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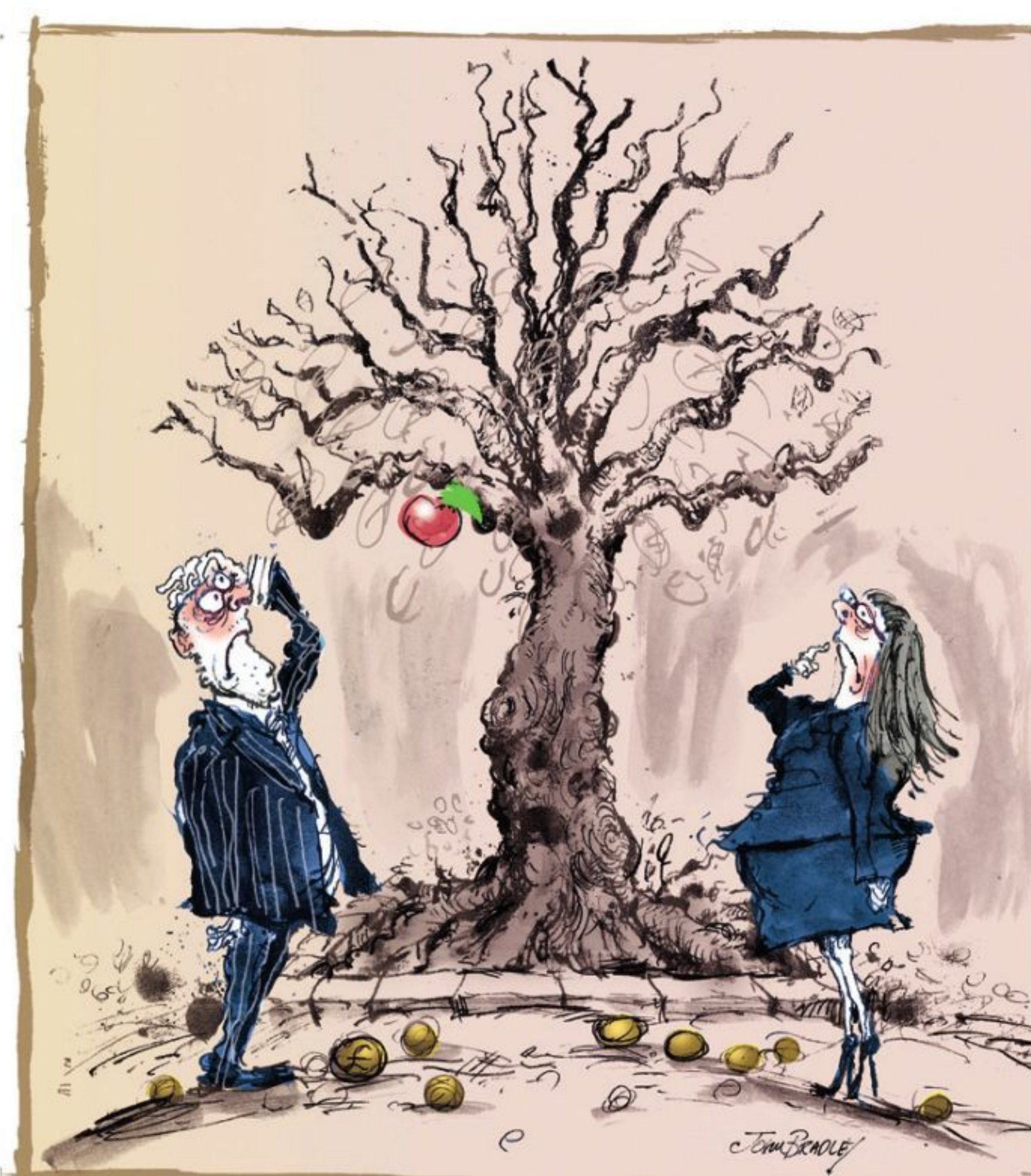


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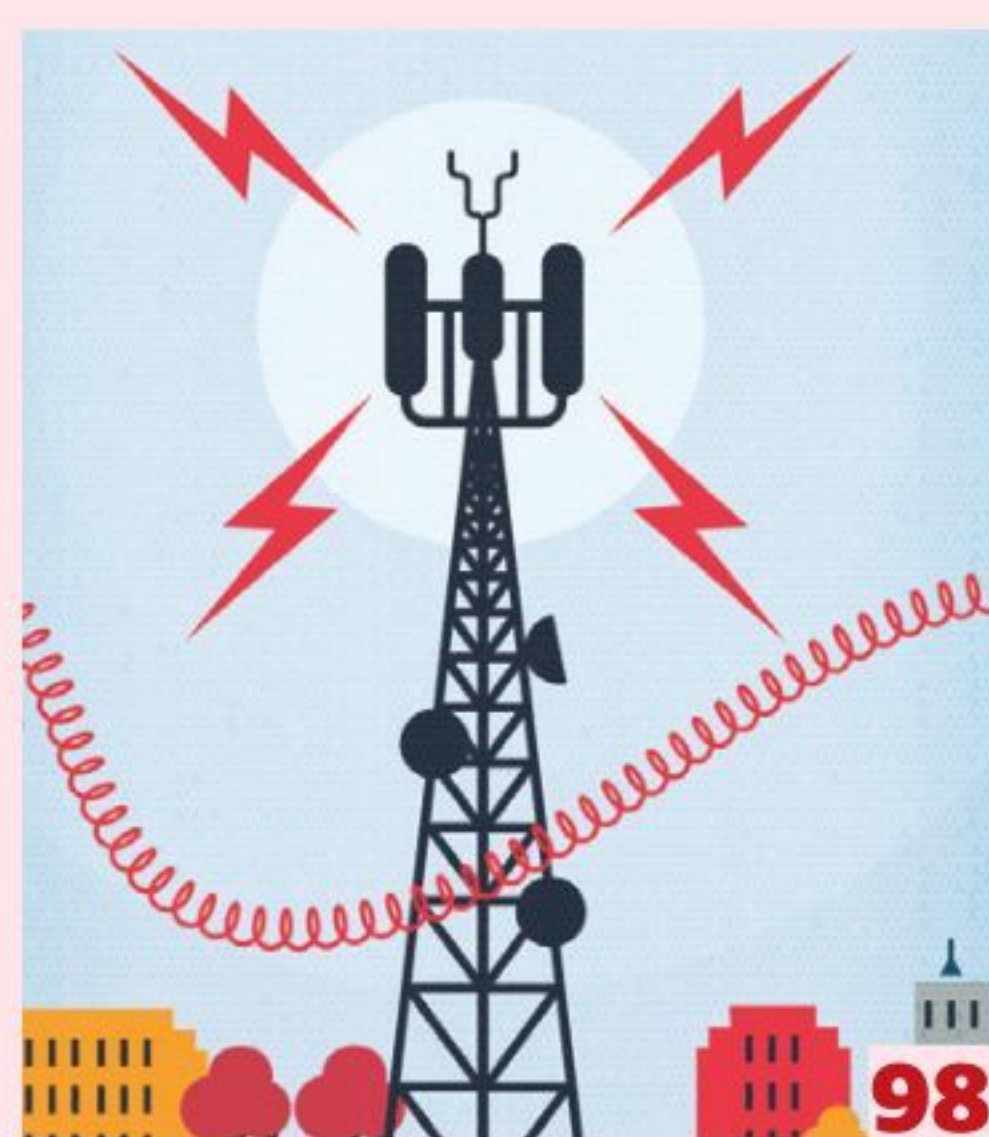
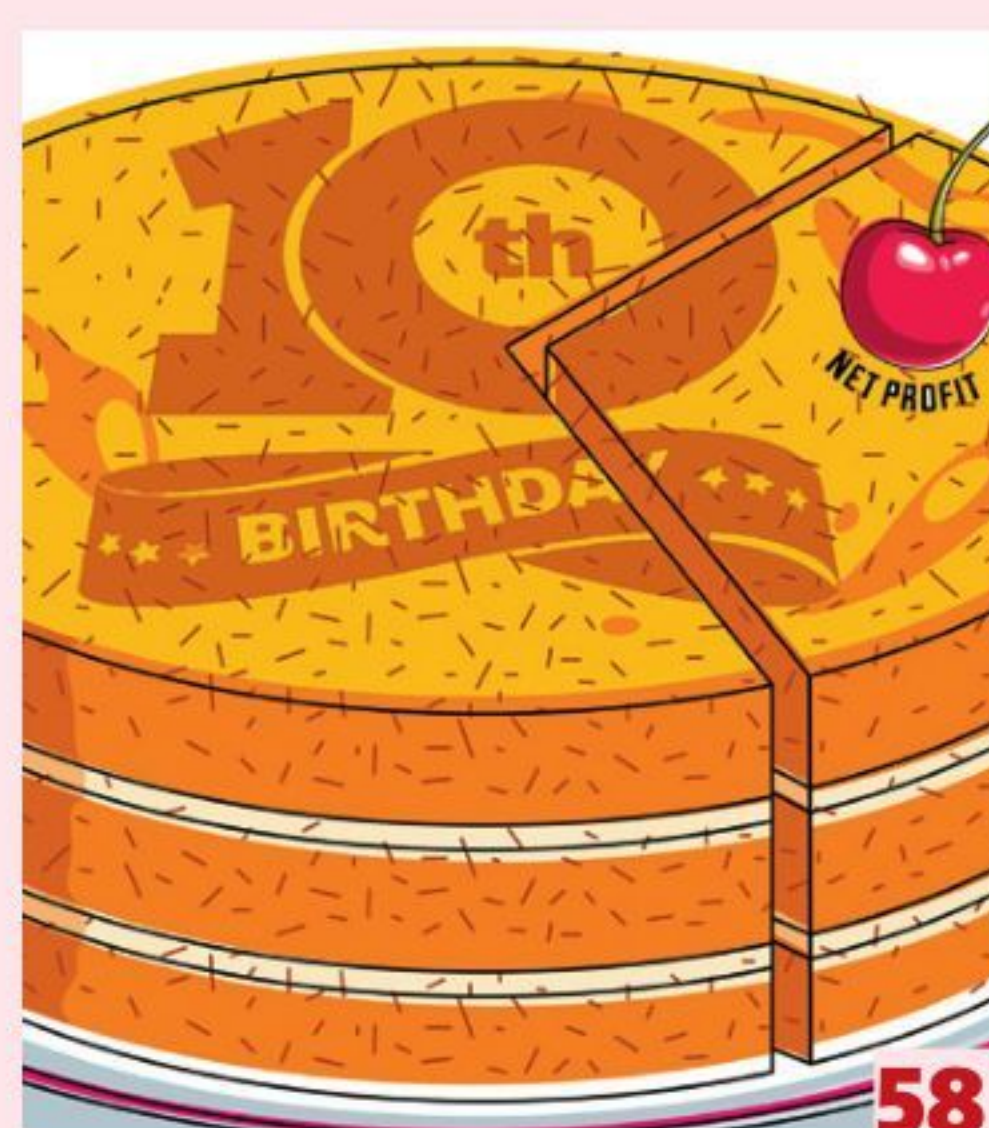
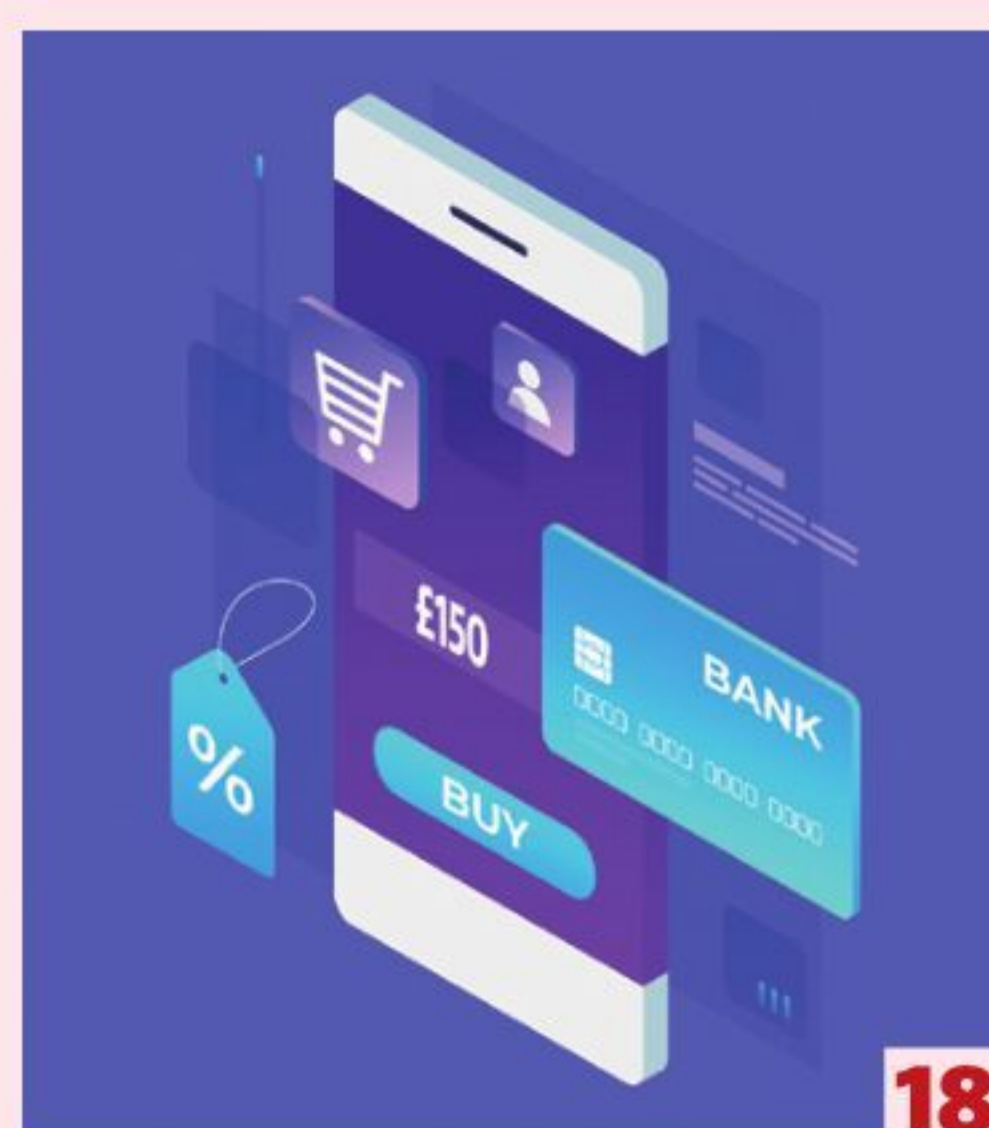
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IA Mixed Investment 40%–85% Shares Sector Median	6.8%	1.8%	16.5%	4.9%	3.7%

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# Editor's Comment

## Middle-aged spreads stand the test of time



**H**ow times change. It's hard to believe that 40 years ago, when *Money Observer* was first published, Margaret Thatcher had come to power months previously, Franco's era in Spain had ended only four years earlier and the UK had just three television channels. On average, men at state pension age lived for just five years (now it's more than 14) the average price of a home was just under £14,000 and a pint of milk cost 15p.

*The Money Observer*, as it was faithfully entitled, started life in October 1979 as a quarterly supplement published by *The Observer*. It sounds surprising these days, but the cover story for the inaugural edition was a round-up of building society interest rates; however, at that time the average savings account paid a meaty 17% interest, boosted by Thatcher's strategy of raising rates to combat 13% inflation.

### MOVING WITH THE TIMES

Four decades and three editors down the line, the magazine's focus has moved with the times to focus increasingly on unit and investment trusts, as these have gained traction and significance for a wider cross-section of investors over the years – but also on pension-related stories, as investors have been pushed steadily towards taking personal responsibility for their retirement income.

We could easily devote this 40th anniversary issue entirely to the investment trends and developments of the past 40 years. Indeed, we do take a stroll down memory lane with former editor Andrew Pitts' fascinating foray into the opportunities investors have had to make easy money over the period. But we focus mainly on practical matters: helping today's readers become more successful investors. Some of our 40 ways to become a better investor will be familiar to longstanding readers; others, we hope, will give even the longest-standing subscribers food for thought.

By coincidence, we have a triple celebration this month. On page 58 we mark the 10th birthday of our Share Sleuth portfolio of outstanding companies at cheap prices – and there is good cause to break open the champagne on that

front, as we celebrate a gain of 314% over the decade.

Even better, as we go to press, deputy editor Kyle Caldwell has just been chosen as the Association of Investment Companies' Consumer Journalist of the Year. The winner is chosen by investment trust industry experts, so we are delighted with the recognition for Kyle's work.

On another tack: what investments are good for the next 40 years? Anyone following today's political events will be all too well aware that it's rash to make predictions for the next few days, let alone coming decades. However, I think some investment trends and opportunities will persist, so I have selected four *Money Observer* Rated Funds to buy and

hold long-term. Of course, they are vulnerable to inevitable changes such as manager moves and market events, but they offer high-quality routes into macro trends.

Sustainability is one. Fund managers are realising that businesses that embrace good environmental, social and governance (ESG) principles tend to be more

robust than less ESG-focused peers. **Royal London** has a long record in the sustainability field and Mike Fox's **Sustainable World Trust**, a global multi-asset fund that holds 85% in shares, seems a sound core choice.

Small companies, as Kyle points out on page 26, tend to outperform over the long term, and I am opting for **Edinburgh Worldwide Investment Trust** as a globally focused option, not least because management group Baillie Gifford's whole philosophy is about the long view. This trust also ticks my technology requirement box, as it has a strong bias to biotechnology and software firms.

Climate change is not going away, and **Pictet Water** plays on that theme. It invests in a mix of traditional utility companies but also those looking to solve water-based problems globally. Finally, it's sensible to have an emerging market play; I like **JPMorgan Emerging Markets Investment Trust** for its focus on growing domestic consumption in these markets.

We hope you enjoy this special issue. **Faith Glasgow**

The author has holdings in Edinburgh Worldwide and Pictet Water





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## Think tank proposes tax hike on capital gains



Investors who hold money outside a tax-free Isa wrapper should be taxed at a higher rate, an influential think tank has proposed. According to a report from the Institute for Public Policy Research (IPPR) entitled 'Just Tax: reforming the taxation of income from wealth and work', capital gains tax (CGT) rates should be raised to match income tax levels. The think tank argues that this is necessary to address inequality.

CGT is charged on profits from the sale of assets such as shares, funds, second homes and buy-to-let properties, business premises, and paintings and antiques worth more than £6,000. The rate depends on an asset owner's income and the type of asset being sold. Basic-rate income taxpayers pay lower CGT rates of 10% on gains from most assets and 18% on residential property, while higher-rate taxpayers pay 20% and 28% respectively. There is an individual annual tax-free allowance of £12,000. In contrast, income is taxed at either 20%, 40% or 45%.

This discrepancy, the IPPR argues, is unfair. According to director Tom Kibasi: "It is fundamentally wrong that people who get their income from betting on stocks and shares or playing the property market pay less tax than those who go out to work."

### RADICAL REALIGNMENT

The think tank estimates that by aligning the rate at which capital gains are taxed with the rate at which income is taxed, the government will secure a tax windfall of £120 billion – dropping to £90 billion because of the behavioural consequences of higher taxes. The IPPR has also called for the individual annual exemption to be slashed to £1,000.

The proposals come following reports that the Labour Party is considering the prospect of abolishing the current CGT exemption for people's main homes, an idea first floated in a report commissioned by the party.

The proposed shake-up to CGT has come under heavy criticism, however. It has been pointed out that it will lead to double taxation. Adrian Lowcock, head of personal investing at Willis Owen, says: "This tax is a second tax investors would face, having already seen their income taxed before they used it to invest, so raising CGT would be unfair on investors."

However, he acknowledges that an increase in CGT is unlikely to

affect many investors, given the current bumper Isa allowance. He says: "With the Isa allowance having risen so much over the past decade, most investors should be able to avoid CGT and look to use their allowances to the maximum now to avoid any future changes in the tax."

Similarly, Moira O'Neill, head of personal finance at interactive investor, Money Observer's parent company, says the proposal should simply serve to remind investors "to max-out their annual Isa limit of £20,000 before considering a general investment account".

Most at risk, Lowcock argues, are "investors who have benefited from the property boom and who were unable to lock their investments inside tax-efficient wrappers".

### POLITICAL UNDERCURRENTS

Jason Hollands, managing director at Tilney, is more concerned.

He argues that the CGT proposal is one of many "toxic ideas" being thought up by think tanks as political parties start to write their manifestos ahead of the next general election.

He says: "Hiking capital gains tax, alongside other [Labour Party] proposals to raise corporation tax and appropriate up to 10% of the equity of all businesses with more than 250 employees, would be very damaging for the UK's competitiveness and a major disincentive to establishing a business here, and also hinder long-term investment."

Hollands agrees that the proposal underlines the importance of tax wrappers such as Isas. However, he warns that these cannot be taken for granted. He fears that an increase in CGT may be accompanied by changes to Isa and pension allowances.

He says: "Labour's views on Isas and private pensions are unknown. The party has been eerily silent about these. But given the direction of travel in the current hard-left Labour leadership's thinking, a move to cap or reduce the amount that can be tucked away in Isas cannot be ruled out, and the removal of higher-rate tax relief on pensions looks a very obvious target for Labour given that even George Osborne came close to overhauling these reliefs."

When asked for clarification on whether Isas and Sippis should also be targeted in any CGT shake-up, the IPPR said this was not something it had looked at yet. **Tom Bailey**

**"Hiking capital gains tax would damage the UK's competitiveness"**

JASON HOLLANDS





# Bulletin

➔ **Fund management boutiques Premier and Miton have reached an agreement to join forces**, subject to shareholder, regulatory and court approval. If given the green light, the merger will result in a combined asset management business of £11.5 billion. The firm will be renamed Premier Miton Group and will continue to be listed on the Alternative Investment Market.

➔ **Rathbone has opened up the Rathbone High Quality Bond fund to retail investors.** It was previously only available to certain institutional investors when it launched last November. Managed by Noelle Cazalis, the fund will invest at least 80% of its assets in bonds rated A- or above.

➔ **Money Observer's parent company interactive investor has grouped socially responsible and environmental funds together into its 'ethical investments long list'.** The list contains over 140 socially responsible and environmental funds, investment trusts and ETFs available on the platform. Funds are broken down into three categories based on their investment styles: Avoids, Considers and Embraces (ACE).

➔ **The Allianz US Micro Cap Equity fund has been launched.** As the name suggests, it will invest in the smallest publicly traded US shares, targeting companies undergoing "positive fundamental change".

➔ **Invesco has launched five government bond ETFs, with ongoing charges of 0.1%:** Invesco Euro Government Bond 1-3 Year UCITS ETF; the Invesco Euro Government Bond 3-5 Year UCITS ETF; the Invesco Euro Government Bond 5-7 Year UCITS ETF; the Invesco Euro Government Bond 7-10 Year UCITS ETF; and the Invesco Euro Government Bond UCITS ETF.

## Model portfolio update

All but one of our 12 portfolios achieved a positive return over the month to 12 September, though none matched the 4.6% gains of the FTSE World index or the FTSE All-Share's 2.8% uplift.

### LEADER

Kilo, the balanced income, higher-risk model, returned 2.3%, helped by a cracking 5.7% return from Schroder Income and 4.7% from Murray International.



### LAGGARD

Marginally trailing the pack with a modest loss of 0.2% was the short-term growth, medium-risk portfolio Alpha, which last month led the way. It was held back by exposure to Fundsmith Equity (down 1.9%) in particular, and also Jupiter Strategic Bond.



# Fund managers fear recession is looming

**F**und managers are becoming more cautious on the outlook for global equities, amid concerns over the growing macroeconomic risks on the horizon.

According to the latest monthly Global Fund Manager Survey by Bank of America Merrill Lynch, just over one in three fund managers (34%) believes a recession is "likely" in the next 12 months. This figure represents the highest proportion predicting an imminent recession since October 2011.

Moreover, a third of those investors said they had taken out protection against a sharp fall in equity markets in the next three months. While 51% said they had not, it was still the highest net score since the survey began asking the question in 2008.

Elsewhere, the world's biggest wealth manager UBS has also sounded a note of caution. It has reduced its exposure to



shares to an underweight position, citing "the uncertain political environment", as a key reason for doing so. The ongoing US/China trade war "risks undermining global growth and equity markets", the wealth manager notes. It further adds that in the near term investors should brace for more volatility.

The wealth manager, however, is not totally bearish, commenting that the money it manages for clients is in a "risk-neutral" position and cautioning against investors adopting "large equity underweights as if they were preparing for a typical recession or the next great financial crisis".

Indeed, Mark Haefele, UBS' chief investment officer, notes: "We still believe the US can avoid a recession in 2020, helped by additional Federal Reserve easing and strong consumer spending."

**Tom Bailey**

# Kevin McCloud's bond investors face wipe-out



Investors in TV property presenter Kevin McCloud's eco-friendly housing company stand to lose nearly all of their money.

The long-time presenter of Channel 4's Grand Designs TV show raised money from investors between 2013 and 2017 to fund his company, HAB (Happiness Architecture Beauty). In 2013 he raised

£1.9 million through equity crowdfunding, with promises of a future dividend of 5% from the end of 2016. Separately in 2017, McCloud's firm issued a mini-bond offering a gross return of 8% a year over a five-year period, raising around £2.4 million.

Investors in both the equity crowdfunding scheme and the mini-bond are now expected to take large losses due to the company running into significant trouble. Losses for investors are expected to be between 74% and 97% of the principal amount invested.

The episode is the latest in a growing trend for companies to raise money through the issue of mini-bonds and retail bonds, and for small savers to show willingness to buy into such risky ventures due to the seemingly generous returns offered. **Tom Bailey**



**1979 THE ENERGY CRISIS: IRANIAN REVOLUTION'S IMPACT ON OIL SUPPLY MEANT PRICES DOUBLED IN A YEAR**



### A MONTH IN THE MARKETS

CURRENCIES				MAJOR INDICES AS AT MID-SEPTEMBER				
Sterling v	Close	Monthly change* (%)	Year ago**	Market	Close	Monthly change (%)	52-week high	52-week low
Euro	1.12	2.75	1.12	FTSE 100	7,321	1.84	7,727	6,536
Dollar	1.24	2.48	1.31	FTSE 250	20,060	5.04	20,648	17,054
Yen	134.4	3.94	147.2	FTSE All-Share	4,028	2.34	4,205	3,573
Canada \$	1.64	1.86	1.71	S&P 500	3,007	4.12	3,027	2,346
SwissFr	1.23	3.36	1.26	Dow Jones Ind Average	27,219	5.15	27,398	21,712
COMMODITIES				Nasdaq Composite	8,176	3.56	8,339	6,190
	Close (\$)	Monthly change* (%)	Year ago**	Japan Nikkei 225	21,988	6.93	24,448	18,948
Oil (Brent)	69.02	15.53	78.05	Hong Kong Hang Seng	27,124	3.17	30,280	24,540
Gold (oz)	1,498	0.2	1,205	Shanghai SSE Composite	3,030	5.1	3,288	2,440
Platinum (oz)	937	10.11	800	India BSE Sensex	37,123	-0.75	40,312	33,291
Copper (tonne)	5,876	2.94	5,859	France CAC-40	5,602	4.3	5,672	4,555
Silver (oz)	18.03	6.43	14	Germany DAX	12,380	5.68	12,656	10,279
				FTSE Eurofirst 300	1,529	3.94	1,601	1,336

**Notes:** Data as at 16 September close. Asian markets 17 September close. \*Change since September 2019 issue. \*\*Values in October 2018 issue. **Source:** Market index and currency numbers from Yahoo finance and Bloomberg; commodities from Bloomberg

# Terry Smith vows never to invest in unlisted firms

**T**erry Smith has ruled out ever investing in unlisted companies in Fundsmith Equity, his flagship open-ended fund.

In the fund's half-yearly report to investors, released in late August, Smith notes that fund liquidity is firmly in the spotlight, following the decision by the UK's best-known fund manager Neil Woodford to block investors from withdrawing money from his main fund, LF Woodford Equity Income.

Smith points out in the report that the fund has published a liquidity measure on its monthly factsheet since January 2012, adding: "We have always regarded this as an important subject." He adds that Fundsmith Equity "never invests, nor will it ever invest, in unquoted companies. Nor does it own any small or mid cap companies."

He says: "The smallest companies from a market value perspective that the Fundsmith Equity Fund invests in are all members of the FTSE 100 index and the average market capitalisation of our portfolio companies at the end of June was £116.3 billion."

The fund's factsheet at the end of June shows that nearly two-thirds (61%) of Fundsmith Equity

could be liquidated within seven days.

The latest news on the high-profile fund suspension is that LF Woodford Equity Income will remain closed until early December.

Following the fund's suspension, the Bank of England said it is considering new rules to help open-ended investment funds cope with waves of redemptions. In its Financial Stability Report, it said it would work with the Financial Conduct Authority to look at the risks associated with the liquidity mismatch for open-ended funds that invest in illiquid assets

Separately, the Investment Association (IA) is considering introducing a new type of open-ended fund structure, which will be called a long-term asset fund.

The basic principle is that this type of fund will facilitate investments in illiquid assets, such as property, infrastructure, private equity and private debt. To provide a better structure for these investments, the funds will be able to receive new money to invest, but investors will not be able to sell their holdings on a daily basis. However, the IA has indicated that long-term asset funds will not be directly available to self-directed investors.



**TERRY SMITH**

Kyle Caldwell

### GOOD MONTH



#### RIO TINTO

The global mining group leapfrogged Swiss food and drinks conglomerate Nestlé in the second quarter to become the world's top dividend-paying company.



#### GILT FUNDS

Falling government bond yields are bad news for annuity purchasers, but bolstered funds that invest in UK index-linked gilts and UK gilts, which on average returned 5.8% and 3.9% respectively in August.



#### CARBON PRICES

Gold is back in the headlines, but the best-performing commodity over the past two years has in fact been carbon. Carbon futures posted a 375% cumulative gain between July 2017 and July 2019, according to WisdomTree.

### BAD MONTH



#### MARKS & SPENCER

The food and fashion retailer has been relegated from the FTSE 100 index in its latest quarterly reshuffle, for the first time since the index was launched in 1984.



#### BRITISH AIRWAYS

Thousands of British Airways customers were affected by a 48-hour strike, which resulted in widespread inconvenience for passengers with more than 1,500 flights being cancelled. At the time of going to press, more strikes are planned for the end of September.



#### HELP TO SAVE SCHEME

At launch last year the government said up to 3.5 million people could benefit from the savings scheme, designed for young people on low incomes. However, only 132,000 accounts have been opened so far.

## ETF Watch



### BEHIND THE SCENES, CLOUD

**COMPUTING** is a vital part of the infrastructure of most companies. Investors now have a new way to play this trend, with the **WisdomTree Cloud Computing UCITS ETF (WCLD)** recently listing on the London Stock Exchange. The ETF will track the **BVP Nasdaq Emerging Cloud Index (EMCLOUD)**, which in turn tracks companies listed on the US's largest exchanges. To be included in the index, companies must derive most of their revenue from cloud computing, have grown annual revenue by at least 15% for each of the last two fiscal years, and have a minimum market capitalisation of \$500 million (£402 million) and a minimum three-month average daily dollar trading volume of \$5 million. The total expense ratio is 0.4%.



**1980 INFLATION: IN THE UK INFLATION PEAKED AT 22% ON THE BACK OF RISING WAGES AND THE OIL CRISIS**



# UK expat state pensions at risk from no-deal Brexit

**B**ritish retirees living in the EU could lose their annual pension increases in the event of a no-deal Brexit. The government says it will only guarantee state pension increases for pensioners living in Europe until March 2023 in the event of the UK leaving the EU without a deal, a move pension experts describe as “deeply worrying”.

Under the present system, based on the state pension triple lock, basic and new state pensions will be uprated by either 2.5%, average wage growth or



prices growth as measured by the consumer price index – whichever of the three is highest.

The government’s decision could pave the way for automatic pension increases for pensioners living in EU countries to be discontinued. About 240,000 British pensioners living in EU countries could be affected, according to figures from the Office for National Statistics.

With retirement for many pensioners potentially lasting for between 20 and 30 years, the lack of inflation protection could significantly erode their standard of living, Royal London warns.

Steve Webb, director of policy at Royal London and a former pensions minister, underlines the point. He says: “If the UK leaves the EU on bad terms with the rest of the Europe, there is no guarantee that a new uprating arrangement will be reached, and today’s statement offers no assurance to pensioners that annual increases will continue.”

**Stephen Little**



# Bank of Mum and Dad close to breaking point

**T**he generosity of the Bank of Mum and Dad could leave millions of pensioners facing poverty when they retire, research suggests.

The UK’s over-55s, who are gifting savings – and even pensions – to help younger family members onto the housing ladder, face an uncertain retirement, according to Legal & General. It says that the average Bank of Mum and Dad contribution has risen by more than £6,000 to £24,100 in the past year – making the ‘bank’ the equivalent of a top 10 mortgage lender. While more than half of those surveyed used money from cash savings to help offspring, others are using pension freedom rules introduced in 2015 to drawdown and pass on their wealth.

The research found that one in 10

over-55s is cashing in a lump sum from their pension savings to help their children or grandchildren buy a home. Meanwhile, 13% are using pension drawdown or annuity income.

The research, which questioned more than 1,600 people aged over 55, revealed that “digging ever deeper” into their retirement savings is leading some older people into a more uncertain retirement. More than a quarter (26%) of Bank of Mum and Dad lenders say they are not confident that they have enough money to last their retirement after helping loved ones, and 15% have had to accept a lower standard of living. A small number (6%) are even postponing retirement.

Equity release – unlocking the value of a home by borrowing against the property – was the third most popular source of funds for helping family members get a foot on the property ladder.

Chris Knight, chief executive at Legal & General Retail Retirement, says: “The generosity of parents and grandparents is inspiring, but many are making big financial decisions without adequate planning or professional advice.

“Retirement is much longer and much more varied than it used to be. Gone are the days of ‘once and done’ retirement decisions. Informed choices in the run-up to and start of the retirement journey can make a huge difference when it comes to funding the retirement people really want.”

**Stephen Little**

## ANNUITY WATCH



**Annuity rates have fallen to record low levels on the back of a sharp fall in yields from the government bonds that annuities invest in. A healthy 65-year-old can now buy an annual income of £4,654 using a £100,000 pension. This is £759 less than at the beginning of the year – a fall of 14%.**

### ANNUITY RATES ON THE DECLINE

Age	60	65	70	75
Income Jan 2019	£4,776	£5,413	£6,099	£7,055
Income now	£4,051	£4,654	£5,443	£6,419
Change (£)	-£725	-£759	-£656	-£636
Change (%)	-15%	-14%	-11%	-9%

Source: Hargreaves Lansdown, as at 4 September 2019



**1981 PRIVATISATIONS: BRITISH AEROSPACE, JAGUAR, ROLLS-ROYCE, BRITISH GAS, BT AND 40 OTHER FIRMS PRIVATISED**



# Aim share dividend payments on the rise

**S**hares listed on the junior Aim market are set to return a record amount of cash to shareholders this year in the form of dividend payments, new research reveals.

According to the latest annual Aim Dividend Monitor from Link Group, dividends from Aim shares jumped by 23.9% on a 'headline basis' (including special dividends) in the first six months of 2019. After stripping out special dividends, the

August 2013 Aim shares have been eligible for inclusion in tax-free Isas. Another key attraction of Aim-listed shares is that most tick the inheritance tax (IHT) exemption box. These stocks have therefore won an army of new investors focused on estate planning, via IHT investment planning services operated by wealth managers and fund managers.

As a result, certain Aim firms – typically the biggest constituents in the index, which are generally the most liquid to trade – have become more dividend-friendly to cater for this new investor crowd.

Companies among the top 10 dividend payers in the index in 2017 and 2018 include Redde, James Halstead, Polar Capital and Abcam.

Link Group expects 35% of Aim companies to pay a dividend in 2019, up from 26%



underlying dividend growth was 13.9% higher than it was in the first half of 2018.

On a headline basis, the amount handed back to shareholders was £633 million, putting Aim dividends on track to break 2018's record of just under £1.2 billion. Link Group has forecast that Aim dividends for 2019 will come in at just over £1.3 billion.

Overall, since 2012 Aim dividends have tripled, while dividend growth in the main market was 45%. The big driver behind this has been the fact that since

in 2012. But bear in mind that yields are notably lower than those from the main market, owing to Aim companies having relatively low free cash flow while they are in their growth phase. Over the next 12 months, Link Group expects the Aim market collectively to yield 1.5%, whereas FTSE 100 firms are set to yield 4.4%.

Note too that the Aim market is notoriously high-risk and volatile, as the index houses numerous highly speculative firms, many of which fail.

**Tom Bailey**

# Dividend danger zone



**C**ard Factory has been able to reward investors with special dividends for two years in a row, congruent with its policy of handing over any extra cash it accumulates to shareholders.

In December 2017 the firm handed shareholders a special dividend of 15p a share. In the following year, the special dividend paid was slightly lower, at 5p a share. This year a special dividend is also expected to be paid out, in December 2019. In April it was announced that the payment will match last year's 5p a share.

However, Simon McGarry, at Canaccord Genuity, worries that this may not happen. He says: "Given the challenging backdrop, this may be scrapped."

The card retailing industry faces a number of structural headwinds. Primarily, companies face a decline in UK card sales volumes as people opt for other forms of greetings. McGarry points out that card volumes have been negative for several Christmases.

These problems are nothing new. However, McGarry says: "While Card Factory has performed well in a difficult market, there is no way to escape the structural headwinds." What's more, the company faces a Brexit headwind, chiefly in the form of a rise in storage costs. The firm is currently on a yield of 9.3%. It has dividend cover of 1.2 times.

**Tom Bailey**

# Watch out for 'Greatest Hits' podcasts

**A**s part of *Money Observer's* 40 year celebrations, we plan to run a special podcast series called 'Greatest Hits' in which we will ask guests to look back at major financial and investment events. Each of the four podcasts will focus on a different decade from 1979 onwards, and we will be quizzing fund managers who were

in the business then on their investment experiences from that time, insights and lessons learnt. The podcasts will be introduced by editor Faith Glasgow and deputy editor Kyle Caldwell. Fund managers signed up are Rosemary Banyard, John Husselbee, Gervais Williams and Ben Lofthouse. The podcasts will be available on our



website, moneyobserver.com, from October onwards, and will feature in our newsletters.

Also keep an eye out for a promotional video, currently in the works, that will appear in late September, feature on our website and be showcased in one of thrice-weekly newsletters. Find it on our youtube channel by typing Money Observer into the search bar.



**1982 FALKLANDS WAR: THE WAR IS WIDELY SEEN AS HAVING AS HELPED MARGARET THATCHER WIN THE 1983 ELECTION**



# Raft of NS&I rate cuts announced

**N**early 1.5 million savers could miss out on interest after National Savings & Investments (NS&I) announced a 0.25 percentage point cut to rates on some of its accounts. Rates have been cut on new Guaranteed Growth Bonds and Guaranteed Income Bonds, as well as on Fixed Interest Savings Certificates. Existing bondholders will be offered the new lower rates at renewal.

In addition, the savings bank has withdrawn its one-year and three-year Fixed-Rate Bonds from sale. It now offers no fixed-rate accounts for new savers looking for the security of knowing how much they will earn on their savings.

NS&I's Guaranteed Growth Bonds and



Guaranteed Income Bonds are the bank's second-most popular investments after Premium Bonds. Some 776,000 savers have £20 billion in them. A further 680,000 have more than £3 billion in Fixed Interest Savings Certificates.

NS&I blames its latest cuts on falling rates elsewhere. The one-year Guaranteed Growth Bond rate falls to 1.25% and the three-year version to 1.7%. The equivalent Guaranteed Income Bonds drop to 1.2% and 1.65%. For those looking to renew bonds, NS&I offers a two-year Guaranteed Growth Bond with a rate of 1.45% and a five-year version at 2%. The income versions pay 1.4% and 1.95% respectively. Fixed Interest Savings Certificate rates are down, at 1.3% for two years and 1.9% for five years.

NS&I's retail director, Jill Walters, says: "It is important that NS&I balances the needs of our savers with those of taxpayers and the [requirement for] stability in the broader financial services sector."

**Sylvia Morris**



# Savers suffering as rates are cut back

**S**avers are suffering a swathe of cuts as banks and building societies take the shears to their rates. They are tumbling on both easy access accounts and bonds.

The falls followed National Savings & Investments' move to withdraw its fixed-rate bonds from sale and cut the rates on offer to existing savers looking to renew their bonds at maturity. Just hours after the state-owned savings bank announced its move, the top easy access rate from **Marcus by Goldman Sachs** fell from 1.5% to 1.45% for new customers. That triggered rate cuts in other easy access accounts for new savers.

When a popular account cuts its rates, this creates a domino effect. Other providers find themselves floating near the top of the best-buy tables, savers flood in and providers then lower their rates too, for fear of attracting too much money.

Rachel Springall, a finance expert at Moneyfacts, says: "Savers will be disappointed and frustrated to see the savings market weakening. We have seen some of the best rates either slashed or pulled from the market."

Other rate cuts for new savers have been dished out by **Virgin Money** on its **Double Take e-Saver**, down from 1.5% to 1.43%, **Cynergy Bank** on its **Easy Access Account**, down from 1.5% to 1.45% and **Shawbrook Bank** on its **Easy Access Account**, down from 1.48% to 1.41%. **Ford Money** has removed its **Flexible Saver** from

the market altogether.

Fixed-rate bonds are also down. The top one-year bond is well below the 2%-plus rate on offer at the start of the year. Rates are hovering around 1.85% at best and could fall further.

You earn very little extra, if anything, when you tie your money up for two or three years. Rates on longer-term bonds have been hit hard, because markets now expect interest rates in general to fall rather than rise, and also because

of fierce competition in the mortgage market. Providers are looking to raise money through short-term bonds.

Kevin Mountford, chief executive at savings platform Raisin, which offers fixed-rate bonds, says: "I don't see why anyone would go for any term greater than one year. The difference between one-year and longer-term bonds has narrowed, so there is a disincentive

for people to lock their money away."

Where you earn a higher rate on a longer-term bond, the margin can be minuscule: as little as £1 extra interest a year on each £10,000 invested.

**Atom Bank**, which has often placed itself among the top payers, offers 1.8% for one year, 1.81% for two years and 1.83% for either three or five years. **Skipton Building Society** pays a flat 1.3% rate for one, two, three and five years.

**Sylvia Morris**

### STAR BUYS

- ★ **Charter Savings Bank Easy Access Cash Isa: 1.44%, minimum £5,000, no bonus, transfers accepted**
- ★ **Shawbrook Bank Easy Access: 1.41%, minimum £1,000**

**i** To receive a weekly round-up of the best savings rates, sign up to our free newsletter: [moneyobserver.com/newsletter](http://moneyobserver.com/newsletter)



**1983 BUDGET: CHANCELLOR GEOFFREY HOWE RAISED PERSONAL ALLOWANCES BY 14% TO £1,785**



# BEST BUYS FOR SAVERS IN CASH ISAS, TAXABLE AND MONTHLY INCOME ACCOUNTS

Provider	Account	Min-imum	Rate %	Compen-sation**	Contact
<b>CASH ISA RATES</b>					
<b>EASY ACCESS CASH ISA RATES</b>					
Charter Savings Bank	Easy Access Cash Isa 12	£5,000	1.44	own	chartersavingsbank.co.uk
Virgin Money (Int) (F) (3)	Double Take E Isa 10	£1	1.43	own	virginmoney.com
Sainsbury's Bank (T/Int)	Cash Isa	£500	1.41	own	0500 405 060
Family BS (B/P/Int)	Market Tracker Cash Isa 2	£500	1.30	shared	0333 014 0141
Leeds BS (B) (3)	Double Access Isa	£5,000	1.30	own	0345 050 5075
Ford Money (Int) (F)	Flexibile Cash Isa	£1	1.27	own	fordmoney.co.uk
Paragon Bank (Int) (F)	Easy Access Cash Isa	£1	1.25	own	paragonbank.co.uk
Shawbrook Bank (Int)	Easy Access Cash Isa 7	£1,000	1.25	own	shawbrook.co.uk
Market Harbourough BS (1) (B/Int)	Flexibile Cash Isa	£100	1.25	own	01858 412250
AA Savings (Int) (2)	Isa Member Easy Access 12	£100	1.21	shared	theaa.com
<b>EASY ACCESS CASH ISAS WITH BONUS*</b>					
Coventry BS (B/P/Int) (F) (3)	Limited Access Isa	£1	1.44	own	0800 121 8899
Yorkshire BS (Int)(F) (3)	One Year Ltd Accss Isa Svr	£100	1.40	own	ybs.co.uk
<b>FIXED-RATE CASH ISAS</b>					
Cynergy Bank	one year	£500	1.63	own	cynergybank.co.uk
Metro Bank	one year	£1	1.55	own	0345 080 8500
Ford Money	one year	£500	1.55	own	fordmoney.co.uk
Paragon Bank	one year	£500	1.50	own	paragonbank.co.uk
Coventry BS	to 30 November 2020	£1	1.50	own	0800 121 8899
Tipton & Coseley BS	one year	£1,000	1.50	own	0121 557 2551
Dudley BS	one year	£100	1.50	own	01384 231 414
Ford Money	two years	£500	1.75	own	fordmoney.co.uk
Metro Bank	two years	£1	1.75	own	0345 08 08 500
Tipton & Coseley BS	two years	£1,000	1.65	own	0121 557 2551
Cynergy Bank	two years	£500	1.63	own	cynergybank.co.uk
Metro Bank	three years	£1	1.85	own	0345 080 8500
Coventry BS	to 30 November 2022	£1	1.75	own	0800 121 8899
Newcastle BS	to 4 November 2022	£500	1.71	own	0345 734 4345

Notes: (1) You cannot transfer your other cash Isas into this account. (2) For AA members only. (3) Limited withdrawals allowed.

