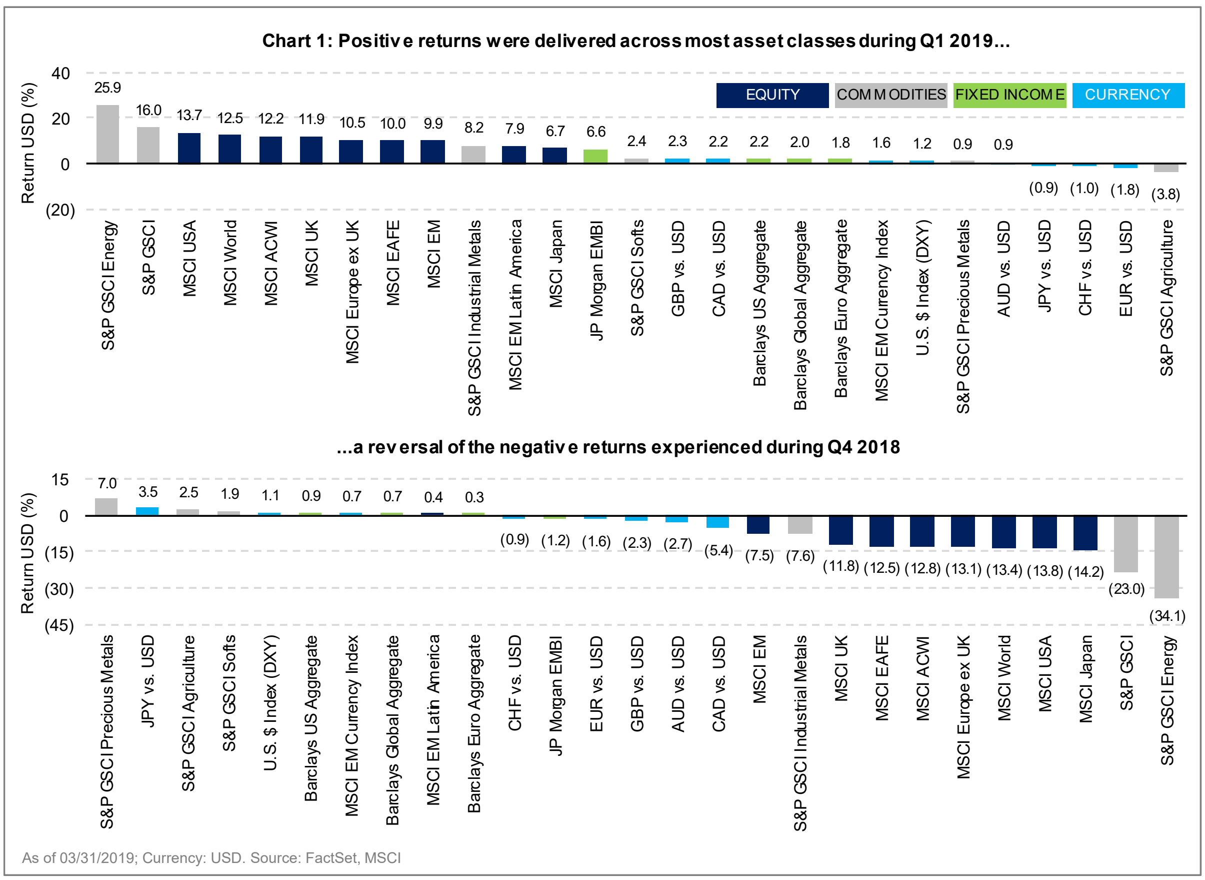
ALTRINSIC

April 2019

Altrinsic Global Equity Commentary – First Quarter 2019

Dear Investor,

U.S. Federal Reserve Chairman Powell's shift to more accommodative policies and improving confidence surrounding U.S.-China trade negotiations were the primary drivers of strong first-quarter gains for most asset classes. As seen in Chart 1, Q1 performance was an abrupt reversal from the fourth quarter swoon. Global equities, as measured by the MSCI World Index, gained 12.5% as measured in U.S. dollars, led by U.S. equities and, most notably, high-priced "growth" stocks. The Altrinsic Global Equity Composite gained 10.0% during the quarter.[1]



