous statements and reiterate the Fed's data-driven approach. Broadly, this is what he did. However, during the speech he did outline the conditions which would "warrant further tightening": (1) job openings coming down, or, (2) more evidence of persistently above-trend growth.

The ECB's Christine Lagarde and Bank of England Deputy Governor Ben Broadbent also outlined policy speeches over August and identified wage growth as a concerning input factor. Hence, rates may well have to remain in restrictive territory for some time in order to bring down wage inflation. In the UK regular pay (excluding bonuses) was up +7.8% year-on-year in the period April to June 2023, the highest rate since comparable records began in 2001.

In summary, whilst certain aspects of inflation remain high, the clear trend of disinflation across developed market economies has continued, and it appears we are nearing the end of the rate hiking cycle (even if rates must remain higher for longer to ensure price stability).

The consumer

In general, the consumer remains active and fairly robust, despite reducing savings amassed over the pandemic. One way to measure the health of the consumer is to look at the earnings commentaries from major US retailers, three of which reported results in late August.

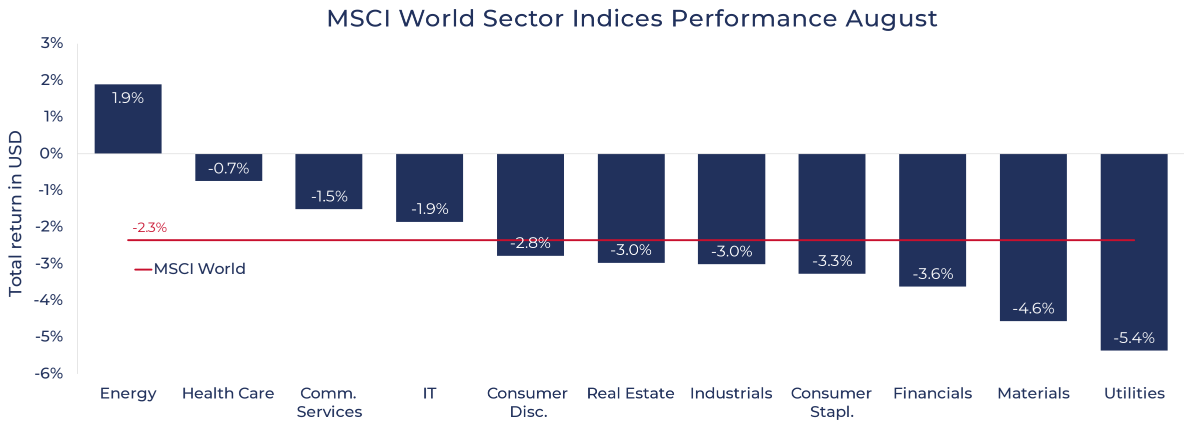
- **Home Depot** CEO Ted Decker said that consumer sentiment is rather positive: "Fears of a recession, or at least a severe recession, have largely subsided, and the consumer is generally healthy."

- **Walmart** CEO Douglas McMillon reiterated this view as "similar to Q1, consumer spending remains resilient at the headline level."

- **Target** CEO Brian Cornell noted that "with inflation rates moderating, we've started to see consumer confidence recover from recent lows."

This commentary is supported by recent University of Michigan consumer surveys. The preliminary August estimate for its US consumer sentiment index was 71.2, down marginally from the July reading of 71.6 but still relatively high (note that July was the highest reading since October 2021).

Market drivers



Source: MSCI, as of 31st August 2023

There has been a notable change in market leadership since mid-July. We have seen value outperform growth by c.4% over this period, in a generally rising market. Whilst much of the rally earlier in the year had been led by a narrow selection of technology stocks (more specifically AI-exposed names), there has been a change in sector and stylistic leadership, with more defensive and more value-oriented sectors returning to favour. Even as the MSCI World declined -2.3% in USD over August, there were areas of relative strength. Energy rallied due to OPEC+ supply constraints and the threat of strikes at Australian LNG facilities. Healthcare also outperformed on a relative basis and the Fund's overweight allocation towards Healthcare, as well as broad sector diversification, has once again helped the Fund to navigate the changing market leadership.

PORTFOLIO HOLDINGS

Novo Nordisk was the Fund's top performer, gaining +15.4% (in USD) over the month. The Danish pharmaceutical company has shown strong momentum in recent quarters with its weight loss drug Wegovy exhibiting very good early results and looking to be a meaningful growth driver for the business. In addition, Novo Nordisk is showing a broadening out of strength from the rest of the portfolio, particularly in Cardiovascular, which has a much wider addressable market. Sales growth has been accelerating (2yr forward sales CAGR of 22%) and the firm looks well set to continue compounding on both the top and bottom lines.