## TAXABLE ACCOUNTS – ANNUAL RATES

### EASY ACCESS INTERNET ACCOUNTS (BEFORE TAX)

Provider	Account	Min-imum	Rate %	Compen-sation**	Contact
Virgin Money (1)	Double Take E Saver 11	£1	1.43	own	virginmoney.com
Investec Bank	Easy Saver	£10,000	1.40	own	investec.com
RCI Bank	Freedom Savings	£100	1.35	own	rcibank.co.uk
Charter Savings Bank	Easy Access 14	£5,000	1.35	own	chartersavingsbank.co.uk
Kent Reliance	Easy Access 34	£1,000	1.30	own	kentreliaance.co.uk
Principality BS	Web Saver	£1	1.30	own	principality.co.uk
Saffron BS	E-Saver 16	£10	1.30	own	saffronbs.co.uk
Sainsbury's Bank (1)	Defined Access Saver 15	£1,000	1.29	own	sainsburysbank.co.uk

### EASY ACCESS INTERNET ACCOUNTS – WITH BONUS\*

Marcus by Goldman Sachs	Online Savings	£1	1.45	own	marcus.co.uk
Cynergy Bank	Easy Access 25	£1	1.45	own	cynergybank.co.uk

Notes: (1) Limited withdrawals allowed.

### EASY ACCESS TELEPHONE AND POSTAL ACCOUNTS

Provider	Account	Min-imum	Rate %	Compen-sation**	Contact
Co-op Bank (1)	Britannia Sct Accss Svr 10	£500	1.40	shared	0800 132 304
Kent Reliance	Easy Access 34	£1,000	1.30	own	0345 122 0022
Sainsbury's Bank (1)	Defined Access Saver 15	£1,000	1.29	own	sainsburysbank.co.uk
Family BS	Market Tracker Saver	£500	1.29	shared	0333 014 0141
Newcastle BS	Community Saver 9	£1	1.16	own	0345 734 4345
Virgin Money	Easy Access Saver 32	£1	1.16	own	0345 600 4466

Notes: (1) Limited withdrawals allowed.

### EASY ACCESS BRANCH-BASED ACCOUNTS

Newbury BS (2) (L)	Welcome to Newbury	£50	1.50	own	via branch
Co-op Bank (1)	Britannia Sct Accss Svr 10	£500	1.40	shared	0800 132 304
Kent Reliance	Easy Access 34	£1,000	1.30	own	0345 122 0022
Family Building Society	Branch Saver 2	£1	1.21	shared	0333 014 0141
Cambridge BS(1)	Your Saver	£100	1.20	own	0345 601 3344
Virgin Money	Easy Access Saver 32	£1	1.16	own	0345 600 4466

Notes: (1) Limited withdrawals allowed. (2) Maximum investment £3,000. Not available to existing members.

### FIXED-RATE BONDS

Oaknorth Bank	six months	£1,000	1.66	own	oaknorth.com
Wyelands Bank	six months	£5,000	1.55	own	wyelandsbank.co.uk
Arbuthnot Direct	one year	£10,000	1.86	own	arbuthnotdirect.co.uk
Smartsave Bank	one year	£10,000	1.85	own	smartsavebank.co.uk
Metro Bank	one year	£500	1.85	own	0345 080 8500
Oaknorth Bank	one year	£1,000	1.83	own	oaknorth.com
Axis Bank UK	one year	£1,000	1.80	own	raisin.co.uk
Zenith Bank uk	one year	£1,000	1.80	own	raisin.co.uk
Masthaven Bank	one year	£500	1.80	own	masthaven.co.uk
Metro Bank	18 months	£500	1.95	own	0345 080 8500
Masthaven Bank	18 months	£500	1.89	own	masthaven.co.uk
Oaknorth Bank	18 months	£1,000	1.87	own	oaknorth.com
Arbuthnot Direct	two years	£10,000	2.00	own	arbuthnotdirect.co.uk
Zenith Bank UK	two years	£1,000	2.00	own	raisin.co.uk
Axis Bank UK	two years	£1,000	1.98	own	raisin.co.uk
Oaknorth	two years	£1,000	1.95	own	oaknorth.com
Masthaven Bank	two years	£500	1.90	own	masthaven.co.uk
Zenith Bank UK	three years	£1,000	2.15	own	raisin.co.uk
Masthaven Bank	three years	£500	2.10	own	masthaven.co.uk
United Trust Bank	three years	£5,000	2.10	own	utbank.co.uk
Metro Bank	three years	£500	2.00	own	0345 08 08 500

Provider	Account	Min-imum	Rate %	Compen-sation**	Contact
<b>MONTHLY INCOME ACCOUNTS</b>					
<b>EASY ACCESS CASH ISAS – INTEREST IS TAX-FREE</b>					
Charter Savings Bank	Easy Access Cash Isa 12	£5,000	1.43	own	chartersavingsbank.co.uk
Virgin Money (Int) (1)	Double Take E Isa 10	£1	1.42	own	virginmoney.com
Ford Money (Int) (Int) (F)	Flexibile Cash Isa	£1	1.26	own	fordmoney.co.uk
Shawbrook Bank (Int)	Easy Access Cash Isa 7	£1,000	1.24	own	shawbrook.co.uk
Paragon Bank (Int)(F)	Easy Access Cash Isa 5	£1	1.24	own	paragonbank.co.uk

Notes: (1) Limited withdrawals allowed.

### FIXED-RATE CASH ISAS – INTEREST IS TAX-FREE

Ford Money	one year	£1	1.54	own	fordmoney.co.uk
Paragon Bank	one year	£500	1.49	own	paragonbank.co.uk
Shawbrook Bank	one year	£1,000	1.48	own	shawbrook.co.uk
Newcastle BS	to 4 November 2020	£500	1.44	own	0345 734 4345
Ford Money	two years	£1	1.74	own	fordmoney.co.uk
Aldermore Bank	two years	£1,000	1.59	own	aldermore.co.uk
Paragon Bank	two years	£500	1.59	own	paragonbank.co.uk
Aldermore Bank	three years	£1,000	1.69	own	aldermore.co.uk
Paragon Bank	three years	£500	1.69	own	paragonbank.co.uk

### EASY ACCESS INTERNET ACCOUNTS

Virgin Money (1)	Double Take E Saver 11	£1	1.42	own	virginmoney.com
Investec Bank	Easy Saver	£10,000	1.39	own	investec.com
Charter Savings Bank	Easy Access 14	£5,000	1.34	own	chartersavingsbank.co.uk
Kent Reliance	Easy Access 34	£1,000	1.29	own	kentreliaance.co.uk

Notes: (1) Limited withdrawals from your capital allowed each year.

### EASY ACCESS TELEPHONE AND POSTAL ACCOUNTS

Kent Reliance	Easy Access 34	£1,000	1.29	own	kentreliaance.co.uk
Virgin Money	Easy Access Saver 32	£1	1.15	own	0345 600 4466
NS&I	Income Bonds	£500	1.15	gov't	0500 007 007

### EASY ACCESS BRANCH-BASED ACCOUNTS

Kent Reliance	Easy Access 34	£1,000	1.29	own	kentreliaance.co.uk
Virgin Money	Easy Access Saver 32	£1	1.15	own	0345 600 4466

### FIXED-RATE BONDS

Metro Bank	one year	£500	1.83	own	0345 080 8500
Masthaven Bank	one year	£500	1.78	own	masthaven.co.uk
Atom Bank (1)	one year	£350	1.75	own	atombank.co.uk
Metro Bank	18 months	£500	1.93	own	0345 080 8500
Masthaven Bank	18 months	£500	1.83	own	masthaven.co.uk
Masthaven Bank	two years	£500	1.97	own	masthaven.co.uk
Paragon Bank	two years	£1,000	1.88	own	paragonbank.co.uk
Atom Bank (1)	two years	£50	1.81	own	atombank.co.uk
Paragon Bank	three years	£1,000	1.98	own	paragonbank.co.uk
Metro Bank	three years	£500	1.98	own	0345 080 8500

Notes: (1) Only available via an app.

## CURRENT ACCOUNTS

	Account	Min per month	Rate	Monthly fee	Rate paid on balance up to
Nationwide (1)	FlexDirect	£1,000	5.00	none	£2,500
TSB	Classic Plus	£500	3.00	none	£1,500
Bank of Scotland (2)	Classic Account	£1,000	1.00	none	£4,000
Santander	123 account	£500	1.50	£5	£20,000
Tesco Bank	Current Account	£750	1.00	none	£3,000

Notes: (1) The 5% rate applies for 12 months only, after which it falls to 1%. (2) You earn 2% on average between £4,000 and £5,000.

## GENERAL NOTES

\*Rate includes a fixed-rate bonus, which is typically paid for the first 12 months after you open the account. \*\*Under the Finance Services Compensation Scheme, most providers operate under their own licence, which means you have up to £85,000 of cover (£170,000 on joint accounts). A few share a licence with others in the same operating group. Here you only have one lot of cover on your money spread across the institutions that share a licence. **B:** Branch-based account. **F:** The cash Isa is flexible. **Int:** Internet-based account. **L:** Account only available to those living in the building society's operating area or those living outside who have been members for a certain number of years. **P:** Postal account. **T:** Telephone account. The flexible cash Isa lets you take money out of your account and replace it in the same tax year without the payment counting towards your overall Isa allowance. Rates as at 16 September 2019.

## RISK-FREE INVESTMENTS\*

	Account	Minimum	Rate (%)
<b>VARIABLE RATES – EASY ACCESS</b>			
NS&I	Income Bonds	£500	1.15
NS&I	Investment Account	£1	0.80
NS&I	Direct Saver	£1	1.00
NS&I (1)	Direct Isa	£1	0.90
NS&I (1)	Junior Isa	£1	3.25

## GOVERNMENT SECURITIES

2-year gilt (2)	1.5% Treasury 2021	0.38
3-year gilt (2)	4.0% Treasury 2022	0.25
5-year gilt (2)	5.0% Treasury 2025	0.24
8-year gilt (2)	1.25% Treasury 2027	0.26
12-year gilt (2)	4.25% Treasury 2032	0.50
Index-linked gilt	2.5% Index-linked 2022	-3.15
Index-linked gilt	2.5% Index-linked 2024	-3.02

Notes: \*With National Savings & Investments your money is 100% guaranteed by the government. Any money invested in gilts is also guaranteed by the government. (1) Tax-free. You cannot transfer your existing cash Isas into a Direct Isa. (2) Redemption yields.



**1984 HARD-SELLING RIFE: FINANCIAL ADVISERS OFTEN POCKETED THE FIRST TWO YEARS' PREMIUMS AS COMMISSION**



# Reprieve for 'widely discredited' RPI measure of inflation

Chancellor Sajid Javid has decided not to tamper with the retail price index (RPI) measure of inflation as it is too "embedded" in the UK economy.

The RPI measure of inflation is widely discredited as inaccurate, and has since been superseded by both consumer price index (CPI) and consumer price index including housing costs (CPIH) as more accurate measures of inflation by the UK Statistical Authority (UKSA) and the Office for National Statistics (ONS).

The chancellor considered but refused two recommendations from UKSA. The first was to abolish RPI altogether and cease publication; the second, to change the way RPI is measured to align it with the more accurate CPIH. Both suggestions were declined, with the chancellor saying it could be "damaging to the economy and the public finances."

However, the chancellor has committed to a review of RPI, after a public consultation to better understand its uses and potentially make changes between 2025 and 2030, with a view to aligning



SAJID JAVID

RPI with CPIH.

Sir David Norgrove, chair of the UKSA, comments: "We have been clear that the RPI is not a good measure, at times significantly overestimating inflation and at other times underestimating it, and have consistently urged all – in government and the private sector – to stop using it. We continue to urge the government and others to cease to use the RPI. It would be wrong for the government to continue to use a measure of inflation,

which it itself accepts is flawed, where it has the opportunity to change."

RPI is used in a wide variety of ways and has especially come under criticism as many businesses use the measure to raise their prices. It is particularly hard on consumers who pay for such products and services, as the RPI measure tends to be higher than both CPI and CPIH.

For instance, train firms annually raise their fares based on RPI, which leads to inflation-busting fare increases. In August this year, it was announced rail fares would increase by 2.8% from the start of 2020, in line with RPI measure at the time. This is much higher than the most accurate inflation measure, CPIH, which measured a rate of inflation of just 2% in the latest update.

In other industries, such as mobile phone and broadband, RPI is often used in the same way to deliver price increases above real inflation for consumers. RPI is also used as a reference index for some government debt.

Edmund Greaves

## TAX RATES AND RELIEFS FOR 2019/20

Source: Blick Rothenberg

### Income tax

Basic rate (20%) on first £37,500 after allowances. Higher rate (40%) on income over £37,500 (after allowances). Additional rate (45%) on income over £150k.

**Scotland** (since April 2018): 0% to £12,500; 19% on £12,500-£14,549; 20% on £14,550-24,944; 21% on £24,945-£43,430; 41% on £43,431-£150k; 46% over £150k.

**Personal allowance:** £12,500. This is subject to the £100,000 income limit, and is reduced by £1 for every £2 above this level.

**Marriage allowance:** Where one partner has income below £12,500, they can transfer £1,250 of their personal allowance to higher-earning spouse (providing they only pay tax at the basic rate), reducing spouse's tax by up to £250 per tax year.

**Married couple's allowance:** Available if at least one partner born before 6 April 1935. Tax cut by £891.50 each tax year.

**Dividend allowance:** £2,000. Above this, basic rate taxpayers pay 7.5%. Higher rate 32.5%. Additional rate 38.1%.

**Personal savings allowance:** Basic-rate taxpayers get £1,000. Higher rate £500. Additional rate £0.

### Pension contributions relief

20% basic rate; 40% higher rate; 45% top rate. Max annual allowance: £40,000. Reduced £1 for every £2 of income over £150,000. Max lifetime allowance (amount that can be drawn from pension pot penalty-free): £1,055,000.

### Individual savings accounts

**Maximum annual contribution:** £20,000, split any way between cash, stocks & shares and innovative finance.

**Junior Isa:** £4,368.

**Help to buy Isa:** £2,400.

**Lifetime Isa:** £4,000.

### Capital gains tax

**Basic-rate taxpayers:** 10% (18% on residential property gains).

**Higher-rate taxpayers, plus trusts and estates:** 20% (28% on resid prop and certain other gains).

**Individual annual exemption:** £12,000. No CGT on sale of main home

where conditions met.

**Entrepreneurs' relief:** Up to £10m – gains taxed at 10%.

### Stamp duty land tax (SDLT) in England and Northern Ireland

**Payable on main property purchase, according to proportion of price falling in each rate band:** Up to £125,000: nil. £125,001-£250,000: 2%. £250,001-£925,000: 5%. £925,001-£1.5m: 10%. Over £1.5m: 12%. Second property buyers pay 3% above SDLT rates above.

### National Insurance contributions

**Class 1 employees:** Nil on first £166 of weekly earnings. 12% on £166-£962.

Extra 2% on weekly earnings over £962.

**Class 2 self-employed:** Flat rate £3/wk where earnings exceed £6,365/yr.

**Class 3 voluntary:** Flat rate £15/wk.

**Class 4 self-employed:** 9% on profits between £8,632 and £50k a year, and 2% on earnings over £50k.

### Inheritance tax

**Nil on first £325,000.** 40% tax

on excess of estates over £325k. Residential nil rate band (RNRB) £150k when main residence is passed to direct descendant; tapered on estates over £2 million. Unused nil rate band (NRB) and RNRB allowances can be transferred on death to the estate of surviving spouse or civil partner. IHT rate falls to 36% if 10% of estate is left to charity.

**Potentially exempt transfers (PETs):** If they fall outside the NRB, gifts made within seven years of death are chargeable at a percentage of the full IHT rate: 0-3 years: 100%. 3-4 years: 80%. 4-5 years: 60%. 5-6 years: 40%. 6-7 years: 20%. Over 7 years: nil.

**Annual gift exemption:** Gifts of up to £3,000 each tax year. You can carry any unused allowance to the following year, but it expires if not used that year.

**Gifts between spouses and to charities:** exempt, as are marriage gifts within certain limits and regular gifts made out of surplus income. Charities claim on donations at 20% gross income. Higher-rate taxpayers receive higher-rate relief.



1985 PENSIONS REVALUATION: UNINTENDED IMPACT WAS THAT FINAL SALARY SCHEMES BECAME TOO EXPENSIVE TO RUN





# How currency impacts your investments

**W**hen it comes to personal finances, most people don't think much about exchange rates until they are about to go holiday overseas, but there are sound reasons why investors should pay closer attention.

Money can be made on exchange rate movements, either inadvertently or through tactically positioning a portfolio to benefit from a 'winning' or 'losing' currency. However, it is important to bear in mind that for some countries a rising currency is a good thing for its stockmarket, but in others it proves to be a hindrance.

A big winner over the past couple of years has been the US dollar, and the strength of the dollar has been a factor behind US indices reaching fresh all-time highs. As Donald Maxwell-Scott, a technical investment manager at Rowan Dartington, notes: "When assessing the health of an economy, it is useful to look at the strength of the corresponding currency. Some people even view the currency as the 'share price' of that economy."

Positioning a portfolio to benefit from a 'losing' currency can also pay off, with the pound a case in point. Since the Brexit vote, the pound has weakened notably

against both the US dollar and the euro, but this has been good news for the FTSE 100 index, as over 70% of earnings are derived overseas. Internationally facing companies in the FTSE 100 benefit because their exports are made considerably more competitive by weaker sterling, thus boosting their earnings.



"Effectively, as the 'share price' of the UK economy has fallen, the FTSE 100 has actually risen on the 'currency translation effect' - a fortunate quirk owing to the significant overseas content of the FTSE 100," adds Maxwell-Scott.

UK income investors have also benefited from the weak pound. More than two-fifths of UK dividends are paid in euros and dollars, and exchanging them into a weakened pound has the effect of boosting dividends for UK investors.

Where sterling goes from here is anyone's guess. But where politics goes, the pound will too. According to Trevor Greetham, head of multi-asset at Royal London Asset Management, any event that makes no deal appear more likely will likely lead the pound lower, while any move towards a deal being agreed upon or ending the prospect of Brexit would lead the pound higher. A stronger pound would have a negative effect on returns and dividends for the UK stockmarket.

**Kyle Caldwell**

## JARGON BUSTER: Benchmark

**U**nlike the vast majority of fund jargon, the word 'benchmark' is intuitive as it retains the meaning it has outside the financial world, which is "being a standard or point of reference against which things may be compared." Most active funds will select a comparable index as their benchmark: for example the FTSE All Share for



a UK fund with a growth focus. It is less common, but does occur, that some funds simply use the fund sector they sit in as their benchmark. Some active funds compare performance against a 'composite benchmark', an index specifically created by the fund management group. In these instances, a healthy dose of scepticism should be applied.

## Prudent parent

**M**y almost two-year old son has a one in four chance of reaching the ripe old age of 100. A frightening statistic, not least because I will be 129 when he reaches three figures. This got me thinking about the financial challenges a child born today has in front of them.

First off, with rising levels of life expectancy, I cannot see the state pension existing in 70-odd years' time, certainly not in its present form. Moreover, the age at which money can be taken from a workplace pension will surely rise from 55, the threshold in place today. Perhaps those who want to retire earlier will need to pay a tax penalty for the privilege.

There may also be other new personal finance-related taxes to contend with. I would not be surprised if some sort of social care tax is introduced at some point. One in four people in the UK are expected to be over 65 within the next 20 years, and the vast majority have not set enough money aside for care provision in later life. You might think a social care tax is far-fetched - but governments make money where they can. Russia



introduced a tax on beards in the seventeenth century!

Ultimately, what this all boils down to is that my son will have to take greater control of his own personal finances, much more so than previous generations. He has the precious commodity of time on his side, which is why as soon as he starts earning his crust I will be hammering home the importance of saving into a pension and taking full advantage of the top limit of employer contributions being offered.

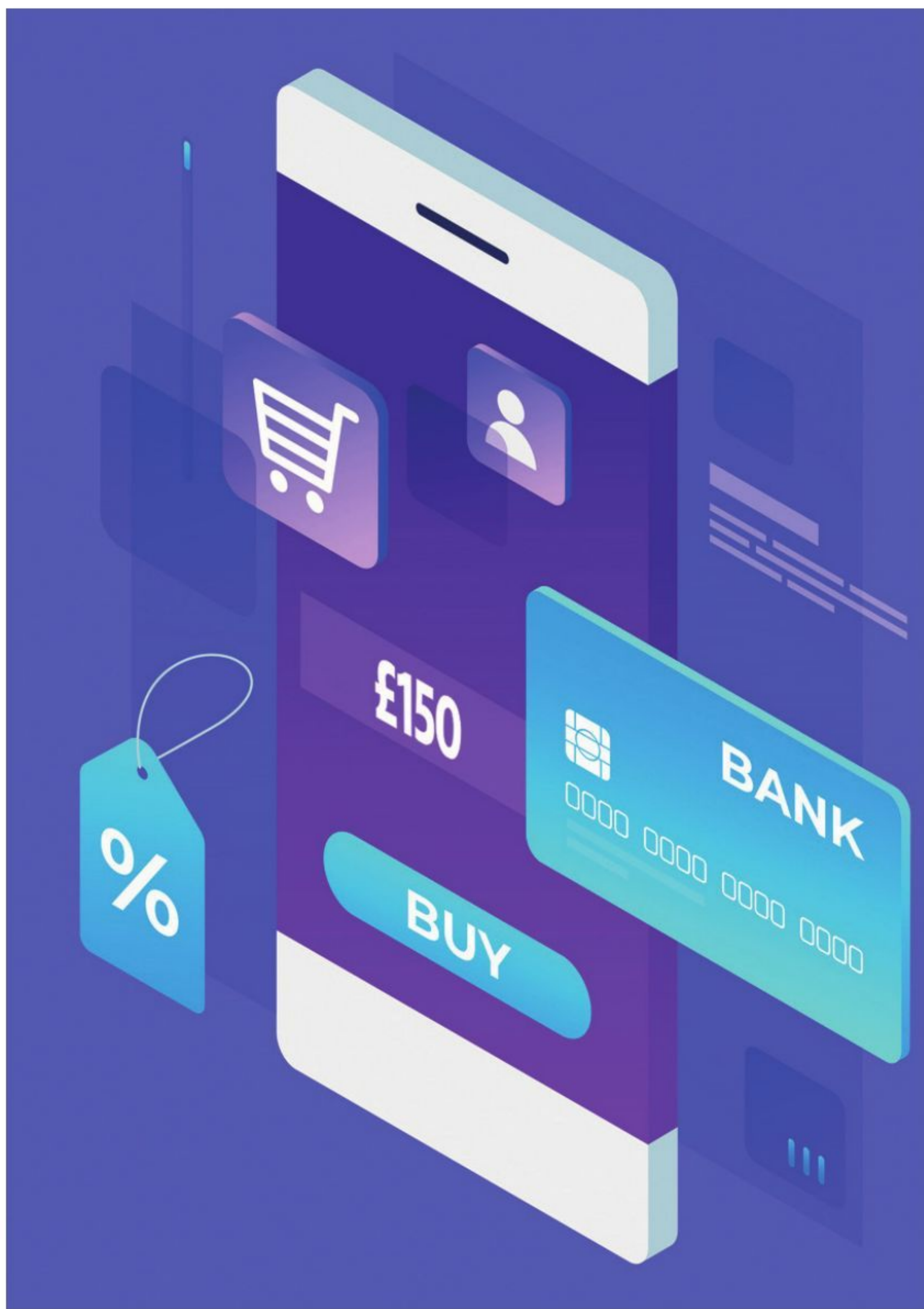
How much would my son need to set aside? Well, according to Schroders, which did some research last year, a 20-year-old wanting to retire at 68 on about £27,000 per year in today's money would need to save an average of 11% of earnings per year. There are various caveats and assumptions, including that the 20-year old's salary starts at £20,000 and wages rise with inflation each year, with pay rises boosting the salary up to £40,000 by age 50. But the underlying point is the wonderful power of compounding when it is harnessed at such a young age.

**Kyle Caldwell**



1986 PENSION MIS-SELLING: COMMISSION-DRIVEN ADVISERS CONVINCED OVER 1 MILLION TO DITCH FINAL SALARY SCHEMES





## IT'S A MOBILE WORLD

My credit card provider recently informed me that online purchases would have to be confirmed by sending a text to my mobile. They informed me that this is an industry-wide initiative which will apply to all credit cards in future.

Has the banking industry considered the needs of the still fairly large number of people who do not use a mobile phone? Surely there should be alternative means of improving the security of online transactions without making it impossible for those without a mobile phone to use their cards online?

**Andrew Bebbington, by email**

## WHAT COUNTS AS INCOME?

There have been many questions and answers in recent months regarding gifts in relation to IHT planning. While it is easy to understand the tax rates & reliefs/ inheritance tax table printed in *Money Observer*, could I ask for clarification as to what constitutes 'income'.

We receive a monthly return from an estate planning bond, and while speaking of this loosely as 'income', I would like to know if this income is allowable for the 'gifts out of income'

option within the HMRC estate planning rules?

I seem to recall from a past article that 'income' from bonds is classed as a return of capital and therefore would be ineligible for inclusion when calculating total income to convince HMRC that we could afford the gifts out of income.

This seems a grey area, with what appears to be a tussle between executors and HMRC. Perhaps you will be able to clarify the situation.

**Gerald Williams, by email**

**Patrick Connolly of Chase de Vere replies:** *You are referring to the 'normal expenditure out of income' exemption, where gifts which meet this criterion are considered to be immediately outside of the transferor's estate for inheritance tax purposes. To qualify, any gifts must be made out of the transferor's normal expenditure, be made out of income and leave the transferor with sufficient income to maintain their usual standard of living.*

*In terms of what qualifies as income: common sources of income are employment and self-employment, rents from property, pensions, interest and dividends. However, what is considered to be capital under normal accountancy rules would not be classified as income for this calculation. This would include, for example, the capital content of a purchased life annuity and also payments from insurance bonds.*

*The text below is an extract from the HMRC Inheritance Tax Manual: "A person may receive payments from insurance policies in a number of situations... Some of these payments are chargeable to income tax, but that does not make them income. Even if the payments are regular, the character of such payments is usually capital and they cannot be taken into account in calculating the income available to a transferor. A common situation is where a person takes annual withdrawals equal to 5% of the premium from a single premium policy."*

## CAPITAL GAINS CALCULATIONS

In 2011, my civil partner inherited his mother's house, which had a probate value of £89,000. In

December 2018 we transferred the house into joint ownership between my partner and me, using a solicitor. We have just sold the property for £125,000. The house was rented between being inherited and being sold. We spent about £3,000 on central heating and electric upgrades when we acquired it.

I have tried using the government's capital gains tax calculator, but am stumped. Is my share of the gain calculated by taking half of the selling price (£62,500) minus half of the value when my husband inherited (£44,500), minus half of the improvement costs (£1,500), minus half the selling cost (£400), minus my capital gains allowance of £12,000?

**Phil Wagg, by email**

**Sean Jones, financial planner at James Hambro & Partners, replies:**

*You do not pay capital gains tax (CGT) on assets gifted to you by a civil partner, wife or husband. However, you may have to pay tax*



*on any gains on disposal. As a half share in the property was gifted to you by your civil partner, you acquired your share of the property at half the probate value: £44,500. The gain will be calculated from when you or they first owned it, so 2011 in this case. You can deduct costs of buying, selling or improving the property from the gain; for example, estate agent fees, solicitor fees and costs of improvements, such as building an extension. Maintenance costs cannot be deducted. I note that you did not include any costs associated with acquiring the property, although a solicitor arranged the transfer of half the ownership to you.*

*The gain is the difference between what you paid and the amount you received when it was sold. On the basis of your share being sold for £62,500 minus the acquisition cost of £44,500, minus all costs including improvements of £1,900, you are left with a total*







## MAKING SENSE OF SIPP CHARGES

**T**hanks for an excellent and though-provoking article on self-invested personal pension (Sipp) fees in your September issue. Can I suggest a follow-up article would be illuminating?

It is indeed amazing that Sipp costs can vary by a factor of five for what are essentially similar investment services: following the Sipp rules and providing an investment service for pension assets. If I buy a luxury car rather than a basic vehicle or travel first class rather than economy, I can tell the difference for every minute I drive that car or sit on that plane; not so for a Sipp.

Paying £1,250 extra a year for a Sipp service (as illustrated in your article) is lost cash for



investment, and over a 20-year period (invested with a 10% return) amounts to as much as £50,000 down the drain. In fact, looking at the Sipp service itself, surely it is difficult to differentiate and it is actually the investment part of the service which may vary substantially?

Some providers offer excellent analysis, but actually much quality advice is available free from highly regarded services such as Morningstar or Trustnet. Having a limited range of available investments is potentially

one of the biggest differentiators. It can be extremely costly to one's pension, when highly recommended choices from trusted analysis sites cannot be taken up.

As bad are cases where the investment service platform has not negotiated purchase discounts on many of the equities on offer

– a 4% fee is not unusual. For instance, reinvesting £100,000 a year of a portfolio where no discounts are available for the chosen new equities would add £4,000 to costs annually; over a 20-year period that would amount to £80,000 extra.

I read one investor's report on one of the low-cost Sipp services, which stated that they had phoned on seven successive days and each day given up after 20 minutes. That's one easy way to test at least one element of a Sipp/investment platform provider!

Do keep up the good work on helping investors make sense of the world of investment.

**Andrew Hinchley,**  
Bury St Edmunds

gain of £16,100. The CGT annual exemption is £12,000, so assuming you have not used any of this year's exemption already, the taxable gain is £4,100. For residential property, the rate at which you pay CGT is 18% for basic-rate taxpayers and 28% for higher-rate taxpayers. A basic-rate taxpayer, earning £30,000, with a full income tax personal allowance, would pay CGT at 18%, so the bill would be £738. The bill for a higher rate taxpayer would be £1,148.

immediately started drawing a defined benefit pension. My only forms of income now are the pension, company dividends and savings interest. When I came to fill out my tax return using the HMRC website, I wondered if it might be advantageous to invest my savings into a new pension.

Playing with the tax return form, it showed I could reduce my tax liability. However, it seems you can only use "relevant earnings" to be able to get tax relief. Pension payments, dividends and savings are not relevant earnings. I'm not getting any other monies.

Therefore I'm puzzled why the HMRC's online tax return reduces my tax liability if I declare I've made pension contributions. Can you help me understand what the rules are?

**Graham McMahon, Surrey**

**Steven Cameron, pensions director at Aegon comments:** *Generally, people are allowed to pay contributions of the higher of their 'net relevant earnings' or £3,600 into a pension, and qualify for tax relief. So even if an individual has no net relevant earnings, they can pay pension contributions inclusive of tax relief of up to £3,600, which for a basic-rate taxpayer means a 'net' contribution of £2,880. There are no specific rules around where these contributions come from, although the government has made it clear that it doesn't approve of individuals taking tax-free cash from their pension and then paying it back into a pension to get another round of tax relief.*

### PAYING SAVINGS INTO A PENSION

I retired a few years ago and



### FUNDSMITH SUSTAINABLE EQUITY

Several readers have been in touch regarding this fund, which Andrew Pitts compared to its larger sister fund on page 43 of the September issue. Although it is marketed as an institutional-only fund, some retail platforms are able to offer access as they generate the scale of collective investments and invest in a way that makes them eligible for the institutional class. It can be bought by retail investors on the interactive investor website, <https://www.ii.co.uk/funds/fundsmith-sustainable-equity-i-acc/BFoV6P4>





# An end to money FOR NOTHING?



IS THE EASY MONEY ERA OVER?  
FORMER MONEY OBSERVER  
EDITOR **ANDREW PITTS** DEEP  
DIVES INTO THE PAST FOR CLUES

company that came to market could raise capital, burn through it and make its stockmarket backers rich, albeit fleetingly.

More recently easy money has come courtesy of central bank printing presses follow-

ing the global financial crash of 2008, which helped boost asset values, from bonds and equities through to property.

So what can we learn from a review of some of the opportunities for easy money that have arisen over the past 40 years – for whichever groups of stakeholders – and how are these working out as we enter *Money Observer's* fifth decade?

## PRIVATISATION TAKES OFF

Margaret Thatcher was elected in May 1979, five months before *Money*

*Observer's* first appearance as a quarterly supplement in the *Observer* newspaper. The Thatcher years were marked by the privatisation of state-run industries and utilities. Initially, privatisation was a low-key affair, but in 1984 the age of the UK private investor was born with the privatisation of British Telecom, followed by the 'Tell Sid' TV campaign of 1986, which encouraged the public to buy shares in British Gas.

'Stagging' new issues (subscribing for shares with the aim of making a quick buck by selling them when trading began), particularly privatisation shares, became a national hobby, as everyone knew these shares would be 'priced to go' on their first day of trading on the stockmarket. This pricing policy inevitably led to accusations that the government was selling off public assets on the cheap. With individual allocations limited, people resorted to nefarious means to get more of the action

**T**he concept of easy money has resonated throughout *Money Observer's* 40-year history. First came the virtual guarantee of immediate share price gains from mass privatisations in the 1980s; then came the windfalls from building society demutualisations as the decade turned; and then the spoils from dotcom fever in the late 1990s, when any

**1987 STORM AND CRASH:** 115mph winds destroyed the reputation of venerable BBC TV weatherman Michael Fish. Markets crashed the next Monday





by sending in applications in the names of friends or family members.

Privatisation reached its peak in the Conservatives' third term in office between 1987 and 1991, with British Airways, British Petroleum, British Steel, Rolls-Royce, and electricity and water utilities sold off. In all, more than 50 state-run enterprises were denationalised before Tony Blair's New Labour took office in May 1997.

### LABOUR CHANGES TACK

With few, if any, candidates on the shelf to hive off as ready-made businesses to investors, New Labour enthusiastically pursued a different form of privatisation. The private finance initiative and the public private partnership saw more and more local and government services go out to private tender. The building and/or management of schools, hospitals, courts and other public services have since been widely taken out of public control.

Cedric the Pig's appearance at a British Gas shareholders' meeting in 1996 was one of the first signs of discontent – specifically, indignation that chief executive Cedric Brown had his snout in the trough. It was indicative that utilities privatisation in particular was benefiting consumers less than executives and shareholders.

The highest-profile privatisation failure was that of Railtrack, which the Labour government refused to bail out in 2002, having already forked out billions in extra subsidies from the public purse. Shareholders, including employees with their entire pensions invested in the

company, were wiped out.

The argument over the benefits and drawbacks of privatising state-owned enterprises continues to rage today. The easy gains for private investors from privatisations happened a long time ago, while

## Profiteering from privatisations became a national hobby

various scandals and failures and low levels of customer satisfaction have inevitably led to calls for many public services to be brought back under public control.

ILLUSTRATION: JOHN BRADLEY

Building society demutualisations – the next chapter in the easy money story – were enabled by the Building Societies Act of 1986, which turned carpetbagging into a national pastime. Carpetbagging involved opening savings accounts with multiple (ideally) large building societies and then lobbying for demutualisation. Abbey National was first on the block in 1989, followed by other sizeable societies: Cheltenham & Gloucester in 1995, Halifax and Northern Rock in 1997, and Bradford & Bingley in 2000. Building society savers were not alone in getting a windfall. Much like the directors of privatised national industries and utilities, building society executives did

## SEARCH FOR INCOME IN PREMIUM TERRITORY



RENEWABLES-FOCUSED TRUSTS HAVE RAISED £8 BILLION

Older individuals among the growing ranks of investment trust fans have seen their own special opportunities for easy money manifest themselves. Investment trusts' increased visibility

on leading retail investment platforms has lifted demand, which has helped reduce average discounts to net asset value. That is particularly true for income-oriented infrastructure trusts, which have become

highly popular in the post-financial crisis search for income.

A decade ago the sector's three infrastructure trusts had a combined market capitalisation of £1.5 billion. Today the sector has assets in excess of £10 billion. The largest trust back then was 3i Infrastructure, which had a market capitalisation of £765 million. At 94p, the shares traded on a discount to NAV of -11.4% and yielded 5.6%. With its shares now at 300p, 3i Infrastructure has a market value of

£2.3 billion, yields 3.7% for new investors and trades on a premium of 30%. On paper, then, long-term investors have enjoyed a 41% extra uplift in the NAV, a slowly rising dividend yield and a few special dividends thrown in for good measure.

These infrastructure plays have since been joined by trusts focusing on renewable energy with assets of more than £8 billion, and 3i debt-oriented trusts in three sectors that pay average yields of 5.3-9.7%.

1988 LOADSAMONEY: comedian Harry Enfield invented Loadsamoney character for Saturday Live, seeming to embody a new 'greed is good' mantra



pretty well. A study by a group of MPs found that between 1993 and 2000, executives in demutualised building societies enjoyed a pay rise of almost 300% on average, while those running mutuals had to make do with a 65% increase. By 2008 all those building societies that had publicly listed had failed and/or been taken over by conventional banks.

## HIGH-PROFILE FAILURES

Sadly, it is nearly always the case that investments that are marketed as paying attractive or guaranteed levels of income are the ones that fail and that retirees, the people who need income most, bear the brunt of these failures.

Most of the high-profile failures occurred in the 2000/03 bear market. Split-capital (often referred to as split-level) trusts were the most high-profile failures for investors. They tended to have two or three share classes. Zero dividend preference shares would aim to pay out a fixed amount at the end of a trust's predetermined life and were marketed as ideal for planning for costs such as school fees. Various forms of income share would pay out a usually outsized dividend, while capital shares were high-risk plays that accrued all the capital gains once the predetermined calls on a trust's assets had been met.

Traditionally, zeros supplied modest gearing, but some trust providers took what was an appealing structure to excess

## The 2000/03 bear market triggered numerous high-profile investment failures

by loading extra bank debt on the zeros. This proved to be a leverage too far in the bear market, and the situation was worsened by myriad cross-holdings between various splits, known as 'the magic circle', that was first revealed by *Money Observer*. The collapse of splits cost private investors an estimated £700 million.

The 2000/03 bear market was a particularly busy time for regulators assessing compensation issues, as thousands of clients were also claiming back what they had lost from so-called 'precipice bonds' that had been aggressively recommended by 57 advisory firms subsequently declared to be in default over advising their clients to buy them.

Precipice bonds were marketed as low-risk, high-income products ideal for retirees, but these 'structured capital at risk' products were anything but, as they were generally reliant on stockmarket indices

## SHIFT FROM SHARES FUELLED PROPERTY BOOM



**M**any savers and investors were left out of pocket and deeply mistrustful of the financial services industry's ability to manage their money honestly and successfully in the five-years up to 2003. Moreover, their scepticism was compounded by the global

financial crisis of 2007/09. Small wonder, perhaps, that the nation of shareholders envisaged by Margaret Thatcher's doctrine of 'popular capitalism' was slowly supplanted by a nation of buy-to-let landlords.

That said, the seeds were sown under Thatcher, with her

chancellor, Nigel Lawson, championing 'right to buy', the policy that allowed council tenants to purchase their rented property. This helped fuel a house price boom that turned into a dramatic bust in the early 1990s (prices in South-East England fell 35%).

The late 1990s were arguably the best years to have bought property, with investors increasingly turning to the private housing rental market following heavy stockmarket losses in the wake of the dotcom bust. Strong demand, rental growth and cheap, tax-advantaged mortgages sent

house prices soaring: the value of an average house rocketed from £75,000 in January 2000 to £186,000 by October 2007, according to Nationwide.

Prices faltered in the financial crisis of 2007/09, but the Bank of England put another rocket under UK property via quantitative easing and near-zero interest rates. Average house prices peaked at £217,663 in July this year.

Today, 'right to buy' has taken on a different connotation: Labour has proposed that it should be extended to tenants who are renting older properties from private landlords.

not falling by a predetermined amount, say 30% – hence the precipice moniker. When stockmarkets approached losses of that magnitude following the dotcom bust, the precipice of total capital loss drew much closer.

What of arguably the biggest misfortune to hit pensioners? Equitable Life closed its doors to new business in 2000, and one doesn't hear much these days about the with-profits products it sold on the promise of high, 'guaranteed' terminal bonuses – but there remains around £350 billion invested in them, according to Cazalet Consulting.

For Equitable Life's dwindling band of policyholders, many of whom have died waiting for redress, two decades of misery might soon come to a close. This November most of the remaining 400,000-odd may vote for a £1.8 billion uplift to their with-profits products in return for sacrificing guaranteed value and conversion to unit-linked policies, to be run by Utmost Life and Pensions.

## CHANGING TIMES

In the 30th anniversary issue of *Money Observer* I said: 'It is unfortunate that the past 10 years have been among the worst: a legacy of the dotcom boom, misguided monetary and fiscal policies, and a financial services sector in the UK that in too many instances has treated the consumer of financial products as a cash cow that doesn't mind how often it is milked.'

Has the most recent decade been much different? Yes. Since the global financial crisis, investors have been rewarded and savers have been punished. Borrowers have benefited from persistently low interest rates supported by benign

inflation, but this has not reduced their growing debt burden as higher inflation did in the past.

In the regulatory field, the Financial Conduct Authority is less supine than its predecessor, the Financial Services Authority, which was regularly accused of being asleep at the wheel. Nevertheless, recent scandals surrounding London & Capital Finance – a regulated firm that collapsed owing £236 million to investors who had bought unregulated 'mini-bonds' masquerading as fixed-term Isas – and the events that led to the gating of the LF Woodford Equity Income fund suggest that the FCA is at least guilty of dozing.

Is the era of easy money over? It's fair to say that where easy money could be made, those particular cash cows have been milked dry, whether it's in shares, bonds or property. Or, for that matter, via compensation: UK banks have helped buoy consumer spending and VAT receipts through £44 billion of refunds to customers who were missold payment protection insurance.

Politically, we appear to have done a volte-face. In 1979 Thatcher won an election with the slogan "Labour isn't working". Forty years ago we certainly would not have seen the *Financial Times*, that bastion of the capitalist establishment, calling for a vote of no confidence in a Conservative government, as it did in late August. Nor would we have expected two investment banks, Citibank and Deutsche Bank, to state that given the two main political parties' current leaders and the policies they espouse, a Labour government would be less economically damaging than a Conservative one.

It seems the times they are a-changin'.

**1989 HOUSING SLUMP**, largely caused by interest rates of nearly 15%; at the height of the downturn a quarter of a million homes were repossessed



# AT THE HEART OF THE CUTTING EDGE

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# THE Golden rules

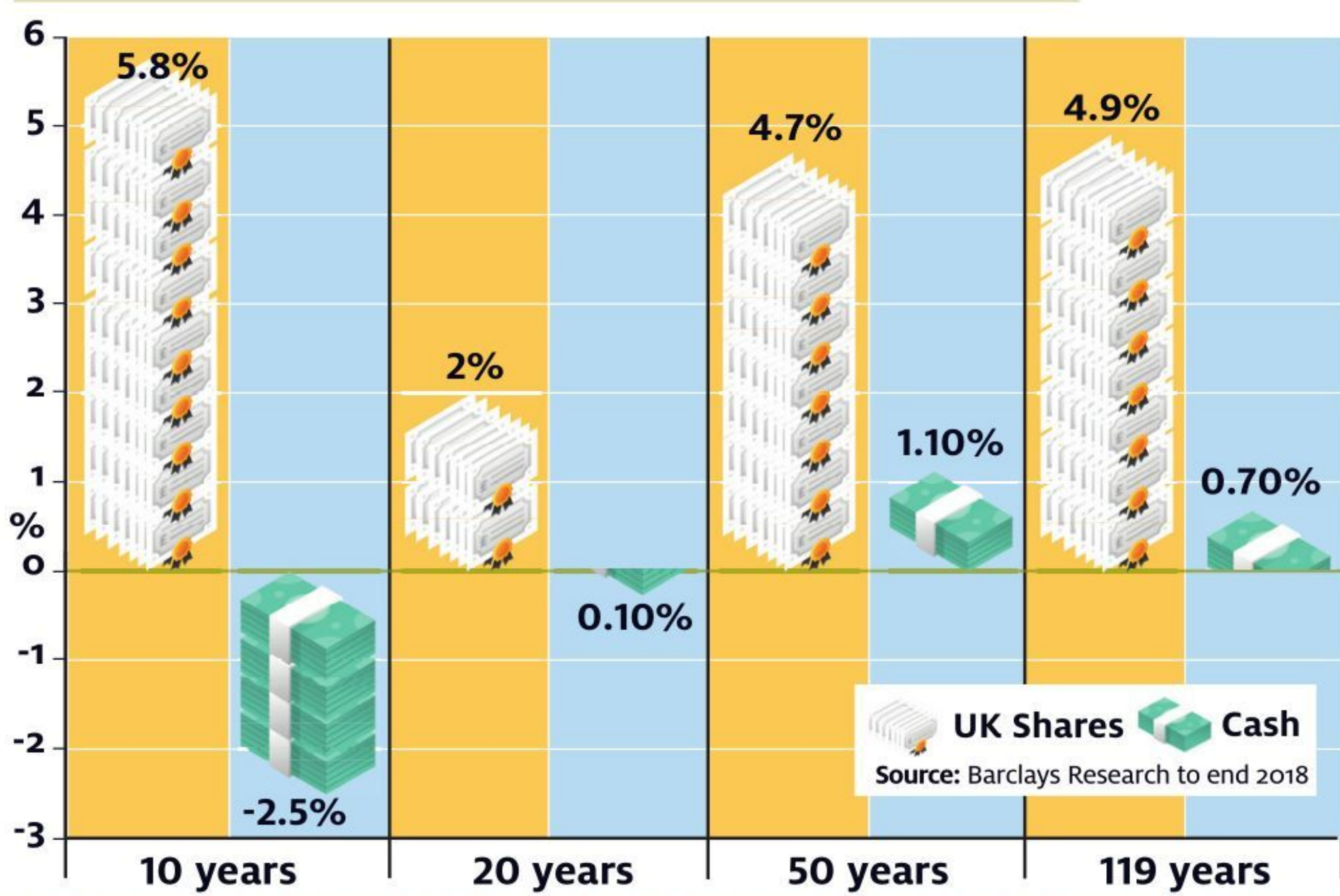


BY **KYLE CALDWELL**

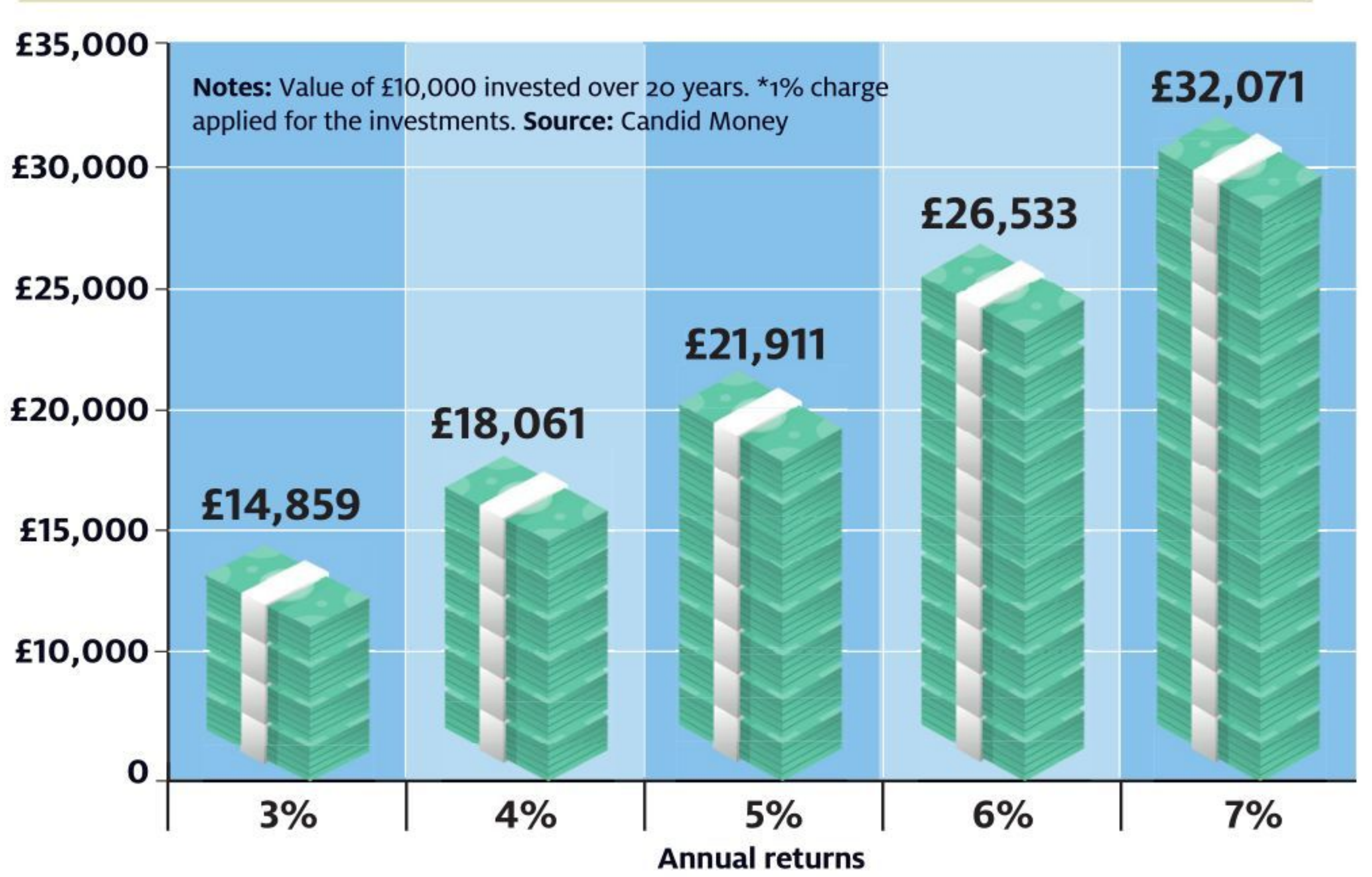
**W**hen it comes to the world of investing, there are various traps investors need to navigate. But there are also certain steps that can greatly increase the chances of investment success. Such basic principles are by their nature

nothing new; indeed they are subjects *Money Observer* has covered extensively over the years – but we think if something is important it is worth repeating. With this mind, we pull together 10 golden rules for investors.