Our performance lagged the MSCI World Index due to the portfolio's embedded below-market risk, our underweight exposure to U.S. equities (34% vs. 61% in the MSCI World Index), and not owning highly priced growth stocks that led the market rally. The FAANGs (Facebook, Apple, Amazon, Netflix, and Google) alone climbed an average 21% in USD, contributing 132 basis points to the index return. The greatest sources of negative attribution were our technology, communications, and staples stocks. Positive attribution was delivered by holdings in the energy and consumer discretionary sectors.

Negative attribution from the technology sector largely resulted from our underweight exposure and not owning expensive large-cap technology stocks that performed well this quarter. In the communications sector, BT and Vodafone performed poorly as upcoming spectrum auctions weighed on near-term cash flow expectations. Attractive valuations, new management, and bottoming fundamentals provide a strong foundation for better performance in the medium term. Kroger, a U.S. grocer, was the main contributor to negative attribution in the staples sector, following strong performance last year and a lackluster set of Q4 2018 results. Food retailing is undergoing significant change, but through its investments in technology, a sharpened price focus, operational improvements, and a consumer-friendly product assortment, we believe Kroger will be a long-term winner in a competitive industry. Japanese financials weighed on performance, as low interest rates hurt profitability in an otherwise robust market environment.

Energy stocks advanced following a sharp rebound in oil prices. The combination of higher oil prices coupled with an improving outlook for oilfield capital expenditures supported strong gains by Baker Hughes, Schlumberger, and Tenaris. Within the discretionary sector, eBay rallied as it shifted focus toward monetization and margin improvement, while commencing a strategic review of highly valued non-core businesses including StubHub and Classifieds.

Investment activity during the first quarter was modest following the increase late last year, when we sought to capitalize on opportunities emerging during the carnage. We added one new investment during the quarter, auto supplier and tire manufacturer Continental AG. Continental underperformed for much of 2018 as auto production growth slowed and growth investments hit margins. These investments are growing its share of content per vehicle and strengthening its strong position in replacement tires. Over the medium term, the company's quality portfolio and R&D leverage coupled with consistent tire demand will mitigate expected auto market headwinds, making Continental among the best-positioned auto suppliers. We exited four companies, including ICICI (Indian bank), as its valuation discount narrowed, and Shire (Irish pharmaceutical), following its acquisition by Takeda. Japanese holdings Concordia Financial and Mitsubishi Corporation were sold as we redeployed capital to more compelling opportunities, including Sumitomo Trust (Japanese trust bank), Mitsubishi UFJ (Japanese global bank), Banorte (Mexican bank), and Danone (French Consumer), to name a few.

Market Commentary and Portfolio Insights

Markets responded strongly from technically oversold levels late in the fourth quarter, but we believe the primary catalyst for this rebound actually highlights the fragility and vulnerability of the global economy. U.S. interest rates barely reached 3% and the process of reducing the size of the Fed's bloated balance sheet had just begun when markets tumbled late last year. Federal Reserve Bank Chairman Powell quickly reversed course, lowering rates and putting the brakes on balance sheet contraction. The European Central Bank (ECB) extended its emergency targeted longer-term refinancing operations (TLTRO), which provide cheap funding for its fragile banking system and relief to Italian banks in particular. It seems western economies cannot tolerate any attempt at normalizing policy without risking recession.

Further reflecting the economic malaise and underlying deflationary pressures, yields on many European bonds are below zero. Together with those issued in Japan, there are approximately $11 trillion of outstanding bonds in developed markets that "offer" negative yields. This is approximately 20% of total bonds outstanding!