Eaton also performed well in August, climbing +12.7% (USD) thanks to a good set of earnings early in the month. The firm seems to be firing on all cylinders, with beats on the top and bottom lines driven by particularly strong performance from its Electrical Americas segment (+19% organic growth year-on-year) and Aerospace (+14%), which make up the vast majority of firmwide profits. Management see the demand trends continuing as Eaton grows out its backlog and additional electrification projects in the US will drive growth over 2023 and beyond. Eaton therefore upgraded guidance for revenue, margins and EPS, hence the positive market reaction.

Sonic Healthcare was the Fund's worst performer over August, closing down -12.1% (USD). The poor performance was primarily a result of the firm's FY 2023 earnings. Sonic, a leading provider of medical diagnostic services, reported weaker than expected results due to a sharp rise in cost pressures (primarily from the pathology division) which caused firmwide margins to contract. Management attributed this pressure to 'legacy' COVID costs, which came as a surprise to the market, given that such costs were expected to be well in hand. Additionally, FY 2024 guidance was marginally weaker due to the challenge of absorbing cost inflation with prices largely frozen. Despite these short-term challenges, Sonic remains a high-quality stock with peer-leading margins, low revenue cyclicality, and a range of attractive structural growth drivers which we believe will benefit the firm once these short-term issues are worked through.

Deutsche Börse also had a difficult month, falling -7.5% (USD). Whilst the stock exchange operator reported strong earnings the month before and issued positive forward guidance, the market was concerned about the €3.9 billion ($4.31 billion) proposed take-over for Danish investment management software company SimCorp as it received final regulatory approval. SimCorp is a Danish financial software provider and recorded operating profit of €126m on revenues of €561m in 2022. The integration will help Deutsche Börse diversify its end markets, and the firm will add a new segment called Investment Management Solutions which will combine SimCorp's core business with Deutsche Börse's existing data and analytics subsidiaries Qontigo and ISS to create a holistic offering. We believe that this will strengthen Deutsche Börse's value proposition and will increase the size of its competitive moat.

We made no changes to the portfolio holdings in the month.

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	$5074.0m
Fund launch	31.12.2010
OCF	0.77%
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.

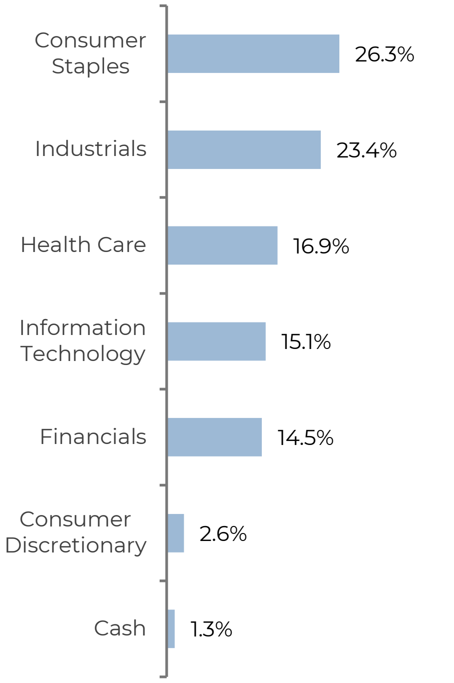
GUINNESS GLOBAL EQUITY INCOME FUND - PORTFOLIO

Top 10 holdings

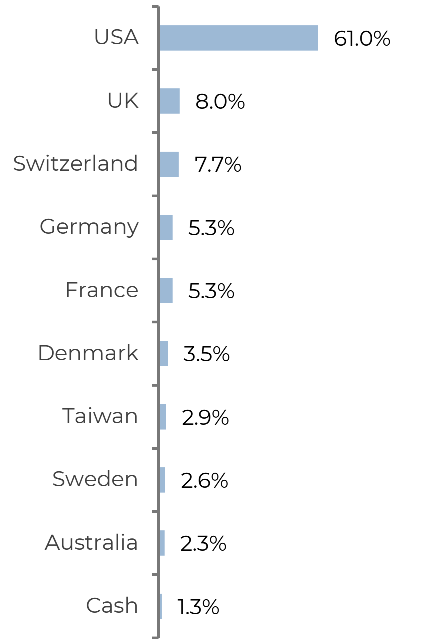
Eaton	4.0%
Novo Nordisk	3.6%
Cisco Systems	3.6%
Broadcom	3.4%
Abbvie	3.3%
Gallagher, Arthur J	3.1%
CME Group	3.1%
Microsoft	3.1%
Emerson Electric Co	3.1%
Mondelez International	3.0%

Top 10 holdings	33.2%
Number of holdings	35

Sector



Country



Past performance does not predict future returns.