## ANNUAL RETURNS VERSUS CASH



## HOW PERFORMANCE MAKES A DIFFERENCE



### NO 1 SPREAD THE WORD

The first rule is simply to talk about investment and help educate younger family members – children, grandchildren, nephews, nieces – in the importance of investing for their futures.

The reality is that for those below the age of 40, the move from defined benefit or salary-related pensions to defined contribution schemes has shifted the onus to individuals to take control of their financial future. Unfortunately, though, despite the success of auto-enrolment, which now means more than 10 million workers are saving into a pension, most people are not setting enough money aside for later life.

For starters, the importance of not just selecting the default fund option in a workplace pension is a message that needs to be shouted far and wide. The reality is that the default option for most people is likely to be some form of balanced multi-asset fund, which will have been automatically selected by a pension firm as being the ‘safe choice’.

The irony, though, is that while such a fund is unlikely to fall like a stone over a short time period, over the longer term it’s a missed opportunity. A balanced fund will typically have 40% to 60% in global shares, but those with a 30- to 40-year

time horizon can afford to be more adventurous (see infographic above).

Rebecca O’Keeffe, head of investment at interactive investor, says: “Try to take an appropriate amount of risk. Many people take too little risk, ending up as a result with a disappointing return. If your time horizon is long enough, you have time to ride out any short-term swings in the market, allowing you to devote more of your portfolio to higher-risk assets.”

### REALITY CHECK

More generally, the reality is that most people prefer the relative safety of cash. But for those who can invest for the long term, the odds are firmly stacked in favour of stockmarket investment winning the growth race. The 2019 publication of the Barclays Equity Gilt study, an authoritative report that analyses long-term investment returns, found that over the past decade the stockmarket has had the upper hand over cash, with UK shares delivering an annualised return of 5.8%, versus -2.5% for cash in real terms (see infographic, above left).

### NO 2 BEFORE YOU INVEST, PASS THESE TESTS

Anyone who wants to invest should pass the following three tests before making their first foray into the stockmarket.

- First, everyone should have some ‘rainy day’ money for emergencies, ideally three to six months’ salary in cash. This will ensure that if something happens and you need to access your cash, you can do so easily and will not have to sell your



investments during a potentially disadvantageous time.

- Secondly, clear debts, tackling the most expensive ones first. While it is important to have rainy-day savings, it is not normally a good idea to prioritise additional savings over reducing debts, because debts usually cost more in interest than savings earn.
- And the third test to pass is to be committed to investing for at least five years, as over the short term the stockmarket can be pretty unforgiving.

**1990 JAPANESE BUBBLE:** the lunacy of asset prices in the country was reflected in the £1 million membership fees for 20 golf clubs in Japan



# OF investing

## NO 3 KEEP AN EYE ON COSTS

Regardless of how you choose to invest – whether through funds, investment trusts, exchanged-traded funds or individual shares – a certain desired level of investment return over a specific time period cannot be guaranteed in advance.

However, one thing that investors can control is costs. The importance of fees

one year, but over 20 or 30 years they can seriously reduce your net worth.”

When it comes to fund charges, here’s the state of play: actively managed funds and investment trusts tend to have ongoing charge figures in the range of 0.7% to 1%, while passive funds – index funds or exchange traded funds – typically cost less than 0.25%. Some active funds and passive funds will charge more or less

than these figures and are therefore cheap or expensive relative to their competitors.

But there’s nothing wrong with paying a premium, providing the outcome is satisfactory – your fund’s performance beats that of rival funds with cheaper charges, for example. After all, it is not desirable to buy a cheaper than average active fund that’s consistently a substandard performer.

Bear in mind that boutique fund managers, those with bigger overheads relative to the number of investors than giant fund groups, will typically impose higher fees. In addition, funds investing in specialist areas or more exotic climates tend to be relatively pricey.

A thesis could be written on the active



versus passive investing debate, but the short answer is that a mixture of the two approaches is sensible to help keep costs under control. “This ensures a good blend and reasonable overall fees,” says Modray.

When it comes to investment brokers, there are two ways customers are charged. They levy either a percentage fee or a fixed sum; the latter is much easier to get your head around and works out as

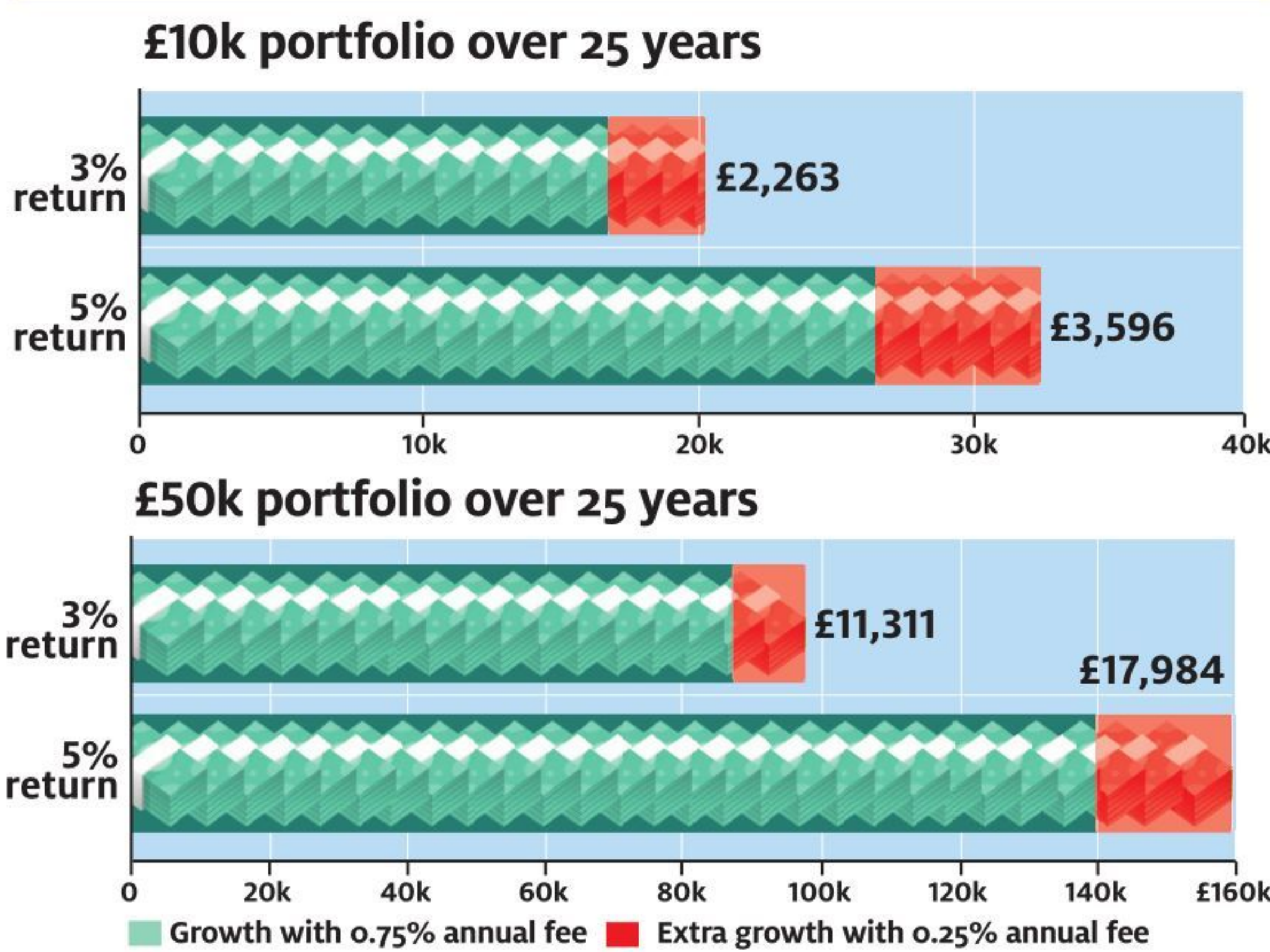
**It is easy to overlook costs, especially when quoted as a percentage**

JUSTIN MODRAY

more cost-effective for larger portfolios (generally those worth £50,000 or more).

Another reason to keep costs under control, notes James Norton, a senior investment planner at Vanguard, is that following the decade-long bull market for stockmarkets since the financial crisis, “investors need to brace themselves for lower returns over the next decade”. ➤

### HOW ANNUAL FEES IMPACT RETURNS



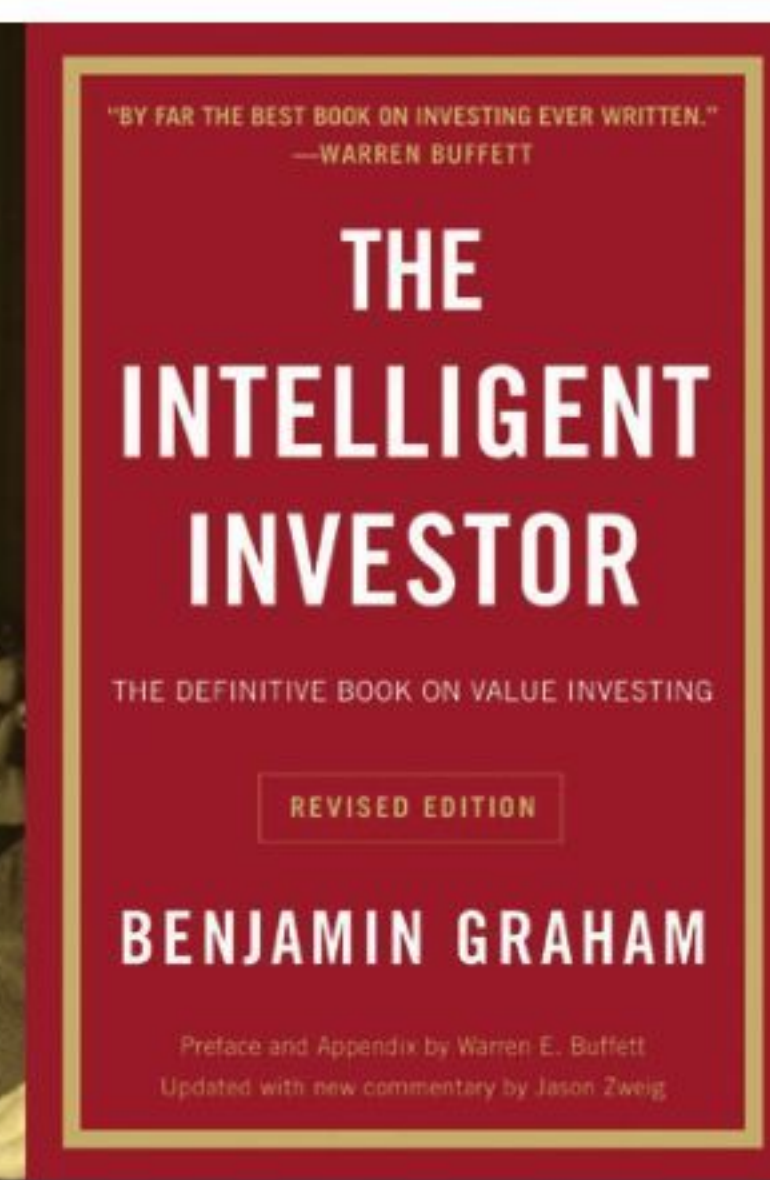
– those levied by fund firms, brokers and financial advisers or wealth managers – has over the years been regularly stressed by *Money Observer*. Mark Polson, principal at financial consultancy the lang cat, notes: “It’s easy to say ‘Ach, it’s just 0.3% more expensive, it’s nothing’. But that eats into your wealth faster than you would think.”

Moreover, higher returns emphasise the difference a higher charge can make. Number-crunching by our parent company interactive investor finds that £50,000 invested over 25 years and growing at 3% a year would be worth £11,311 more with an annual fee of 0.25% rather than 0.75%. At 5% annual growth, that differential rises to almost £18,000 (see chart above).

Justin Modray, founder of Candid Financial Advice, says: “It is easy to overlook costs, especially when quoted as a percentage. But even a relatively small percentage difference can mean a big difference in pounds and pence.” O’Keeffe concurs. She adds: “A few percentage points of fees may not seem much over

## NO 4 LEARN FROM THE PROS

Swot up to learn how history’s greatest investors made their fortunes: Benjamin Graham, Warren Buffett and Peter Lynch to name a few. Graham, who tutored Buffett, wrote *The Intelligent Investor*, which is considered the bible of value investing since its original publication in 1949. Peter Lynch’s *Beating the Street* outlines how to pick good-quality shares at cheap prices, while investors are spoilt for choice in respect to books on Buffett’s formulas for stockmarket success.



Alternatively, all of Buffett’s annual shareholder letters over the past four decades, which contain plenty of tips on how to invest successfully, can be read for free online at berkshirehathaway.

Other investment books beloved of the *Money Observer* team include: *The Investor’s Manifesto*, written by William Bernstein, Niall Ferguson’s *The Ascent of Money* and Howard Marks’ *The Most Important Thing*.



## No 5 DIVERSIFY – BUT NOT TOO FAR

The benefit of diversification, spreading your investments far and wide, has been described as “the only free lunch in town”. Diversification is achieved through mixing a range of stockmarket investments with other investment types, primarily bonds and commercial property.

The theory is that different types of investments are unlikely all to outperform or underperform at the same time, which therefore reduces the volatility of your overall portfolio. As the chart below shows, investments perform differently relative to each other every year; a mixed investment approach gives a portfolio ample opportunity to grow, while at the same time guarding against serious short-term losses.

While the theory does indeed work in practice, investors need to avoid the pitfall of over-diversification. This is known as ‘diworsification’ or inefficient diversification, and occurs if you buy too many funds that are similar – for example, several UK equity income funds. While the fund managers will have their own investment philosophies, and some funds will target shares with high dividend yields while others focus more on dividend growth, the risk is that an investor can end up owning most or even all of the companies in an index. This runs the risk of replicating the market, something that can be done much more cheaply through a passive fund – an index tracker or ETF.

Care also needs to be taken in regard to the ‘style’ of the fund – value, growth



## Shares in small companies may include a risk discount in their price

VICTORIA STEVENS

or momentum, for example.

As Justin Modary, founder of Candid Financial Advice, notes: “Within stockmarkets, diversification could include mixing large and small companies from across the globe and in different sectors. Doing so via investment funds is a practical way to do so. It is also sensible to combine low cost index-tracking funds with good active managers who invest quite differently.”

Allocating to alternatives, such as property, hedge funds, infrastructure and private equity, can also improve diversification. Peter Elston, chief investment

officer at Seneca Investment Managers, says such alternative investments “provide the features that give you something similar to bonds”. This is pertinent in the current climate, given that the ‘safest’ type of bond – government bonds or gilts – are looking anything but safe due to their historically low yields. If yields later rise and push prices down, gilt investors are likely to suffer capital losses.

## No 6 TAKE ADVANTAGE OF SMALLER COMPANY STRENGTH

A powerful investment phenomenon is likely to continue to play out in the decades to come: the significant outperformance of smaller companies over large ones. It’s a trend that is the long-term investor’s friend: research in 2019 by the London Business School found that

£1 invested in 1958 in the Numis 1000 index, composed of the 1,000 smallest UK-listed companies, would have grown to £15,213 by the end of 2018. In contrast, £1 invested in the FTSE All-Share index over that 60-year period would have grown to just £991.

There are various factors at play as to why small is beautiful – most obviously the fact that it’s so much easier for a small company to double or triple in size than it is for a large one. But the big driver, according to Victoria Stevens, co-manager on the Liontrust UK Micro Cap fund, is the perception that investment risks are higher for smaller companies.

She adds: “As a result, shares in these companies may effectively include a risk discount in their prices. If fears prove unfounded and a company successfully grows, you earn a return premium as the share valuation rises.”

## ANNUALISED ASSET CLASS RETURNS OVER PAST DECADE

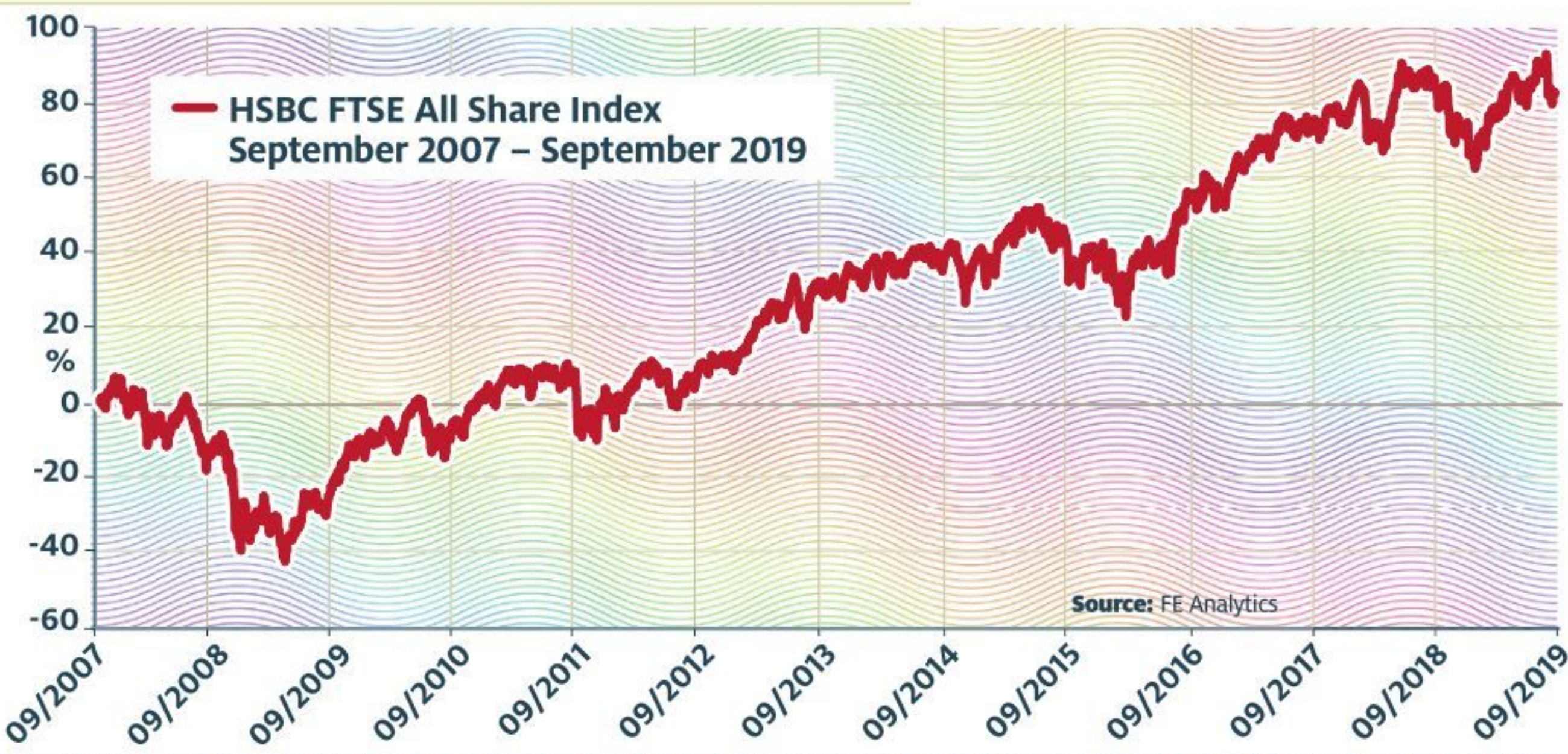
2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	Average return
GOVT BONDS 52.6%	EME 59.4%	REITS 31.6%	EMD 9.3%	REITS 14.9%	DM EQUITIES 25.0%	REITS 35.1%	REITS 8.2%	HY BONDS 36.3%	EME 25.8%	GOVT BONDS 5.8%	HY BONDS 11.3%
IG BONDS 26.5%	HY BONDS 41.9%	EME 22.9%	REITS 8.1%	HY BONDS 14.3%	PORTFOLIO 5.9%	EMD 12.1%	EMD 7.1%	CMDTY 33.3%	DM EQUITIES 12.4%	IG BONDS 2.4%	REITS 11.0%
EMD 23.3%	DM EQUITIES 16.4%	CMDTY 20.5%	GOVT BONDS 7.1%	EME 13.4%	HY BONDS 5.3%	DM EQUITIES 12.1%	DM EQUITIES 5.5%	EME 33.1%	PORTFOLIO 5.6%	HY BONDS 1.9%	EMD 10.3%
CASH 6.9%	PORTFOLIO 15.7%	HY BONDS 18.4%	IG BONDS 5.1%	EMD 13.3%	HEDGE FUNDS 4.7%	IG BONDS 9.6%	HY BONDS 2.9%	EMD 31.4%	HY BONDS 0.9%	REITS 1.9%	DM EQUITIES 8.6%
HEDGE FUNDS 6.3%	EMD 14.1%	DM EQUITIES 15.9%	HY BONDS 3.9%	DM EQUITIES 11.4%	REITS 1.3%	PORTFOLIO 8.7%	GOVT BONDS 2.3%	REITS 30.4%	CASH 0.4%	EMD 1.3%	IG BONDS 7.8%
PORTFOLIO 2.5%	REITS 13.5%	EMD 15.6%	CASH 1.2%	PORTFOLIO 7.6%	CASH 0.5%	HY BONDS 6.2%	IG BONDS 2.0%	DM EQUITIES 29.0%	EMD -0.1%	CASH 0.9%	PORTFOLIO 7.7%
HY BONDS 1.2%	IG BONDS 6.1%	PORTFOLIO 14.8%	PORTFOLIO -1.2%	IG BONDS 6.3%	IG BONDS -1.5%	HEDGE FUNDS 5.6%	HEDGE FUNDS 1.9%	PORTFOLIO 27.0%	REITS -0.2%	PORTFOLIO -0.5%	GOVT BONDS 6.6%
CMDTY -10.9%	CMDTY 5.9%	GOVT BONDS 9.2%	DM EQUITIES -4.3%	CASH 1.4%	EME -4.1%	GOVT BONDS 5.4%	PORTFOLIO 1.4%	IG BONDS 24.4%	IG BONDS -0.4%	HEDGE FUNDS -0.9%	EME 4.6%
REITS -13.2%	CASH 2.2%	IG BONDS 9.2%	HEDGE FUNDS -8.2%	HEDGE FUNDS -1.0%	GOVT BONDS -6.1%	EME 4.3%	CASH 0.7%	HEDGE FUNDS 22.3%	GOVT BONDS -2.0%	DM EQUITIES -2.5%	HEDGE FUNDS 3.1%
DM EQUITIES -17.4%	HEDGE FUNDS 1.0%	HEDGE FUNDS 8.5%	CMDTY -12.7%	GOVT BONDS -2.6%	EMD -8.3%	CASH 0.6%	EME -9.7%	GOVT BONDS 21.3%	HEDGE FUNDS -3.2%	CMDTY -5.7%	CASH 1.5%
EME -35.2%	GOVT BONDS -8.6%	CASH 0.9%	EME -17.6%	CMDTY -5.4%	CMDTY -11.2%	CMDTY -11.8%	CMDTY -20.3%	CASH 0.7%	CMDTY -7.1%	EME -8.9%	CMDTY -3.4%

Source: Barclays, Bloomberg, FTSE, MSCI, JPMorgan Economic Research, Thomson Reuters Datastream, JPMorgan Asset Management. Notes: Annualised return covers the period from 2008 to 2018. **Govt bonds:** Bloomberg Barclays Global Aggregate Government Treasuries; **HY bonds:** Bloomberg Barclays Global High Yield; **EMD:** (EM Debt) JPMorgan EMBI Global; **IG bonds:** Bloomberg Barclays Global Aggregate – Corporates; **CMDTY:** Bloomberg Commodity; **REITS:** FTSE NAREIT All REITS; **DM Equities:** MSCI World; **EME:** (EM Equity) MSCI EM; **Hedge funds:** HFRI Global Hedge Fund Index; **Cash:** JPMorgan Cash United Kingdom (3M). **Hypothetical portfolio** (for illustrative purposes only and should not be taken as a recommendation): 30% DM equities; 10% EM equities; 15% IG bonds; 12.5% government bonds; 7.5% HY bonds; 5% EMD; 5% commodities; 5% cash; 5% REITS and 5% hedge funds. All returns are total return, in GBP. Past performance is not a reliable indicator of current and future results. Data as of 31 December 2018.

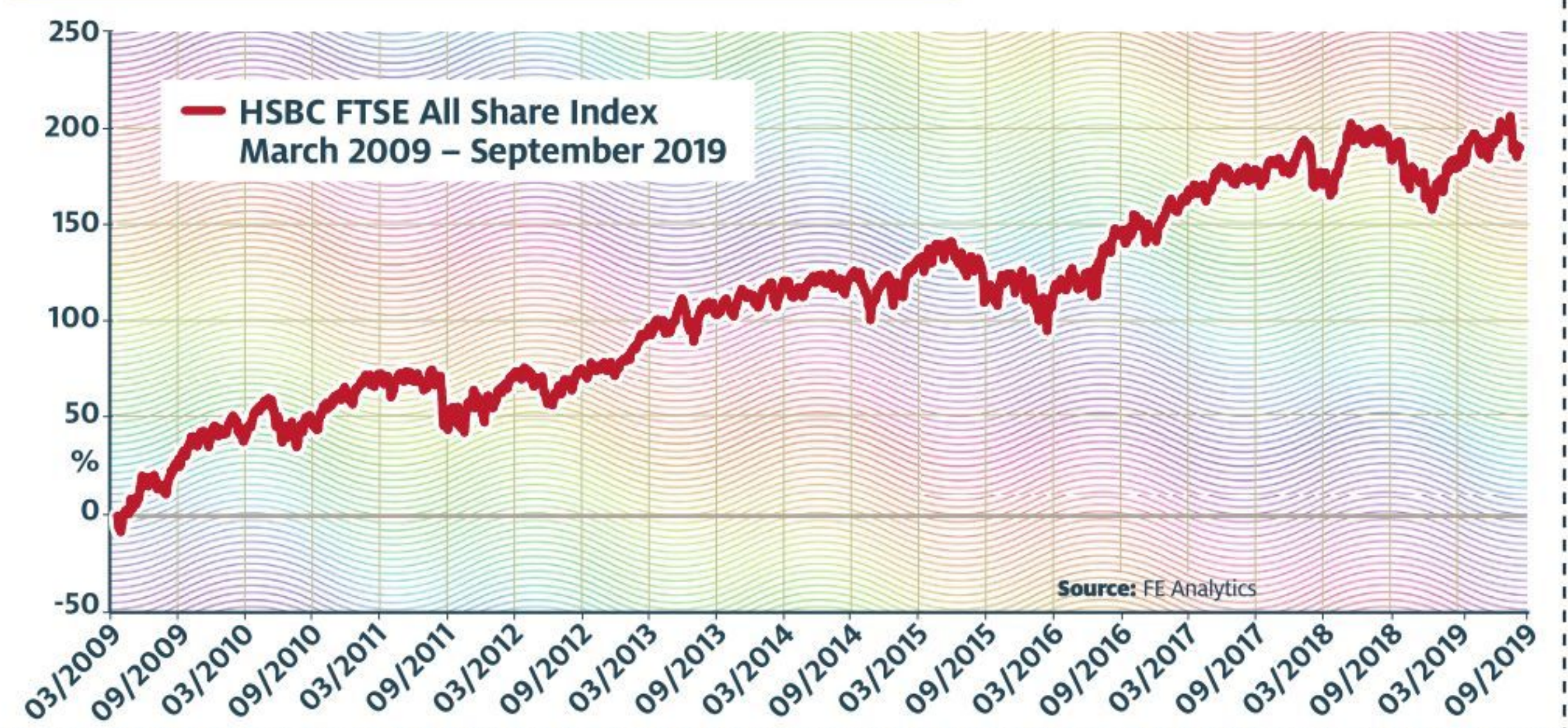
1992 ERM: George Soros built a short position in sterling and sold at \$1 billion profit, helping force the pound off the European Exchange Rate Mechanism



## UNLUCKY JOE INVESTOR



## LUCKY JOANNE INVESTOR



### No 7 INVEST REGULARLY RATHER THAN ALL AT ONCE

Trying to time the market is often described as a fool's errand – and with good reason, as those who buy at the wrong time can end up nursing painful losses. The financial crisis is a case in point: the charts above show how the HSBC FTSE All Share Index fund fared for 'unlucky Joe' and 'lucky Joanne'. Joe invested a lump sum at the start of September 2007, shortly before the financial crisis erupted, while Joanne timed her entry into the market perfectly as she bought at the start of March 2009, which marked the start of a strong recovery that has seen the market heading upwards ever since, with some bumps along the way.

As the chart shows, Joe could have lost as much as 40% if those losses were cashed in; given fear was spreading like wildfire, it is feasible he would have lost his nerve. Moreover, if Joe did sit tight, he would have been waiting for around five years until his investments were firmly back in positive territory.

The reliable way for an investor to reduce the risk that they enter the market at a disadvantageous time is to drip-feed money into an investment on a monthly basis. This strategy benefits from what is known as pound-cost averaging. "When we invest the same

amount on a regular basis, we simply buy more when an investment is cheaper and less when it is more expensive," explains Juliet Schooling Latter, a research director at FundCalibre. She adds the "little but often" approach reduces risk. "Very few investors can predict the direction of the market in the short term, and getting it wrong can be costly," she says.

Investing regularly also takes the "emotion out of investing", a behavioural flaw that can prove detrimental to returns. Ben Yearsley, director of Shore Financial Planning, notes: "Lump-sum investors need to be brave enough to invest all when they think they are at the bottom of the market, as well as cashing in at the top. Over time, the averaging effect of pound-cost averaging reduces the risk of getting market timing wrong."

Generally speaking, when markets are buoyant, lump-sum investing wins out over

### Pound-cost averaging reduces timing risk

BEN YEARSLEY

investing regularly on a monthly basis. Research by FundCalibre shows those who invested £100 a month into a passive fund tracking the FTSE 100 in 2017 – a good year – would have ended up with £1,280.80 at the end of the year. Those who had invested £1,200 on the first day of the year as a lump sum ended the year with £1,343.40. However, the same process again in 2018, when the market fell, would have resulted in a lump sum of £1,200 being reduced to £1,095.18, while monthly savings would have been worth £1,114.23 – still a slight loss, but less painful.

"Too many investors look at their portfolios too often. Spend the time doing your research before you buy and then sit back," adds Yearsley.



### No 8 ALWAYS MAKE USE OF YOUR ISA WRAPPER

Make sure as much of your portfolio is sheltered from the taxman as possible. The amount that can be tucked away in the tax-efficient Isa wrapper has never been more generous: £20,000 can be set aside in the 2019/20 tax year.

The choice has also been expanded over the years, with the appeal broadened to make Isas more attractive across the generations, via the Lifetime Isa, Help to Buy Isa and Innovative Finance Isa.

Ideally, both pension and Isa allowances should be utilised. Both have their pros and cons: pensions offer more generous tax relief and can be passed on free of inheritance tax, but unlike pension savings, which cannot be touched until age 55, Isa money is readily available in an emergency.



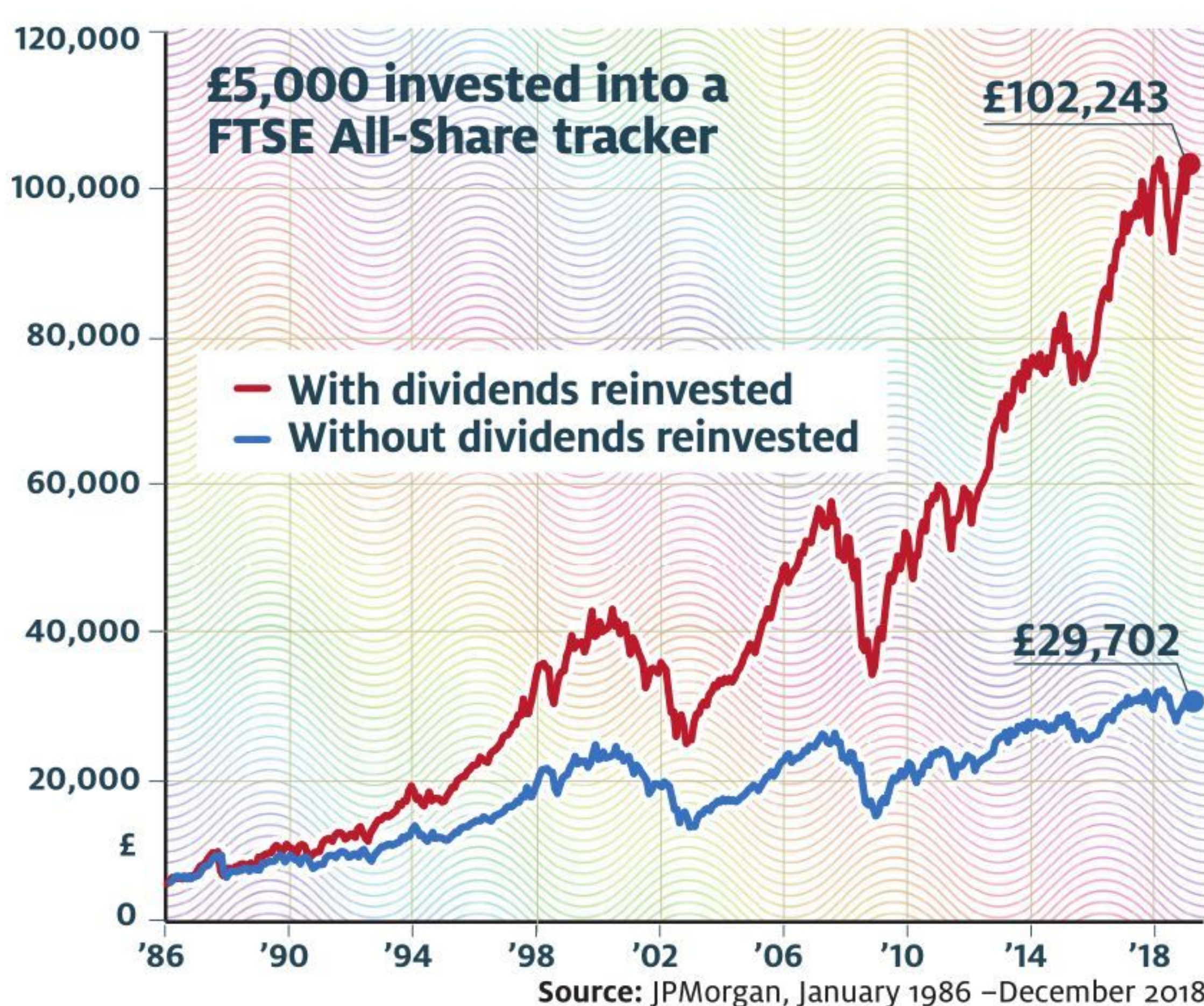
## No 9 REINVEST DIVIDENDS UNLESS YOU NEED THE INCOME

The power of reinvesting dividends makes an enormous difference to long-term investment growth, as the effect of compounding works its magic. Compound growth refers to the way investment returns themselves generate gains. For instance, if you invest £1,000 into a fund returning 5% over one year, you'll earn £50. Assuming that you don't withdraw any money, the next year you'll earn 5% on £1,050, which is £52.50.

This doesn't sound like much of an uplift, but as each year passes, the compounding effect multiplies. The effect becomes even more powerful when



## POWER OF REINVESTING DIVIDENDS



compounded growth is bolstered by the reinvestment of dividends. Indeed, over the long term, dividend growth is where the vast majority of returns come from.

The chart above shows the stark difference between the returns from £5,000 invested in the FTSE All-Share index, according to whether dividends are reinvested or not: £90,503 versus £26,903 over the period from the start of 1986 to

the end of 2018.

Timeframe also makes a huge difference. Karen Ward, chief market strategist for the UK and Europe at JPMorgan Asset Management, explains that starting earlier gives investors a huge advantage to “grow their growth” considerably. “An investor who starts investing £5,000 a year at 25 and reinvests a 5% dividend has a pot at 65 that is over 80% larger than someone who begins 10 years later.”

Fund investors buying an income fund need to be careful about their share class choice. The accumulation share class reinvests the income generated by a fund manager back into the fund, while the income share class pays income to the investor in cash. For long-term investors looking to benefit from the wonder of compounding, it is more profitable to pick the accumulation option.

Investment trusts are arguably a better option for income-seekers, due to their ability to hold back up to 15% of income generated each year for a ‘rainy day’. Thus, during the financial crisis the vast majority of investment trusts were able to maintain or grow their dividends, whereas nearly all open-ended funds with an income focus cut their dividends.

## No 10 HAVE AN ANNUAL SPRINGCLEAN

Financial planners advocate that investors should review their portfolio at least once a year – preferably twice. Like most ‘tidying-up’ jobs, it is not one investors are likely to look forward to, but it is necessary. The reason, as Darius McDermott, managing director of FundCalibre, points out, is due to different sectors, asset classes and economies performing differently over the course of a year. “This means the relative value of your investments can also shift, so therefore what was a perfectly diversified portfolio a year ago may now need some adjusting.”

Thus, doing the annual investment springclean stops complacency creeping into a portfolio. Also take a look at the winners and convert some paper gains into real profits, some of which could then be reinvested into areas of the portfolio that have been underperforming but may soon recover their poise.

McDermott adds that if one of your

**Failing to address imbalances introduces more risk**

DARIUS MCDERMOTT

investments is significantly outperforming everything else, it is tempting to hold on to it or even increase your stake, but holding a large percentage of your money in any one investment increases risk. He adds: “Simply by failing to address imbalances that may occur naturally after significant price gains or falls, you could be introducing more risk into your portfolio than that with which you’re truly comfortable.”

As part of a portfolio review it is a good idea to take a step back and remind yourself of your investment goals and attitude to risk. If they have changed, then so should your portfolio. Also, consider whether the investments are still doing what you want them to do, such as paying a rising income; if this is no longer being achieved then consider alternatives. “It is also worth trying to find out why investments

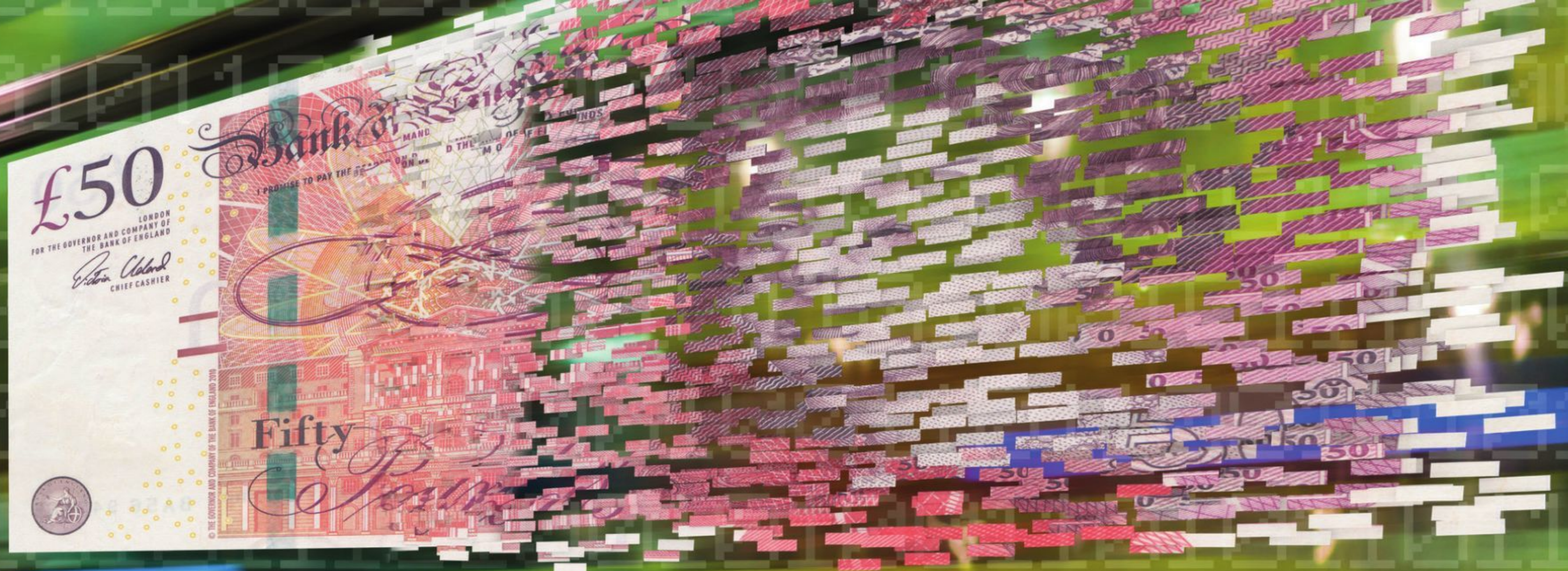
have done well or badly before you take profits or top up,” says Ben Yearsley of Shore Financial Planning.

James Norton, a financial planner at Vanguard, also makes the point: “It may seem counter-intuitive to sell your winners, but maintaining the risk level of your portfolio is much more important than chasing returns. It means you’re less exposed when markets fall.”



1994 CHANNEL TUNNEL was opened by the Queen, at a cost of £9 billion, of which £770 million was raised by public share offer; it caught fire twice





# Why CASH IS CRUCIAL

## CHERRY REYNARD SOUNDS OUT FUND MANAGERS TO UNDERSTAND THE IMPORTANCE FOR INVESTORS OF A COMPANY'S CASH BALANCE

**C**ash matters. Anyone with a small business, or simply an unreliable friend, recognises that cash in the bank is worth more than cash owed or cash promised. Cash in the bank can be spent, invested or kept for a rainy day. For this reason, many fund managers place great emphasis on cash flow in guiding them to strong and enduring companies.

The amount of cash a company makes on its day-to-day business activities is an important measure of its quality. Nick Davis, European income fund manager at Polar Capital, says: "Cash conversion is a good way to gauge the quality of earnings – better companies tend to convert more of their accounting earnings into profit. Ultimately, investors care more about cash than accounting profit, as it is cash that is paid out as dividends, or reinvested in growth through capital expenditure or acquisitions. What's more, good cash flow generation lets companies pay down debt more quickly after making investments."