China, the world's locomotive of economic growth, responded to deteriorating economic conditions with its own fiscal stimulus. China needs to deleverage its economy while preventing its growth from falling to destabilizing levels. Ten years ago, China arguably bailed out the global economy with its stimulus, but the resulting debt has risen from 100% of GDP to more than 300% and contributed to an abundance of mal-investment. Attempting to manage one of the world's more delicate balancing acts, China is also engaging with the U.S. on important and high-stakes trade and intellectual property matters. Optimism surrounding trade negotiations was a positive catalyst for markets during the quarter. Although both the U.S. and China want a "win" and are highly motivated to reach a deal, we believe any such deal will lack durability, enforceability on key issues, and will be a source of ongoing debate.

Underlying these developments is a deeper debate with meaningful consequences for asset prices. The ongoing tug-of-war between deflation (high debt levels, technological disruption, declining tradeable goods prices, negative yielding bonds, and flat/inverting yield curves) and inflation (U.S. and Chinese labor costs, services costs, and central bank money printing) is likely to persist for longer than expected. We may have already entered a multi-year period during which this tug-of-war and the resulting policy responses lead to higher interest rate volatility and greater gyrations in asset prices compared to what we have become accustomed to over the last ten years. Further amplifying these movements will be the traditional bedfellows of greed and fear, the short-termism of market participants, a lack of liquidity in many markets, and the proliferation of pro-cyclical passive and quantitative strategies. We believe the increase in volatility is constructive and long overdue.

How do these developments and the current environment affect our positioning? We believe that nobody knows how economies and markets will pan out in the short to intermediate term. However, we do believe there is value in understanding the macro landscape and having an investment framework that respects imbalances and other distortions that can influence asset prices, including company valuations. This is an essential component of risk management. Our investments include many companies less influenced by the broad economy and/or those that have underlying investment theses based upon internal company-specific efforts to enhance value. Implementing these strategies often involves exploiting structural topline growth opportunities, boosting performance of an underperforming division, and/or improved capital allocation. For economically sensitive businesses, we are applying conservative or normalized assumptions in our analysis. This is important considering that we are ten years into one of the longest global economic expansions on record with corporate profit margins at historical peak levels. There is a dangerous amount of trend extrapolation occurring with many companies. Emerging pressures from rising labor costs, protectionist regulation, and nationalistic disputes further justify prudence.

We have a solid portfolio of investments and an attractive pipeline of investment candidates that we will capitalize on if opportune prices present themselves. The greatest number of opportunities has surfaced in the financial, healthcare, consumer, and communications industries. In aggregate, these industries represent approximately 71% of the portfolio.[2]

Financials (26.2% of the portfolio): Our process identifies outstanding management teams with business models in transition that are not widely recognized by the market and a willingness to take a long term view amidst macroeconomic distortions. The resulting exposure can be segmented into three clusters: Under-appreciated turnaround stories, mostly in the insurance space, led by management teams with a history of strong execution (e.g., Zurich Insurance and Willis Towers Watson); Japanese financials with potential for increased return on equity through improved cost discipline and improved capital allocation (e.g., Daito Trust and Tokio Marine); and well-capitalized banks with best-in-class customer service that are operating in structurally sound markets but trading at discounted valuations due to economic uncertainty. Examples include Banorte (Mexico) and ING (Netherlands). ING is among our first European bank purchases in several years.

Healthcare (17.4%): Like many other sectors, healthcare is also in a disruptive period as scientific advances and changing business models confront varied and complex payment methods. Add to that heightened political sensitivities and the short term nature of market participants, and we expect increased volatility to be a fixture in this sector. Constrained healthcare budgets in an environment of innovative high-priced medicines mean an increased focus on cost and outcomes in order to pay for lifesaving drugs. We concentrate our investments in companies providing these innovative drugs (Roche, Ionis, Biogen, and Intercept) as well as companies that can control outcomes and cost (CVS Health).