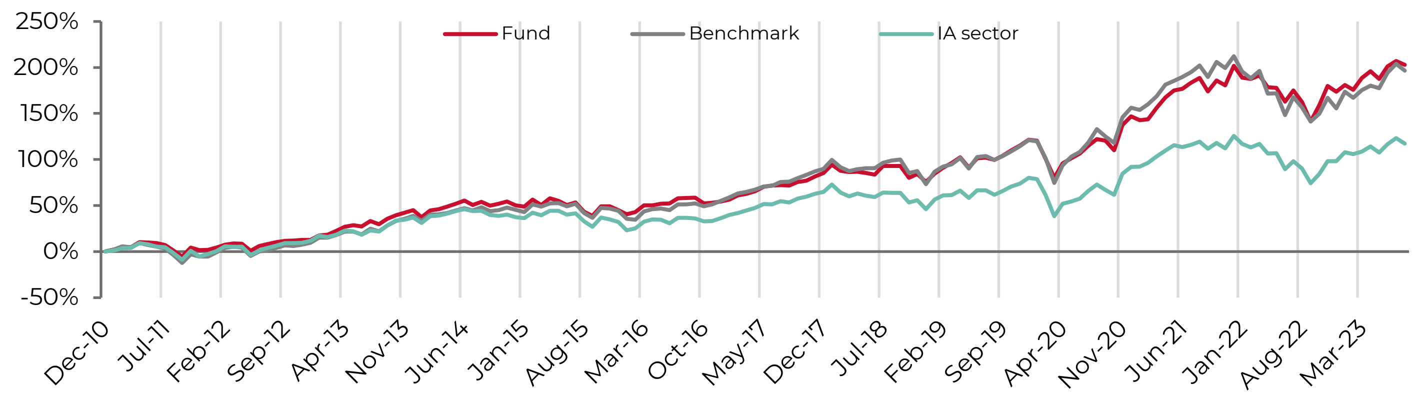
GUINNESS GLOBAL EQUITY INCOME FUND - CUMULATIVE PERFORMANCE

(GBP)	1 Month	YTD	1 yr	3 yr	5 yr	10 yr
Fund	+0.1%	+5.1%	+6.0%	+44.1%	+60.9%	+184.8%
MSCI World TR	-0.9%	+10.2%	+6.2%	+34.6%	+53.0%	+196.4%
IA Global Equity Income TR	-1.2%	+4.1%	+4.9%	+32.7%	+36.1%	+118.1%
(USD)	**1 Month**	**YTD**	**1 yr**	**3 yr**	**5 yr**	**10 yr**
Fund	-1.4%	+10.7%	+15.4%	+36.4%	+56.8%	+133.4%
MSCI World TR	-2.4%	+16.1%	+15.6%	+27.4%	+49.2%	+142.8%
IA Global Equity Income TR	-2.7%	+9.6%	+14.3%	+25.6%	+32.7%	+78.6%
(EUR)	**1 Month**	**YTD**	**1 yr**	**3 yr**	**5 yr**	**10 yr**
Fund	+0.2%	+8.9%	+7.0%	+50.3%	+68.1%	+183.9%
MSCI World TR	-0.8%	+14.2%	+7.1%	+40.4%	+59.9%	+195.0%
IA Global Equity Income TR	-1.1%	+7.8%	+5.9%	+38.4%	+42.3%	+117.0%

GUINNESS GLOBAL EQUITY INCOME FUND - ANNUAL PERFORMANCE

(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%
(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%
(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 31.08.23. 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	£116.4m
Fund launch	09.11.2020
OCF	0.79%
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.