### GOLD STANDARD

These are all sound reasons to focus on cash flow, but Nick Payne, head of global emerging markets at Merian Global Investors, argues that it is a "gold standard" as a valuation tool for another important reason: He says: "It's very hard to fiddle without committing outright fraud. In contrast, earnings are quite subjective. For example, it is possible to vary the

point at which a business chooses to recognise revenue or earnings. A company may provide a service, but when is that recognised in the accounts? Areas such as depreciation policy can also be quite subjective. They can either flatter earnings or make them look worse."

Corporate management teams are seldom above this type of manipulation. The term 'kitchen sinking' has become synonymous with a new chief executive's attempts to get every bit of bad news out into the market so that they have a low base from which to grow profits and revenues. In the opposite direction, management teams know that the market is generally impressed with improving earnings per share (EPS) and that plenty of investors won't look far beyond that. Get those right and a company's share price rises – at least in the short term.

Payne says many CEOs are still incentivised on EPS: "Cash flow requires a bit more work to forecast. Analysts and CEOs have bought into the myth of EPS. It is easy to forecast and talk about. Many are remunerated on earnings per share." That's one reason why management might seek to manipulate earnings per share and why they might not give an accurate picture of a company's prospects.

As well as being key to avoiding this type of manipulation,

cash flow analysis is important to any appraisal of income. It is a far more useful tool in predicting the sustainability of dividends than, say, dividend yield. Davis says: "We prefer to use free cash flow yield, rather than dividend yield, to value companies. This is because high dividend yields are not a good indicator of value, as they may be unsustainable. It is important to distinguish between cash dividends and scrip dividends. Scrip dividends are dividends companies pay in the form of new shares. We are generally wary of consistent scrip dividend payers, as the practice dilutes earnings per share over time."

In contrast, he says, a company with surplus cash flow can pay dividends sustainably over time. Recently, a number of companies have paid dividends out of debt. At some point, these companies will run out of money

or the dividend will have to be cut. An appraisal of cash flow would have revealed the problem.

### SAFER BET

Does this rule out certain companies as investments? Certainly, it is tough for early-stage firms to do well on the cash flow metric. The famed 'unicorns', for example – privately held businesses worth more than \$1 billion (£0.8 billion) – tend to raise shareholder equity and debt, and burn cash on the basis that it will ultimately be highly beneficial for the firm to be first to market.

It is possible to make money out of this sort of company, but such a play is highly likely to come with considerable risk. Companies with good cash flow tend to be safer bets.

**Cash flow is very hard to fiddle without committing fraud**

NICK PAYNE



NICK PAYNE





# Don't stop Learning

## TOM BAILEY EXPLAINS THE IMPORTANCE OF INVESTORS EMBRACING EMERGENT IDEAS



so there is little scope for investors to outperform other investors through rigorous analysis. As a result, most fund managers cannot outperform the market as a whole.

For years the fund was called 'Bogle's folly'. Many fund managers insisted that investors would never settle for average returns. However, over the past four decades, the popularity of tracker funds has grown massively. Vanguard funds (primarily passive and some active) now hold around \$5.3 trillion (£4.2 trillion) in assets.

It was only in 1976,

The appeal of passively following the market was enhanced by the creation of exchange traded funds (ETFs) in the early 1990s. Like index funds, most ETFs replicate a market index to yield the average return for that index. The failure of many active managers to navigate choppy markets in 2008 further boosted the popularity of passive investing.

Growth in the popularity of passive products and increasing acceptance of the efficient market hypothesis have been self-reinforcing trends over the past 40 years. However, the market as a whole has become more efficient over the period because of the expansion of professional

when US investor Jack Bogle founded Vanguard and launched the First Index Investment Trust (now called the Vanguard 500 Index fund), that the efficient market hypothesis could be applied in practice by everyday investors. Bogle's fund simply tracked a market index to give investors the index's average return.

**There has been a huge shift towards ethical investing**

MARK WHITEHEAD

**F**inancial markets and investment have undergone profound changes over the past 40 years, and investors who moved with the times and embraced those developments have felt the benefit.

One of the most revolutionary ideas to take hold over that period has been the efficient market hypothesis. The market, the theory goes, factors into share prices all the known information about stocks,

1996 BERKSHIRE HATHAWAY opened up to retail investors. At the time, an A-share cost \$30,000 (£24,343). They are now worth \$315,000 (£255,600)



# HARD-WIRED PSYCHOLOGICAL BIASES HINDER OPTIMAL INVESTING

**A**nother new approach is based on ideas in behavioural finance. Investors have always talked about fear and greed, but the behavioural finance approach attempts to apply more rigour to understanding investors' biases.

One such bias is the

**“Our research shows that ‘good’ investing behaviour can add around 1.5% a year to long-term investment returns”**

**JAMES NORTON**

illusory superiority bias. Studies show that most people judge themselves to have above-average ability to carry out tasks such as driving a car. Yet it is clearly impossible for most to people to be above average in this way.

This overconfidence extends to investing. Most people believe themselves to be better at picking winning investments than they really are. This bias can grow after a winning streak, with investment

success ascribed to skill rather than luck – the self-attribution bias.

This can lead to all sorts of poor investment behaviours. For example, if you really are the master stockpicker you believe yourself to be, why limit upside potential by diversifying your portfolio?

A recognition of this bias has no doubt convinced many investors to move away from picking shares



and accept that they will not be the next Peter Lynch. More than ever, investors favour investing in funds rather than stocks.

Another bias is seen in the greater weight investors give to losses compared with gains.

Again this often leads to poor investor behaviour. For example, the work of psychologists Daniel Kahneman and Amos Tversky has shown

that this bias means investors tend, unwisely, to sell out of winning positions and cling to losing positions in the hope of recovering their losses.

Investors and financial service providers now take the psychological biases investors often have more seriously. James Norton, a senior planner at Vanguard, says: “Our research has shown that ‘good’ investing behaviour can add around 1.5% a year to long-term investment returns.” Many fund providers now attempt to coach investors to try to rein in their innate behavioural biases.

asset management.

In his book *Capital Ideas*, former investment manager Peter Bernstein says: “We failed to recognise that the movement of increasing amounts of money into professional management, a process that was so rewarding to our own pocketbooks, would make it just that much more difficult for us to capture rewards for our clients’ pocketbooks. We could not beat the market because we were rapidly becoming the market.”

Despite markets becoming more efficient, many investors still think active managers still have the potential to outperform passive managers, even if the growth of indexing over recent decades suggests that a growing army of investors are sceptical about active managers’ promises to beat the market.

## FAVOURABLE FACTORS

The development of ETFs also opened the door to ‘factor investing’. Investors have long sought to identify factors common to high-performing stocks. This was at the heart of the work of Benjamin Graham (the ‘father’ of value investing).

But the concept really got going in 1992 when US economists Eugene Fama and Kenneth French identified several features that helped individual stocks produce better returns than the market as a whole, including value and smaller size.

According to Robert Davies, manager of the VT Munro Smart-Beta UK fund: “This led to the idea that passive funds could be designed to take advantage of one or more of these factors in a way that could be rigorously defined.”

He adds: “Incorporating one or more of these factors would yield the market return plus a bit extra – beta and bit more. This became known as smart beta.”

Investors, in the US in particular, started to question the logic of tracking the market in terms of market capitalisation, as traditional index funds and ETFs do, following the bursting of the tech bubble nearly two decades ago. However, to date the smart beta concept has gained little traction in the UK.

Over recent years, environmental, social and corporate governance (ESG) considerations have become more important for investors. Mark Whitehead,

portfolio manager of Securities Trust of Scotland, says: “Embedding ESG into the investment process is a huge shift we have seen in asset management.”

According to Mike Appleby, an investment manager in Liontrust’s sustainable investment team, this approach to investing has a long history. He says: “The earliest ideas behind sustainable

or socially responsible investing can be found in the ideas of the Methodists and Quakers in the 1800s around temperance and fair employment conditions.”

Mark Mobius in his book *Invest for Good* traces modern attempts at ethical investing back to opposition to the apartheid regime in South Africa in the 1980s. During that decade, “a large number of ‘ethical’ trusts and ‘conscience’

funds, as well as scores of state and local governments, proscribed investment in South Africa-related stocks”.

The term ESG was coined in 2005, says Appleby. ESG invest-

ing has become more sophisticated and moved away from a ‘negative screen’ approach, whereby supposedly bad companies are avoided, towards a positive screening approach, whereby companies are assessed on their fulfilment of ESG criteria.

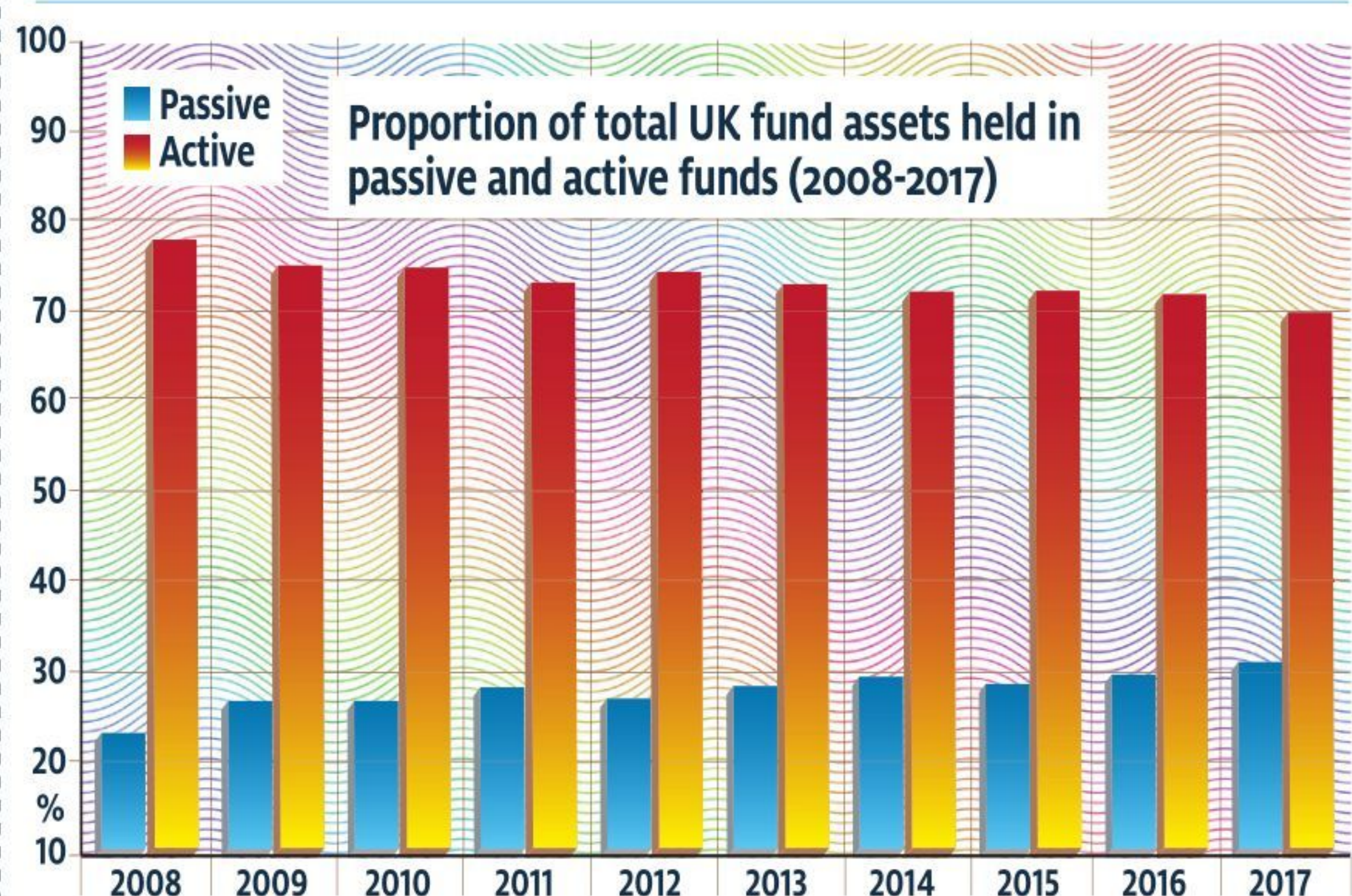
It is now commonplace for fund managers outside the ESG umbrella to integrate such principles into their investment processes – because it produces better performance. Whitehead says: “Investors realise working towards a more sustainable investment environment can better deliver long-term value for clients.”

Time will tell whether ESG investing will enter the mainstream. Fund managers are keen to talk up ESG, but investor demand will be key to growth. On that front, ESG funds held £18 billion under management at the end of April this year, which represents just 1.5% of industry funds under management.

## Embedding ESG into the investment process is a huge shift we have seen

**MARK WHITEHEAD**

### PASSIVE FUNDS ARE GAINING MARKET SHARE



Source: Investment Association, to end 2017

**1997 ASIAN CRISIS** began when Thailand abandoned its fixed exchange rate against the dollar, citing lack of foreign exchange resources



# How to gain an edge with INVESTMENT TRUSTS



**FIONA HAMILTON** OUTLINES EIGHT TIPS TO HELP INVESTORS TAKE FULL ADVANTAGE OF THE BENEFITS OF INVESTMENT TRUSTS

Investment trusts, savings vehicles that have been around since the Victorian era, are regarded as the City's best-kept secret. However, for many seasoned investors and regular readers of *Money Observer*, investment trusts have formed the bedrock of their portfolios for decades. One reason for this is that investment trusts offer benefits that open-ended funds don't.

## **No 13** USE INVESTMENT TRUST DISCOUNTS TO YOUR ADVANTAGE

The discount can be a trust investor's friend or their foe. It is the difference

between a trust's net asset value (NAV) and its share price. If it tightens (reduces) while you hold trust shares, it enhances your share price returns, but if it widens, it detracts from them.

### **A trust's discount can be a friend or a foe to investors**

When considering a trust, don't focus on its share price returns, which can be distorted by discount changes. Look first at its NAV total returns

relative to its peers and also to its benchmark, to decide whether it merits your attention. Then examine its discount relative to its peers, to decide if it looks fair.

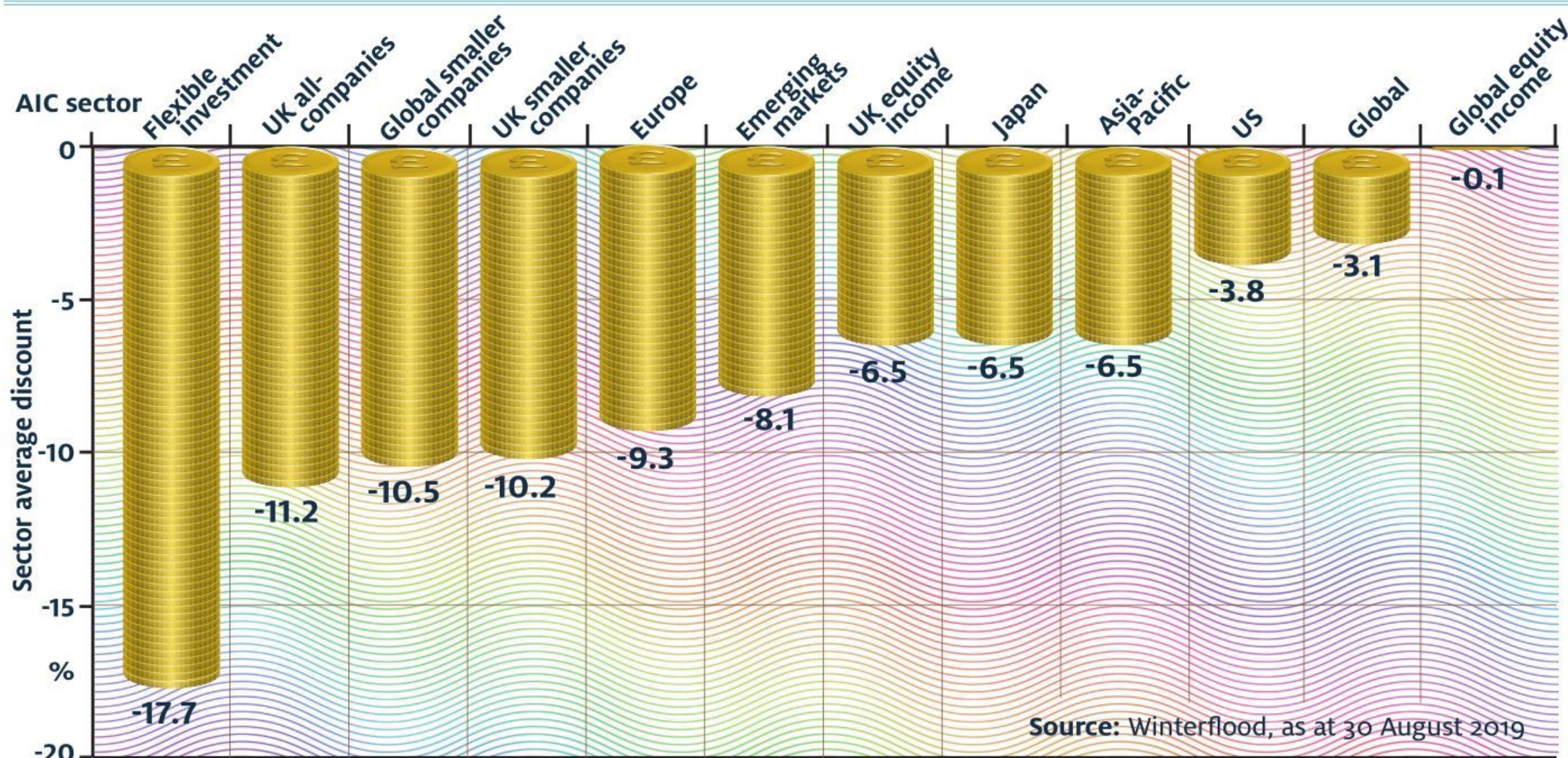
There are other things to bear in mind. Is a new manager or new approach turning a trust's performance around? If that is the case, the discount should be narrowing, as **Monks Investment Trust's** discount did after changes to both in March 2015. Has the trust introduced an enhanced yield that will pull in new investors, as **JPMorgan Global Growth & Income** did in 2017? Has its rating been excessively trashed by worries about a particular event, as was the case when **HICL Infrastructure** fell to a 10% discount in early 2018 as concerns mounted over the threat of nationalisation?

Consider too whether all the trusts in a sector have been savagely de-rated despite many of them having proven managers and reasonably solid balance sheets, as happened when private equity funds of funds fell to an average 57.7% discount at the end of 2008. A year later the average discount was down to 31% and the average share price was up by 42%.

If discounts worry you, find a trust committed to keeping its share price within a few percentage points of its NAV, as **Personal Assets Trust** has since the 1990s. **Mid Wynd International IT**, **Martin Currie Global Portfolio Trust**, **Capital Gearing Trust**, **Seneca Global Income & Growth Trust**, the **Jupiter UK Growth fund**, **Invesco Perpetual Select Trust**, **BlackRock Income & Growth IT** and **Troy Income and Growth Trust** also have explicit 'zero discount' policies. Baillie Gifford has indicated that having issued new shares at a small premium on most of its trusts when demand was high, it expects to conduct active buybacks to limit any discount in tough markets.

Specialised trusts, particularly those investing in less liquid assets, cannot adopt such a policy, so short-term investors need to be careful about buying into them on low single-digit discounts.

#### DISCOUNTS TO NAV CAN LOOK COMPELLING BUT CONSIDER THE CONTEXT



**Seek out unjustifiably wide discounts that could narrow**

**1998 BLACKROCK ESTABLISHED:** the world's largest asset manager was founded. It now manages assets of \$6.52 trillion (£5.26 trillion)





## No 14 TAKE CARE WITH LARGE PREMIUMS

Buying investment trust shares at a large premium can damage your wealth, as those who were sucked into this summer's enthusiasm for **Lindsell Train IT** can attest. The trust's impressive record and hopes that its large stake in its management company would continue to prove exceptionally rewarding drove its shares to a premium of 100% and a July high of £2,000 a share before they subsided to their current level of £1,350 and a still-demanding premium of 27%.

Trusts must offer something genuinely rich and rare to justify double-digit premiums. This might be the case with idiosyncratic life sciences specialist **Sycona**, currently trading at a premium of around 20% against a peak of more than 50% earlier this year, but if it disappoints, the fall will be painful.

With most equity-oriented trusts, it is advisable to avoid paying premiums of more than 5%, no matter how well they are performing, as most will boost their NAVs by issuing new shares at a low single-digit premium when this is the case.



You may have to pay a premium for income-focused trusts

## No 15 KEEP AN EYE OUT FOR GEARING

The ability to gear (borrow money) is beneficial for investment trusts as long as the returns on the investments the gearing finances are higher than the costs of borrowing.

This is easier to achieve if borrowings are low-cost, which is why many trusts have taken out long-term gearing while interest rates have been low, in some cases using at least part of their borrowings to repay older, more expensive debt. But even low-cost gearing can exacerbate a trust's problems in a falling market.

Many income-oriented investment trusts use gearing to enhance yields. They do this by using the income generated from the portfolio's underlying assets to

boost their revenue while charging most of the costs of the gearing to capital.

**Murray International Trust's** 4.7% yield, for example, is bolstered by its 11% gearing. All its borrowed funds are currently invested in emerging market fixed-interest securities, interest on which contributed 27% of last year's total income. Meanwhile, 70% of finance costs are charged to capital.

Some trusts avoid gearing on the

grounds that their asset classes are volatile enough without exacerbating the situation with gearing.

**JPMorgan Emerging Markets Trust** is a

case in point, and its fine record demonstrates that avoiding gearing need not be a handicap. **Troy Income & Growth** is also reluctant to gear, which is one reason why its yield is relatively low for its sector. Avoiding gearing contributes to Troy's capital preservation philosophy. ➡

## A large premium can damage your wealth



Avoid trusts using gearing if you're worried about capital preservation

**1999 ISAS REPLACED PEPS AND TESSAS:** they initially had an annual limit of £7,000, which rose to the current level of £20,000 in April 2017

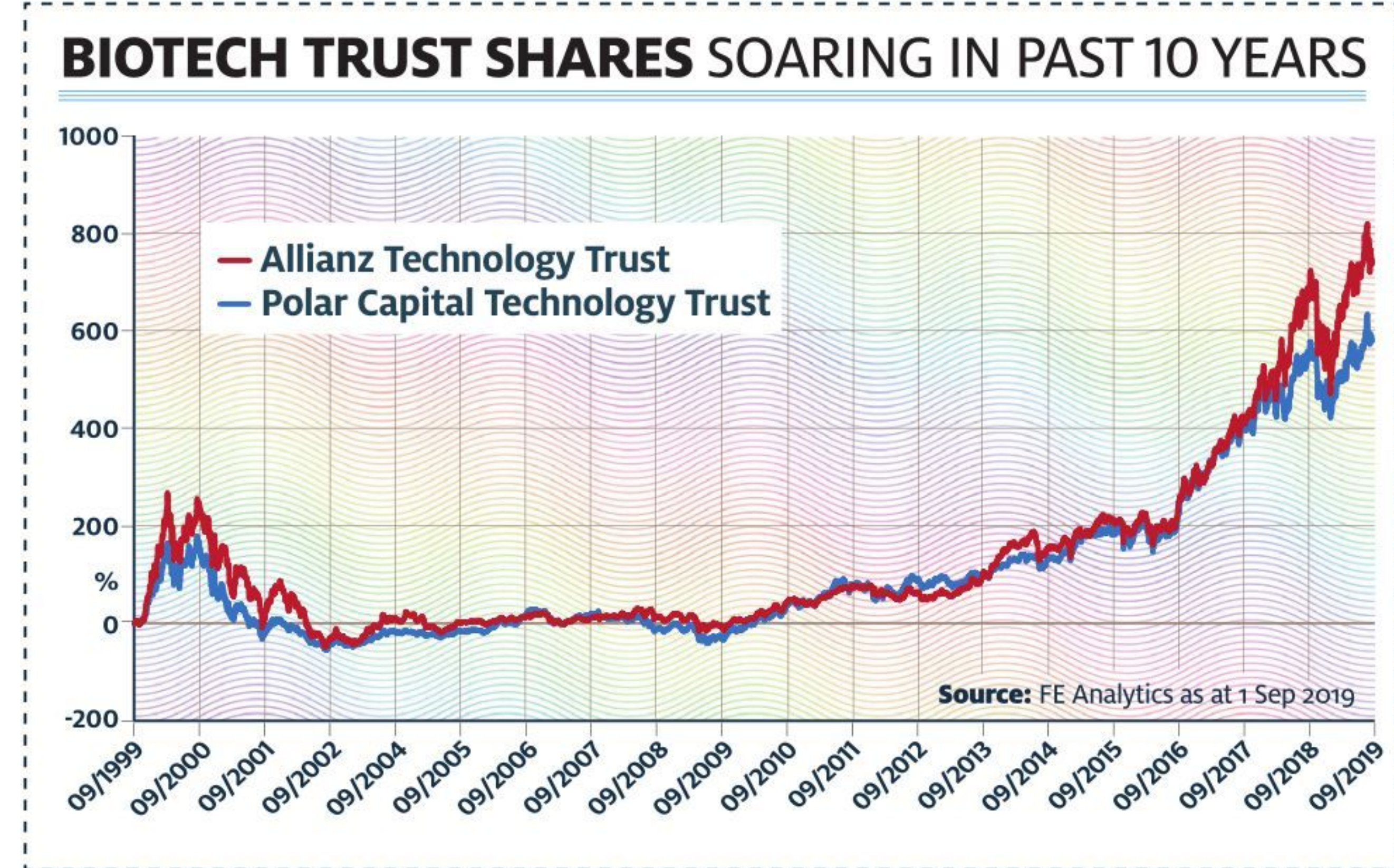


# SPECIALIST TRUSTS PROMISE PROFITABLE DIVERSIFICATION

**No 16** Specialist trusts can add excitement to a well-diversified portfolio. But stepping off the beaten track can go horribly wrong, as with the **Catco Reinsurance Opportunities** and **Ranger Direct Lending** funds, both of which are being wound up.

Timing can be critical to success. Biotech trusts were big winners in the first half of the current decade, whereas technology trusts have taken up the running in the second half. The NAVs of both **Allianz Technology Trust** and **Polar Capital Technology Trust** have almost tripled in the past five years. But over 20 years, a period that includes the boom and bust of the technology bubble at the turn of the century, there have been plenty of peaks and troughs for the trusts' share prices, as the chart shows. Holding your nerve, rather than trying to time the market, has been key.

The fortunes of **BlackRock World Mining Trust** illustrates the roller-



coaster ride that specialists may endure. The trust invests in a globally diversified portfolio of mining companies, and supplements its income from royalties and writing options. Its NAV per share rose from 75p at the end of 1997 to 804p at the end of 2007; it then fell to 331p 12 months later, recovered to 962p by the end of 2010, drifted back down to 212p by

the end of 2015 and then rose 80% to 383p in 2016. It is currently a bit lower than that. In contrast, the tiny **Golden Prospects Precious Metals** trust has seen its NAV per share more than double in the year to date, and the rise in its share price has been even more dramatic.

Investment trusts are well-suited to investing in less-liquid assets

classes, as investors can't quickly withdraw money if they lose confidence, but must try to find a buyer for their shares. Trusts therefore offer a good way to invest in single-country emerging markets. They are also a far better route into commercial property than open-ended funds, which have to hold a lot of liquidity to fund redemptions and still tend to shut up shop when panic sets in. What's more, investment trusts offer the only way for most investors to access private equity, a highly rewarding sector over the past 30 years. Investment trusts offer exposure to a wide range of illiquid debt and other alternatives to equities, such as infrastructure funds. **Henderson Diversified Income Trust** invests in a variety of global fixed- and floating-rate income asset classes and offers a 4.8% yield.

**Rule of Trusts** Closed-ended structure suits specialist investment, but you need to take long view

## No 17 UNDERSTAND THE BENEFITS OF AN INDEPENDENT BOARD

Independent boards are the unsung heroes of the investment trust world, especially now that they are more diverse than they were a decade ago; most now include at least one woman.

Open-ended funds are proposing to make their 'governing bodies' more independent, but nowhere near as independent as most investment trust boards.

The directors of a trust are responsible for ensuring that its remit remains relevant to investors' interests and that the trust's managers deliver. If not, directors can move their mandate to another fund manager, as **Mid Wynd International** did when it successfully moved its mandate to **Artemis** in May 2014. Alternatively, they can demand a change of direction and personnel. **Alliance Trust** undertook an extensive realignment in March 2017.

The board is also responsible for making sure its trust's running costs remain competitive, and it is heartening that so many trusts have reduced their charges in recent years. Boards also set and manage gearing levels.

**Rule of Trusts** Shareholders have the right to attend annual general meetings

## No 18 BEGINNERS WISE TO CONSIDER GLOBAL GENERALISTS

Global generalist trusts make ideal core holdings for those who believe that, for all their ups and downs, equities remain a great way to achieve long-term growth in both income and capital. On the whole, global trusts tend to have lower charges than their open-ended fund counterparts, with **Bankers IT**, **Monks**, **Scottish**



**Investment Trust** and **Scottish Mortgage IT**, for example, all having ongoing charges of 0.5% or less.

Global trust managers relieve investors of the need to worry about rebalancing portfolios between different regions and sectors, as they will do this for them within the tax-free envelope of the trust. Thus they are core 'one-stop shop' investments and ideal for novice investors.

There is a wide choice of global generalist trusts – as outlined in the September 2019 issue of *Money Observer* – so investors must choose carefully. **Alliance Trust**, **Bankers**, **Brunner**, **F&C Investment Trust**, **Scottish Investment Trust** and **Witan**, for example, have raised their dividends every year for between 35 and 52 years – something they take great pride in – and they are determined to continue to raise them.

These trusts tick boxes for investors who deem modest but steadily rising income important.

Investors who prefer a trust that has achieved exceptional returns over the past 10 years – and can live with the trust manager's warning of possible volatility over the short term – might favour **Scottish Mortgage**. On the other hand, those who prefer a trust with a more diversified portfolio and a less volatile record

**2000 DOTCOM BUBBLE:** investors went mad for internet start-ups that often had no proprietary technology; typically they crashed within a year



may be more comfortable with Bankers, F&C or Witan, all of which have outperformed the MSCI All Country World index over the past 10 years.

**Global trusts can't be beaten as a simple, low-cost entry point**

## No 19 SEEK OUT TRUST BOARDS THAT HAVE 'SKIN IN THE GAME'

The directors of a trust are said to have 'skin in the game' when they have a large enough stake in its shares to suffer financially if the trust does badly. When this is the case, investors can be confident that the board shares their interests and will act if it becomes worried that the trust is not performing as well as it should.

The size of each director's stake is published annually in a trust's report and accounts. However, just how much constitutes a significant shareholding is a moot point. Directors with multi-million-pound interests clearly have a huge commitment, as in the case of Douglas McDougall at both the **Independent Investment Trust** and **Monks**.



**HIGH STAKES: RIT CAPITAL PARTNERS DIRECTORS LORD ROTHSCHILD AND HANNAH ROTHSCHILD HAVE SUBSTANTIAL CAPITAL INVESTED IN THE TRUST**

Investors can be even more confident that a director is committed to achieving the best possible long-term returns if members of that director's family also have multi-million-pound stakes, as is the case with Lord Rothschild and Hannah Rothschild at **RIT Capital Partners**, William Salomon at **Hansa Trust**, Will Wyatt at **Caledonia Investments**, and Harry Henderson at **Witan**. Recently appointed directors are likely to hold far smaller stakes, particularly if they are not wealthy.

James Henderson, manager of **Law Debenture**, **Lowland Investment Company** and **Henderson Opportunities Trust**, says some directors are more motivated by the intellectual challenge of

their role and "getting it right" than the desire to make money. Nevertheless, it is discouraging if none of the directors of a trust have the confidence to accumulate significant stakes.

During his time as head of investment companies research at Canaccord Genuity, Alan Brierley published an annual report on the subject of skin in the game. In it he suggested that chairmen who had been on a board for at least five years should have a shareholding valued at more than their annual fee, and he praised 12 boards where all members had personal shareholdings equal to more than two years of fees. These included **Bluefield Solar Income Fund**, **EP Global Opportunities**, **Personal Assets Trust** and **Seneca Global Income & Growth Trust**.

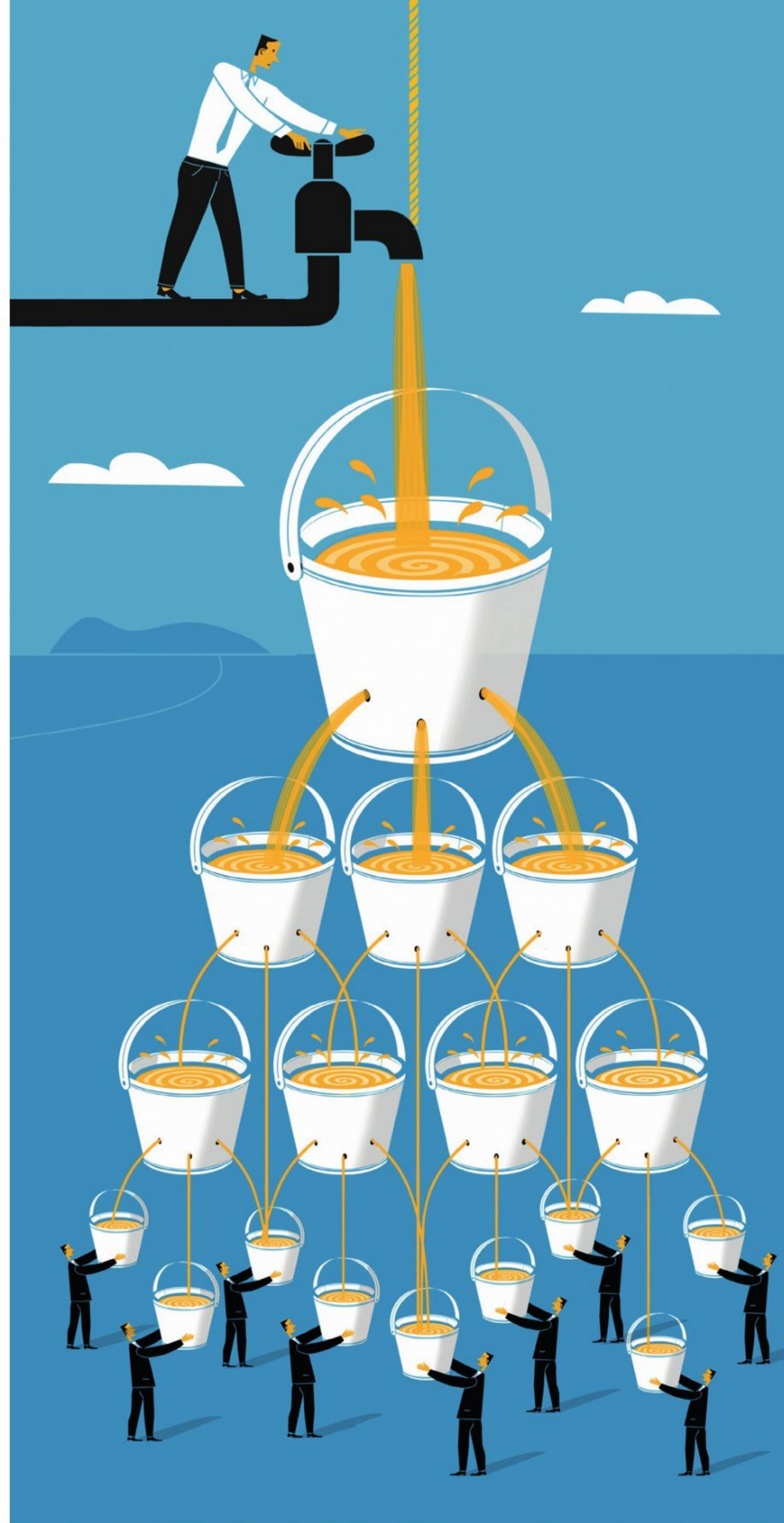
It can be equally encouraging when a good manager has a lot of skin in the game, as this indicates that they will be reluctant to change jobs or take on too many other responsibilities. That said, it is hard to verify manager shareholdings, as only stakes exceeding 3% of issued capital must be published.

Managers with personal investments of more than £5 million in their trusts include Christopher Mills at **North Atlantic Smaller Companies IT**, Mark Sheppard at **Manchester & London IT**, John Duffield at **New Star IT**, Peter Spiller at **Capital Gearing Trust**, Max Ward at **Independent Investment Trust**, Nick Train at **Finsbury Growth & Income Trust**, Simon Edelsten at **Mid Wynd**, Katie Potts at **Herald**, Charles Montanaro and family at **Montanaro UK Smaller Companies IT**, and the management teams at **Scottish Mortgage IT**, **HgCapital Trust**, **Aberforth Smaller Companies Trust**, **Monks**, **Scotgems** and **Ecofin Global Utilities and Infrastructure Trust**. Bear in mind, though, that large management stakes don't guarantee stellar performance.

**Take confidence from trusts where the directors have personal stakes**

## No 20 LOOK TO TRUSTS FOR SUSTAINABLE INCOME

Many trusts aim for capital gains rather than income, but a lot of investors love an attractive and steadily growing dividend. A total of 21 trusts in the UK equity income and global sectors have raised their dividends every year for between 20 and 53 years, with **City of London IT**, **Bankers** and **Alliance Trust** topping the list. A number of other trusts have grown their dividends steadily for at least 10 years, including three Asian income trusts: the **Schroder Oriental Income** fund, **Henderson Far East Income** and **Aberdeen Asian Income**.



Investment trusts are well-placed to deliver steady income because they only have to distribute 85% of their earnings per share each year. The rest can be held in reserve and drawn down when needed.

Since 2012 trusts have been allowed to pay dividends partly from capital. This has permitted trusts ranging from **BMO Private Equity** to **JPMorgan Japan Smaller Companies** to pay well above-average dividends for their sectors, something many investors find attractive. However, these enhanced yields may prove more volatile than those

## Trusts are well-placed to deliver a steady income

financed from current earnings and revenue reserves, especially if they are linked to NAV per share, which can decline in a tough market – as investors in **European Assets Trust** are currently being reminded to their cost.

**Dividend growth is highly prized but yields may be relatively modest**



# EXPLORING THE NEXT FRONTIER

**FRONTIER MARKETS** MAY APPEAR A RISKIER OPTION THAN MORE DEVELOPED MARKETS, BUT THEY CAN BRING THREE KEY CHARACTERISTICS TO A PORTFOLIO: DIVERSIFICATION, INCOME AND, PERHAPS SURPRISINGLY, ACT TO LOWER VOLATILITY.

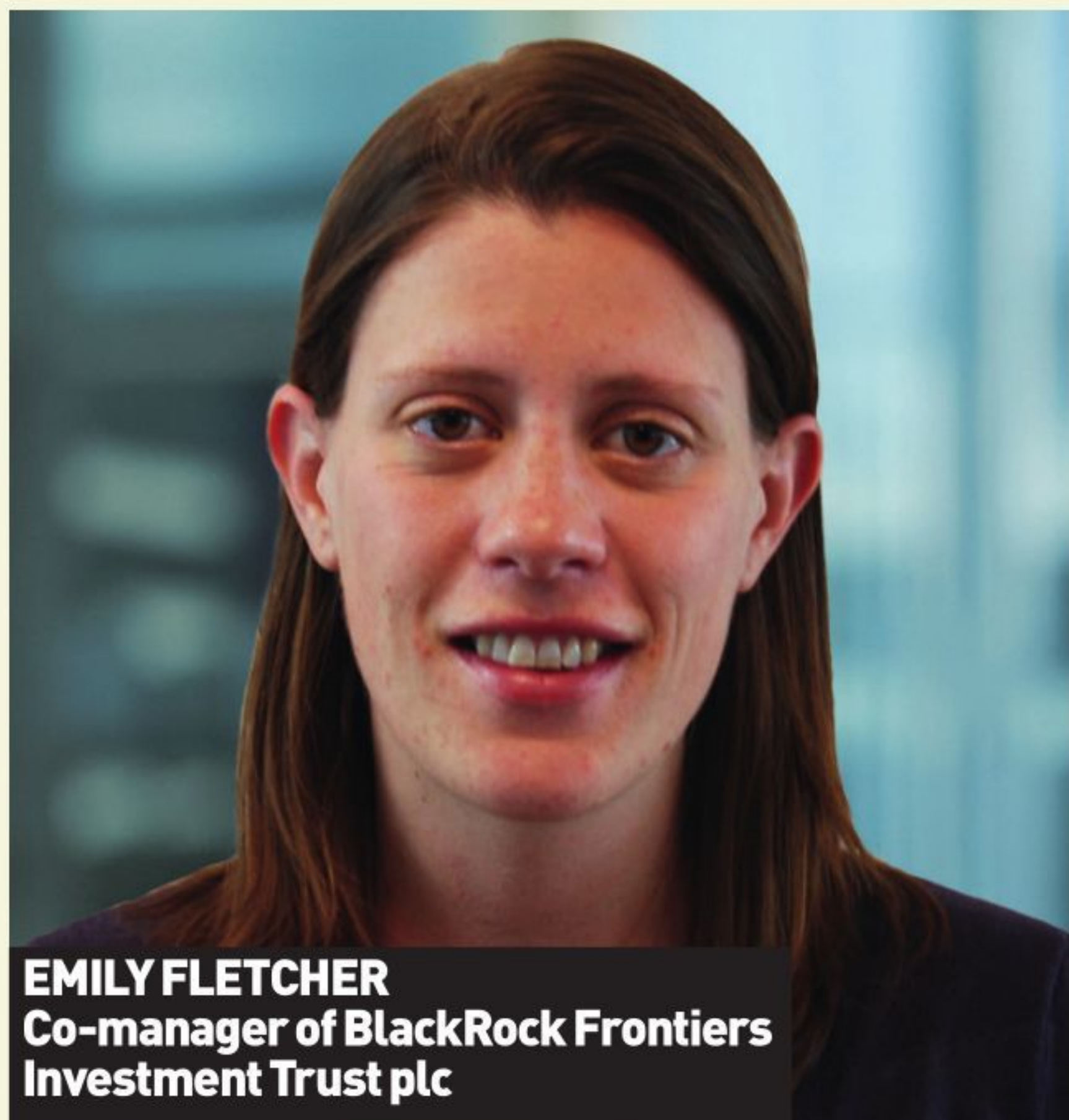
**CAPITAL AT RISK.** The value of investments and the income from them can fall as well as rise and are not guaranteed. You may not get back the amount originally invested.

**F**rontier markets may have some of the look and feel of emerging markets, but they are not simply a higher risk, faster growth version. They stand as a separate asset class, with distinctive characteristics and can bring something very different to a portfolio.

Frontier markets are countries at an earlier stage of economic development. These might include countries such as Bangladesh or Kenya, where GDP (Gross Domestic Product) per capita is low, but they are growing fast, or some countries in the Middle East, where there is considerable wealth, but capital markets are less developed, and access can be more limited. Capital markets in these countries tend to be dominated by domestic investors and they are often tough to research for global investors. As such, they are overlooked by many international investors without the resources to get into the weeds.

However, we believe they merit greater attention. The major emerging markets can be vulnerable to the ebb and flow of international capital. Money will flow in when optimistic asset allocators are looking for higher growth and flow out when global growth slows. Frontier markets, in contrast, are influenced more by local money flows than what's happening on Wall Street. Kenyan banks care what's happening to the Kenyan economy rather than the global economy.

This means a frontier market allocation will have much less correlation to both emerging and developed markets than they will to each other. Their economies often



**EMILY FLETCHER**  
Co-manager of BlackRock Frontiers  
Investment Trust plc

have few connections to the global financial system. In the BlackRock Frontiers Investment Trust, we have over 20 different geographies represented and none of these form more than 15% of the overall portfolio<sup>1</sup>.

A portfolio of frontier market companies can potentially lower the overall volatility of a portfolio. This is counter-intuitive because smaller and less liquid companies generally see greater volatility. While this is true for frontier markets at an individual stock and country level, each individual market is so different from the others, blended together there is lower volatility.

Research from independent investment trust analysts, Kepler, found that since launch in December 2010, the volatility of the trust's underlying holdings has been lower than any other emerging markets trust, lower than the FTSE All Share and the MSCI World<sup>2</sup>.

A third element that investors might not expect from companies operating in countries at this early stage of development is an income stream. Income is not an explicit objective of the fund and yet the underlying income for the fund is currently 3.7%<sup>3</sup>. It has also shown reasonable growth over

time. This is a happy accident of the underlying companies in the trust, which are often extremely cash generative. Many of the companies don't have the opportunities to invest across borders and expand into new markets. They are focused on local growth. As such, they're piling up cash from their fast-growing local operations, which has nowhere to go except to be returned to shareholders.

These are the advantages of investing in frontier markets. Nevertheless, they come with their challenges for investors. These markets often have oddities: it may be difficult for foreign investors to buy on local exchanges, there is often less information available, with limited broker research. It only suits those who are willing to roll their sleeves up.

On the BlackRock trust, we use a mixture of top-down macro-economic analysis and bottom-up fundamental stock research to build their portfolio. First, we have devised our own process to assess these countries' economies, creating a 'macro dashboard', which looks at the economic cycle for each country in their universe, guiding us to likely areas of interest. We prefer to be invested in countries that are early cycle, seeing stabilising and rising currencies and falling bond yields.

For the companies themselves, we like stability - predictable earnings and cash-flows, organic growth and a compelling valuation. Frontier markets tend to be less well-researched than more developed markets, which means mispricing is more evident.

At the moment, it is leading us to countries such as Egypt. It is a poster child for structural reform with the fiscal deficit closed and the current account in surplus, thanks to a boom in tourism and energy exports. The trust owns a medical diagnostics company, currently eyeing the huge





Nigerian market, and a construction company. Vietnam is another area of interest, as a potential beneficiary of the US/China trade war. The country has already seen lots of outsourcing from China. Even unloved Argentina features, where there is huge potential after its harsh devaluation.