Consumer Staples (14.4%): The consumer sector is undergoing tremendous disruption from changing consumer tastes, mass personalization, and disintermediation. Scale and bargaining power have gone from being necessary attributes to factors limiting a company's success. Against this backdrop, companies with a pathway to consistent topline growth and margin improvement potential stand out. Investments such as Nestlé and Danone have growth opportunities from portfolios centered on health, nutrition, and wellness, while retailers like Kroger are embracing new distribution methods to bring consumers more convenience and assortment.

Communications (13.1%): Traditional communications companies operate in a challenging environment due to regulatory pressures and technological changes. These forces have led to a sector that is highly complicated, a circumstance that can create opportunity. Our largest investments are concentrated in cable broadband providers (Charter, Comcast, and Liberty); these businesses have strong pricing power that can increase profitability as they move away from traditional television products and focus on high-speed broadband. Traditional telecom providers deserve extra scrutiny, but businesses such as BT and Vodafone trade at multiples implying an overly pessimistic future. Elsewhere, we focus on companies possessing upside optionality, including Yahoo Japan and Baidu, which are depressing near-term profits by investing for long term growth, and Nintendo, which is still at the beginning stages of unlocking the value of its intellectual property.

A full summary of portfolio holdings, risk characteristics, and exposures is provided at the end of this letter.

What are the risks? Chinese growth, trade policy, Brexit, protectionism, populism, and Middle East instability are well-covered by the media. Despite ample news coverage of central bank policy, we believe the consequences of policy normalization and the fight between deflationary and inflationary forces are not fully appreciated. Additionally, Italy's precarious economic condition could come under greater market scrutiny as upcoming elections draw out populist and anti-EU voices with growing support. At the company level, historically high profitability measures are vulnerable to pressures emerging from rising labor costs, increased regulation (in important industries and countries), competition, disruption, and stagnating economic conditions.

There is always some risk lurking around the corner, hence our emphasis on value, company fundamentals, risk management, and a desire to capitalize on dislocations as they occur.

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We are pleased to announce that Rich McCormick, our partner and colleague for almost ten years, has joined the portfolio management team for our global and international portfolios. Rich has played a leadership role in our financial investments, but he has also been deeply engaged across industries in collaboration with other analysts. Rich brings innate curiosity to his passion for investing. His analytical rigor, competitive spirit, and collegial demeanor have been valuable to both our investment performance and overall culture. Shortly after joining Altrinsic, Rich lived throughout Asia and Latin America. That experience coupled with Rich's ongoing travel has contributed to his combined industry knowledge and global cross-border perspective, a combination that we value deeply among our partners and analysts.

Thank you for your interest in Altrinsic.

Sincerely,

John Hock
John DeVita

[1]*Performance is presented gross of management fees and includes the reinvestment of all income. Gross returns will be reduced by investment advisory fees and other expenses that may be incurred in the management of the account. Past performance is not indicative of future results. The outlook and opportunities noted throughout this letter are the opinions of Altrinsic as of the date of this letter. There is no guarantee that we will be successful in implementing investment strategies that take advantage of such perceived opportunities. Please see Important Considerations and Assumptions at the end of this letter for additional disclosures.*

[2]*Industry/Sector portfolio weights included here and throughout this letter are current as of March 31, 2019, are calculated using MSCI classifications and are subject to change at any time. These percentages are based upon a representative full discretionary account within the global mandate.*

Altrinsic Global Equity Composite

Quarterly Report as of March 31, 2019

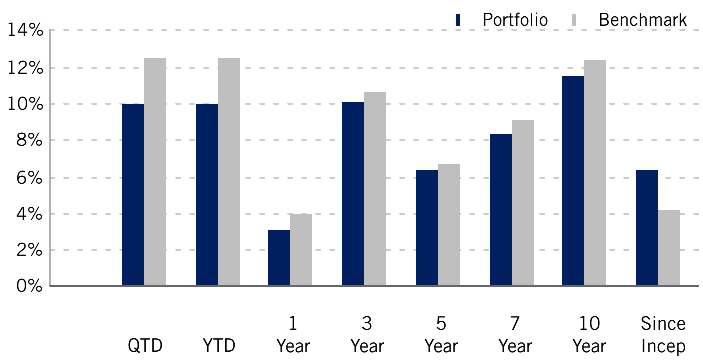
Benchmark: MSCI World

Currency: USD

Inception Date: 6/30/2000

Performance (%)