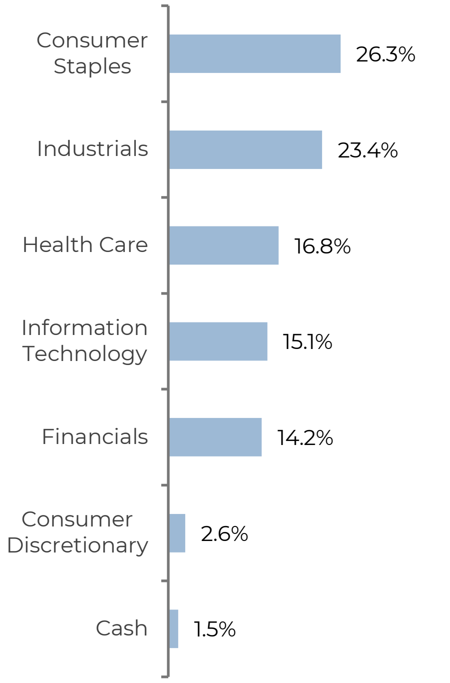
TB GUINNESS GLOBAL EQUITY INCOME FUND - PORTFOLIO

Top 10 holdings

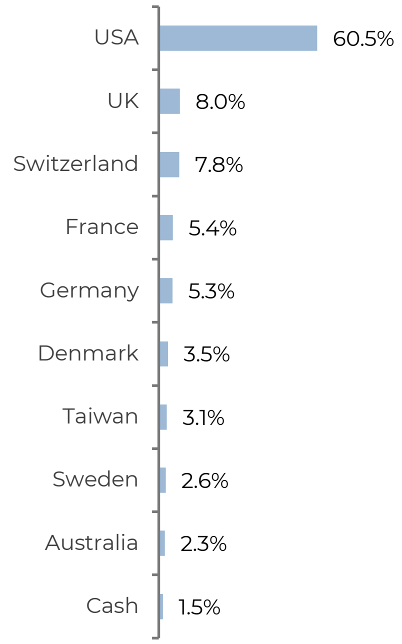
Eaton	4.0%
Novo Nordisk	3.6%
Cisco Systems	3.5%
Broadcom	3.3%
Abbvie	3.2%
Taiwan Semiconductor	3.2%
Gallagher, Arthur J	3.1%
CME Group	3.1%
Microsoft	3.1%
Emerson Electric Co	3.0%

Top 10 holdings	33.1%
Number of holdings	35

Sector



Country



Past performance does not predict future returns.

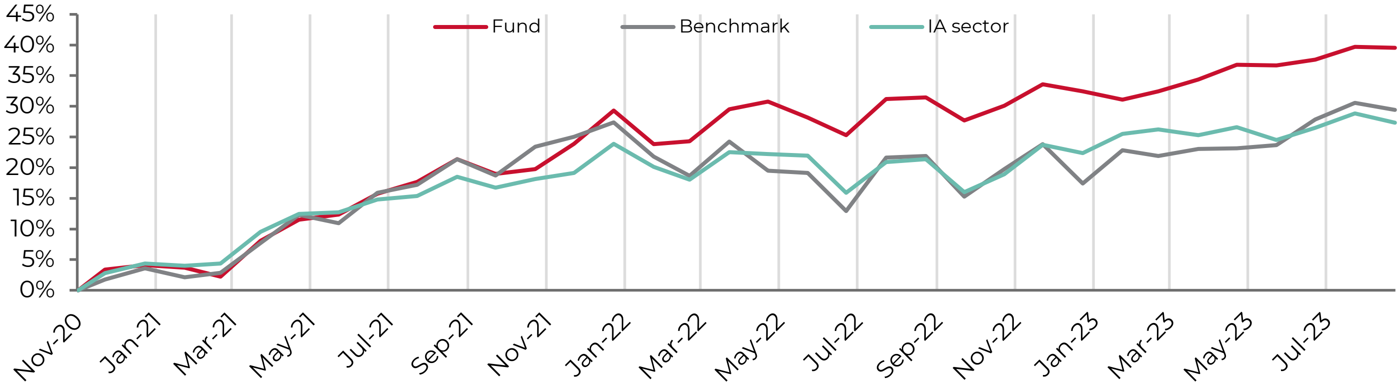
TB GUINNESS GLOBAL EQUITY INCOME FUND - CUMULATIVE PERFORMANCE

(GBP)	1 Month	YTD	1 yr	3 yr	5 yr	10 yr
Fund	-0.1%	+5.4%	+6.2%	-	-	-
MSCI World TR	-0.9%	+10.2%	+6.2%	-	-	-
IA Global Equity Income TR	-1.2%	+4.1%	+4.9%	-	-	-

TB GUINNESS GLOBAL EQUITY INCOME FUND - ANNUAL PERFORMANCE

(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 31.08.23. 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. OCFs for all share classes are available on www.guinnessgi.com.

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.