The trust has recently expanded its universe to include all but the eight largest countries in the MSCI index<sup>4</sup>. This retains the diversification elements - according to Morningstar data, the average emerging

markets fund portfolio in the Investment Association (IA) sector is 75% invested in the largest eight countries in the MSCI EM index<sup>4</sup> - but creates greater stability of investable universe. The MSCI Frontiers Market can change composition relatively regularly and we don't want to be forced to sell good holdings just because a country has dropped out of the index.

At a time when markets are becoming more volatile, the temptation may be to shy away from smaller, earlier stage

investments, but we believe this would miss the point. Frontier markets are not a high-octane version of emerging markets but can be a stabilising force in a portfolio.

<sup>1</sup> BlackRock Frontiers Investment Trust plc factsheet, May 2019

<sup>2</sup> Kepler, BlackRock Frontiers Investment Trust plc, May 2019

<sup>3</sup> BlackRock, May 2019

<sup>4</sup> Kepler, BlackRock Frontiers Investment Trust plc, May 2019

**FOR MORE INFORMATION on this Trust and how to access the potential opportunities presented by frontier markets, please visit [www.blackrock.com/uk/brfi](http://www.blackrock.com/uk/brfi)**

#### TRUST SPECIFIC RISKS

**Exchange rate risk:** The return of your investment may increase or decrease as a result of currency fluctuations.

**Emerging Europe:** Emerging market investments are usually

associated with higher investment risk than developed market investments. Therefore, the value of these investments may be unpredictable and subject to greater variation.

**Frontiers:** The Company invests

in a number of developing emerging markets ("Frontier Markets"). Frontier Markets tend to be more volatile than more established markets and therefore present a higher degree of risk as they are less well regulated and may be

affected by political and social instability and other factors.

**Gearing risk:** Investment strategies, such as borrowing, used by the Trust can result in even larger losses suffered when the value of the underlying investments fall.

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The BlackRock Frontiers Investment Trust plc currently conducts its affairs so that its securities can be recommended by IFAs to ordinary retail investors in accordance with the

Financial Conduct Authority's rules in relation to non-mainstream investment products and intends to continue to do so for the foreseeable future. The securities are excluded from the Financial Conduct Authority's restrictions which apply to non-mainstream investment products because they are shares in an investment trust.

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# TORRENT OF change NEVER STOPS



**TOM BAILEY** LOOKS AT HOW CHANGING FINANCIAL TRENDS HAVE IMPACTED INVESTORS' PORTFOLIOS

**P**ublicly listed companies have a limited lifespan. Eventually, they fall victim to competition, are taken over or see their business model become obsolete as a consequence of some technological or regulatory development, or simply changing fashion. Similarly, certain sectors come to dominate for a while before fading, and new technologies and trends lead to the rise and fall of particular industries over time.

This process of constant change means the composition of stockmarkets too is always altering, and with it the make-up

of a typical investor's portfolio. Here we examine the trends that have led to changes in investors' portfolios over the past 40 years. We can't look in detail at which stocks investors typically held in their portfolios over the period, as the data needed do so is unavailable. However, data on fund flows and the composition of major market indices tell us which companies dominated markets during the period. This in turn gives us clues to the popularity of specific stocks and sectors with equity investors and fund managers.

### LEAVING HOME

One of the biggest changes in UK investors' portfolios over recent decades has been a reduction in UK bias. James Norton, a senior planner at Vanguard, says: "Historically, retail investors have favoured their home market, possibly

because they are familiar with UK companies." That, though, has changed in recent years: He adds: "Anecdotally, I've seen investors reduce their home bias substantially over the past 15-20 years."

Jonathan Lipkin, director of policy, strategy and research at the Investment Association, says: "One of the most notable changes in retail saver behaviour over the past three decades has been a shift away from the [focus on] UK equity funds that characterised the 1990s."

## There has been a shift away from UK equity funds

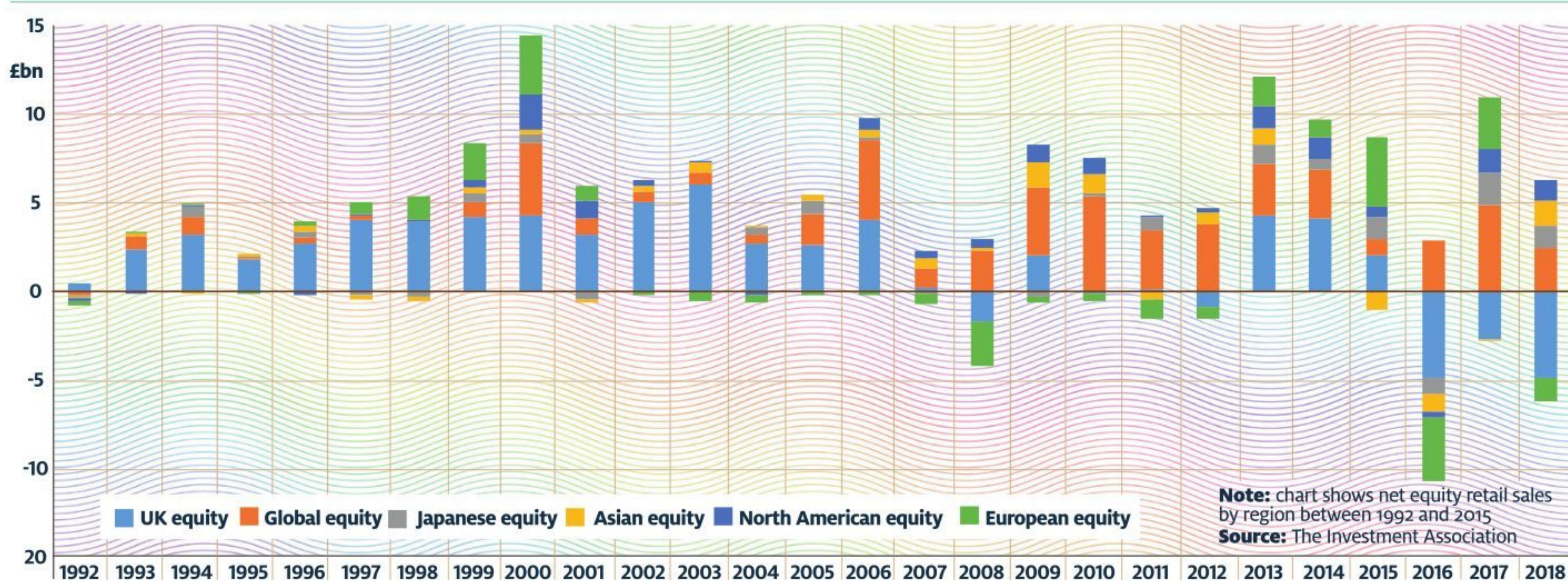
JONATHAN LIPKIN

As the chart shows, throughout the 1990s UK equity funds (pale blue) dominated. That briefly changed in 2000 when global equity funds eclipsed UK funds, driven by the dotcom boom, but when the dotcom bubble burst, so too did appetite for global stocks (orange). There

**2002 EQUITABLE LIFE:** a low point in the insurer's collapse occurred when chairman Vanni Treves thought to sue government for inadequate regulation



## UK DOMINANCE DECLINES AS GLOBAL FUNDS GAIN STRENGTH



was a brief swing back to UK equities in the early 2000s, but it was short-lived.

In the late 2000s UK equity funds again started to lose their dominance, a position they have not regained. Gradually UK investors renewed their confidence in global stocks. The increasing popularity of global index trackers might partly explain this trend.

Data from the IA also shows the flows of money going to different asset classes among investors between 1993 (the earliest date for which it has data) and 2018. Overall, investors still preferred equity funds over the period but drifted slightly towards more diverse asset classes such as property, fixed income and mixed assets.

### UNCERTAINTY SPURS SHIFT

According to Russ Mould, investment director at broker AJ Bell, the most interesting shift in the asset class preferences of investors has been towards multi-asset funds. These funds barely registered with investors in the 1990s, but their popularity grew in the mid-2000s and took off around the time of the global financial crisis, according to IA data.

Mould says demand has been driven by a sense that there are “multiple [conceivable] outcomes to what is happening on the global geopolitical stage, and in terms of policy responses from governments and central banks”. He explains that since the 2008 crisis, investors have felt that a range of eventualities is possible, spanning inflation, deflation and stagflation. No one knows what is coming next.

He adds: “Each of those three scenarios would require a different asset allocation strategy, at least if history is any guide, so it makes sense for investors to try to cover as many bases as possible using multi-asset funds.”

Investors in FTSE 100 index companies have also had to face significant change as sectors of the index have risen and fallen in line with global economic trends.

For example, 25 technology, media and

telecoms stocks were added to the index between 1998 and 2000, only for 22 to fall straight back out in 2000/02. Similarly, between 2008 and 2012 17 mining and oil firms gained promotion to the index. However, when commodity prices started to dive from 2011 onwards, 16 firms were demoted.

The period 2008/18 also saw some important trends. For example, in 2008 financials comprised 24% of the index. The financial crisis trimmed this to just 14.9% by 2009. Yet by 2010 the sector’s weighting had bounced back to 21%.

Financials once again declined in 2012 as oil and gas stocks reached their peak on the back of surging commodity prices. However, the financials sector constituted 20% or more of the index in subsequent years and 24% by 2018.

Mould suggests that one of the most noteworthy changes has been seen in the industrials sector. Until 2012 industrials accounted for 3-4% of the FTSE 100. However, the sector now constitutes about 7% of the index, largely on the back of the success of housebuilders.

He says: “Four builders – Barratt, Berkeley, Persimmon and Taylor Wimpey – are now in the index, thanks to their record profits, net cash balance sheets and generous cash returns to shareholders. The companies have felt the benefit of record low interest rates and government efforts to stoke the housing market via the Help to Buy scheme.”

### TECH TRENDS

Amid all the change over the past decade, there has been one constant: a lack of technology stocks in the UK index. Technology accounted for less than 1% of the index in 2008, and it was the same story in 2018. This, according to Mould, “shows that UK investors have had to look to the US and, to a lesser degree, Asia, Japan and Europe to play

the latest growth trends in the technology sector.”

In the US the dominance of the tech sector today is indisputable. However, the narrative that tech stocks gained ascendancy over the past 40 years, knocking industrials and old-economy stocks off their perches, is inaccurate. Data from Goldman Sachs shows that tech stocks had already gained dominance by 1979. Even back in the early 1970s, thanks to the craze for fast-growing Nifty Fifty tech stocks, technology was the largest sector in the US market.

A further nuance in the picture is that big-name Nifty Fifty tech stocks of the past often had larger market weightings than the largest tech stocks of today. For example, Apple currently has a market weighting of 3.6%, Amazon 3.2%, Alphabet 2.7% and Facebook 1.9%. However, at the height of the Nifty Fifty craze IBM had a market weighting of 8.3%, Eastman Kodak 4.2%, General Electric 2.3% and Xerox 2.1%.

Indeed, at several points over the past

decade tech companies have been even more dominant than they are today. The tech sector as a percentage of the US market reached its peak during the final stages of the dotcom

**It's sensible for investors to try to cover as many bases as possible**

**RUSS MOULD**

bubble, not during the bull market of the past few years that has been led by Faang stocks (Facebook, Amazon, Apple, Netflix and Google).

At the height of the tech boom, the individual market caps of the tech giants surpassed or rivalled those dominating today: Microsoft was on a market weighting of 5.5%, Cisco Systems on 4.2% and Intel 3.6%. For most of the past 40 years anyone holding the whole US market

would have found that their largest sectoral exposure was to tech.

As readers may have noticed, much of the UK data that can be called upon to map out investing patterns over the past 40 years only extends to the 1990s, whereas US market data is more complete and easier to access. Nonetheless, readers should have gained some sense of the ebbing and flowing of investment trends over the past 40 years, and of the corresponding changes that have occurred in the composition of investors’ portfolios.

### TOP 5 FTSE 100 SECTORS

Sector	Number of companies	Weight (%)
<b>AS AT FEBRUARY 2008</b>		
Financials	27	24.09
Oil and gas	7	19.12
Consumer services	24	9.23
Consumer goods	11	10.77
Healthcare	4	7.38
<b>AS AT FEBRUARY 2018</b>		
Financials	23	23.96
Consumer goods	13	17.19
Oil and gas	3	15.03
Consumer services	21	10.08
Basic materials	11	9.38

Source: FTSE Russell



# Get the best out of ACTIVE FUNDS



**CHERRY REYNARD** OUTLINES SIX POINTERS TO ENSURE YOUR ACTIVE HOLDINGS PULL THEIR WEIGHT

**I**n recent years, there has been an increasing focus on whether it is worth paying active fund fees. The alternative is simply to invest via index funds, which are cheaper, but come without the lure of potentially higher returns.

It is clear that the worst of all possible worlds is 'closet trackers' – funds that masquerade as active funds and charge similar fees but in fact simply mimic the performance of an index. The Irish Regulator recently became so concerned about this phenomenon that it took steps to investigate almost 200 funds, suggesting they may have been falsely advertised as actively managed funds while their performance stayed close to the index.

## **No 22 | LOOK AT ACTIVE SHARE**

Closet trackers have not always been easy to spot. However, 'active share' has emerged as a useful tool to identify them. This measures the extent to which a portfolio differs from the benchmark index, and is given as a percentage. An active share of 0% means a portfolio is identical to its benchmark and has no active positions. A value of 100% means the portfolio

is completely active, holding none of the same shares as the benchmark index. The theory is that a fund has to be meaningfully different from the index to have a chance of outperforming it.

Not all companies publish their active share. Unsurprisingly, it tends to be those with a high active share that do – companies such as

Baillie Gifford, where active share will often be 80% or higher.

Active share, however, is not a proxy for good returns; instead

## **Active share is useful for identifying closet trackers**

its greatest use is in identifying those closet trackers, so investors can ensure they aren't paying active fees for passive performance.

**RULE OF THUMB** An active share score of less than 60% is a warning sign that a fund could be a closet tracker

## **No 23 | BUY THE CHEAPEST SHARE CLASS**

When buying a fund, not only do investors have to pick the right fund – a feat of decision-making in itself – but they also have to pick the right share class, or

risk paying excessive charges. This may sound like too much bother for an apparently tiny amount of money, but these charges can make a big difference to a savings pot in the long term. For example, an investment of £100,000 invested with an annual return of 5% would build up to £271,250 over 20 years. The same pot, with 1% drag from costs would build up to just £222,250 over the same period.



Fund groups don't make it easy to pick the right share class. There is no consistency in the naming conventions, for example. While all funds are either 'income' or 'accumulation', they could also be tagged A, Z or R, or another letter, with no pattern as to which denotes the cheapest share class.

There used to be greater jeopardy. Previously, the normal share classes for retail investors bundled up into one charge all of an investor's costs: the cost of the platform, the cost of the investment manager and the cost of the advice.





This meant that investors might be charged 5.5% upfront and 1.5% ongoing fees.

The regulator has forced companies to unbundle these charges, creating so-called 'clean' share classes. Today, the difference between share classes is less stark: some fund platforms have negotiated special reduced fees on certain funds, which creates 'super clean' funds. There may also be 'professional' share classes, limited to certain types of investor.

**Simply buy the cheapest share class offered by your broker**

## No 24 | BE WARY OF KEY-MAN RISK

When it comes to active funds it is important to be alert to the problems of key-man risk. Investment processes are important, but a good fund manager can bring an element of magic that is not necessarily replicable by someone else.

Equally, environment is important – a fund manager who moves may not necessarily be able to generate the same success elsewhere. They may not have the same analyst network or the same skilled trading team, which can affect their ability to generate returns.

Key-man risk doesn't just come from the departure of the manager; it can create disruption in other ways. For example, investors may choose to follow the 'star', which could lead to rising redemptions.

**Look closely at the rest of the management team to see whether a succession plan is in place**

## No 25 | PICK MANAGERS WITH A ROBUST INVESTMENT PROCESS

No one likes to feel that the person taking care of their long-term savings is just winging it. If they are successful, it is good to know it isn't simply a fluke. Some fund managers can look very successful simply because they happen to have backed one

or two good stocks. As such, it is worth backing those managers with a well-established, coherent and repeatable investment process.

'Investment process' is really just a grand way of saying that a fund manager can adequately articulate what they are

## No one likes to feel the person taking care of their savings is just winging it

doing and why. That means being clear about what the fund is trying to achieve – whether it is income, long-term capital growth or absolute returns – and the type of environment in which the fund will do well, and when it will do badly. The fund manager should be able to explain why they hold the stocks they do, and how they are chosen.



# AVOID ILLIQUID ASSETS IN AN OPEN-ENDED FUND

## No 26

Until recently, this would have been seen as a minor point, unlikely to affect the majority of portfolios. However, the importance of liquidity has been thrown into sharp relief by the Woodford Investment Management scandal, where former star fund manager Neil Woodford was forced to suspend his open-ended Woodford UK Equity Income fund after he struggled to sell a number of illiquid holdings to meet redemptions.

At the heart of the problem is a mismatch between what is being promised to the investor and what is achievable for the fund manager. To meet any redemptions in an open-ended fund, the fund manager must sell assets. Most fund managers offer daily liquidity, so investors can get their money out every day.

### TRICKY SMALL FRY

The problem is that not all of the underlying assets can be sold in a day. Big shares are generally fine, but it gets a little trickier among smaller companies and alternative assets such as property. A commercial property fund may only hold 10-15 buildings; selling them at short notice isn't usually an option. Moreover, corporate bonds are bought and sold over the counter, rather than 'on exchange', and there can be periods where liquidity dries up.

It doesn't help that liquidity is a moving feast. At times of market



distress the exit door can become very narrow. The seller may be trying to offload an asset that no-one wants to buy. This can be a particular problem in emerging markets, where there may be a lack of liquidity both in the currency and in the shares themselves.

Another problem is that managers may be forced to sell their most liquid holdings to meet redemptions. By definition, it is those assets that the greatest number of people want to buy. In other words, fund managers may be forced to sell the crown jewels of their portfolios to meet redemptions. This can compound weak performance.

Most managers of less liquid assets in open-ended funds will

have strategies in place to help them deal with the potential risks. They will often have a proportion of their fund in cash to meet any immediate need for redemptions. However, this has its problems because it means that part of the fund is uninvested and, as such, can act as a drag on performance.

Many property funds also retain some holdings in property shares. These give access to commercial property returns, but are readily sold should the manager need to meet redemptions. Equally, managers of, say, emerging market or smaller companies funds may keep some of their holdings in larger, more liquid companies for the same reason.

However, no manager holding

illiquid assets can deal with catastrophic redemptions. Eventually, they reach a point when they run out of rope. This happened to property funds in the wake of the Brexit vote and during the global financial crisis, and to Neil Woodford when the performance of his multi-billion pound fund tanked. In these circumstances, a fund may be forced to stop redemptions for a time. Investors won't be able to get their money out during that period.

If this presents a rather apocalyptic picture, it doesn't happen very often.

Commercial property is a specific case; few fund managers are as high-profile as Neil Woodford and attract either the same level of assets or the same level of redemptions.

It is possible to avoid the problem altogether with investment trusts. Investment trusts are 'closed-ended' and therefore the manager doesn't have to sell assets to meet redemptions. It can't stop the discount widening, but it does mean the underlying assets aren't compromised. In this way, it is often better to invest in less liquid assets through an investment trust rather than an open-ended fund.

**Investment trust structure is much better suited to illiquid investments**

Some groups, such as Aberdeen, will do this at a firm-wide level; in other cases, it will be down to the individual investment managers. An investment process that seems too complex is often best avoided. Too often, it's because the fund manager can't articulate what they do.

**Look for a fund manager with a straightforward approach that you can understand**

## No 27 KNOW WHAT YOU'RE PAYING FOR (TOTAL PRODUCT COST)

There has been a lot of focus on fund management fees in recent years. An increasingly vocal passive industry has questioned whether the fees investors

pay for active funds are worth it, when a relatively small number of active managers consistently perform better than the index. Active managers counter that when they do outperform, it's more than worth



any extra fees.

In assessing those fees, investors should be aware that the annual management fee is not the end of it – either for active or passive funds. There will also be dealing charges, legal fees, auditor fees, and other operational

expenses. These are reflected in the ongoing charges figure (OCF). This may be 0.1-0.2% higher than the stated annual management fee. New rules from Europe in the form of MiFID II require investment managers to state all the transaction costs that are charged to their funds, on top of the OCF.

It is unfashionable to say it, but the extreme granularity around fund fees demanded by the regulators may not be particularly helpful. No investor should buy an expensive, poorly-performing fund, but neither are the cheapest funds necessarily the best option.

**Ultimately, buying a good fund will do more for long-term returns than merely finding the cheapest option**

**2006 ANGLO-AMERICAN LOAN:** Britain repaid the \$3.75 billion loaned by the US as part of its efforts to support overseas spending in the post-war years



# BARRIERS BUILD fortress firms

BARS TO MARKET ENTRY KEEP RIVALS AT BAY BUT COULD ATTRACT TROUBLE, WRITES **CHERRY REYNARD**



**T**echnology has driven a stake through the heart of many traditional businesses that have endured for decades but have suddenly found themselves in decline – following the launch of a new app, for example. Sectors as diverse as retailing, car production and the music business have suffered, and more sectors are in the firing line.

In this disrupted world, the extent to which firms can protect their business is increasingly important to their survival. They need to have tangible advantages that can't be readily replicated by an algorithm or competed away. If a company is to provide a higher return on capital or greater pricing power than the market as a whole, it needs a competitive advantage. Inbuilt competitive advantages are known as barriers to entry.

## BLOCKING TACTIC

Certain fund managers have long built analysis of barriers to entry into their processes. For Liontrust, for example, barriers to entry are key to the 'economic advantage' investment process that powers its Special Situations and UK Smaller Companies funds.

Matt Tonge, who co-manages the process, says: "A fundamental principle of competitive markets is that profits regress to the mean. We believe the secret to successful investing is to identify the few companies that benefit from a durable barrier to competition, which allows them to defy this principle and sustain higher-than-average profitability for

longer than expected."

Tonge argues that the most durable barriers are the intangible ones, because these are harder for competitors to reproduce. He says: "One core intangible barrier we look for is intellectual property. This can take the form of patents, copyrights, extraction rights, trade secrets or simply knowhow. The other intangibles we view as key are significant recurring business and strong distribution networks, either physical or electronic."

Richard Pease, manager of the CRUX European Special Situations fund and CRUX European fund, also looks at barriers to entry as part of his investment process. However, he points out that where a firm benefits from an obvious barrier, the market will spot this and the company's share price will be relatively high as a result.

'Soft' barriers – based on service levels, trust or credibility, for example – may be overlooked, though. Pease gives as an example of a firm benefiting from 'soft' barriers an outsourcing firm in his portfolio. Its margins are good, and its customers have grown comfortable using the company: He says: "It will take a lot for another firm to come and take the company on. Those who use it need a good reason to change."

Companies that sell 'trust', such as firms with a contract for inspecting things, for example, in effect also benefit from a barrier. Pease says: "They have a lot of

## The most durable barriers are the intangible ones

inherent knowledge and infrastructure. This acts as a barrier to entry. Another example might be firms that make flavourings and smells. For companies such as Nestlé, barriers may take the form of critical parts of their products that may represent a fraction of the cost of those products, so they are the last areas companies are likely to scrimp on."

## UNWELCOME ATTENTION

That said, Pease argues that investors need to be wary of monopoly businesses. A monopoly position would seem to erect the highest possible barrier to entry. However, firms with monopolies can become a target for competitors or, more frequently, regulators.

Equally, while patents can provide a solid barrier to entry, the protection they offer has to be balanced against the risks that come with them. In the pharmaceutical industry, for example, investors need to be wary of litigation risk. The patent on the most widely used painkiller in the US might have appeared an effective barrier to entry for its maker, Purdue Pharma, but the firm's strength in the painkiller market has exposed it to significant litigation in the wake of the opioid abuse crisis.

Pharmaceutical firms also face patent cliffs when patents on best-selling drugs end. Many larger pharmaceutical firms have struggled to develop drugs to replace those with expiring patents.

Barriers to market entry add to business durability, but they also attract the attention of competitors, so the strongest barriers are often those that are far from obvious.



RICHARD PEASE



# KEEP CALM AND CARRY ON

**T**here are at least two ways to look at financial history. One is to focus on average returns. In the past 30 years the FTSE All-Share index has produced an annualised 8.2% return; since the 1970s the US market has returned around 10% annualised.

The conclusion drawn is that investors should take a long-term approach, ignoring the sort of large market drops that periodically puncture markets, on the understanding that recovery is bound to happen in due course.

A second way to approach the subject is through the prism of big market manias, looking back in wonder at smart people getting caught up in so-called “irrational exuberance”. Financial history books are filled with such episodes, from British investors in the South Sea Company to the US housing market in the 2000s. The implicit message is usually to resist the euphoric price rises of such markets: avoid so-called “bubbles.”

These two tellings of financial history underpin the two types of market declines that investors may experience: 1) the normal ups and downs of markets that occasionally depart from their long-term upward trajectory, and 2) bubbles, where valuations run far ahead



**MOST BIG MARKET DECLINES TEACH US THAT WAITING OUT THE STORM IS USUALLY BEST, SAYS TOM BAILEY**

of fundamentals on the back of faulty narratives.

Over the past 40 years, investors have experienced both.

**BLACK MONDAY**

A classic example of a large market decline that was not a bubble was the Black Monday crash on 19 October 1987.

But the market soon recovered. In the US, stocks took roughly two years to exceed price levels before the crash, while, as Chillingworth points out, had you bought into the UK market on 1 January 1987 and not sold, your yearly returns would have been flat.

Similarly, Andrew Rose, equities fund manager at Schroders, has noted: “At the time you felt it was the end of the world, but looking back it was just a blip. The UK and the US stockmarkets rebounded strongly in the late 80s and throughout the 90s.”

The speed at which investors’ portfolios recovered depended on their market capitalisation focus. As Chillingworth points out: “If you were involved in some of the growth mid-cap names, you didn’t get your money back for quite some time, while large firms bounced back quite quickly.”

But the key lesson for investors from this episode was that large declines are usually followed by a recovery – so long as you wait out the storm. As Spencer Jakab

observes in *Heads I Win, Tails I Lose*: “Markets are a little like a rubber band – the more stretched they get, the likelier they are to snap back in the other direction.”

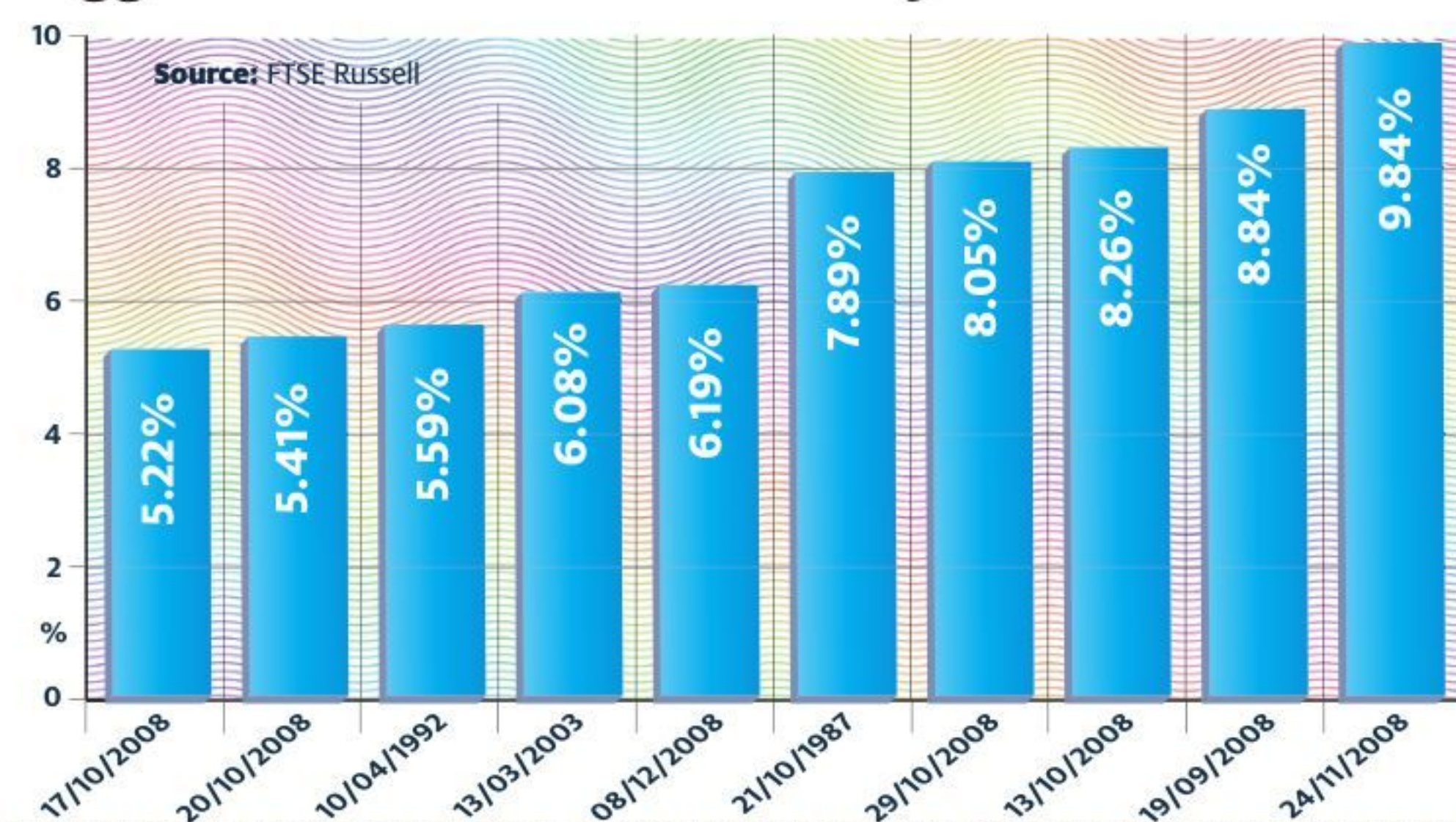
**You thought it was the end of the world, but looking back it was just a blip**

ANDREW ROSE

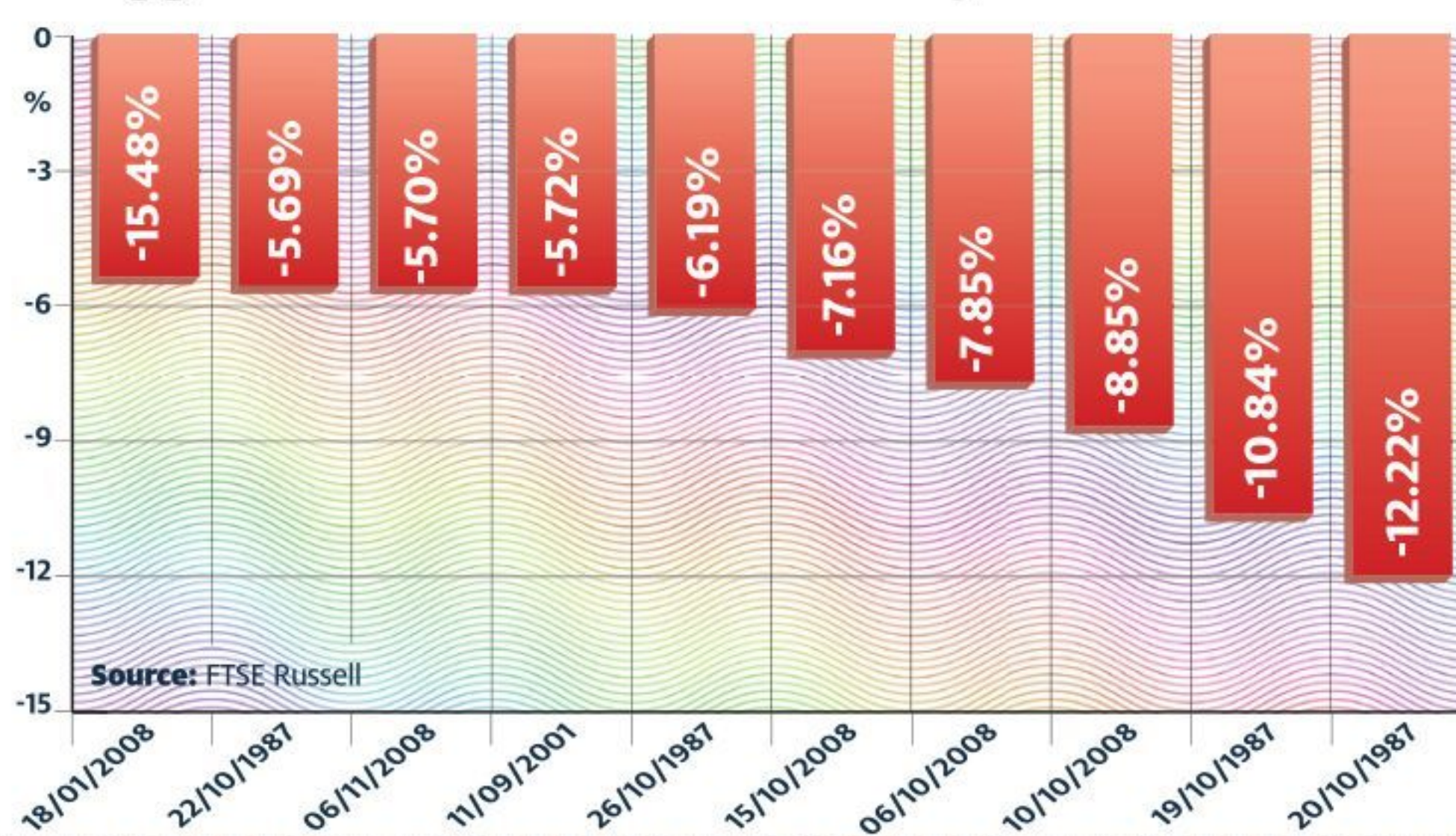
On that day the Dow Jones index plummeted by 22.6%, the index’s single biggest decline ever. Fears soon spread to the UK, with the FTSE 100 falling by 10.8% in just 24 hours. Within a week, the index had lost 26.8% of its value. As Julian Chillingworth, chief investment officer of Rathbones, notes: “The numbers were much bigger than ever seen before.”

**THE 10 LARGEST ONE-DAY MOVES IN THE HISTORY OF THE FTSE 100 INDEX**

Biggest FTSE 100 rises in one day

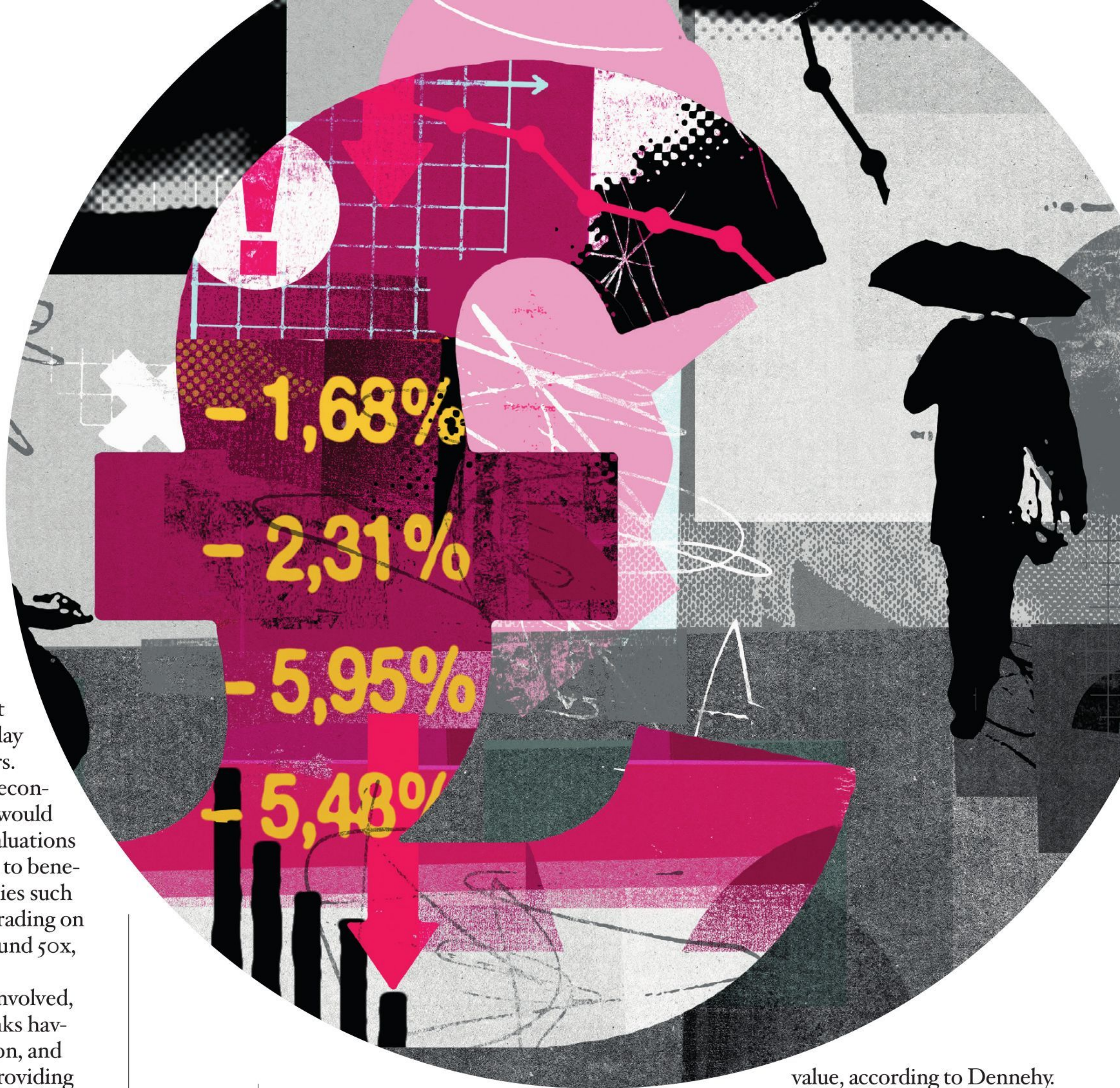


Biggest FTSE 100 falls in one day



**2008 CREDIT CRISIS:** Lehman Brothers filed for bankruptcy, starting a global financial crisis and initiating a 4% one-day fall in the FTSE 100





and property that burst in the early 1990s.

In the late 1980s, Japan's booming economy and market offered a seemingly exciting play for more adventurous investors. Investors were convinced the economy's huge economic growth would continue, leading to soaring valuations for those companies expected to benefit from that growth. Companies such as Cannon or Olympus were trading on price-to-earnings ratios of around 50x, says Chillingworth.

UK investors were heavily involved, with Japanese brokers and banks having a strong presence in London, and a proliferation of unit trusts providing investor access. Sentiment reached such lofty highs that, as Mike Deverell of Equilibrium Asset Management recalls: "In 1990 Japan was the biggest component of the global stockmarket."

"But the investing community overestimated the growth an economy will produce," says Chillingworth. Eventually, reality kicked in and the Nikkei stock index fell to half its 1989 peak. And unfortunately for the buy and hold investors in Japan, markets did not recover, with the Nikkei 225 still trading at around half of its December 1989 peak 30 years on.

Even if a UK-based contrarian investor had attempted to hold on, the fund they had invested in would likely have closed during the 1990s, as interest dried up and redemptions continued.

## DOT.COM

However, some years later a new opportunity caught the eye of investors: the dotcom boom. UK investors enthusiastically embraced the supposed prospects of the New Economy, piling into technology funds that gave them access to the hottest US growth stocks of the day.

According to Brian Dennehy, in his *A Short History of Technology Funds*, at the start of 1993 there were just five

tech funds with a total value of £63.3 million in the UK. By the end of 2000 there were 24 such funds with a total value of £4.7 billion. As Chillingworth notes: "It was massive. Every management house launched a tech fund."

Leading the pack was Henderson Global Technology fund, which in 1998 was valued at £114 million. In that year alone, it returned 27%. By September

**If you owned certain tech companies through the tech bubble and held on, you still did well eventually**

**JULIAN CHILLINGWORTH**

2000, the fund had grown to £1.65 billion.

Eventually, however, the bubble burst, with the US market taking sharp dives in 2001 and 2002. The US Nasdaq index of technology stocks fell by 78% in total. The FTSE 100, which itself had some frothy tech listings, was also hard hit. Over the course of 2002 the index lost 25%. Funds specifying in tech suffered much more. By August 2002, Henderson Global Technology had lost 86% of its

value, according to Dennehy.

As Chillingworth points out, even those invested specifically in tech companies might have ended up recovering from their losses. He says: "If you owned certain tech companies through the tech bubble and held them, you still did well eventually. If you owned tech names that never turned a profit, probably not so."

## THE BIG ONE

The next big market decline UK investors experienced was the 2008 financial crisis. With the full extent of the crisis becoming clear in 2008, the main UK index ended the year down 31.3%. Nearly every asset was being sold as investors became genuinely apocalyptic.

But eventually calm returned, thanks to the intervention of governments and central banks. While it took until mid-2013 for it to fully recover on a price basis, investors who waited it out would have still benefited from dividend payments (unlike those caught up in the dotcom boom).

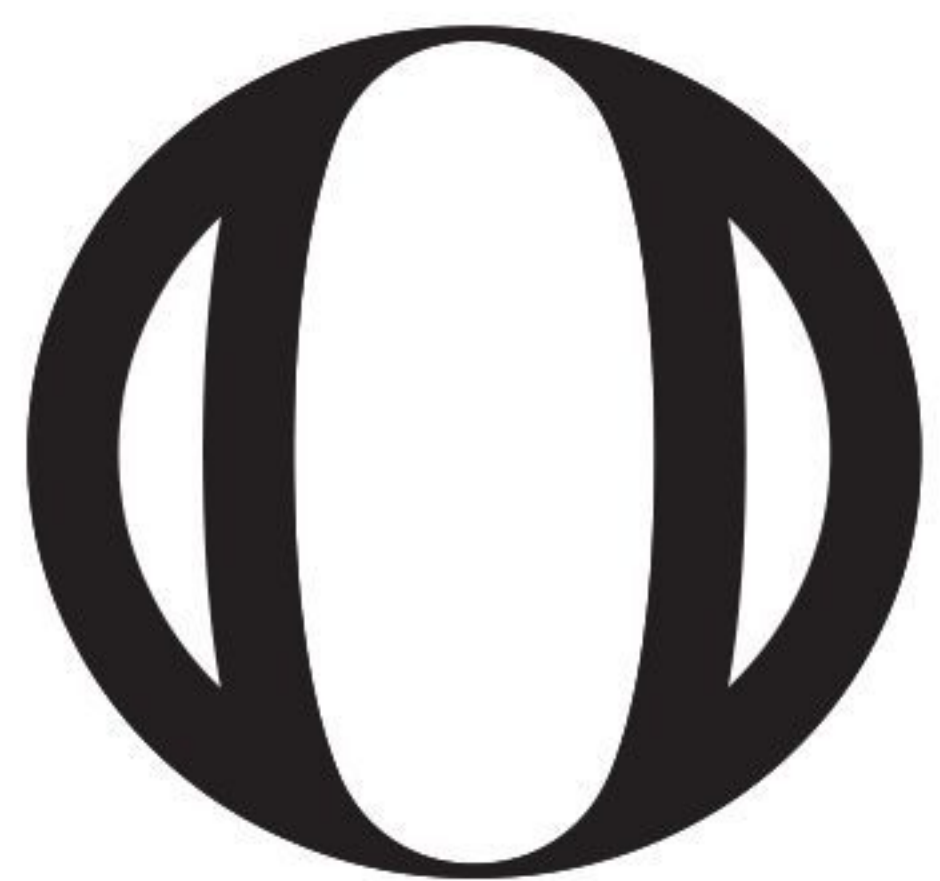
However, the key lesson is that typically the fastest recovery in share prices happens just after the crash, so the portfolios of investors who panic and exit the market during the turbulence may take even longer to recover.



# KEEP ON THE right track



PASSIVE FUNDS REQUIRE LESS DUE DILIGENCE THAN ACTIVE FUNDS – BUT DON'T SKIMP IN YOUR RESEARCH, WRITES **JENNIFER HILL**



Over the past decade passive investing has soared in popularity. There are two main reasons for this. First, index

funds and exchange traded funds (ETFs) have been aggressively cutting their fees. Investors can now pay less than 0.1% to track the fortunes of developed markets such as those in the UK and the US. Secondly, scepticism is growing about the ability of active fund managers to consistently add value through stockpicking.

Wherever you stand on the active versus passive argument, and indeed if you sit on the fence, it is vital to do your homework. Below are three essential pointers to digest that should keep you on the right track when taking on passive investments.

## **No. 30** | DON'T ASSUME ALL INDICES FOR A REGION ARE THE SAME

Regional indices don't necessarily perform in line with each other. Two investors tracking the same market but in different regional indices might end up with significantly different returns. Why so? Chief among the reasons are differences in the way indices are constructed.

The emerging markets sector provides

a stark example of a sector where regional indices that ostensibly cover the same sector can diverge. Ian Aylward, head of manager and fund selection at Barclays Wealth & Investment Management, says: "An entire country – South Korea, at a 15% weighting – is included in MSCI's [emerging markets sector] but excluded from the FTSE's." That's because MSCI regards South Korea and Poland as emerging markets, while the FTSE cate-

## **The lower the tracking error, the more faithfully a fund matches its index**

gorises these markets as developed. As a result, FTSE emerging markets indices have less exposure to technology firms such as Samsung.