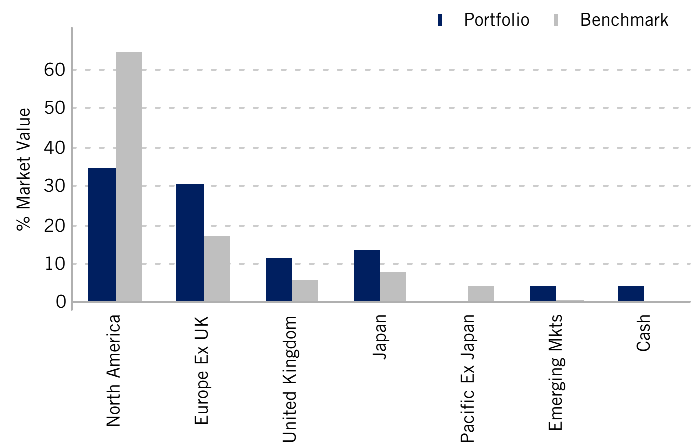
			Annualized					
	QTD	YTD	1 Year	3 Year	5 Year	7 Year	10 Year	Since Incep
Portfolio	10.0	10.0	3.1	10.1	6.4	8.3	11.5	6.4
Benchmark	12.5	12.5	4.0	10.7	6.8	9.2	12.4	4.2
Excess	(2.5)	(2.5)	(0.9)	(0.6)	(0.3)	(0.8)	(0.9)	2.1



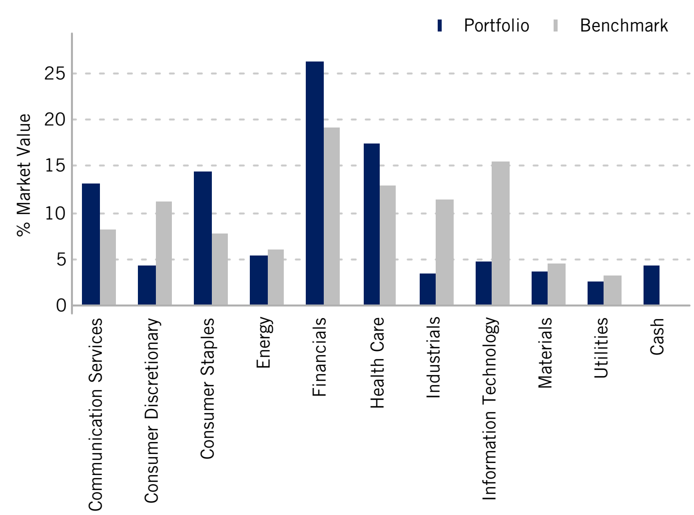
Top 10 Positions

Security	Sector	% Market Value
Chubb Ltd.	Financials	2.9
Comcast Corp.	Communication Services	2.9
Willis Towers Watson PLC	Financials	2.8
Sanofi	Health Care	2.7
GlaxoSmithKline plc	Health Care	2.6
Zurich Insurance Group AG	Financials	2.5
Astellas Pharma Inc.	Health Care	2.4
Heineken NV	Consumer Staples	2.3
PepsiCo Inc.	Consumer Staples	2.1
Aon plc	Financials	2.1
		25.3%

Region Weights



Sector Weights



Positions Initiated/Eliminated (1st Quarter 2019)

Initiated	Eliminated
Continental AG	Concordia Financial Ltd.
	ICICI Bank Ltd. ADR
	Shire plc

Characteristics

	Portfolio	Benchmark
Market Cap		
Weighted Average (USD M)	62,948	159,493
Median (USD M)	34,252	12,868
Portfolio Count	75	1,635
Dividend Yield	2.7%	2.4%
Price to Earnings	16.6x	17.9x
Price to Book	1.9x	2.4x

Performance is presented gross of management fees but net other fund expenses. Gross returns will be reduced by the investment advisory fee. The report reflects the fund's inception date and fund level performance. Individual client inception dates and since inception returns will vary. The portfolio may invest in countries, sectors and securities not included in the noted index. All investments involve risk of loss. Past performance is not indicative of future results. Due to rounding, numbers presented may not add up to the totals provided.

