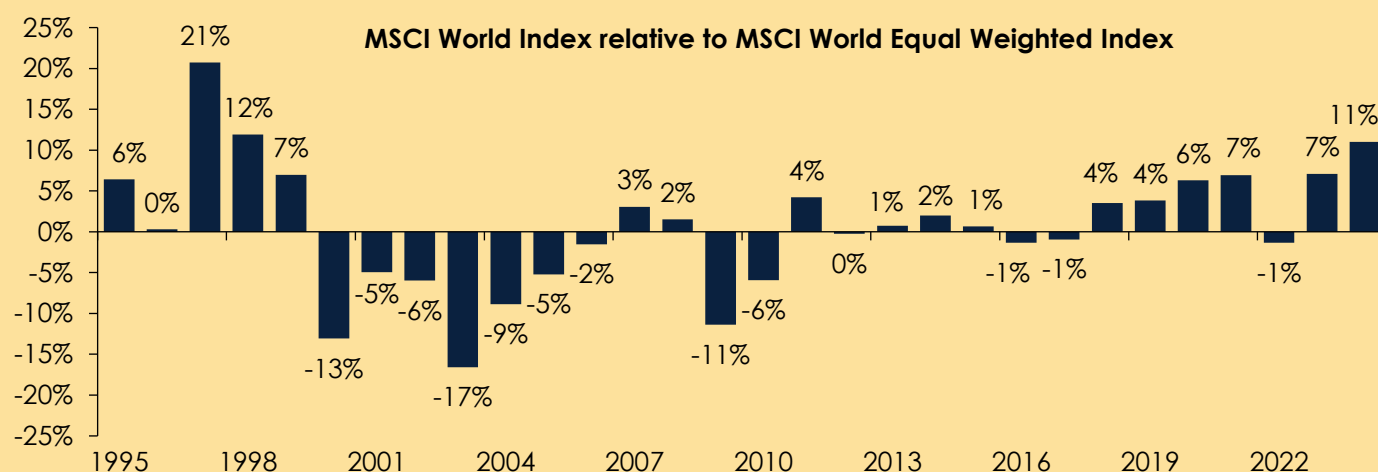


A good curator selects only the best

Image in Focus: Does history rhyme? Lyrical's view of what might come next...

They say history repeats itself, and some say it rhymes. Remember the dot-com bubble of the late 90s? Like all bubbles, that one burst. Are we there again? And if so, are you positioned for what comes next? This week's 'Image in Focus' looks at how Lyrical Asset Management is taking cues from the history books.

Annual return difference



Source: Lyrical Asset Management, Factset at 31 December

Summary of chart

The bar graph from Lyrical shows how the MSCI World Index (cap-weighted index) and the MSCI World Equal Weighted Index (equal-weighted index) performed each year since 1995. Between 2023 and 2024, the MSCI World Index outperformed the MSCI World Equally Weighted Index by 21.2%. The only other time that resembles the last two years was during the Tech Bubble from 1997 to 1999, when the MSCI World Index outperformed by 53.8%.

How does this link to the positioning of the Curate Global Value Equity Fund?

In the past, when the cap-weighted index outperformed the equal-weighted index, this trend usually reversed, and the equal-weighted index substantially outperformed in the following years. During these times, value stocks outperformed by even more. Lyrical manages the Curate Global Value Equity Fund and to state perhaps the obvious, values 'value' investing. This illustration sets the scene for the opportunity identified by Lyrical to focus on shares in the cheapest 20% of the market.

Key takeaways from the chart

- ✓ The MSCI World Index significantly outperformed the MSCI World Equal Weighted Index in the last two years, which is the most in two consecutive years since the Tech Bubble
- ✓ Following those Tech Bubble years, the MSCI World Index went on to cumulatively underperform the MSCI World Equal Weighted Index by 79.4% from 2000 to 2006
- ✓ In the same environment, the cheapest quintile of the top 2,500 global stocks outperformed the MSCI World Index by even more

Curate Global Value Equity Fund

Managed by Lyrical Asset Management



This fund is designed for investors who want specific exposure to the value style in global stock markets. It has the potential to deliver high levels of return over longer periods of at least seven years. Click [here](#) for more information about the fund.

News and insights

Lyrical Asset Management's carefully constructed strategy has been used since 1996, with the purpose of unearthing good quality companies that are temporarily undervalued. It invests only in businesses with low levels of debt, high returns on capital and business models that it is confident it can understand.

Click [here](#) to read how Lyrical uncovers hidden gems where others see only junk.

For more information, visit our website or click [here](#).

Kind regards
The Curate Team

Disclosures

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