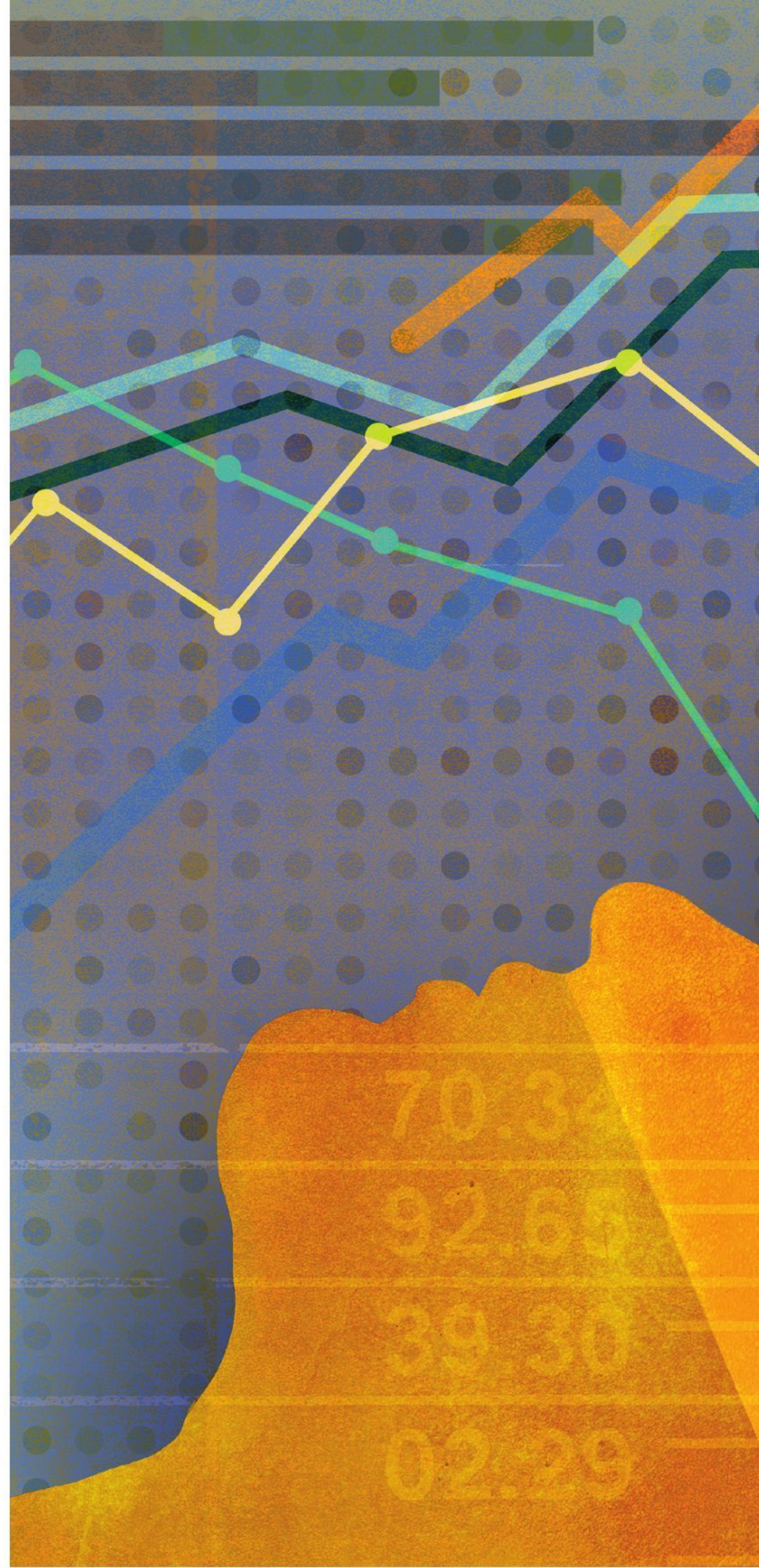
Differential exposure to a range of factors is another key reason for misalignments. Christopher Gannatti, head of research at WisdomTree, points to five factors that tend to be responsible for differences in performance: momentum, low volatility, value, quality and size.

"Even if two indices are both exposed to, say, 'broad Europe', they may have different methodologies and, ultimately,

different exposures to these factors," he says. If, for example, growth is in favour and value lags (as has been the case in recent years), strategies that tend to be more value-focused will underperform those that have a greater emphasis on quality (see bottom chart opposite).

In addition, differences in the performance of two ETFs that follow the same index can arise from a disparity in how closely they track their specific regional index. Mark Fitzgerald, head of ETF product management for Europe at Vanguard, says: "Index-tracking fund providers manage index funds in different ways. We encourage investors to understand the manager's investment process and check the tracking error of an index-tracking fund to ensure it is delivering as close to the index return as is possible." The lower the tracking error, the more faithfully a passive fund is matching its index.

Fees have a big effect on a fund's tracking error. Peter Sleep, a senior investment manager at Seven Investment Management, says: "Often the biggest







have put in place a series of safety measures to protect investors, although this makes explaining how synthetic ETFs work more difficult.”

Most investors prefer the simplicity of physical replication, says Fitzgerald. “Physical ETFs are generally more transparent, straightforward and easy to understand. In our experience, retail investors value that certainty and security.”

However, while Sleep acknowledges the risk of synthetic replication, he says he “would not want to overstate it”. There are advantages to synthetic ETFs: accuracy in matching underlying asset returns; the possibility of generating superior returns due to efficiencies arising from market access, tax and trading scale; and access to exposures that cannot be reached through physical ETFs.

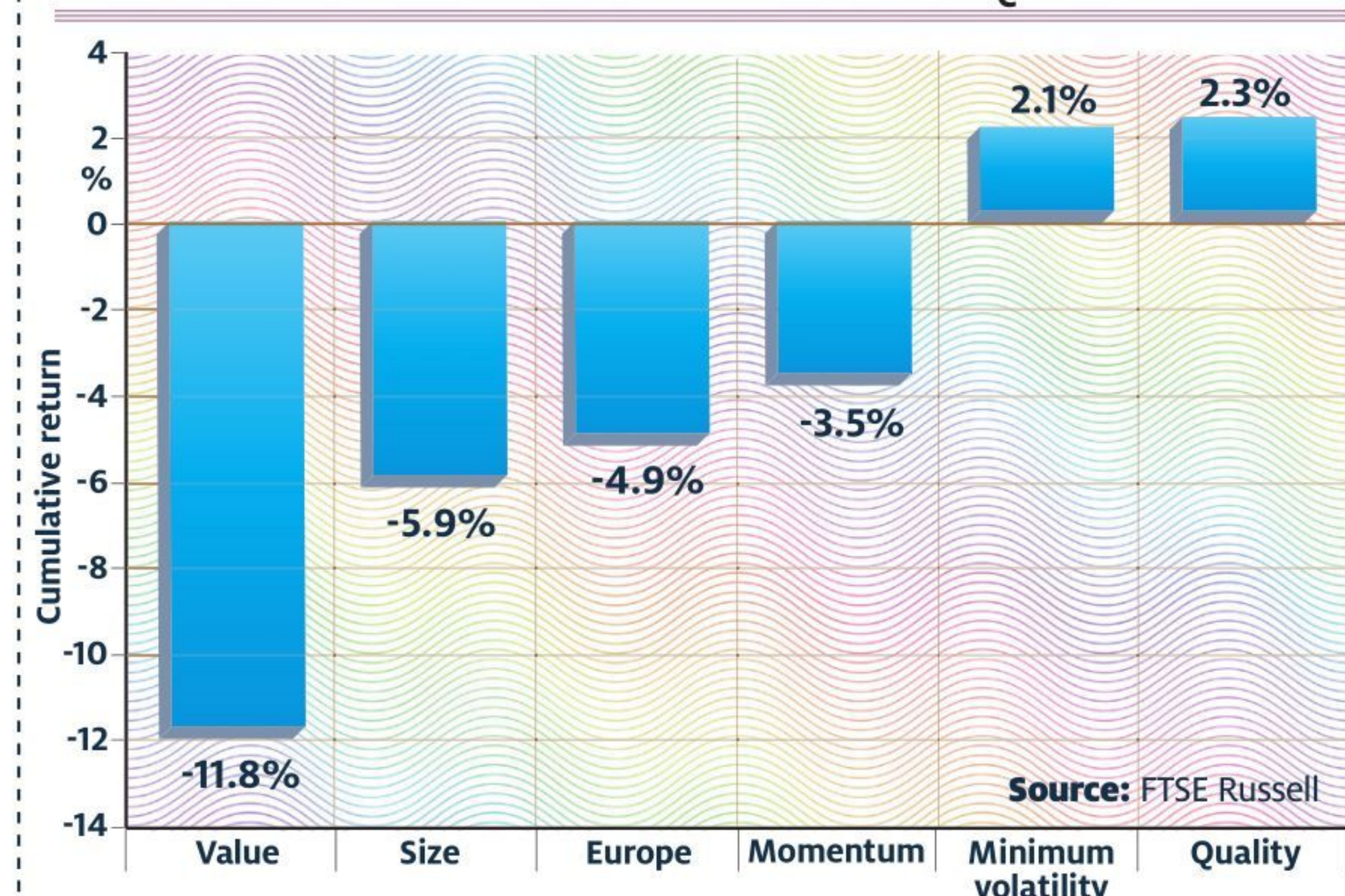
These include short and leveraged products, volatility indices, some emerging market securities and non-metal commodities.

Note that some physical ETFs lend their holdings to generate extra revenue. That exposes investors to counterparty risk, as the borrower of a security might fail to return it, albeit safety measures have been put in place to protect investors against this.

Zarate says: “The bottom line is: do your research. If you don’t understand how an ETF works or you are uncomfortable with the risks, don’t invest in it.”

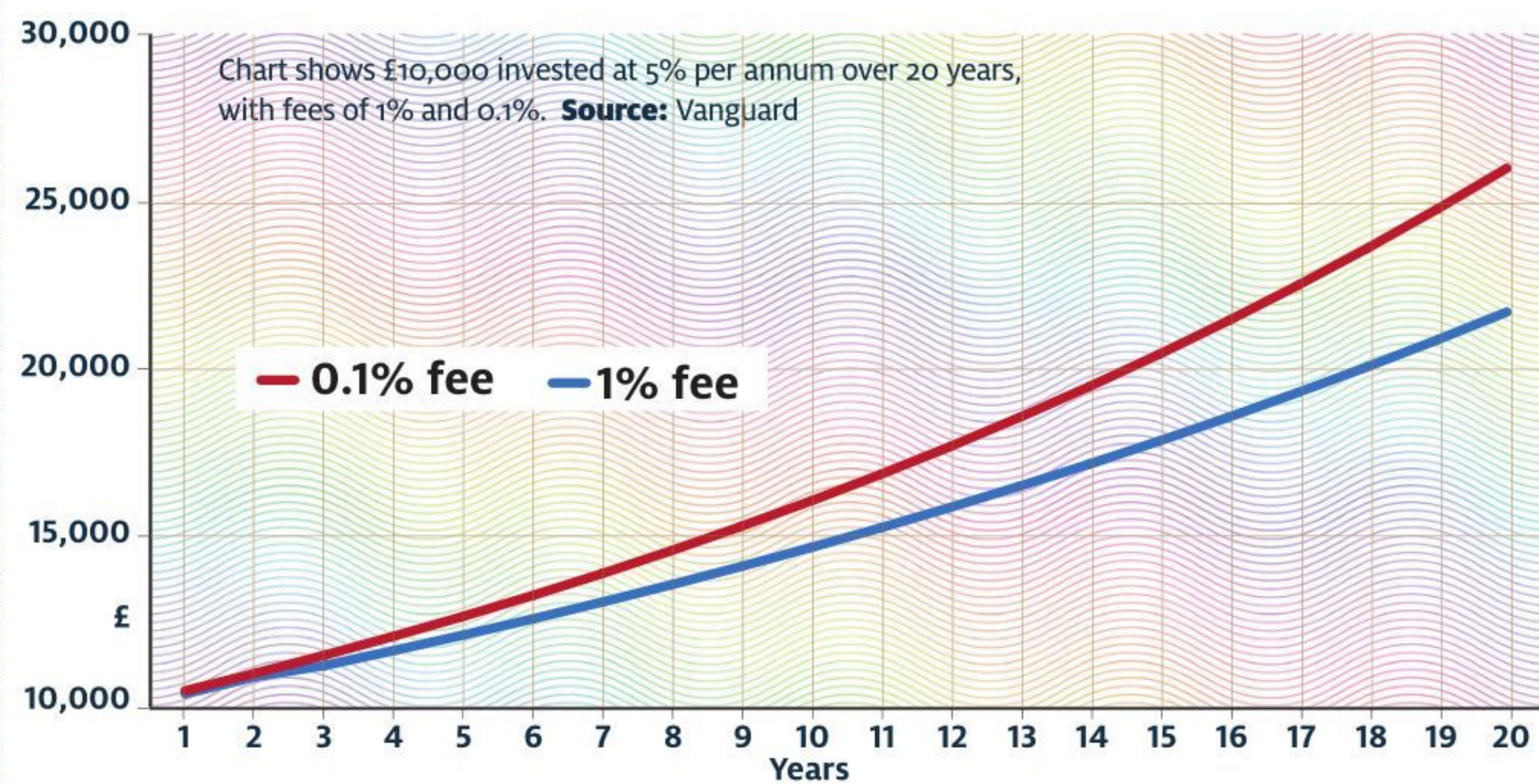
**ETFs and passive funds as a whole come with type-specific risks**

### HOW FACTORS AFFECT PERFORMANCE WHEN INVESTING IN EUROPEAN EQUITIES



Notes: Annual returns over one year to 27 August 2019, net of foreign tax withholdings on dividend payments in dollar currency terms. Value refers to the MSCI Europe Enhanced Value index. Size refers to the MSCI Europe Risk-Weighted index. Europe refers to the MSCI Europe index. Momentum refers to the MSCI Europe Momentum index. Minimum volatility refers to the MSCI Europe Minimum Volatility index. Quality refers to the MSCI Europe Quality index. Source: MSCI

### FEES ERODE RETURNS OVER LONG TERM



### NO 32 NOT ALL PASSIVES ARE LOW COST

The key selling point of passive funds is low costs. A race to the bottom over the past decade means most funds are competitively priced. Sleep says: “For the major indices such as the FTSE 100 and S&P 500, or a gilt fund, you should not

be paying more than 0.25% a year and ideally less than 0.1%.”

Some older passive funds charge far in excess of this, however. “If you are invested in Halifax or Virgin FTSE 100 trackers ripping you off by charging up to 1% a year, get out,” says Zarate.

Scottish Widows has a UK tracker that charges 1%, while an old share class of L&G Tracker Trust CTF, which follows the FTSE All-Share index and has nearly £200 million invested, charges 1.5% – about £3 million a year in fees.

Cost significantly affects performance. Vanguard data shows that a £10,000 investment in a UK index fund that returns 5% for 20 years would deliver a return of £26,010 if the fund’s fee is 0.1% but just £21,739 if it is 1% – £4,271 less (see top chart).

You can track a mainstream equity index for a fee of less than 0.1%, but expect to pay more for exposure to niche areas. “The more diverse the index or the more niche its asset classes, the more expensive it is to track,” says Aylward. “An emerging market bond tracker, for example, has to hold thousands of lines, while a high-yield bond tracker is more niche and relatively illiquid, so their costs are relatively high. Overall, expect to pay as little as 0.2% and no more than 0.4%.”

**Never pay over the odds for any passive fund**

factor is fees, reinforcing the need to keep costs low.”

**Tracking error is a valuable guide to accuracy and value**

### NO 31 BE WARY OF SYNTHETIC ETFs

Unlike a physical ETF, which will actually hold an asset, a synthetic ETF simply tracks the asset. The ETF issuer enters into a swap contract with a counterparty to provide a return equivalent to that from the underlying asset. With this comes what is known as counterparty risk. Aylward says: “The risk is that the counterparty with whom the ETF has a performance swap goes bust. This has happened – think Lehman Brothers.”

However, Jose Garcia Zarate, associate director of passive strategies, manager research, at Morningstar, says the risk attached to synthetic replication has been hugely mitigated over the past decade. For one thing, synthetic ETFs now have multiple counterparties. He adds: “ETF providers that offer synthetic ETFs



WISDOM FROM THE MASTERS

# Multi-managers

## PROMISE PANOPLY OF GAINS

ANDREW BELL DISCUSSES THE UNIQUE VALUE OF A MULTI-MANAGER APPROACH

**M**ost investors are familiar with the idea that diversification can help reduce the risk attached to their portfolio and smooth total returns over the longer term. It's a simple principle: not having all your eggs in one basket means the risks of out-and-out failure – though also the chance of stratospheric success – are diluted. Moreover, even if holdings in a portfolio all do equally well over time, it's likely that their fortunes will ebb and flow, so you should get a smoother ride.

However, as Andrew Bell, chief executive at Witan Investment Trust, points out, diversifying your portfolio is not the same as having multiple holdings. He says: "If you hold several funds with a similar approach, you'll probably find they overlap, intensifying your exposure to a limited number of stocks."

Conversely, choosing stocks or funds for diversification alone may invite pedestrian performance. "A cocktail of value, growth and momentum funds will likely result in index-like performance and higher than necessary costs," Bell adds.

Successful diversification therefore entails balancing the mix while retaining strong performance. A multi-manager approach is valuable in that respect. Global multi-manager funds can cover regional markets with, for instance, different sector compositions or growth rates. And by using different managers with specific approaches, the mix can be further enriched. Bell says: "Witan's three global managers have US weights varying between 25% and 50% and UK weights between 13% and 36%, and two hold nothing in Japan."

Another advantage of using a multi-manager is that the manager can add value by choosing specialist

ANDREW BELL



managers and an appropriate blend, and by gearing judiciously. Bell adds: "Also [multi-managers] may be steadier during market stress, when emotion can lead private investors to buy high or sell low."

"The principal benefits of a multi-manager approach are that it plays to

underlying funds and the portfolio manager's skills. However, says Bell: "With its average manager portfolio worth £200 million, Witan bargains hard on fees. We seek the best value from managers, not necessarily the lowest fees – it is performance after fees that counts."

Economies of scale come into play as funds grow. Witan has £2.2 billion under management, so its management costs can be spread broadly. The ongoing charges figure is 0.83% on its latest (31 July 2019) factsheet.

Multi-manager funds are unlikely to shoot the lights out. But a good fund can provide a balanced and affordable investment package that ticks most boxes as a solid core holding.

Interview and words by Faith Glasgow

### Multi-managers may be steadier during market stress

ANDREW BELL

the strengths of particular managers and diversifies specific manager risk – ensuring peaks and troughs don't coincide and diluting the risk of mismanagement."

Additionally, portfolio managers can access institutional-focused managers who may not be available to individual investors. And they can invest in funds closed to newcomers. Multi-managers won't always get their calls right, but they should put in place a portfolio strategy and disciplined manager selection, and take proper account of the influences of economic growth, valuations and economic or political events on returns.

A big criticism levelled at multi-manager funds is that investors pay two layers of charges – for the



**Disclaimer**

Witan Investment Trust plc is an equity investment. Please note that past performance is not a guide to future performance. The value of an investment and the income from it can fall as well as rise as a result of currency and market fluctuation, and you may not get back the amount originally invested. This material is a marketing communication issued and approved by Witan Investment Services Limited for information purposes only and does not constitute a solicitation or personal recommendation in any jurisdiction. Witan Investment Services Limited is registered in England no. 5272533 of 14 Queen Anne's Gate, London SW1H 9AA. Witan Investment Services Limited provides investment products and services and is authorised and regulated by the Financial Conduct Authority.

**ANDREW BELL** is chief executive at Witan Investment Trust

2012 EUROZONE SCARE: Mario Draghi's 'whatever it takes' remark calmed a eurozone verging on collapse amid member country bailouts



# WIN £4,000 TO INVEST IN AN INVESTMENT COMPANY



## HOW TO ENTER

To enter our prize draw and be in with a chance of winning £4,000 to invest in an investment company of your choice, simply complete this investment company quiz and submit your name, email address and postal address. Please go to **moneyobserver.com/competitions**. If you are unable to enter online, please fill in the form below and post your entry to:

### Competitions,

Money Observer,  
interactive investor,  
8 Devonshire Square,  
London, EC2M 4PL.

Please remember to affix a stamp. Entries received without postage paid will not be entered into the competition

**T**o celebrate Money Observer's 40th birthday, the Association of Investment Companies (AIC) is offering readers the chance to win £4,000 to invest in an investment company of their choice.

40 years is an impressive achievement and longevity is something investment companies understand well. The oldest investment company, F&C, was launched 151 years ago, and the industry's longest-serving manager, Peter Spiller, has been managing Capital Gearing for 37 years, almost as long as Money Observer has been around.

Investment companies have been adapting to help investors meet their financial needs for more than 150 years and they show no signs of slowing down. 2018 saw the biggest ever launch of a UK investment company, Smithson,

and in July this year, investment company assets reached a record £200 billion.

While interest rates have been near all-time lows, investment companies have played a particularly important part in investors' portfolios, delivering a high or growing income. This is particularly evident in the AIC's 21 dividend hero investment companies.

These companies, which include Merchants Trust, Scottish American Investment Company (SAINTS) and Alliance Trust, have increased their dividends every year for 20 years or more. Some have done so for much longer, with City of London leading the way with an impressive 53 consecutive years of dividend rises.

For more information on investment companies, plus news, videos and statistics, visit: [www.aic.co.uk](http://www.aic.co.uk).

## PLEASE USE THIS FORM TO ENTER COMPETITION BY POST

**Q1 Which is the oldest investment company?**

- A  F&C      B  Alliance  
C  Witan

**Q2 How long ago did the oldest investment company launch?**

- A  101 years    B  151 years  
C  201 years

**Q3 Who is the longest-serving investment company manager?**

- A  Peter Spiller – Capital Gearing  
B  Simon Knott – Rights & Issues  
C  Hugh Young – Aberdeen New Dawn

**Q4 Which UK investment company holds the record for biggest launch?**

- A  Murray International  
B  Smithson  
C  BioPharma Credit

**Q5 Investment company assets reached what record level in July?**

- A  £100bn    B  £150bn  
C  £200bn

**Q6 How many dividend hero investment companies are there?**

- A  20      B  21      C  22

**Q7 The abbreviation SAINTS belongs to which investment company?**

- A  Scottish American Investment Company  
B  South African Investment Company  
C  South American Investment Company

**Q8 Which investment company has increased its dividend for 53 consecutive years?**

- A  Brunner  
B  Witan  
C  City of London

Title: \_\_\_\_\_ Name: \_\_\_\_\_

Address: \_\_\_\_\_

Postcode: \_\_\_\_\_ Email: \_\_\_\_\_

The Association of Investment Companies (AIC) would like the opportunity to contact you by email to send you its investment company newsletter, Compass. Please tick the box if you would like to receive it  Submit this form and your answers in writing by 31 October 2019 to: Competitions, Money Observer, interactive investor, 8 Devonshire Square, London, EC2M 4PL

**COMPETITION TERMS & CONDITIONS:** Issued by the Association of Investment Companies (AIC). All entries to this competition must be received by 31 October 2019. The winner will be the first correct entry drawn at random following the closing date for entries. Only one entry per person is admitted. This offer is only open to UK residents aged 18 years or over and excludes employees of the AIC, connected companies, their agents or their families, or anyone connected with the competition. The judges' decision is final. Investment companies are equities whose value can go down as well as up and you may not get back the full amount invested. Past performance is not a guide to future performance.

**aic**

The Association of  
Investment Companies





# KEEP YOUR WITS ABOUT YOU



**CERI JONES** OUTLINES HOW TO AVOID BECOMING AN INVESTMENT FRAUD VICTIM

**C**onmen have always tried to cheat people out of their money. But investment frauds have become more sophisticated in recent years, and activity has soared ever since the Pension Freedoms of 2015 opened up the potential for criminals to dupe people out of their entire life savings in one swoop. Last year alone Britons lost almost £200 million to scammers.

Not so long ago scams were easily identifiable: you received an email from a Nigerian prince, or notification of a lottery win, or a communication pretending to be from a firm you knew but with misspellings and dodgy logos. Criminals traditionally targeted people who had fallen on hard times, using lists of bankruptcies and borrowers with low credit ratings. Today, everyone is a target and recent research from the Financial Conduct Authority suggests that people who consider themselves to be financially astute are just as likely to be suckered.

## ALTERNATIVE INVESTMENTS

At *Money Observer*, we've exposed a number of crooks over the years who were trying to peddle exotic investments including carbon credits, forestry, farmland, property developments, storage units, renewable energy and biofuels. Some were making wildly inflated claims about bad investments, while others were promoting investments that did not exist at all.

Surprisingly perhaps, these schemes are sometimes advertised in magazines and newspapers. To do so is not

## Property developments are a common choice for conmen

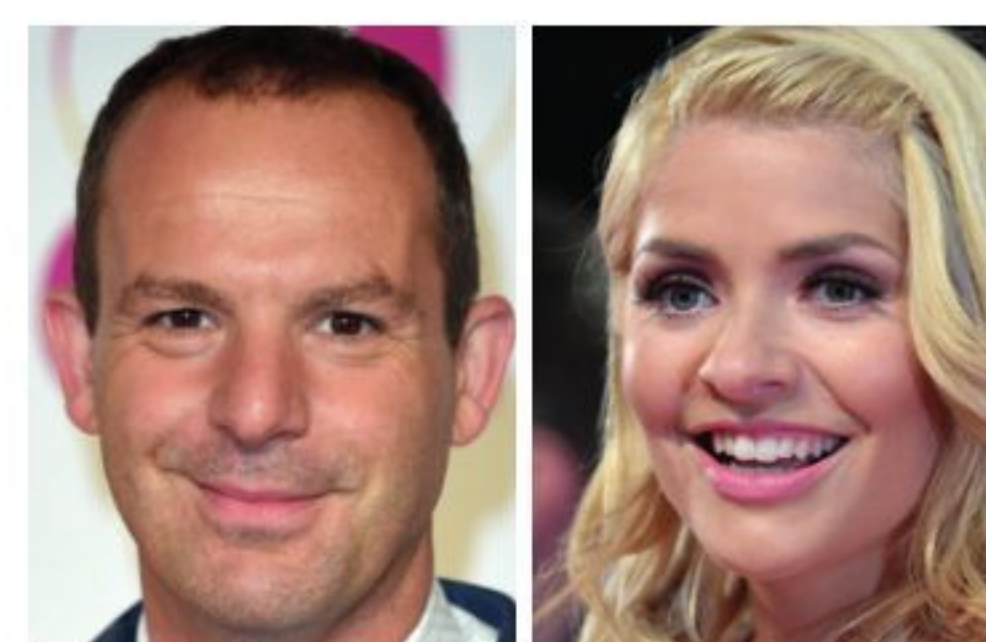
illegal because 'exotic' investments are unregulated, so there is no policing authority or central register requiring any checks or data on the purveyors.

Property developments are a common choice for conmen. In one memorable case, we warned readers away from a firm pretending to be selling farming land in the Ukraine – in fact it has always been illegal for foreigners to buy farmland in the country. We also met a reader who had invested in a hotel room in Slovenia with the aim of making an income when it was rented out. Having paid over his money on not much more than an artist's impression of the hotel, he heard nothing for 18 months, and it was only when *Money Observer* became involved that he eventually received a certificate of ownership and a cheque that had long been assured was in the post.

The simple lesson here is that if you are ever tempted to

## CELEBRITY ENDORSEMENTS

**A**dverts using celebrity endorsements are increasingly common. In January Martin Lewis, who founded MoneySavingExpert, settled a lawsuit with Facebook after a year in which over 1,000 scam adverts abusing his name or image appeared on the site. He sued Facebook and they came to a legal settlement that Facebook would donate



MARTIN LEWIS AND HOLLY WILLOUGHBY ARE VICTIMS OF ENDORSEMENT SCAMS

£3 million to Citizens Advice to deliver a UK Scams Action reporting tool to its site. You simply click the three dots in

the top corner of the ad and there is an option to 'send a detailed scam report'.

Images of Holly Willoughby have also been used to trick unsuspecting people into signing up to an online trading platform that does not exist, pretending that the TV star made over £200 profit from an initial investment of £250 on a live trading platform in the space of three minutes.







purchase such an asset offshore, demand to be flown there to assess it for yourself. Law on purchasing land and property differs significantly between countries, not to mention the constant risk of currency fluctuations going against you.

### WIDE OPEN TO ABUSE

Carbon credits are another area wide open to abuse, partly because they are invisible units that never get captured, counted or delivered. Several schemes claim to sell voluntary emission reduction (VER) credits, each equivalent to one tonne of CO<sub>2</sub>, to businesses wanting to reduce their carbon footprints. That is quite different from certified emission reductions (CERs), a type of carbon credit issued by the Clean Development Mechanism (CDM) executive board for emission reductions and verified under the Kyoto Protocol.

Bitcoin is another gift for fraudsters as transactions are very private, and the public has heard that it is possible to make tremendous profits. Criminals claim their products are the 'new' up-and-coming cryptocurrencies, suggesting that for those who were late for bitcoin, this is the next best thing. There have been fake bitcoin exchanges such as BitKRX, which presented itself as part of the largest trading platform in the country, and bitcoin Ponzi schemes based on paper returns, which needless to say are worthless.

Fraudsters also clone bona fide financial institutions. Recently, scammers have mimicked top 10 accountancy firm Smith & Williamson to target victims. This type of scam can be very convincing, with highly personal information, updated dates and links to other social media.

Dodgy investment schemes are often sold by salespeople who rake off an introducer's fee of around 20-30% and pass the rest to the 'brains' behind the scheme. They will want to chat to you over the phone to ensure you have sufficiently large savings to defraud, generally at least £15,000.

## USEFUL RESOURCES

- Check the company credentials on the FCA Register ([register.fca.org.uk](http://register.fca.org.uk) or call 0800 111 6768).
- Check the FCA ScamSmart website, which lists schemes identified as potential scams. Test your scam radar by taking the FCA's scam quiz ([fca.org.uk/scamsmart/pensions-scam-quiz](http://fca.org.uk/scamsmart/pensions-scam-quiz)).
- Check out the firm's

directors at companies house ([beta.companieshouse.gov.uk](http://beta.companieshouse.gov.uk)). Are the accounts up to date? How many failed firms have links to it?

- Talk to the Pensions Advisory Service ([pension-sadvisoryservice.org.uk](http://pension-sadvisoryservice.org.uk)) or PensionWise ([pension-wise.gov.uk](http://pension-wise.gov.uk)) if you're over 50, for a free consultation to find out about the various options for your pension.

Cold-calling is also common, although pension cold-calling became illegal in January.

Every kind of cynical sales manipulation is used. The salesmen are usually well-spoken and have learned techniques designed to make you trust them, such as repeating your first name and finding common ground. It can be hard to imagine that such a person would happily rob you of your life savings.

Unrealistic claims will be made for the investment, and the salesperson will often make out it is a 'buy now while stocks last' situation, deliberately designed to curtail the time you have to think about it. As well as being asked to pay up quickly, you may be asked to pay in an unusual way such as by money transfer or vouchers.

Back at the criminals' HQ, a typical pattern is for the marketing operation to focus exclusively on selling one investment scheme over a period of six to nine months, and

**As well as being asked to pay up quickly, you may be asked to pay in an unusual way**

then turn its attention, wholesale, to another investment scheme. The first investment scheme will then fail or be dissolved, taking the investors' money with it, and the marketing firm will then move on to a third scheme, while the second is left to flounder, and so on.

### SCAM LOANS AND REFUNDS

Scams are sometimes in the form of loans and refunds. If you have a poor credit rating, a loan shark will make much of the fact that you do not have to go through any financial credit scoring process to invest in their products or take their loans. Refunds are usually couched as time-limited, whereas no bona fide refund would give you such a short window to make a claim.

Consumers are also losing £674 a minute to conmen who convince them to transfer money from their bank accounts, known as Authorised Push Payment fraud. Often they convince the account holder to make the transfer by making them believe it is an individual they are planning to send money to anyway, such as a solicitor during a property purchase. Always double-check the receiving bank account details.

Pension scams are also still rife, and can have a particular sting in the tail. While you can take 25% of your pension pot tax-free, if you take more than that, HMRC slaps a hefty tax charge of 55% on the excess. In practice, many people who lose large pension funds to fraud suffer the double whammy of subsequently facing a tax demand as well.



# 3 rules for finding GOOD COMPANIES AT GREAT PRICES



**RICHARD BEDDARD** SETS OUT HIS SIMPLE SYSTEM FOR SPOTTING EQUITY VALUE

**F**or me, investing is a continuous learning process. That is the joy of it. The world of business and finance is as complex as we choose to make it, but we don't have to be particularly clever to succeed. In my experience we need to be thoughtful, honest with ourselves, and always remember there's more to life even than money.

## **No. 35 | KEEP YOUR STRATEGY SIMPLE**

In his book *Beating the Street* former fund manager Peter Lynch urged investors never to invest in an idea they can't illustrate with a pencil. I have tried drawing pictographs of my investments without much success, but the sentiment is noble. An investment should be simple to understand, and to explain.

What makes sense to one investor may not convince another, but all of us have a kernel of knowledge and skills we can build our portfolios around. Warren Buffett, in one of his annual letters to shareholders in Berkshire Hathaway, the investment company he runs, wrote: "Intelligent investing is not complex, though that is far from saying that it is easy. What an investor needs is the ability to correctly evaluate selected businesses. You don't have to be an expert on every company, or even many. You only have to be able to evaluate companies within

your circle of competence. The size of that circle is not very important; knowing its boundaries, however, is vital."

Experience can, of course, extend those boundaries outwards, and irrespective of any industries we may have worked in, most of us have at least some idea of how manufacturers, distributors and retailers make money. What's more we come across businesses in our day-to-day lives – as customers, for example.

My goal is to keep things simple, and this is how I decide whether a company is in my circle of competence: I need to know it is profitable because profitability demonstrates that a business is viable, and cash profits give me confidence

## **Knowing the boundaries of your circle of competence is vital**

**WARREN BUFFETT**

its accounting profit is real. I need to understand how a business makes money (its business model), how it will make more money (its strategy) and what could stop it making money (the risks

it faces). If it treats customers, suppliers, staff and shareholders fairly, and its strategy addresses the risks, the firm is likely to prosper over the long term. It will be a good investment, as long as its shares are not too pricey. Honestly, I think that is complicated enough.

## **No. 36 | BE HONEST WITH YOURSELF**

When writers give an opinion, they have a moral obligation to be honest and not mislead readers. The more honest the review, the more interesting it is, which is why I might read a review of a car by Jeremy Clarkson even though I have no interest in cars, and why I have read hundreds of film reviews by the late American journalist Roger Ebert. Some years ago Ebert explained his approach



to film reviewing in an interview. He said: "I'm reluctant to tell you that I cry because it makes me look like a sap. You know, because critics are always crying and I want to be the critic that is too tough to cry. But if I did cry during that movie, then I have to tell you that happened. If I was aroused during an erotic scene, I have to tell you that happened. If I laughed, I have to tell you it's funny. I went to see *Jackass*, a shameful movie, and I laughed all the way through it. I have to tell you that. I'm the guy. I was in the theatre and I have to be honest."

I am the guy too. But I am not in a theatre, I am at an annual general meeting, reading an annual report, on a tour of a factory or just walking around a shop checking to see if certain merchandise really is flying off the shelves. I have never been aroused by an annual report





or broken down crying at an AGM. These are not reactions an investor is likely to feel compelled to cover up. I am often confused though: uncertain and, basically, unable to fathom some aspect of a business. Nobody, least of all me, likes to look like an idiot. We all want to be the smart one who knows what is going to happen.

I have to fight the urge to pretend I know more than I do, because overconfidence is sin number one in investing. It allows us to be lazy and avoid the hard work that builds a justifiable level of confidence. It leads us to invest lots of money in shares we haven't adequately investigated.

Writing about shares is a good discipline, because it obliges me to be honest. The routine of setting out how a business makes money, what it must do to make more money and what could go wrong

exposes flaws in my thinking and gaps in my knowledge, which I am sure is why many good investors document their decisions in journals and blogs, even if they are not paid to do so.

### №37 | LEARN TO ACCEPT THE FACTS OF LIFE

Investing should make life better for us in the future, but it would be perverse if it spoiled the present.

It has been more than a decade since the most recent big recession and the stockmarket crash that accompanied it. Fears of an impending crash are heightened by the prospect of trade wars and deflation, so the stockmarket is febrile. This is a fact of life. It should not affect an investor's mood, but it will if they don't have a strategy for selling shares near the top of the market and buying them near

the bottom, and also confidence that the companies they own will survive difficult times and prosper.

Timing the market means predicting what large numbers of traders will do, which is well outside my circle of competence, so I put my faith in companies I know well to survive challenging economic times and prosper thereafter.

I pay no attention to fluctuations in the value of shares I own, but I can't avoid worrying about the value of the Share Sleuth model portfolio, which I manage for *Money Observer*, because I report on its performance every five years.

Coincidentally, this month is the portfolio's 10th anniversary (see page 58), so I have been fretting, hoping the portfolio will end its first 10 years on a glorious run and give readers a better impression of my investing prowess. In fact the decade is concluding with a whimper, which is deflating. This is a futile emotion, and potentially destructive if it forces us to sell good investments just because the share price has fallen temporarily.

Fidelity's Anthony Bolton described in his book how much pressure to perform fund managers are under. He concluded: "I've always thought that the best environment in which a fund manager could perform well was one in which they didn't know how they were doing.

## I have to fight the urge to pretend I know more than I do

Unfortunately, the real world is the opposite of this, and every manager is only too well aware of how they are doing day to day, week to week, month to

month. The pressure – when it's not going well – is intense."

Fund managers worry about losing bonuses, clients and jobs if things go wrong. The advantage for private investors is that we answer only to ourselves.





**HANNAH SMITH**  
 ROUNDS UP THE  
 BEST WAYS TO KEEP  
 YOUR HMRC BILL  
 TO A MINIMUM



# Tax TRICKS FOR

**T**here's a raft of different tax breaks on offer in the UK, but a few are often overlooked by savers and investors. Using them correctly means you can reduce your tax bill and keep as much of your investment returns as possible. Here is a guide to some of the possible tips and tricks you could use (but speak to a financial adviser for proper tax planning advice).

## WHY IS PLANNING IMPORTANT?

Tax planning isn't tax dodging. It's a legitimate way to make the most of the tax breaks to which everyone is entitled. "There are plenty of legitimate tax planning opportunities available: it is about maximising the benefits you can get from the rates, bands and allowances built into the tax system. It can be complicated, but that gives rise to opportunities," says Graeme Robb, technical manager at Prudential.

Before you try any clever tricks, the first rule is quite simply to make as much use as possible of tax wrappers (saving and investment vehicles which shield your money from the taxman) including Isas, pensions and investment bonds, to avoid paying unnecessary tax. If you are lucky enough to have the financial muscle to

maximise all your available allowances, you could end up legitimately not paying tax on as much as £50,000 of savings, Robb estimates.

## № 38 MAKE THE MOST OF YOUR PENSION

The government wants you to save into a pension, so it incentivises you with several valuable tax breaks. One is pension tax relief, which adds the money you would have paid in income tax on your earnings directly into your pension pot. You get tax

relief at 20% for basic-rate taxpayers, 40% for higher-rate taxpayers, and 45% for additional taxpayers.

Importantly, while basic-rate tax relief is added automatically by your pension provider, you have to claim back higher

and additional rate relief each year, either by filling out a self-assessment tax return or by contacting HMRC. If you haven't been doing this, you could be missing out on a significant amount of money. You can claim tax relief on pension contributions for past years, as long as they are within four years of the end of the tax year for which you are claiming.

The annual allowance is the maximum

you can contribute to a pension tax-free. In the current tax year it is £40,000 (unless you are already drawing down your pension), and it is tapered for high earners (£150,000 plus). You may be able to carry forward unused annual allowance from the previous three years, which is useful for those who might otherwise exceed the pension contribution threshold in one year. But the rules are fiendishly complex, so consult a professional adviser.

If you are a small-business owner, making pension contributions through your limited company could be a tax-efficient move. That's because it is treated as a business expense and offset against your corporation tax bill.

And if you're already at retirement or near retirement age, you can take up to 25% of your pension pot tax-free, either in smaller withdrawals to get an income, or as a lump sum. This is called the pension commencement lump sum. You'll then have six months to buy an annuity or go into drawdown with the rest, providing taxable income.

**Be sure to claim all your pension tax relief, including for past years**

## № 39 MAXIMISE USE OF YOUR PERSONAL ALLOWANCES

Everyone gets certain personal tax allowances from the government, such as the Isa allowance, worth £20,000 in the

**There are plenty of legitimate planning opportunities available**

GRAEME ROBB





# CLEVER INVESTORS

2019/20 tax year, and the Junior Isa allowance, which lets you make savings contributions of £4,368 a year for a child under the age of 18.

A key one is the **personal allowance**, which lets you earn £12,500 without paying any income tax.

It's tapered for high earners, meaning it goes down by £1 for every £2 of adjusted income (all income plus pension contributions) you earn above £100,000. If your taxable income goes above £125,000, you lose your personal allowance.

You can lower the tax you pay by reducing your taxable income, suggests Rachael Griffin, head of trusts and technical solutions at Old Mutual Wealth. Workplaces may offer salary sacrifice schemes where

you can pay for benefits like health insurance, childcare, a bike or a company car out of your gross salary, for example, reducing your take-home pay.

"There are ways, if you're still earning, to be able to reduce your income through making pension contributions or charitable donations, so as not to lose all your personal allowance," she says. You could also defer your state pension, if you are at an age where you are entitled to claim it but you have enough taxable income to live on from other sources.

If you are a couple, make sure you are both using your personal allowances to the full. One way to do this is for one half of the couple to employ the other in their limited company, for example. But they do need to actually work for the business, and you must pay them a realistic wage.

Another way, if you are married or in a civil partnership and one partner is a non-taxpayer, is to make use of the **marriage allowance**. An often-overlooked tax break, this could be worth £1,250. "A lot of clients use the marriage allowance to give up to 10% of their £12,500 personal allowance to the one who needs it more," says Lee Glennan,

founder of Glennan Wealth Management. "If one partner works and one doesn't, you can transfer the non-working partner's allowance to the higher-rate taxpayer. It's money for nothing, you can get a cheque in days and you can backdate your claim by four years."

With the **dividend allowance**, you don't pay tax on the first £2,000 you earn in dividends from investments (for exam-

ple, from your dividend-paying shares or equity income funds). "You could have an Oeic [open-ended investment company] portfolio with some funds paying interest and some paying dividends, depending on the type of fund you are in," Robb explains. "You could construct a portfolio so your interest is getting mopped up by your savings allowance and






your dividends are getting mopped up by your dividend allowance."

Glennan says that his retired clients often hold their share portfolios in one name just because that's the way they've always been, when in fact they should be putting at least part into the name of the spouse who still has some dividend allowance available – and this would also

**If one partner doesn't work, you can transfer the non-working partner's allowance**

LEE GLENNAN

## FIVE LESS FAMILIAR TAX ALLOWANCES

Allowance	Max annual value (£)	What does it do?
 <b>Marriage allowance</b>	1,250	Transfer up to 10% of personal allowance to spouse
 <b>Dividend allowance</b>	2,000	Tax-free dividend income
 <b>Trading allowance</b>	1,000	Tax-free trading eg selling on eBay
 <b>Property allowance</b>	1,000	Tax-free gains from property earnings eg Airbnb
 <b>Tax deferred allowance</b>	5% of investment bond	Tax deferred on withdrawals



## OTHER TAX-EFFICIENT WRAPPERS: VCTS AND EIS

Venture capital trusts (VCTs) are designed to make it more attractive for investors to back young companies by offering no tax on dividends if they are held for five years, up to 30% income tax relief for subscriptions in new VCT fund raisings, and no capital gains tax (CGT) when they are sold. They can be useful to those who have hit the pension lifetime allowance, so they have been popular with wealthy investors willing to take some investment risk. Some £731 million was invested in VCTs during the 2018/19 tax year,



making it the second-best year ever for these vehicles.

Enterprise Investment Schemes (EIS) offer 30% income tax relief and

CGT exemption on disposal if you hold them for three years, and qualify for business property relief (BPR) if you hold them for at least two years, which means they do not form part of your estate for inheritance tax purposes. Unlike VCTs, their dividends are taxable; but you can claim relief on income tax you paid in the previous tax year.

The government is concerned that

EIS is being used primarily for tax planning rather than for the intended purpose of supporting entrepreneurs, and there is speculation it might strip Aim shares of inheritance tax relief, which could make the sector less attractive to many investors.

“We use them with clients but we tread carefully,” says Glennan. “We deal with clients who are at or in retirement and want to hold on to what they have; although the 30% tax relief is attractive, you don’t want the tax tail to wag the investment dog.”

be free of capital gains tax.

One often-overlooked allowance for people holding investment bonds (a life insurance policy where you can invest a lump sum in a range of funds) is the **tax deferred allowance** which lets you withdraw up to 5% from

a bond each year without incurring an immediate tax charge. “This is very efficient for a higher- or additional-rate taxpayer who might become a non-taxpayer or a basic-rate taxpayer in future, as they

can defer crystallising their gains until they are in that lower tax bracket. Or you could assign it across to another family

**With CGT you have an annual allowance, so use it or lose it**

RACHAEL GRIFFIN

member as a gift as part of an inheritance tax strategy,” says Robb.

A couple of smaller allowances you may not have heard of are the **trading allowance** (which gives you £1,000 tax-free from freelancing or selling on eBay, for example) and the **property allowance** (£1,000 tax-free if you make money on your property through AirBnb, for example, or by renting out your driveway). Note, though, that the rent-a-room scheme is more tax-efficient for most people letting out rooms, and you can’t use both tax reliefs at once.



**Couples should ensure both partners use their personal allowance**

### NO. 40 BE CLEVER WITH CAPITAL GAINS

When you sell an asset such as your share portfolio or a second home and make a profit on it, you’ll usually be liable for capital gains tax (CGT). You can earn £12,000 of profit tax-free before you have to pay CGT – this is your CGT allowance. Above that, you’ll pay 10% on assets and 18% on property as a basic-rate taxpayer, and 20%/28% if you pay higher-rate tax. There are a few ways to mitigate your CGT bill.

Clever timing could help with CGT planning. You can make partial withdrawals, such as cashing out a lump sum in two different tax years to maximise your annual exemptions. “With CGT, you have an **annual allowance** and if you don’t use it, you lose it,” explains Griffin. “If you own a portfolio of shares that you allow to grow for five years and then cash it out all at once, you would trigger a

CGT bill on all the gains above your CGT allowance for that year. But if you staggered your withdrawals over a few years, you could make the most of your allowance and make large savings.” However, she cautions that you shouldn’t sell your shares for tax reasons alone, in case it’s not the right time to sell.