ALTRINSIC GLOBAL EQUITY COMPOSITE
FULL DISCLOSURE PRESENTATION

	Total Firm	Composite Assets			Annual Performance Results				Ex-Post Standard Deviation (3 Yr Annualized)	
Year to Date	Assets (millions)	USD (millions)	% of Firm Assets	Number of Accounts	Composite Gross	Composite Net	MSCI World (Net)	Composite Dispersion	Composite	MSCI World (Net)
Q1 2019	6,738	709	11%	6	10.02%	9.79%	12.48%	N.A.	9.22%	9.92%
2018	6,284	650	10%	6	-6.11%	-6.90%	-8.71%	N.A.[1]	9.66%	10.38%
2017	7,259	1,153	16%	7	16.71%	15.74%	22.40%	0.25%	9.92%	10.23%
2016	7,107	1,116	16%	8	11.91%	10.98%	7.51%	0.24%	10.82%	10.92%
2015	8,927	1,523	17%	13	-0.97%	-1.81%	-0.87%	0.16%	10.78%	10.80%
2014	11,656	2,295	20%	18	2.37%	1.51%	4.94%	0.19%	11.00%	10.23%
2013	14,261	3,069	22%	20	24.40%	23.37%	26.68%	0.29%	13.53%	13.54%
2012	12,586	3,128	25%	21	12.95%	12.00%	15.83%	0.32%	16.37%	16.74%
2011	10,683	2,361	22%	18	-5.49%	-6.29%	-5.54%	0.30%	18.85%	20.15%
2010	10,621	2,087	20%	12	13.55%	12.60%	11.76%	0.35%	22.52%	23.72%
2009	9,278	1,524	16%	10	29.80%	28.72%	29.99%	0.42%	20.24%	21.40%
2008	5,537	1,553	28%	13	-32.19%	-32.78%	-40.71%	0.27%	16.34%	17.02%
2007	7,582	2,437	32%	17	1.17%	0.31%	9.04%	0.30%	8.26%	8.10%
2006	5,574	1,918	34%	16	17.02%	16.04%	20.06%	0.08%	8.05%	7.64%
2005	2,563	321	13%	8	8.61%	7.70%	9.49%	N.A.[1]	10.82%	9.66%
2004	1,603	242	15%	Five or fewer	19.48%	18.60%	14.72%	N.A.[1]	14.29%	14.74%
2003	871	162	19%	Five or fewer	46.75%	45.69%	33.10%	N.A.[1]	15.80%	17.46%
2002	561	77	14%	Five or fewer	-12.51%	-13.17%	-19.88%	N.A.[1]	N.A.	N.A.
2001	491	135	28%	Five or fewer	-10.15%	-10.83%	-16.82%	N.A.[1]	N.A.	N.A.
2000*	520	175	34%	Five or fewer	-0.87%	-1.24%	-10.91%	N.A.[1]	N.A.	N.A.

N.A. - Information is not statistically meaningful due to an insufficient period of time.

N.A.[1] - Information is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year.

*Results shown for the year 2000 represent partial period performance from July 1, 2000 through December 31, 2000.