You can also offset any gains you have made on your assets against your losses for a lower CGT bill. For example, you could realise losses from poor-performing funds in the same tax year as you realise the gains from your strong performers. You can count losses from past years, depending on the asset type.

“How about using your Isa allowance as soon as the tax year begins, and funding this from a taxable general investment account by making sales in the previous tax year, with Isa buys in the new tax year?” suggests Dan Woodruff, founder of Woodruff Financial Planning. “This uses the tax-saving power of Isas, and can also retain the investor’s capital gains tax allowance, potentially saving even more tax in future.”

Spousal exemption rules mean you can transfer assets to your spouse for them to sell if they have an unused CGT allowance.

**Investors’ relief** gives you a CGT rate of 10% on disposals of shares in an unlisted trading company, as long as you have held the shares for at least three years.

**Entrepreneurs’ relief** is similar, at 10%, and both are up to a lifetime relief limit of £10 million. Investors’ relief works in a similar way to entrepreneurs’ relief but it is not a replacement for it, so it is possible to be eligible for both, says Glennan.



**Timing is an important consideration with CGT planning, as is offsetting losses against gains**





# WHY CASH FLOW KEEPS YOU ON THE STRAIGHT AND NARROW



**JOB CURTIS**, fund manager of the City of London Investment Trust, explains why cash flow is so important when investing in equities for the purpose of income, using two stock case studies

**E**stimating a company's future cash flows is a common method of share price valuation. For investors seeking dividend income from shares, cash flow is crucial. In our view, successful income investing involves identifying companies with enough cash flow not only to pay their dividend, but also to invest enough to generate future profit growth.

While it is possible to grow a dividend with debt, this is unlikely to lead to sustainable dividend growth and will leave a company poorly placed for a cyclical downturn. A company with a heavy burden of debt and facing falling demand for its goods and services, leading to reduced profits, will inevitably prioritise interest payments to service its debt. Such an indebted company is more likely to cut its dividend, compared with a company that has no debt or a low level of borrowings.

To illustrate some of the complexities in understanding cash flows and dividend sustainability, the oil sector offers a useful example.

Royal Dutch Shell (RDS) is the largest company by market capitalisation listed on the London Stock Exchange and BP is the fourth largest. RDS has one of the best dividend records of any company, having not cut its dividend since the Second World War. BP's record is more volatile over the long term and it had to suspend its dividend for six months in 2010 after the Macondo oil spill tragedy in the Gulf of Mexico.

The key determinant of cash flow for RDS and BP in the short term is the oil price, which will affect the profitability of their oil fields that are in production. It also has a significant bearing on their large natural gas businesses where long-term contracts continue to have high linkage to the oil price. The chart (right) compares the oil price over the past 10 years with the total return from the shares of RDS and BP and overall indicates a fairly

close correlation, as well as showing the companies have responded well to the lower oil price environment since 2015.

Both companies also have large 'downstream' operations, which encompass chemicals, refining and marketing (such as petrol stations). In general, these downstream operations are counter-cyclical and RDS and BP are able to earn a better profit margin on them during oil price downturns.

## "An indebted company is more likely to cut its dividend"

A further feature to consider when predicting cash flow for both companies is their level of investment. Oil fields deplete and therefore it is necessary to replace production by investing in new fields. During the oil price boom of 2005-2011, the industry invested heavily, pushing costs higher leading to disappointing profitability despite the supportive oil price environment. Since 2014, both companies have been much more disciplined on capital expenditure although this leads to some questioning whether they are

investing enough for the future.

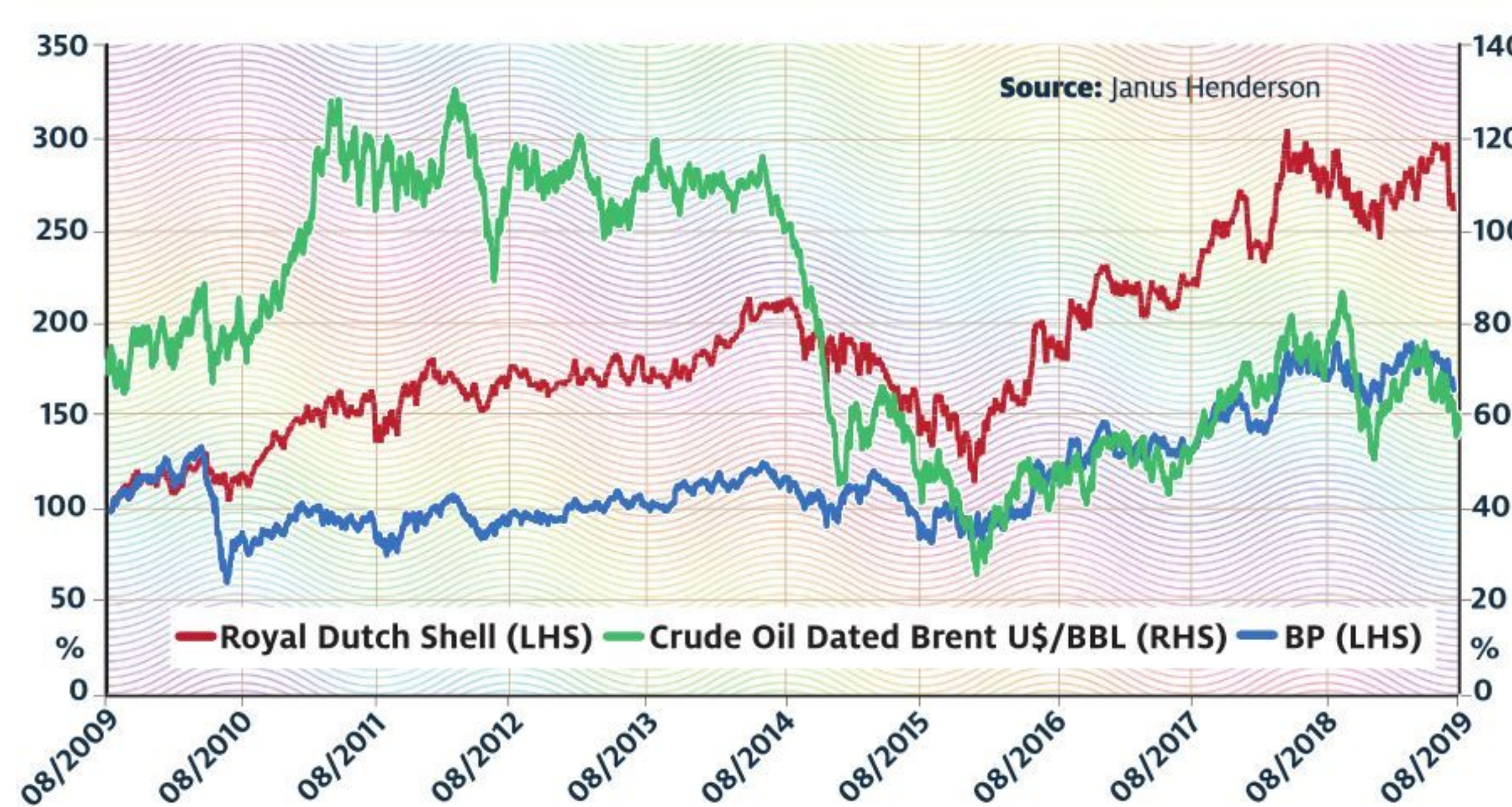
One alternative to investment is to make an acquisition. In 2015-16, during the oil price bear market, RDS agreed to buy (and completed the acquisition of) BG for £47 billion, which gave it high-quality oil fields off the coast of Brazil and enhanced its global leadership in natural gas. More recently, in 2018, BP acquired some US shale oil assets from BHP for \$10.5 billion (£8.4 billion). Disposals also complicate the picture, with RDS selling off assets to help pay for BG and BP doing likewise to pay for claims and fines of some \$67 billion arising from the Macondo disaster.

All in all, the above shows how difficult it is to judge the cash flows and profitability of these giant companies. The consensus of analysts is that RDS and BP have improved a lot from the dark days of 2015-16, when cash coverage of their dividends was low and the dividends had to be paid partly by issuing new shares. The fact that both stocks yield over 6% indicates a degree of market scepticism about their dividend sustainability which should be disproved as predicted cash flow generation comes through.

**For UK investors only. For promotional purposes.** The value of an investment and the income from it can fall as well as rise and you may not get back the amount

originally invested. Nothing in this communication is intended to be or should be construed as advice. This article is not a recommendation to sell or purchase any investment. References made to individual securities should not constitute or form part of any offer or solicitation to issue, sell, subscribe or purchase the security. Before investing in any investment referred to in this communication, you should satisfy yourself as to its suitability and the risks involved. Tax assumptions and reliefs depend upon an investor's particular circumstances and may change if those circumstances or the law change.

## CRUDE PRICES IMPACT TOTAL RETURNS





# Sweet returns, but can do even better



**RICHARD BEDDARD** looks back on 10 years of the portfolio and at positioning for the future

If you have read my contribution to *Money Observer's* 40 tips for better investing (see page 52), you will know I do not dwell on performance. However, it is not just *Money Observer* that is celebrating an anniversary this month. On 9 September, the Share Sleuth portfolio was 10 years old.

The last decade has not obviously been a propitious time to invest. The Share Sleuth portfolio was born towards the end of an 18-month-long contraction in the economy, the longest UK recession since quarterly figures on economic growth were first published in 1955.

### EMERGENCY MEASURES

The credit crunch had left us with quasi-nationalised banks and the government much more heavily in debt, and deploying an economic contrivance called quantitative easing designed to stimulate spending and investment.

Like nationalisation, quantitative easing was an emergency measure, deployed because the Bank of England had decided that interest rate cuts alone would not be enough to stimulate borrowing and reflate the economy. No one knew how long it could last, but by buying government and subsequently corporate bonds with newly minted money, the Bank pushed up bond prices, which pushed down bond yields and the cost of borrowing. The new money also pushed up share prices.

I understood none of this in 2009, and it still confounds me now. To my mind a recovering stockmarket just made investing more difficult. The FTSE All-Share index had risen 43% over the previous six months, so finding value was harder.

Nobody knew how long quantitative easing would last. In fact it is still with us today, nursing us through the tortuous Brexit process, and it is something of

a mixed blessing. Those with assets such as property and shares have done well, but those without have prospered less, in relative terms at least. The economic and political consequences

are just becoming apparent.

In hindsight, it was a good time to start a portfolio. A £30,000 investment in accumulation units of an index tracking fund (i.e. with dividends reinvested in the fund) would be worth £65,267 today, more than twice as much. The notional £30,000 we drip-fed into shares in the Share Sleuth portfolio during its first year is worth £124,290, more than four times

as much as it was in September 2009, including dividends and trading costs.

That is a big relief because the objective of the portfolio is to beat the market handsomely over the long term, and it shows that perhaps, for all my efforts, my decisions may cumulatively have added value.

To put it another way, the benchmark investment in a broad UK index has gained just over 100% and the Share Sleuth portfolio has gained more than 300%. Or, to put it a third way, the benchmark grew at a compound annual growth rate of 8% and the Share Sleuth portfolio achieved over 15%.

This month, in response to a reader's request, we show the annualised performance, including dividends, of each constituent in the portfolio table, with the

following caveat: the annualised performance of shares owned only for a short while can be very misleading and is not comparable with the annualised performance of shares held for many years. Nevertheless, two of the portfolio's older constituents are also among its best performers on an annualised basis, and hence they have generated spectacular returns.

### UNIQUE BUSINESSES

I am talking about **Games Workshop** and **Dart**. Games Workshop was one of the founding members of the Share Sleuth portfolio, bought on 9 September 2009. Dart followed just 16 days later. The table shows fewer shares in these companies than the portfolio originally held, because I have reduced the portfolio's holding in Games Workshop once since my original purchase, and I have reduced the Dart holding twice.

The simple percentage returns in the table require explanation. They show the percentage capital gain on what remains of the initial shareholding. The rump of Games Workshop shares has returned 1,505% in capital gains, and the rump of Dart shares has returned 1,241%.

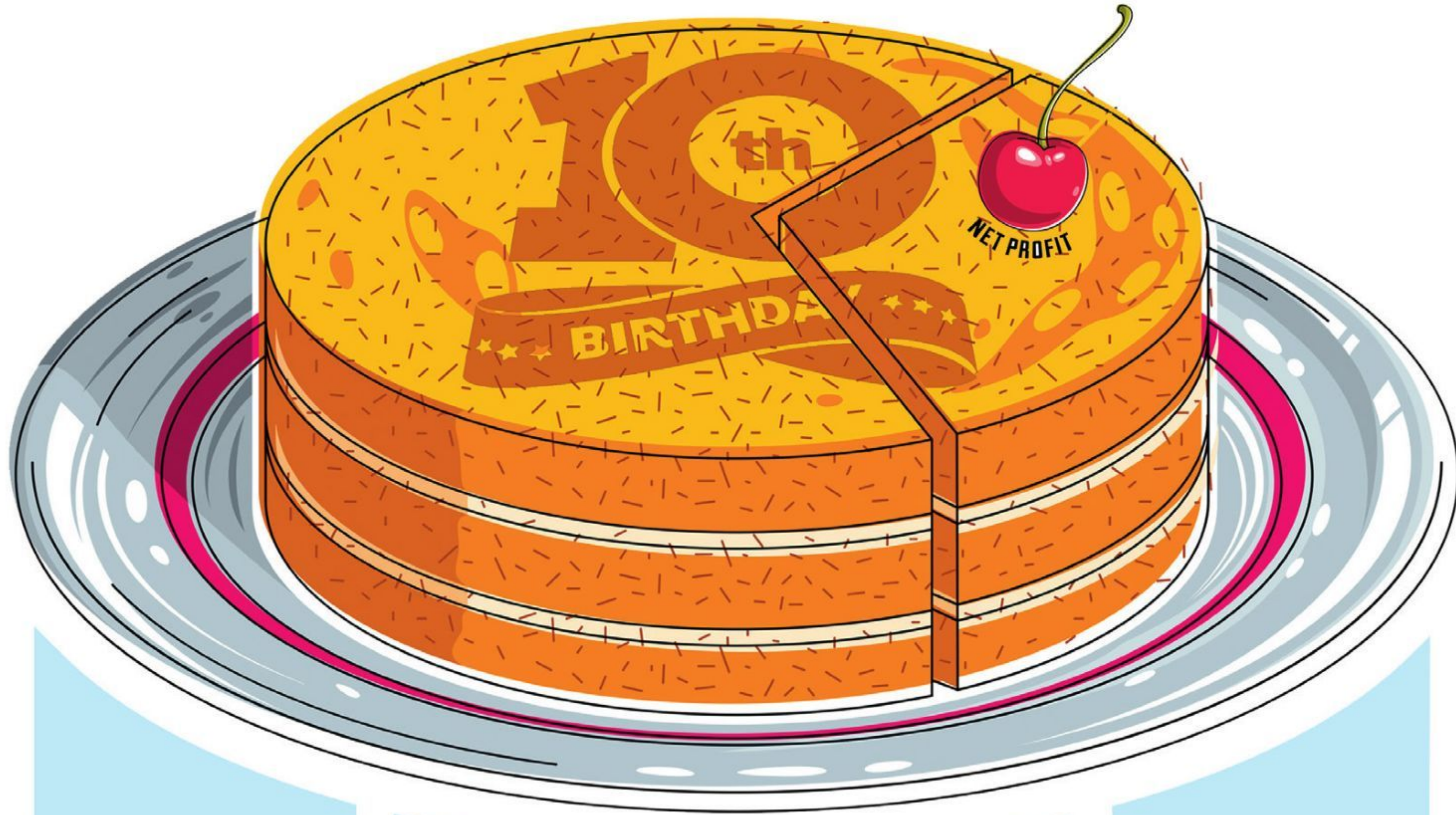
But if we factor in the shares I ejected from the portfolio for lower gains, and also the dividends each

### 314% RETURN SINCE INCEPTION IN 2009

Portfolio		Cost (£)	Value (£)	Return (%)	
Cash			4,435		
Shares			119,855		
Since 9 September 2009		30,000	124,290	314%	
Companies	Shares	Cost (£)	Value (£)	Return (%)	Annualised return (%)*
ALU Alumasc	938	999	900	-10	4
ANP Anpario	937	3,168	3,092	-2	-4
AVON Avon Rubber	192	2,510	3,237	29	54
CFX Colefax	434	943	2,118	125	9
CGS Castings	1,109	3,110	4,247	37	7
CHH Churchill China	341	3,751	5,303	41	32
CHRT Cohort	1,600	3,747	7,520	101	12
DTG Dart	456	250	3,352	1,241	22
DWHT Dewhurst	735	2,244	6,836	205	13
GAW Games Workshop	198	568	9,116	1,505	31
GDWN Goodwin	266	6,646	8,991	35	7
HWDN Howden Joinery	748	3,228	4,105	27	13
JDG Judges Scientific	252	5,989	8,694	45	31
NXT Next	45	2,199	2,718	24	11
PMP Portmeirion	349	3,212	3,001	-7	1
QTX Quartix	1,085	2,798	3,635	30	73
RM. RM	1,275	3,038	3,315	9	29
RSW Renishaw	92	1,739	3,446	98	20
SOLI Solid State	1,546	4,523	7,297	61	16
TET Treatt	1,222	1,734	5,132	196	29
TFW Thorpe (F W)	2,000	2,207	5,960	170	15
TRI Trifast	2,261	3,357	4,409	31	17
TSTL Tristel	750	268	2,213	725	32
VCT Victrex	150	2,253	3,252	44	16
XPP XP Power	339	6,287	7,967	27	12

**Notes:** No new additions Transaction costs include £10 broker fee, and 0.5% stamp duty where appropriate Cash earns no interest Dividends and sale proceeds are credited to the cash balance \*Annualised return includes dividends, unlike the raw return in the previous column £30,000 invested on 9 September 2009 would be worth £124,290 today £30,000 invested in FTSE All-Share index tracker accumulation units would be worth £65,267 today Objective: To beat the index tracker handsomely over five-year periods **Source:** SharePad, 9 September 2019





**NET  
GEARING**  
**25%**

Net financial obligations including debt, pension deficit, and capitalised operating leases, expressed as a percentage of the capital required to operate the business. Operating capital is total assets less goodwill, payables, and surplus cash.



**RETURN  
ON CAPITAL**  
**30%**

Adjusted operating profit after tax deducted at the standard rate expressed as a percentage of the capital required to operate the business.



**CASH  
CONVERSION**  
**73%**

Cash return after capital expenditure expressed as a percentage of adjusted operating profit.



**EARNINGS  
YIELD**  
**6%**

Adjusted operating profit after tax deducted at the basic rate expressed as a percentage of enterprise value (EV). EV is the market value of the equity (market capitalisation) plus debt, roughly capitalised operating lease obligations, and pension deficit.

**Notes:** Return on capital, cash conversion, and earnings yield are normalised over a number of years to eliminate the impact of extreme results in the most recent financial year that are unlikely to be repeated.

company earned over the period, Games Workshop is the clear winner. SharePad, the software we use to do the accounting, tells me Games Workshop has returned a stonking 1,343% – an annualised return of 31% for 10 years. Dart has returned 627% for an annualised return of 22%.

Though the portfolio would have done even better had I decided to keep all the shares in these two companies, I am not beating myself up about it. When I reduced the holding in Games Workshop, I was not as confident as I wanted to be that its dramatic surge in profitability and the stockmarket valuation it had achieved as a result were sustainable. The holding had also grown to be the portfolio's biggest. Selling some of the shares was my way of keeping hold of the remainder and maintaining diversification.

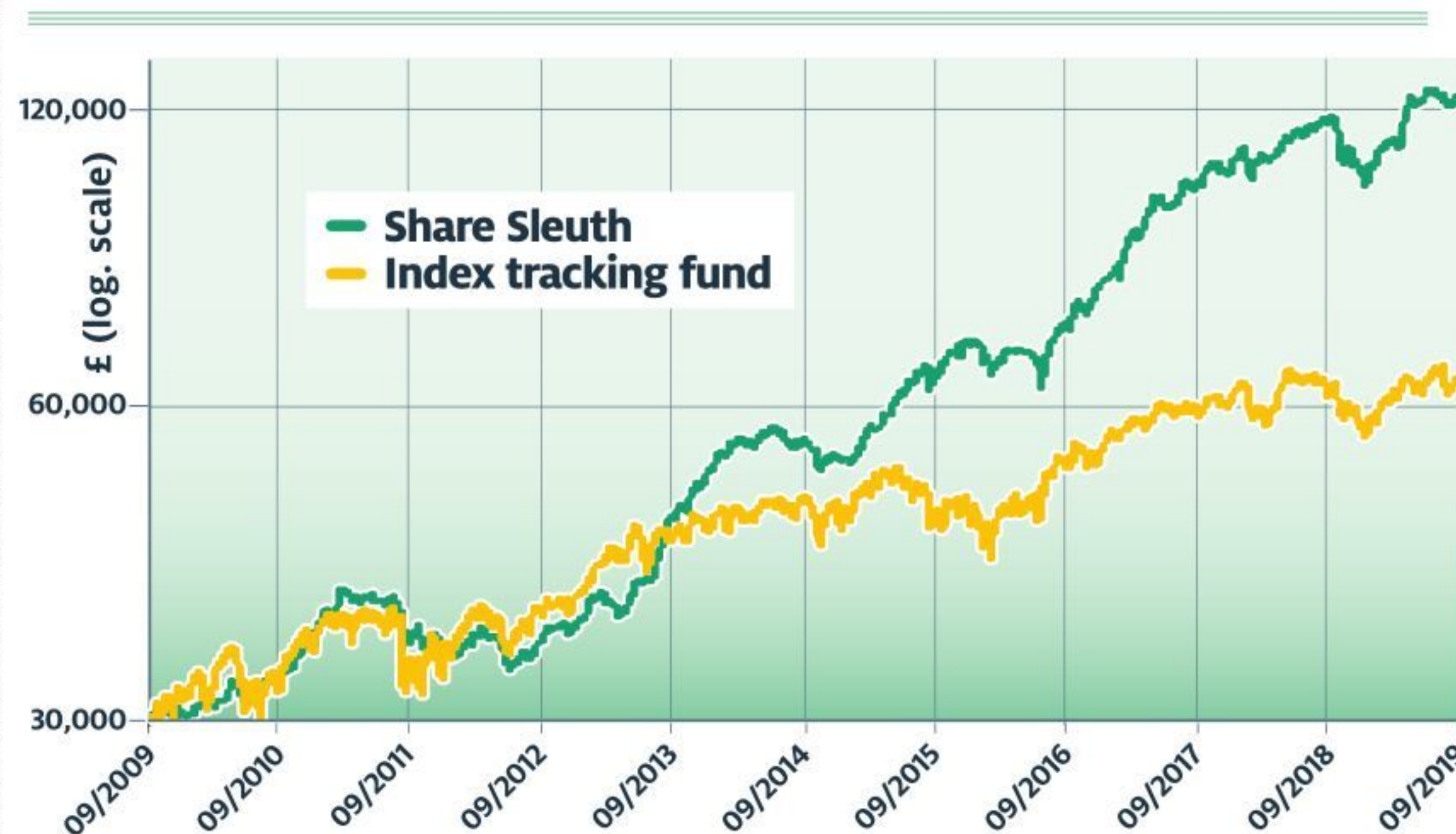
In common with other airlines and package tour operators, Dart's accounts are very complicated and, though I admire the company's strategy, I am not sufficiently confident in my calculations of its profitability and valuation to go "all-in". We cannot hope to be right all the time, if being right is simply measured by the

subsequent performance of a share after we have bought or sold it. We can only hope that the cumulative outcome of our decisions is positive.

We all know the disclaimer: "Past performance is no guarantee of future results", so I will not spend any more of this article looking backwards. Neither am I going to peer forwards because, as should be apparent from my naive views about the state of the economy 10 years ago, I cannot see the future. Instead, I will report on how the portfolio is positioned now, for the future.

One way of looking at how well

### BEATING INDEX TRACKER FUND SINCE 2013



positioned it is, is through the lens of my Decision Engine, a scoring system. I score each share using five criteria: profitability, risks, strategy, fairness and value. A company can score 0, 1, or 2 for each of the first four criteria relating to the quality of the businesses, and my spreadsheet calculates a valuation score of between -2 and +2.

Value, therefore, can potentially have a bigger impact than any other single factor, but the four business quality factors together outweigh the value factor. You can see how I scored a handful of companies that have recently published annual reports, including portfolio heroes Games Workshop and Dart, in Share Watch (see page 60).

### USING THE SMITH TRICK

Another way is through aggregate financial statistics, a trick used by the fund manager Terry Smith in his annual letters to fund holders. I have calculated the portfolio's average values for four key statistics – net gearing, return on capital, cash conversion and earnings yield – again weighted proportionately (see infographic, left).

If the Share Sleuth portfolio were a company, I would rate it a buy, but only just. The average Decision Engine score of all the shares in the portfolio (weighted in proportion to each holding's size), is 7.1 out of 10.

A score of 7.1 is just above my arbitrary level of 7, required to add a share to the portfolio. Net gearing of 25% is well below the 50% level at which I begin to fear a company is too dependent on outside finance, and return on capital of 30% is well above my 10% benchmark for a viable business. Cash conversion of 73% is just below the 75% threshold I prefer, so there is a bit of work to be done there, and an earnings yield of 6% is higher than 5%, below which I struggle to justify a purchase. A 6% earnings yield is equivalent to about 17 times adjusted profit.

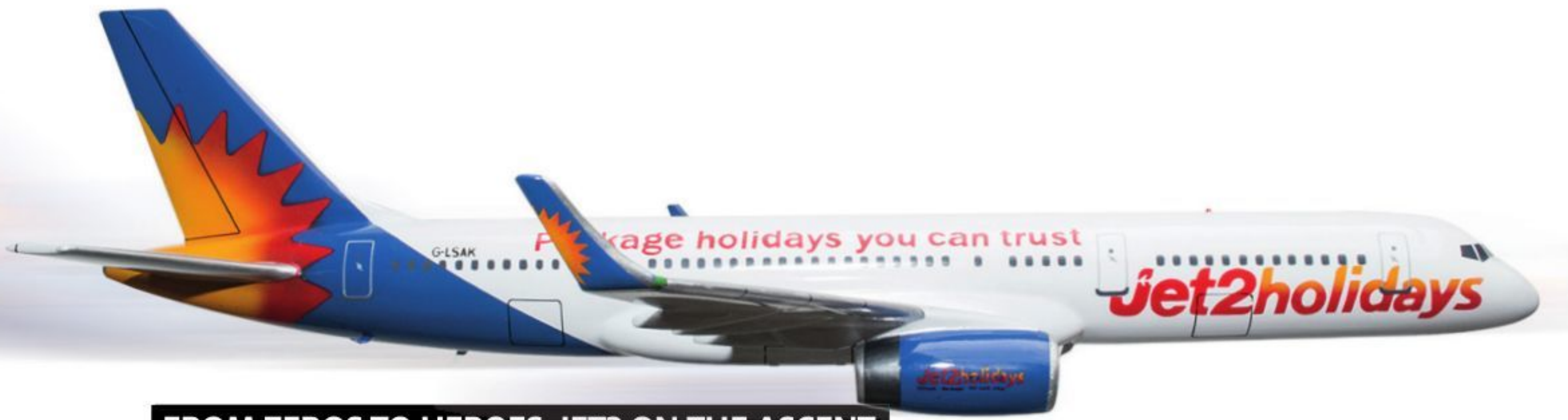
It is a close call, so despite quadrupling £30,000, my verdict on the portfolio after 10 years is: "could do better".

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# High flyers still worth a look?

**RICHARD BEDDARD** reviews prospects today for Share Sleuth stalwarts Games Workshop and Dart



**A**s luck would have it, two of the Share Sleuth portfolio's best performers, Games Workshop and Dart, have published their annual reports recently. To find out more about how they have helped the portfolio beat the market, see Share Sleuth on page 58. Here in Share Watch we will consider their merits as investments now.

Neither company disappointed shareholders.

## GAMES WORKSHOP (<http://bit.ly/swGAW2019>)

earned 17% more revenue and 9% more profit in the year to June 2019 than the previous year – modest growth by recent standards.

Going back a bit further, the company's revenue was 117% higher than it was just three years ago. Its profit was 382% higher. The high rates of growth experienced in 2018 and 2017 were never going to be sustained, but it is a relief that the company is still growing and that its newly elevated profitability (return on capital) is persisting.

Nothing fundamental has changed about the business. It still makes fantasy models and wargames known as Warhammer and Warhammer 40,000. It still makes most of its money selling models through its own stores, independent retailers and its website. Since Games Workshop owns the rights to Warhammer characters and stories, there are no direct competitors for a hobby that delights tens of thousands of people.

But much has changed about the way Games Workshop goes about its business. It has simplified and relaunched the game systems, become much more savvy about helping, instructing and marketing

## The only thing standing between Games Workshop and a perfect score is valuation

to customers on the internet, slimmed down the stores to a predominantly one-person format, and made it easier to start modelling and gaming by selling keenly priced starter packs. It is preparing to make a TV series.

The only thing standing between Games Workshop and a perfect score of 10 out of 10 is its valuation. The shares cost 22 times adjusted profit in 2019, so they are not obviously cheap at £44.32. Games Workshop's score of 7.3 is a good one, but not sufficient to make it into my top five ranked shares.

## SHARE WATCH FAVOURITE FIVE

Score	Name	Description	Interactive investor link
9.5	XP Power	Manufactures power adapters for industrial and healthcare equipment	<a href="http://bit.ly/swXPP2019">http://bit.ly/swXPP2019</a>
8.4	Victrix	Manufactures PEEK, a tough, light and easy to manipulate polymer	<a href="http://bit.ly/swVCT2019">http://bit.ly/swVCT2019</a>
8.0	Howden Joinery	Supplies kitchens to small builders	<a href="http://bit.ly/swHWDN2019">http://bit.ly/swHWDN2019</a>
7.9	Dart	Flies holidaymakers to Europe. Trucks fruit and veg around the UK	<a href="http://bit.ly/swDTG2019">http://bit.ly/swDTG2019</a>
7.8	Judges Scientific	Buys and operates small scientific instrument manufacturers	<a href="http://bit.ly/swJDG2019">http://bit.ly/swJDG2019</a>

**Note:** Shares are scored out of 10, according to five criteria: profitability, risks, strategy, fairness and value

## DART

(<http://bit.ly/swDTG2019>)

On the other hand, Dart has burst into the top five. The company earns almost all of its profit from leisure airline Jet2 and its package tour operator Jet2holidays. In little more than a decade, the tour operator has gone from zero to a business turning over £2 billion, second only to Tui in terms of how many passengers it is licensed to fly, and earning Jet2 more revenue and profit than scheduled flights to the same holiday locations.

Jet2holidays also flies all passengers on its own planes, unlike rivals who also use charter and scheduled flights. This gives Jet2 control of the journey, allowing it to tailor its service to the needs of families, a strategy that has won it many accolades.

As with Games Workshop, Dart has developed a unique business, although it is more evidently at risk from competition from online travel agents and other low-cost airlines. Further, should the pervading unease about the direction of the economy be justified by recession, demand for package holidays will surely fall, and while the UK and the EU seem to be serious about keeping planes flying after Brexit, Brexit too is a worry. These concerns probably explain why the shares are so cheap at 750p (10 times adjusted profit).

Although Dart is for contrarians, it scores 7.9.

I have reviewed two other shares this month, both just failing to make it into the top five. **Cohort** (<http://bit.ly/swCHRT2019>) scores 7.7 and **Castings** (<http://bit.ly/swCGS2019>) scores 7.0 out of 10. I believe all four shares merit the attention of long-term investors, and you can read more about them by following the links to our sister site, interactive investor.

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WORKSHOP  
SHARES COST 22  
TIMES ADJUSTED  
PROFIT







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# Sustainable investing: the only way is up

**RACHEL WINTER** looks at momentum driving performance of funds focused on businesses with strong sustainability credentials

Everywhere you look there is evidence that people are becoming increasingly concerned with environmental welfare. Voluntarily using a plastic straw today would typically be frowned upon, and protests have forced many major corporations to ban supplying and stocking them. Vegetarians and vegans are soon expected to make up a quarter of the global population, with 2019 being coined the 'year of the vegan'.

As such, even in the financial sector consumers are increasingly demanding products and services from sustainable sources. 'Sustainable' is an important word in the world of investment right now, and investors are more likely than ever to put money into companies that focus on having a positive impact on the environment and society.

## INFLOWS ON THE UP

The momentum behind sustainable investing is evident in the volume of capital flowing into funds that service this space. Sustainable investment is one of few sectors that have experienced major inflows of late; indeed, the latest Global Sustainable Investment Review notes that sustainable investment assets increased by 34% between 2016 and 2018 across Europe, US, Canada, Australia and Japan. Fund houses are keen to capture these inflows, with 305 new sustainability funds launched globally in 2018 and a further 168 in the first six months of 2019.

As inflows into these funds continue to build, more and more capital is chasing a relatively limited number of underlying investment opportunities. The result is that companies with strong sustainability credentials are experiencing share price growth. The MSCI KLD 400 Social index, comprising companies with strong sustainability profiles, has outperformed its benchmark MSCI USA IMI index since it was launched in 1994. That outperformance has increased as momentum has risen.

Interestingly, it appears that retail investors are driving a lot of this momentum. Back in 2012, retail investors owned 11% of the assets held in sustainable funds. This proportion has now grown to 25%.

With a wealth of sustainable funds to choose from, the biggest challenge is picking the right one. BlackRock,

**"Sustainable investment is one of the few sectors that have seen major inflows of late"**

**RACHEL WINTER**

the world's largest asset manager and owner of the iShares series, has made clear its intention to position itself at the forefront of socially responsible exchange traded funds (ETFs). Its launch of the **iShares ESG MSCI USA Leaders ETF** in May of this year was one of the most successful fund launches in history, and the fund already holds \$1.6 billion (£1.3 billion) in assets.

While many ETFs in this space have performed well, investors may wish to bear in mind that ETFs will generally only focus on quantitative measures of sustainability. An active manager, on the other hand, would be able to consider additional qualitative factors such as corporate culture and company values.

To put this into context, Tesco was previously a constituent of many ethical investment indices before the 2014 accounting scandal that unearthed the company's longstanding mistreatment of its suppliers and saw its shares fall 11.5% to an 11-year low. Treatment of suppliers is arguably a culture issue that is difficult to pick up through a quantitative screen.

For those preferring an active approach, Liontrust offers a whole host of highly regarded sustainable funds. The **Liontrust Sustainable Future Global Growth** fund has achieved an annualised return of over 20% over the last five years.

## INVESTMENT TRUST SPECIFICS

The London Stock Exchange is also home to a number of investment trusts focusing on more specific areas such as renewable power. **Greencoat UK Wind**, a UK real estate investment trust (Reit) with a focus on wind farms, has now achieved a market capitalisation of over £2 billion following a successful £375 million capital raise earlier this year.

Like many of its peers, Greencoat trades on a fairly sizeable premium to net asset value (currently 14%). It is usual for Reits to trade on premiums due to their attractive yields, but the premiums are notably higher for renewables Reits, which is further evidence of the momentum behind this theme.

Companies are fast realising that both their shareholders and their customers want sustainability, and therefore are taking steps to improve their sustainability credentials.

Many have readily signed up to the United Nations Global Compact, a voluntary initiative requiring firms to adhere to 10 principles covering human rights, labour, the environment and anti-corruption, and to produce regular reports detailing their ongoing efforts. The momentum behind sustainability is making the world a better place.





# Prime positions for best-value global plays

**TOM BAILEY** introduces a new portfolio that will pursue profit in undervalued markets worldwide



**V**alue is one of the few consistent predictors of investment returns, and when it comes to attempting to profit from value investing, there are plenty of ways to skin the proverbial cat.

Our new global value portfolio seeks to profit from the eight most undervalued single-country markets in the world, out of the 40 that are investable and accessible using ETFs.

## SPOTTING VALUE

To determine value, we have used a variant of the price-to-earnings ratio (p/e) called the cyclically adjusted price-to-earnings ratio (Cape), developed by the economist Robert Shiller.

The p/e ratio is the share price of a company divided by the company's annual earnings per share. The p/e of a market index as a whole is the weighted average of the p/e ratios of all the shares in the index. We are using the Cape because it gives a longer-term perspective on price-to-earnings ratios by averaging company earnings over the past 10 years.

To find the best-value markets, we use data published by private equity firm Star Capital Partners. In total, 40

single-country markets are counted as investable. We have chosen the eight with the lowest Cape ratios (the bottom 20%). This should provide a decent level of diversification as long as these markets are not all cheap for all the same reasons. Certain markets may have to be excluded from our portfolio because no ETFs track them.

The markets that qualify, in order of their 'cheapness', are those in Greece, Russia, Turkey, Poland, South Korea, Spain, Singapore and China. Valuations in these markets vary a fair amount: the market in Greece sits on a negative Cape while those in China and Singapore have Capes of more than 14 times.

Note that ETFs for Greece and Singapore are not listed in the UK, so returns are initially paid in dollars and converted into sterling by a broker.

The portfolio will be rebalanced every year, at which point any market no longer among the cheapest 20% will be jettisoned and replaced with a new entrant. All ETFs in the portfolio will be rebalanced to the equal weighting that we have started with.

Automatic rebalancing allows us to keep the portfolio oriented towards value, as it provides an opportunity to access markets that have become cheap

since the previous rebalancing and discard those that have since become more expensive. It also allows us to bank gains from markets that have recovered.

## Value is one of the few consistent predictors of investment returns

At the same time, rebalancing should ease the temptation to make subjective macro or market calls – something investors have proved themselves to be generally poor at.

There will be no need to deliberate about the future direction of the Turkish stockmarket or potential risks brewing in Russian equities.

When we rebalance in the October 2020 edition of *Money Observer*, trading costs of £10 per trade will be applied.

## NOVEL STRATEGY

The strategy behind the portfolio comes from investment manager and writer Mebane Faber, who touches on it in his book *Global Value: How to Spot Bubbles, Avoid Market Crashes and Earn Big Returns in the Stock Market*. Faber opts for the cheapest 25% of markets, while we have gone for the bottom 20%.

It seems the strategy is untested, as no one has yet adopted it, but Faber has done some back-testing. According to his research, putting your money in the cheapest 25% of markets between 1993 and 2015 would have earned you an annualised return of 14.5%. Of course, past performance does not guarantee future returns.

We have opted to stick with the cheapest 20% of ETFs for ease. The practicalities of applying the strategy means markets not covered by ETFs (such as those in Portugal and Hungary) but deemed cheap are not included in our portfolio. That could have a bearing on returns, but let's strap in and see where the ride takes us.

### PORTFOLIO BASED ON BEST-VALUE SINGLE-COUNTRY MARKETS

Market	Fund	Ticker	Cape ratio	Starting value	Units purchased	Unit price (£)	Weight (%)
Greece	Global X FTSE Greece 20 ETF	GREK	-3.4	1,004.81	133	7.55	12.5
Russia	HSBC Russia Capped ETF	HRUB	7.3	996.03	102	9.75	12.4
Turkey	iShares MSCI Turkey	ITKY	8.3	996.45	78	12.73	12.4
Poland	iShares MSCI Poland	SPOL	11.8	1,005.55	65	15.43	12.5
South Korea	iShares MSCI Korea	IKOR	11.9	1,016.00	34	29.87	12.7
Spain	Amundi ETF MSCI Spain UCITS ETF	CS1	13.7	999.96	6	167.94	12.6
Singapore	iShares MSCI Singapore Capped ETF	EWS	14.2	1,000.64	53	18.78	12.4
China	iShares MSCI China A UCITS ETF	IASH	14.9	999.30	300	3.33	12.4
<b>Total</b>				<b>8,018.74</b>			

Source: ETF data, SharePad; Cape ratio, Star Capital Partners, as at 2 September 2019





# Equities to the fore for an ongoing low-yield world

**TOM BAILEY** talks to James Brumwell about how this investment trust-focused portfolio is performing

**L**ast year, central banks around the world were supposed to be gradually tightening interest rates. After a decade at historic lows, investors were expecting a “normalisation” of monetary policy, led by the US Federal Reserve.

That did not happen. As James Brumwell, manager of our regular income investment trust-focused portfolio, notes: “A year ago we were looking towards higher interest rates and Brexit being sorted. But that’s not happened. The US/China trade war escalated and now there’s a race to the bottom on interest rates.”

He continues: “No one knows what will happen, of course, but if the US is

going to cut interest rates, we in the UK will presumably have to cut rates as well. And Europe is already in negative rates territory.”

This shapes what he chooses to hold in the portfolio. Brumwell says: “Basically,

if you’d set up a similar portfolio 20 years ago, you’d have gilts (UK government bonds) and more fixed income in general.” But now, with yields so low on fixed income, equities dominate the portfolio. He continues: “If you’re trying to get any sort of income at all, you have got to go where there is some yield.”

Brumwell says that it seems as though equities are practically now the only game in town for sensible yields, with investment trusts his favoured way to gain access. “We have a bit of balance, with some corporate fixed income, one infrastructure fund and a mixture of international and UK trusts,” he says.

**“To get any sort of income you have to go where there is some yield”**

**JAMES BRUMWELL**



### BEST PERFORMERS

Over the four months (between end April and end August) since our last portfolio review, two of the best performers have been the **JP Morgan Global Growth & Income (JPGI)** and **Scottish American (SCAM)** investment trusts, both with returns of 4.6%.

Brumwell says of JP Morgan Global Growth & Income: “This trust has quite an interesting system, where they base the dividend on the net asset value.” Last year, he notes, the trust was paying 3.1p per share; now it is paying 3.3p, an increase of 4.2%.

On Scottish American, he notes that the trust also puts its dividend up regularly and “hasn’t cut its dividend in donkeys’ years, at least not in recent memory”.



### THE GROWTH COMPONENT

However, the best performer over the period was **Finsbury Growth & Income (FGT)** trust, returning 6.4%. That continues Finsbury Growth & Income’s



reign as the best performer in the portfolio. In total it has returned 36.3% since the portfolio's inception.

Finsbury Growth & Income, despite the 'income' in its name, is part of what Brumwell considers his selection of capital growth holdings. Much of the trust's total return has come from capital appreciation.

Brumwell notes that three of his holdings are equity trusts focused primarily on capital growth. While the trusts are currently paying out acceptable dividends, their yields are below the optimal 3% found in the rest of the portfolio. But, he says, they are needed to maintain capital and hopefully provide some growth.

Brumwell's two other capital growth holdings are **Scottish Mortgage (SMT)** and **RIT Capital Partners (RCP)**. Scottish Mortgage has a yield since purchase of 0.8%, while its total return is 32.5%. RIT Capital Partners has a total return of 15.4% and is yielding 1.8% based on purchase price.

## NOT ALL WINNERS

Of course, not all of the portfolio's holdings have been winners. **Aberdeen Standard Equity Income** continued its trend of poor performance, losing 10.2% over the four-month period. Brumwell notes that the trust performed quite well at inception; however, during the previous update it performed disappointingly, and as a result was placed under review. That continued into the latest four-month period. "It rolled over at the end of May, resulting in a new low, so we cut it," says Brumwell.

Because of the yield the trust offered, he did not want to rush out and sell. However, he notes: "I decided there was only so much we can afford to lose on capital. It had a good run." He says the trust will stay on the firm's radar: "If Europe, UK, oil, financials all come back into vogue, I'll be straight back in to buy."

Poor recent performance does not always necessitate a sell. **Merchants (MRCH)**, for example, has produced a disappointing four-month return of -5.8%, though Brumwell adds: "It's been OK for the whole period (since inception)." He also points out that the trust has a good yield. Since 1 April 2017 Merchants has provided a return of 11.1% and is on a yield of 5.5%.

However, Brumwell says, if the share price continues to fall and dips below

the 430p low it reached last year, it may be time to place the trust under review. Brumwell explains the recent poor performance as the result of the trust's heavy weighting towards the UK.

Similarly, **City of London (CTY)** has not had a strong four months. Brumwell, however, has no intention of selling in this case: "This is one of those perennial favourites," he comments. Like Merchants, this trust also has a heavy UK focus, and he suggests that "it will probably be a flier if Brexit is solved comfortably."

For now, he says, it has a respectable 3.5% yield, while its dividend can be expected to continue to nudge up year after year. City of London has the longest unbroken track record for increasing its dividend, leading the AIC's Dividend Heroes list. "Unless they cut the dividend, I can't see why I would sell," says Brumwell. "It's got a good track record, and were I to sell it I would have to replace it with something that could match the yield and was no more risky." That would be no easy task.

## NEW BUYS

With the capital from the sale of Aberdeen Standard Equity Income on 24 June, Brumwell added **iShares Global High Yield Bond (£ Hedged)**. "This was a replacement for Aberdeen. It has a high yield and has done well of late, although not much since June." However, he continues: "I'm not sure if I will hold for a long time. It might be worth getting out after Brexit."