Altrinsic Global Equity Composite is a diversified (60 - 100 holdings), bottom-up, fundamental, value oriented, Global, all cap portfolio, benchmarked to the MSCI World (Net) Index (accounts have the ability to invest in 144A stocks). The MSCI World Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. Portfolios in the composite may invest in countries that are not in the MSCI World (Net) Index. Additional information is available upon request. The minimum account size for this composite is $5 million. Prior to January 1, 2004, the minimum account size for this composite was $10 million. Returns include the effect of foreign currency exchange rates. Prior to April 1, 2006 the exchange rate source of the composite was Bloomberg 4pm New York close and the exchange rate source of the benchmark was WM Reuters 4pm London close.

Altrinsic Global Advisors, LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS Standards. Altrinsic Global Advisors, LLC has been independently verified for the periods from December 8, 2000 through September 30, 2018.

Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. The Altrinsic Global Equity Composite has been examined for the periods beginning December 8, 2000 through September 30, 2018. The verification and performance examination reports are available upon request.

Altrinsic Global Advisors, LLC is a registered investment adviser. The firm maintains a complete list and description of composites, which is available upon request.

Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Beginning July 1, 2005, composite policy requires the temporary removal of any portfolio incurring a client initiated significant cash inflow or outflow of at least 40% of portfolio assets. The temporary removal of such an account occurs at the beginning of the month in which the significant cash flow occurs and the account re-enters the composite after the first full month under management if fully invested. Additional information regarding the treatment of significant cash flows is available upon request. Composite performance is presented net of foreign withholding taxes on dividends, interest income, and capital gains. Withholding taxes may vary according to the investor's domicile. Composite returns represent investors domiciled primarily in Australia, United States, and Canada. The MSCI World (Net) Index deducts withholding tax by applying the maximum rate of the company's country of incorporation applicable to non-resident institutional investors. The normal characteristics of the transactions in the Altrinsic Global Equity Composite include the purchase and sale of forward currency contracts using a foreign exchange credit line(s) secured by the underlying assets. Past performance is not indicative of future results.

The U.S. Dollar is the currency used to express performance. Returns are presented gross and net of management fees and include the reinvestment of all income. Gross returns will be reduced by investment advisory fees and other expenses that may be incurred in the management of the account. Net of fee performance was calculated using the highest applicable annual management fee of 0.85% applied monthly. Prior to January 1, 2005 the highest management fee applied was 0.75%. The annual composite dispersion is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

The investment management fee schedule is 0.85% on the first $25 million, 0.60% on the next $50 million, and 0.50% on the remainder. Some accounts may pay incentive fees. Actual investment advisory fees incurred by clients may vary.

The Altrinsic Global Equity Composite was created January 1, 2004. Performance presented prior to December 8, 2000 occurred while the Portfolio Manager was affiliated with a prior firm and the Portfolio Manager was the only individual responsible for selecting the securities to buy and sell.

Important Considerations and Assumptions

This presentation has been prepared solely for informational purposes and nothing in this material may be relied on in any manner as investment, legal, accounting or tax advice, or a representation that any investment or strategy is suitable or appropriate to your individual circumstances, or otherwise constitutes a personal recommendation to you.

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Past performance is not a guide to or otherwise indicative of future results. Any investment results and portfolio compositions are provided for illustrative purposes only and may not be indicative of the future investment results or portfolio composition of any account, investment or strategy managed by Altrinsic.

Disclosure of Risk Factors

An investment in any account, investment or strategy is speculative and involves a significant degree of risk, which each prospective investor must carefully consider. Returns generated from an investment in any account, investment or strategy may not adequately compensate investors for the business and financial risks assumed. An investor in any account, investment or strategy could lose all or a substantial amount of his or her investment. Before making an investment, prospective investors are advised to thoroughly and carefully review any disclosure documents with their financial, legal and tax advisors to determine whether and investment is suitable for them.

Additional Performance Disclosure – Use of Benchmarks

Benchmarks are provided for illustrative purposes only. Comparisons to benchmarks have limitations because benchmarks have volatility and other material characteristics that may differ from the accounts, investments or strategies managed by Altrinsic. Because of these differences, benchmarks should not be relied upon as an accurate measure of comparison.

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