His most recent sell has been a swap between two very similar funds. On 8

## QUALITY BUY-AND-HOLD TRUSTS MAKE CAPITAL GROWTH CONTRIBUTION

	Quantity	Cost price (p)	Value at inception (£)	Current value (£)	Gain/loss (£)	Change (%)	Income (£)	Yield	Total return since inception (£)	Total return (%)
Invesco Enhanced Income	9,000	79	7,120	6,660	-460	-6.5	450	6.3	665	9.3
CQS New City High Yield Fund	11,500	62.2	7,169	6,871	-297.5	-4.2	512	7.1	1,002	14
Twenty Four Select Monthly Income Fund	6,500	93.6	6,094	6,071	-23	-0.4	426	7.0	10	0.2
iShares Global High Yield Bond (£ Hedged)	47	9855	4,642	4,671	29.01	0.6	227	4.9	29	0.6
HiCL Infrastructure	4,000	155.2	6,218	6,768	550	8.9	324	5.2	792	12.7
Balfour Beatty 10.75% Conv 01/07/20	6,500	111.1	7,269	6,858	-411.41	-5.7	341	4.7	287	3.9
Nat. West. 9% Series A Non Cum	5,150	140	7,256	8,008	752.2	10.4	464	6.4	1,679	23.1
JPMorgan Global Growth & Income	2,400	292	7,053	8,208	1,154.96	16.4	304	4.3	1,800	25.5
Murray International	575	1,215	7,031	6,670	-361.18	-5.1	302	4.3	375	5.3
Scottish American	2,100	334	7,059	8,652	1,592.93	22.6	246	3.5	2,129	30.2
City of London	1,700	416.5	7,126	6,953	-172.9	-2.4	316	4.4	590	8.3
Merchants	1,500	471.5	7,118	6,953	-165.36	-2.3	393	5.5	789	11.1
Finsbury Growth & Income	850	705.2	6,044	7,939	1,894.78	31.4	137	2.3	2,192	36.3
RIT Capital	310	1,887.6	5,901	6,572	671.24	11.4	105	1.8	906	15.4
Scottish Mortgage	1,280	395.8	5,099	6,656	1,557.05	30.5	40	7.9	1,658	32.5
<b>Total</b>			<b>98,199</b>	<b>104,509</b>	<b>6,310.81</b>	<b>6.4</b>	<b>4,586</b>	<b>4.4</b>	<b>14,903</b>	<b>15.2</b>

Notes: Includes income from previous holdings. Portfolio inception date was 1 April 2017. Source: FE Analytics, as at 30 August 2019

August he sold **Twenty Four Income Fund (TFIF)** and bought **Twenty Four Select Monthly Income Fund (SMIF)**. "When we originally bought TFIF, it was a toss-up between that and SMIF." That call, however, seems to have been the wrong one, he says. "TFIF has been disappointing while SMIF been pretty steady" – hence August's fund switch.

There are other upsides to swapping, adds Brumwell. He points out that TFIF invests heavily in asset-backed securities, which are fairly opaque unless you have some "good digging tools". Instead, you have to rely on track record. "SMIF, while having some asset-backed holdings, has more straightforward bonds that you can value more easily," he says. "It should provide a little capital growth with a slightly rising income stream."

**"City of London trust will probably be a flier if Brexit is solved"**

JAMES BRUMWELL

## INFRASTRUCTURE HOLDINGS

In October last year, Brumwell re-added **HiCL Infrastructure (HICL)**. Since then the trust has returned 12.7%. Over the past four months it has returned 1.8%. "It pays a nice dividend," he says.

Infrastructure has become popular in an era of ultra-low or negative rates, offering investors a place to earn a positive income. However, this ability to pay strong dividends has seen income-hungry investors bid up prices.

Brumwell notes that HICL is trading on a premium of 6%. However, relative to the rest of the sector, he does not view that as excessive, pointing out that other well-known infrastructure trusts have premiums in the double digits. "If something goes wrong, that, in theory, is a big potential downside," he warns.



## FUND ANALYSIS

# Property funds prepare for the worst



THE OUTLOOK FOR UK PROPERTY FUNDS IS BUILT ON LESS THAN SOLID FOUNDATIONS, FINDS **KYLE CALDWELL**

**B**MO UK Property has become the latest open-ended property fund to switch its pricing system, at a time of mounting uncertainty over the shape and form Brexit will take. The open-ended fund joins several others that made similar moves earlier this year, including property funds run by Kames Capital and Columbia Threadneedle. Such pricing adjustments are essentially a markdown on the value of the fund, penalising investors who cash in their holdings.

### PROPERTY BID

**BMO UK Property** has switched its fund pricing from 'offer' to the lower 'bid' price, leaving investors who sell the fund with an instant loss of approximately 6.4%. In a statement to investors, Guy Glover, fund manager of BMO UK Property, explains the price of the fund can be 'swung' to offer or to bid to reflect whether the fund is buying or selling assets. Glover adds that year-to-date, the

fund has been priced on an 'offer' basis – reflecting the fact that investor withdrawals were not a concern. But he notes that the situation now is that “a number of investors in the sector have looked to trim their exposure”.

He says: “More recently, with heightened uncertainty in the UK property market, in part driven by the increased risks

**“A number of investors in the sector have looked to trim their exposure”**

**GUY GLOVER**

of a 'no-deal' exit from the EU, a number of investors in the sector have looked to trim their exposure. As such, the fund has seen modest outflows (investor withdrawals). The objective of (switching from offer to bid) is to protect investors (who remain in the fund) from the potentially dilu-

tive effects of transaction costs on investment returns.”

He adds that the fund will move back to offer pricing when inflows into the fund resume. This will have a positive impact for those who have remained invested in the fund. Glover says that he wants to ensure the fund “maintains a defensive and cautious position ahead of the Brexit deadline in October”.

Since the Brexit vote, commercial property funds have put in a steady showing against the backdrop of economic uncertainty, with the average fund in the IA UK direct property sector up 13.8%. Among the top five performers (see table left) is **L&G UK Property**, which has picked up the Best UK Direct Property fund in our *Money Observer* fund awards in six out of the past eight years. The

managers, Michael Barrie and Matt Jarvis, are cautious on the outlook, with currently 27.7% of the fund's assets in cash.

### CASH HEAVY

Other property fund managers have been upping their cash weightings. Prior to the Brexit vote, cash weightings were typically 10% to 15%, but for most funds it is now in the region of 20% plus. On the one hand this may help avoid fund suspensions like those imposed following the financial crisis and the Brexit vote, when there was a rush to the exits and trading had to be halted.

The downside is that a larger cash weighting reduces the fund's yield and overall performance. Adrian Lowcock, head of personal finance at Willis Owen, says: “Property funds hold a certain amount of their assets in cash.... This can vary, but as much as 20% or 30% is not uncommon in times when managers are concerned over the outlook for the sector and are anticipating money flowing out.”

Brexit uncertainty means most commentators, including Lowcock, are circumspect on the outlook for property as an asset class. David Coombs, head of multi-asset investments at Rathbones, is ultra-bearish and says at the present time commercial property as an asset class “should be avoided at all costs”.

He adds: “I think the risks are too high at the moment. My view is that if the UK economy does enter a recession, property will not offer any diversification benefits. We sold our property exposure 18 months ago, in anticipation of tougher times ahead due to Brexit uncertainty.”

### TOP FIVE UK PROPERTY FUNDS SINCE BREXIT VOTE\*

Fund	Performance (%)
TIME Investments Freehold Income	30.1
Scottish Widows HIFML UK Property	29.1
Janus Henderson UK Property PAIF	18
L&G UK Property	16.7
TIME Investments Commercial Long Income PAIF	16.2

Source: FE Analytics. \*Total return performance figures from 24 June 2016 to end August 2019.





# MONEY OBSERVER'S 2019 RATED FUNDS

FUND	INDUSTRY SECTOR	FUND	INDUSTRY SECTOR	FUND	INDUSTRY SECTOR
<b>ASIAN EQUITIES</b>				<b>MIXED ASSET</b>	
Aberdeen New India IT	IT Ctry Spec: AP	Royal London Global Bond Opportunities	IA £ Strategic Bond	Artemis High Income	IA £ Strategic Bond
Aberdeen Standard Asia Focus IT	IT Asia-Pac Ex Jpn	Schroder ISF Global High Yield	IA Global Bonds	Artemis Monthly Distribution	IA MI 20-60% Shares
Fidelity Asia	IA Asia-Pac Ex Jpn	Schroder ISF Global Infl Linked Bond	IA Global Bonds	AXA Framlington Managed Income	IA £ Strategic Bond
Fidelity China Special Situations IT	IT Ctry Spec: AP	TwentyFour Select Monthly Income IT	IT Debt	Baillie Gifford Managed	IA MI 40-85% Shares
Fidelity Emerging Asia	IA Asia-Pac Ex Jpn	Vanguard Global Bond Index Hedged	IA Global Bonds	Capital Gearing IT	IT Flex Inv
Guinness Asian Equity Income	IA Asia-Pac Ex Jpn	<b>GLOBAL EQUITY INCOME</b>		Fidelity Multi Asset Income	IA MI 0-35% Shares
Invesco Asia IT	IT Asia-Pac Ex Jpn	Artemis Global Income	IA Gbl Eq Income	Jupiter Monthly Income	IA Specialist
iShares MSCI AC Far East ex Jpn ETF	Asian Equities	Bankers IT	IT Global	Kames Diversified Monthly Income	IA MI 20-60% Shares
iShares Pacific ex Jpn Eq Idx	IA Asia-Pac Ex Jpn	Fidelity Global Dividend	IA Gbl Eq Income	MI Miton Cautious Monthly Income	IA MI 20-60% Shares
Janus Henderson China Opportunities	IA China/Grtr China	Fidelity Global Enhanced Income	IA Gbl Eq Income	Mitton Global Opportunities IT	IT Flex Inv
JPM Asia Growth	IA Asia-Pac Ex Jpn	Guinness Global Equity Income	IA Gbl Eq Income	Newton Multi-Asset Growth	IA Flex Inv
Merian Asia Pacific	IA Asia-Pac Ex Jpn	Henderson International Income IT	IT Gbl Eq Income	Orbis Global Balanced	IA MI 40-85% Shares
Schroder Asian Total Return IT	IA Asia-Pac Ex Jpn	Invesco Perp Select Glo Eq Income IT	IT Gbl Eq Income	Premier Multi-Asset Growth & Income	IA MI 40-85% Shares
Schroder Oriental Income IT	IT Asia-Pac Ex Jpn	JPMorgan Global Growth & Income IT	IT Gbl Eq Income	Quilter Investors Cirilium Conservative	IA MI 0-35% Shares
Smith & Williamson Far Eastern Income&Gr	IA Asia-Pac Inc Jpn	Murray International IT	IT Gbl Eq Income	Royal London Sustainable Diversified	IA MI 20-60% Shares
SPDR S&P Pan Asia Div Aristocrats ETF	Asian Equities	Sarasin Global Higher Dividend	IA Gbl Eq Income	Royal London Sustainable World	IA MI 40-85% Shares
Stewart Investors Asia Pac Sustainability	IA Specialist	Schroder Global Equity Income	IA Gbl Eq Income	Seneca Global Income & Growth IT	IT Flex Inv
Stewart Investors Indian Subcont.Sust	IA Specialist	Scottish IT	IT Global	Shires Income IT	IT UK Equity Income
Vanguard FTSE Dvlpd Asia Pac ex Jpn ETF	Global	SPDR S&P Global Dividend Aristocrats ETF	Gbl Eq Income	TB Wise Multi-Asset Income	IA Flex Inv
Xtrackers MSCI China ETF	Asian Equities	Vanguard FTSE All-World High Div Yld ETF	Gbl Eq Income	Threadneedle Mthly Extra Income	IA UK Eq and Bd Inc
Xtrackers MSCI India ETF	Asian Equities	<b>GLOBAL GROWTH</b>		Unicorn Mastertrust	IA Flex Inv
<b>EMERGING MARKETS</b>		Ardevora Global Equity	IA Global	Vanguard LifeStrategy 20% Equity	IA MI 0-35% Shares
Aberdeen Latin American Equity	IA Specialist	Artemis Global Growth	IA Global	Vanguard LifeStrategy 40% Equity	IA MI 20-60% Shares
Baillie Gifford Emerging Markets Growth	IA Gbl Em Mkts	BMO Responsible Global Equity	IA Global	Vanguard LifeStrategy 60% Equity	IA MI 40-85% Shares
Baring Emerging Europe IT	IT Eur Em Mkts	Edinburgh Worldwide IT	IT Global	Vanguard LifeStrategy 80% Equity	IA MI 40-85% Shares
BlackRock Frontiers IT	IT Gbl Em Mkts	F&C IT	IT Global	<b>PROPERTY</b>	
Fidelity Emerging Markets	IA Gbl Em Mkts	Fidelity Global Special Situations	IA Global	F&C Commercial Property IT	IT Property Dir - UK
Fidelity Index Emerging Markets	IA Gbl Em Mkts	Fundsmith Equity	IA Global	Fidelity Global Property	IA Global
Fundsmith Emerging Equities IT	IT Gbl Em Mkts	iShares Core MSCI World ETF	Global	iShares Global Property Secs Eq Idx	IA Property Other
Hermes Global Emerging Markets	IA Gbl Em Mkts	iShares Edge MSCI World Min Volatility ETF	Global	iShares UK Property ETF	Property
Invesco Global Emerging Markets	IA Gbl Em Mkts	Janus Henderson Global Growth	IA Global	Kames Property Income	IA UK Dir Property
iShares Core MSCI EM IMI ETF	Em Mkts	L&G Global 100 Index	IA Global	Picton Property Income IT	IT Property
iShares Edge MSCI EM Min Volatility ETF	Em Mkts	Lindsell Train Global Equity	IA Global	TR Property IT	IT Property
iShares EM Dividend ETF	Em Mkts	Merian Global Equity	IA Global	<b>SPECIALIST</b>	
JPMorgan Emerging Markets IT	IT Gbl Em Mkts	MI Metropolis Value	IA Global	Allianz Technology IT	IT Tec Med & Tel
Templeton Emerging Markets IT	IT Gbl Em Mkts	Mid Wynd International IT	IT Global	BlackRock World Mining IT	IT Cmmd & Nat Res
Templeton Emg Mkts Smaller Cos	IA Gbl Em Mkts	Monks IT	IT Global	BMO Overseas Equity-Linked UK Infltn	IA Specialist
UBS Global Emerging Markets Equity	IA Gbl Em Mkts	Orbis Global Equity	IA Global	ETFS Brent Oil 1 month ETC	Specialist
Utilico Emerging Markets IT	IT Gbl Em Mkts	Rathbone Global Opportunities	IA Global	Fidelity Global Technology	IA Gbl Em Mkts
Vanguard FTSE Emerging Markets ETF	Em Mkts	Sanlam Global High Quality	IA Global	Impax Environmental Markets IT	IT Environm'tal
<b>EUROPEAN EQUITIES</b>		Schroder Global Equity	IA Global	International Biotechnology IT	IT Biotech & Hlth
Baillie Gifford European	IA Eur Ex UK	Scottish Mortgage IT	IT Global	iShares Physical Gold ETC	Specialist
European Assets IT	IT Eur Sm Cos	SLI Global Smaller Companies	IA Global	Jupiter International Financials	IA Specialist
Fidelity European Values IT	IT Europe	SPDR MSCI World Small Cap ETF	Global	LF Ruffer Gold	IA Specialist
FP CRUX European Special Situations	IA Eur Ex UK	T. Rowe Price Gbl Focused Growth Eq	IA Global	Pantheon International IT	IT Private Equity
iShares MSCI EMU ETF	Euro Equities	Vanguard FTSE All-World ETF	Global	Pictet Water	IA Global
JPMorgan European Income IT	IT Europe	Vanguard FTSE Dev Wld ex UK Eq Idx	IA Global	Polar Capital Biotechnology	IA Specialist
Jupiter European Opportunities IT	IT Europe	Vanguard Gbl Small-Cap Idx	IA Global	Renewables Infrastructure IT	IT Infra. Rnw Engy
Man GLG Continental European Growth	IA Eur Ex UK	Vanguard LifeStrategy 100% Equity	IA Global	Sarasin Food & Agriculture Opps	IA Specialist
Marlborough European Multi-Cap	IA Eur Ex UK	Witan IT	IT Global	SPDR Mstar Multi-Asset Gbl Infrastructure ETF	IA Specialist
Montanaro European Income	IA Eur Ex UK	<b>JAPANESE EQUITIES</b>		Standard Life Private Equity IT	IT Private Equity
SPDR S&P Euro Dividend Aristocrats ETF	Euro Equities TR	AXA Framlington Japan	IA Japan	WisdomTree Enhanced Commodity ETF	Specialist
TR European Growth IT	IT Eur Sm Cos	Baillie Gifford Japan IT	IT Japan	Worldwide Healthcare IT	IT Biotech & Hlth.
Vanguard FTSE Developed Eur ex UK ETF	Euro Equities	Baillie Gifford Japanese	IA Japan	<b>STERLING BONDS</b>	
<b>GLOBAL BONDS</b>		Baillie Gifford Shin Nippon IT	IT Japan	Baillie Gifford Strategic Bond	IA £ Corporate Bond
iShares Global Corporate Bond ETF	Global Bonds	Fidelity Japan IT	IT Japan	BlackRock Corporate Bond	IA £ Corporate Bond
iShares Global Govt Bond ETF	Global Bonds	HSBC Japan Index	IA Japan	GAM Star Credit Opportunities £	IA £ Strategic Bond
iShares Global HY Corp Bond ETF	Global Bonds	iShares MSCI Japan ETF	Japan	iShares £ Ultrashort Bond ETF	Sterling Bonds
iShares Overseas Govt Bond Index	IA Global Bonds	iShares MSCI Japan Small Cap ETF	Japan	iShares Core £ Corp Bond ETF	Sterling Bonds
L&G Emerg Mkts Govt Bond USD Idx	IA Gbl Em Mkts Bond	Legg Mason IF Japan Equity	IA Japan	iShares Core UK Gilts ETF	Sterling Bonds
M&G Emerging Markets Bond	IA Gbl Em Mkts Bond	LF Morant Wright Nippon Yield	IA Japan	Jupiter Strategic Bond	IA £ Strategic Bond
M&G Global Macro Bond	IA Global Bonds	Lindsell Train Japanese Equity	IA Japan	Liontrust Monthly Income Bond	IA £ Corporate Bond
Marlborough Global Bond	IA Global Bonds	M&G Japan Sm Cos	IA Japan Sm Cos	Rathbone Ethical Bond	IA £ Corporate Bond





# MONEY OBSERVER'S 2019 RATED FUNDS

FUND	INDUSTRY SECTOR	FUND	INDUSTRY SECTOR	FUND	INDUSTRY SECTOR
Royal London Sterling Extra Yld Bond	IA £ Strategic Bond	Ardevora UK Equity	IA UK All Cos	Liontrust UK Smaller Companies	IA UK Sm Cos
Sanlam (Man GLG) Strategic Bond	IA £ Strategic Bond	Baillie Gifford UK Growth IT	IT UK All Cos	Marlborough UK Micro Cap Growth	IA UK Sm Cos
Schroder High Yield Opportunities	IA £ High Yield	CFP SDL UK Buffettology	IA UK All Cos	Merian UK Smaller Companies Focus	IA UK Sm Cos
Schroder Sterling Corporate Bond	IA £ Corporate Bond	Fidelity Index UK	IA UK All Cos	Miton UK Microcap IT	IT UK Sm Cos
SPDR Bloomberg Barc 1-5 Year Gilt ETF	Sterling Bonds	Fidelity Special Values IT	IT UK All Cos	Rights & Issues IT	IT UK Sm Cos
Vanguard UK Government Bond Index	IA UK Gilts	Franklin UK Managers' Focus	IA UK All Cos	Standard Life UK Smaller Companies IT	IT UK Sm Cos
Vanguard UK Invst Grade Bond Idx	IA £ Corporate Bond	HSBC FTSE 250 Index C Acc	IA UK All Cos	TB Amati UK Smaller Companies	IA UK Sm Cos
<b>UK EQUITY INCOME</b>		iShares 100 UK Equity Index	IA UK All Cos	<b>US EQUITIES</b>	
AXA Framlington Monthly Income	IA UK Equity Income	iShares Core FTSE 100 ETF	UK Growth	Artemis US Extended Alpha	IA North America
BMO Capital & Income IT	IT UK Equity Income	L&G UK Index	IA UK All Cos	Artemis US Smaller Companies	IA N Am Sm Cos
City of London IT	IT UK Equity Income	LF Lindsell Train UK Equity	IA UK All Cos	Baillie Gifford American	IA North America
Diverse Income IT	IT UK Equity Income	LF Miton UK Value Opportunities	IA UK All Cos	Brown Advisory US Smaller Companies	IA N Am Sm Cos
Franklin UK Rising Dividends	IA UK All Companies	Liontrust Special Situations	IA UK All Cos	Fidelity American Special Situations	IA North America
Investec UK Equity Income	IA UK Equity Income	Liontrust UK Ethical	IA UK All Cos	HSBC American Index	IA North America
JPMorgan Claverhouse IT	IT UK Equity Income	Man GLG Undervalued Assets	IA UK All Cos	Invesco EQQQ Nasdaq-100 ETF	US Equities
Jupiter Income	IA UK Equity Income	Marlborough UK Multi-Cap Growth	IA UK All Cos	iShares Core S&P 500 ETF	US Equities
Lowland IT	IT UK Equity Income	Mercantile IT	IT UK All Cos	iShares Dow Jones Indust Avg ETF	US Equities
Man GLG UK Income	IA UK Equity Income	Merian UK Mid Cap	IA UK All Cos	iShares Edge S&P 500 Min Volatility ETF	US Equities
MI Chelverton UK Equity Income	IA UK Equity Income	MI Chelverton UK Equity Growth	IA UK All Cos	iShares S&P Small Cap 600 ETF	US Equities
Montanaro UK Income	IA UK All Companies	River and Mercantile UK Recovery	IA UK All Cos	JPMorgan US Smaller Companies IT	IT NAm Sm Cos
Rathbone Income	IA UK Equity Income	Royal London Sustainable Leaders	IA UK All Cos	LF Miton US Opportunities	IA North America
Royal London UK Equity Income	IA UK Equity Income	Schroder Recovery	IA UK All Cos	Loomis Sayles US Equity Leaders	IA North America
Schroder Income	IA UK Equity Income	Slater Growth	IA UK All Cos	M&G North American Dividend	IA North America
Schroder Income Maximiser	IA UK Equity Income	SPDR FTSE UK All Share ETF	UK Growth	Merian North American Equity	IA North America
SPDR S&P UK Dividend Aristocrats ETF	UK Equity Income	Threadneedle UK Growth & Income	IA UK All Cos	North American Income IT	IT North America
Temple Bar IT	IT UK Equity Income	Unicorn UK Growth	IA UK All Cos	SPDR S&P US Dividend Aristocrats ETF	US Equities
Threadneedle UK Equity Income	IA UK Equity Income	Vanguard FTSE 250 ETF	UK Growth	Vanguard US Equity Index	IA North America
Troy Income & Growth IT	IT UK Equity Income	<b>UK SMALLER COMPANIES</b>		<b>Notes:</b> IA: Investment Association; IT: investment trust or investment company. Funds in italics are trackers/ETFs. Go to moneyobserver.com for factsheets and comparison tools. Highest return over 1 month: <span style="background-color: #f08080;"> </span> over 1 year: <span style="background-color: #00a0e3;"> </span> to 1 Sept 2019	
Unicorn UK Ethical Income	IA UK Equity Income	BlackRock Smaller Companies IT	IT UK Sm Cos		
Vanguard FTSE UK Equity Income Idx	IA UK Equity Income	Henderson Smaller Companies IT	IT UK Sm Cos		
<b>UK GROWTH</b>		Invesco Perpetual UK Smaller Companies IT	IT UK Sm Cos		
		Jupiter UK Smaller Companies	IA UK Sm Cos		

## Annual report summaries

Don't waste your precious time trawling through pages and pages of Annual Reports. Money Observer's Annual Report Summaries provide concise analysis of investment trust annual reports. Each summary gives straight talking details of a trust's aim, Investment style, portfolio focus, gearing policy, charges and performance. It's designed to help you make the right choices for your investment needs - quickly and efficiently



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## How to use our comprehensive fund statistics

All data is now supplied by Morningstar. Here you will find extensive data on unit trusts and open-ended investment companies that are members of the Investment Association (IA) sectors.

The tables below show the 10 top and bottom-performing funds among those we monitor, over a selection of different timescales. They show short-term trends and longer-term winners and losers.

Then follow the top-performing funds in each IA sector over five time periods. The letter accompanying each sector name is a reference for the alphabetical listings from page 73, so you can compare funds against their peers.

The listings from page 73 show how each fund is performing in total return percentage terms, and give a sector ranking among the funds we monitor. Performances in the top quartile (top

25%) of the sector are in bold. Funds in the bottom quartile are in italics.

The alphabetical listings show the primary 'clean' share class of each fund, which excludes all commission charges and includes only management charges. Please check with your fund provider if your fund share class is not shown.

The OCF column refers to the fund's ongoing charges figure, excluding any

performance fees.

The Morningstar Ratings column is a quantitative measure of a fund's past performance.

From page 73 Money Observer Rated Funds are highlighted in yellow. Please see [www.moneyobserver.com/money-observer-rated-funds](http://www.moneyobserver.com/money-observer-rated-funds) for fact sheets.

Full footnotes for these listings appear on page 83.

TOP 10 PERFORMERS ALL FUNDS			
After 1 month	TR %	After 1 year	TR %
Janus Henderson Index-Linked Bond I Acc	9.4	Investec Global Gold R GBP Acc	70.0
iShares Index Linked Gilt Idx (UK) D Acc	9.0	LF Ruffer Gold C Acc	66.8
Baillie Gifford Act IdxLnkd Glt InvMCAcc	8.9	BlackRock Gold and General D Acc	63.2
Janus Henderson InstLg Dtd Gilt I Acc	8.8	Merian Gold & Silver R GBP Acc	44.9
ASI Stlg Long Dtd Govt Bd I Acc	8.7	BNY Mellon Brazil Equity GBP W Acc	38.3
iShares Over 15 Yrs Gilts Idx (UK) D Acc	8.6	M&G Global Listed Infrs GBP PP Acc	27.2
BNY Mellon Long Gilt Inst Acc	8.1	Neptune Russia C Acc GBP	26.8
Threadneedle UK Index Lnkd Rtl Grs Acc	7.8	ASI Eastern Eurpan Eq I Acc	25.9
Royal London Index Linked M Acc	7.8	HSBC GIF Global High Income Bond AC	24.6
Merian Gold & Silver R GBP Acc	7.7	Pictet-Russian Equities I GBP	24.5
After 3 months	TR %	After 3 years	TR %
LF Ruffer Gold C Acc	48.9	Polar Capital Global Tech R Inc	112.8
Investec Global Gold R GBP Acc	44.1	Neptune Global Technology C GBP Acc	96.8
Merian Gold & Silver R GBP Acc	43.8	AXA Framlington Global Technology Z Acc	96.5
BlackRock Gold and General D Acc	40.5	Baillie Gifford American B Acc	93.4
TC South River Gold and Prec Mtls A Acc	26.8	GAM Star Technology Z GBP Acc	90.5
Polar Capital Hlthcare Blue Chip I Acc	15.7	Janus Henderson Global Technology I Acc	83.7
HC Charteris Global Macro A Acc	15.4	T. Rowe Price US Large Cap Gr Eq Q GBP	83.3
Polar Capital Global Tech R Inc	15.0	Lindsell Train Global Equity B GBP Inc	82.8
HSBC GIF Chinese Equity AC	14.7	Lindsell Train Global Equity C USD Acc	82.3
Janus Henderson US Forty U GBP Acc	14.0	Fidelity Global Technology W-Acc-GBP	81.7
After 6 months	TR %	After 7 years	TR %
LF Ruffer Gold C Acc	45.8	Polar Capital Global Tech R Inc	435.2
Investec Global Gold R GBP Acc	42.8	Legg Mason IF Japan Equity X Acc	429.3
BlackRock Gold and General D Acc	41.8	Legg Mason IF Japan Equity A Acc	412.1
Merian Gold & Silver R GBP Acc	32.8	Polar Capital Healthcare Opports R Inc	366.0
Marlborough US Multi-Cap Income P Inc	28.2	Fidelity Global Technology W-Acc-GBP	314.4
Polar Capital Global Tech R Inc	26.9	Lindsell Train Global Equity B GBP Inc	289.9
HSBC GIF Global High Income Bond AC	26.7	T. Rowe Price US Large Cap Gr Eq Q GBP	288.7
Jupiter International Fincls I Acc	24.0	Baillie Gifford Japan Small Co B Acc	287.6
Threadneedle Pan Eurp Focus Ins Acc GBP	24.0	Baillie Gifford Global Discovery B Acc	284.9
Sentinel Enterprise B Acc	23.7	Baillie Gifford American B Acc	282.0

BOTTOM 10 PERFORMERS ALL FUNDS			
After 1 month	TR %	After 1 year	TR %
Neptune Latin America C Acc GBP	-12.1	ASI UK Recovery Eq Plfm 1 Acc £ UnH	-30.2
Invesco Latin American UK (No Trail) Acc	-10.6	LF Woodford Equity Income C Sterling Acc	-30.1
LF Woodford Equity Income C Sterling Acc	-10.3	LF Woodford Equity Income F Sterling Acc	-29.7
LF Woodford Equity Income F Sterling Acc	-10.3	LF Miton UK Smaller Companies B Acc	-27.6
ASI Latin American Eq I Acc	-10.0	L&G UK Alpha F Acc	-27.2
Barings Latin America I GBP Acc	-9.3	MFM Techinvest Special Situations A Acc	-27.1
Templeton Emerging Mkts Bd W(Qdis)GBP-H1	-8.6	LF Woodford Income Focus A Sterling Acc	-26.7
FP Carmignac Emerging Discv A GBP Acc	-8.5	Guinness Global Energy C	-21.0
BNY Mellon US Opps F Acc	-8.5	Guinness Global Energy X	-20.4
Investec Glb Special Sits A Acc	-8.3	Baillie Gifford British Smrl Coms B Acc	-19.0
After 3 months	TR %	After 3 years	TR %
LF Woodford Equity Income C Sterling Acc	-14.8	LF Woodford Equity Income C Sterling Acc	-33.9
LF Woodford Equity Income F Sterling Acc	-14.7	L&G UK Alpha F Acc	-20.0
LF Woodford Income Focus A Sterling Acc	-13.7	TC South River Gold and Prec Mtls A Acc	-15.7
Neptune India C Acc GBP	-11.5	Invesco UK Strategic Inc UK (NoTrail)Acc	-13.6
Baillie Gifford British Smrl Coms B Acc	-10.2	HC Charteris Property A Acc	-12.3
LF Miton UK Smaller Companies B Acc	-10.2	ASI UK Recovery Eq Plfm 1 Acc £ UnH	-9.4
Jupiter India	-9.2	Invesco High Income UK (No Trail) Acc	-9.1
Jupiter India I Acc	-9.0	Jupiter India	-8.7
ASI UK Recovery Eq Plfm 1 Acc £ UnH	-8.6	Invesco Income UK (No Trail) Acc	-7.6
VT Ursus Arctos 1 Net GBP Acc	-7.9	Jupiter Absolute Return I Acc	-7.2
After 6 months	TR %	After 7 years	TR %
ASI UK Recovery Eq Plfm 1 Acc £ UnH	-24.1	TC South River Gold and Prec Mtls A Acc	-59.3
LF Woodford Equity Income C Sterling Acc	-24.0	Marlborough ETF Commodity C	-26.6
LF Woodford Equity Income F Sterling Acc	-23.7	TB Guinness Global Energy I Acc	-22.3
LF Woodford Income Focus A Sterling Acc	-20.5	Guinness Global Energy C	-8.7
LF Miton UK Smaller Companies B Acc	-14.4	JPM Natural Resources C Net Acc	-6.7
L&G UK Alpha F Acc	-11.8	Guinness Global Energy X	-3.8
WAY Absolute Return Portfolio E Acc	-11.4	BlackRock Gold and General D Acc	1.1
Ardevora UK Equity A GBP Acc	-9.6	Fidelity Cash Y Acc	1.6
ASI UK Inc Uncons Eq Plfm 1 Acc £ UnH	-8.5	Invesco Latin American UK (No Trail) Acc	1.7
Artemis Strategic Assets I Acc	-8.0	ASI Stlg Money Market A Acc	1.8

## MERIAN GOLD & SILVER

Merian Gold & Silver returned 7.7% over the month on the back of strong prices of precious metals, with gold and silver 6% and 11% higher, respectively. As well as holding the metals themselves, Merian Gold & Silver holds several gold and silver mining companies.

The price movements of some of these companies are often more exaggerated than those of the metals themselves, due to stockmarket momentum. For example, two of its largest holdings, Coeur Mining and Agnico Eagle Mines, saw monthly gains of 13% and 15% respectively. TOM BAILEY

### TOP PERFORMERS IN EACH SECTOR: TOTAL RETURN

		After 1 month		After 6 months		After 1 year		After 3 years		After 7 years	
		%		%		%		%		%	
<b>A</b>	Ardevora UK Equity A GBP Acc*	7.1	LF Lindsell Train UK Equity Acc	19.7	TB Evenlode Income B Inc	14.0	MI Chelverton UK Equity Growth B Acc	59.0	Castlefield CFP SDL UK Bufftlyg Inst Inc	213.3	Castlefield CFP SDL UK Bufftlyg Inst Inc
	Santander Stockmarket 100 Trcr Gr RA	1.1	TB Evenlode Income B Inc	16.2	LF Lindsell Train UK Equity Acc	13.9	Castlefield CFP SDL UK Bufftlyg Inst Inc	58.2	LF Lindsell Train UK Equity Acc	191.0	LF Lindsell Train UK Equity Acc
	VT Castlebay UK Equity A Accumulation	0.7	Royal London Sustainable Leaders C Acc	16.0	Royal London Sustainable Leaders C Acc	11.0	LF Lindsell Train UK Equity Acc	50.0	Merian UK Dynamic Equity R GBP Inc*	167.7	Merian UK Dynamic Equity R GBP Inc*
	Kames UK Opportunities GBP D Acc	0.2	BlackRock UK D Acc	14.7	Investec UK Equity Income I Inc 2	7.9	Slater Recovery B Acc	46.6	Merian UK Mid Cap R GBP Acc	158.8	Merian UK Mid Cap R GBP Acc
	Franklin UK Mid Cap Z Acc	0.2	Slater Growth P Acc	14.2	BNY Mellon UK Opportunities Inst W Acc	6.9	MFM Bowland	45.8	TB Evenlode Income B Inc	156.3	TB Evenlode Income B Inc
	Royal London Sustainable Leaders C Acc	0.1	Slater Growth B Acc	14.1	BNY Mellon UK Opportunities B Acc	6.7	TB Evenlode Income B Inc	40.2	Quilter Investors Equity 1 A (GBP) Acc	152.5	Quilter Investors Equity 1 A (GBP) Acc
	LF Lindsell Train UK Equity Acc	-0.1	Investec UK Equity Income I Inc 2	13.6	MI Charles Stanley Equity B Acc	5.7	Royal London Sustainable Leaders C Acc	39.9	MFM Bowland	147.9	MFM Bowland
	Slater Recovery B Acc	-0.3	Slater Recovery B Acc	13.0	Fidelity UK Select W Acc	5.7	Baillie Gifford UK Equity Alpha B Acc	39.0	Slater Growth P Acc	147.8	Slater Growth P Acc
	Investec UK Equity Income I Inc 2	-0.4	MI Charles Stanley Equity B Acc	11.9	AXA Framlington UK Growth Z GBP Acc	5.5	Liontrust UK Ethical Z Net Acc	39.0	Slater Growth B Acc	143.9	Slater Growth B Acc
	TM Sanditon UK A GBP Acc	-0.4	BNY Mellon UK Opportunities Inst W Acc	11.3	BNY Mellon UK Equity B Acc	4.8	Unicorn UK Growth B	37.4	River and Mercantile UK Recovery B Inc	143.1	River and Mercantile UK Recovery B Inc
	Slater Growth P Acc	-0.4	MI Chelverton UK Equity Growth B Acc	11.2	VT Castlebay UK Equity A Accumulation	4.6	Slater Growth P Acc	35.8	Slater Recovery B Acc	140.9	Slater Recovery B Acc
	Slater Growth B Acc	-0.5	BNY Mellon UK Opportunities B Acc	11.2	FP CRUX UK B Acc	4.3	Slater Growth B Acc	34.6	Royal London Sustainable Leaders C Acc	140.2	Royal London Sustainable Leaders C Acc
	Castlefield CFP SDL UK Bufftlyg Inst Inc	-0.5	BlackRock UK Equity D Acc	11.0	Sarasin UK Equity P Acc	4.3	BlackRock UK D Acc	34.5	AXA Framlington UK Mid Cap Z Acc	139.2	AXA Framlington UK Mid Cap Z Acc
	CFP SDL Free Spirit General (Acc)	-0.6	Liontrust UK Ethical Z Net Acc	10.9	Liontrust UK Ethical Z Net Acc	3.8	Liontrust Sust Fut UK Gr 2 Net Acc	34.5	LF Majedie UK Focus B	136.6	LF Majedie UK Focus B
	BlackRock UK D Acc	-0.6	HL Select UK Growth A Acc	10.7	ASI UK Responsible Eq I Acc	3.7	BlackRock UK Special Situations D Acc	34.3	Unicorn UK Growth B	133.8	Unicorn UK Growth B
	TB Evenlode Income B Inc	-0.7	AXA Framlington UK Growth Z GBP Acc	10.4	ASI UK Equity Fund L Acc	3.7	ASI UK Mid Cap Eq I Acc	33.9	Ardevora UK Equity C GBP Acc*	133.8	Ardevora UK Equity C GBP Acc*
	LF Miton UK Value Opps B Instl Acc	-0.8	Castlefield CFP SDL UK Bufftlyg Inst Inc	10.3	Slater Recovery B Acc	3.6	ASI UK Opps Eq Plfm 1 Acc £ UnH	33.7	Marlborough UK Multi-Cap Growth P Inc	131.8	Marlborough UK Multi-Cap Growth P Inc
	Threadneedle UK Growth & Inc Z Inc	-0.9	Santander Stockmarket 100 Trcr Gr RA	10.0	BlackRock UK Equity D Acc	3.5	Liontrust Special Situations I Inc	32.6	Liontrust UK Ethical Z Net Acc	130.2	Liontrust UK Ethical Z Net Acc
	Allianz UK Mid Cap C Acc	-1.0	S&W Revera UK Dynamic Founder Acc	9.8	BlackRock UK D Acc	3.0	Franklin UK Mid Cap Z Acc	32.4	Royal London UK Mid-Cap Growth Instl M	129.9	Royal London UK Mid-Cap Growth Instl M
	Franklin UK Managers' Focus W Acc	-1.2	Fidelity UK Select W Acc	9.7	Slater Growth P Acc	3.0	ASI UK Responsible Eq I Acc	30.8	Franklin UK Managers' Focus W Acc	129.9	Franklin UK Managers' Focus W Acc
<b>Number of funds</b>	<b>186</b>	<b>Number of funds</b>	<b>185</b>	<b>Number of funds</b>	<b>185</b>	<b>Number of funds</b>	<b>175</b>	<b>Number of funds</b>	<b>145</b>	<b>Number of funds</b>	<b>145</b>
<b>Average</b>	<b>-3.1</b>	<b>Average</b>	<b>3.5</b>	<b>Average</b>	<b>-3.8</b>	<b>Average</b>	<b>18.1</b>	<b>Average</b>	<b>90.7</b>	<b>Average</b>	<b>90.7</b>
<b>B</b>	Smith & Williamson UK Equity Inc B	2.2	Trojan Income O Acc	9.4	Trojan Income O Acc	5.8	Man GLG UK Income Professional Acc C	29.3	MI Chelverton UK Equity Income B Inc	126.1	MI Chelverton UK Equity Income B Inc
	Trojan Income O Acc	-0.5	ASI UK Inc Eq I Acc	9.1	ASI UK Inc Eq I Acc	4.9	Man GLG UK Income Professional Inc D	29.3	MI Chelverton UK Equity Income B Acc	125.2	MI Chelverton UK Equity Income B Acc
	Threadneedle UK Equity Alpha Inc Z Inc	-1.2	Invesco Income & Growth UK (NoTrail) Acc	7.2	BNY Mellon UK Income B Acc	3.6	Neptune Income C Acc GBP	25.3	LF Miton UK Multi Cap Inc B Acc Instl	123.3	LF Miton UK Multi Cap Inc B Acc Instl
	FP Octopus UK Multi Cap Income R GBP Acc	-1.2	Janus Henderson UK Responsible Inc I Inc	7.0	Neptune Income C Acc GBP	3.5	Artemis Income I Acc	19.8	Royal London UK Equity Income M	109.9	Royal London UK Equity Income M
	Rathbone Income I Acc	-1.3	AXA Framlington Blue Chip Eq Inc Z £ Acc	6.8	Janus Henderson UK Responsible Inc I Inc	2.6	Unicorn UK Ethical Income B Inc	19.4	Royal London UK Equity Income M Acc	109.4	Royal London UK Equity Income M Acc
	ASI UK Inc Eq I Acc	-1.5	BNY Mellon UK Income B Acc	6.5	AXA Framlington Blue Chip Eq Inc Z £ Acc	1.3	Unicorn UK Ethical Income B Acc	19.3	Man GLG UK Income Professional Inc D	104.9	Man GLG UK Income Professional Inc D
	AXA Framlington Blue Chip Eq Inc Z £ Acc	-1.8	Artemis Income I Acc	6.0	BMO Responsible UK Income 2 Acc	1.1	Unicorn UK Income B Acc	18.6	Man GLG UK Income Professional Acc C	104.4	Man GLG UK Income Professional Acc C
	Threadneedle UK Eq Inc Z Inc GBP	-1.8	Neptune Income C Acc GBP	5.2	Invesco Income & Growth UK (NoTrail) Acc	0.7	MI Chelverton UK Equity Income B Inc	18.5	Marlborough Multi Cap Income B Acc	104.3	Marlborough Multi Cap Income B Acc
	Threadneedle UK Eq Inc Z Acc GBP	-1.8	BlackRock UK Income D Acc	5.2	Artemis Income I Acc	0.7	MI Chelverton UK Equity Income B Acc	18.5	LF Majedie UK Income X Acc	102.5	LF Majedie UK Income X Acc
	Invesco Income & Growth UK (NoTrail) Acc	-1.9	Rathbone Income I Acc	5.2	Rathbone Income I Acc	0.3	ASI UK Inc Eq I Acc	17.3	Janus Henderson UK Responsible Inc I Inc	101.0	Janus Henderson UK Responsible Inc I Inc
	MI Chelverton UK Equity Income B Inc	-2.0	Threadneedle UK Eq Inc Z Inc GBP	5.0	Franklin UK Equity Income Z Acc	0.2	Royal London UK Equity Income M Acc	16.9	ES Ardevora UK Income Instl Net Acc	96.5	ES Ardevora UK Income Instl Net Acc
	MI Chelverton UK Equity Income B Acc	-2.0	Threadneedle UK Eq Inc Z Acc GBP	5.0	HL Select UK Income Shares A Acc	-0.1	Royal London UK Equity Income M	16.8	Threadneedle UK Eq Inc Z Acc GBP	93.9	Threadneedle UK Eq Inc Z Acc GBP
	LF Gresham House UK Mlt Cap Inc C £ Acc	-2.0	Aviva Investors UK Listed Eq Inc 2 £ Acc	4.9	BlackRock UK Income D Acc	-0.2	AXA Framlington Monthly Income Z GBP Acc	16.6	Threadneedle UK Eq Inc Z Inc GBP	93.8	Threadneedle UK Eq Inc Z Inc GBP
	Royal London UK Equity Income M Acc	-2.0	Royal London UK Equity Income M Acc	4.6	Royal London UK Equity Income M Acc	-0.2	Aviva Investors UK Listed Eq Inc 2 £ Acc	16.6	Schroder Income Fd Z Acc	92.0	Schroder Income Fd Z Acc
	Royal London UK Equity Income M	-2.1	Royal London UK Equity Income M	4.6	Royal London UK Equity Income M	-0.3	AXA Framlington Monthly Income Z GBP Inc	16.6	AXA Framlington Monthly Income Z GBP Inc	90.7	AXA Framlington Monthly Income Z GBP Inc
	Artemis Income I Acc	-2.2	BMO Responsible UK Income 2 Acc	4.5	Unicorn UK Income B Acc	-0.3	BMO Responsible UK Income 2 Acc	16.4	AXA Framlington Monthly Income Z GBP Acc	89.2	AXA Framlington Monthly Income Z GBP Acc
	Fidelity Enhanced Income W Acc	-2.2	Ardevora UK Income D GBP Acc*	4.4	Aviva Investors UK Listed Eq Inc 2 £ Acc	-1.0	Schroder Income L GBP Acc	16.1	Franklin UK Equity Income Z Acc	87.7	Franklin UK Equity Income Z Acc
	M&G Dividend GBP R Acc	-2.3	Threadneedle UK Equity Alpha Inc Z Inc	4.2	Lazard Multicap UK Income A Acc	-1.5	Threadneedle UK Eq Inc Z Inc GBP	15.9	Threadneedle UK Equity Alpha Inc Z Inc	87.3	Threadneedle UK Equity Alpha Inc Z Inc
	MI Downing Monthly Income Acc	-2.3	LF Gresham House UK Mlt Cap Inc C £ Acc	4.2	Ardevora UK Income D GBP Acc*	-1.6	Threadneedle UK Eq Inc Z Acc GBP	15.9	Rathbone Income I Acc	86.8	Rathbone Income I Acc
	Janus Henderson UK Responsible Inc I Inc	-2.4	ES Ardevora UK Income Instl Net Acc	4.0	Fidelity Enhanced Income W Acc	-1.8	Schroder Income Fd Z Acc	15.9	Trojan Income O Acc	86.1	Trojan Income O Acc
<b>Number of funds</b>	<b>73</b>	<b>Number of funds</b>	<b>72</b>	<b>Number of funds</b>	<b>72</b>	<b>Number of funds</b>	<b>69</b>	<b>Number of funds</b>	<b>54</b>	<b>Number of funds</b>	<b>54</b>
<b>Average</b>	<b>-3.5</b>	<b>Average</b>	<b>0.6</b>	<b>Average</b>	<b>-4.3</b>	<b>Average</b>	<b>12.0</b>	<b>Average</b>	<b>79.5</b>	<b>Average</b>	<b>79.5</b>
<b>C</b>	Aberforth UK Small Companies Acc	-0.9	Invesco UK Smaller Coms Eq UK (NoTr) Acc	11.6	Invesco UK Smaller Coms Eq UK (NoTr) Acc	1.2	Jupiter UK Smaller Companies Fd I	58.7	Merian UK Smaller Coms Foc R GBP Inc*	224.9	Merian UK Smaller Coms Foc R GBP Inc*
	Artemis UK Smaller Companies I Acc	-0.9	ASI UK Smrl Coms Plfm 1 Acc £ UnH	10.4	Marlborough Nano Cap Growth B Acc	-1.0	Marlborough Nano Cap Growth B Acc	56.5	LF Gresham House UK Micro Cap C Acc	219.5	LF Gresham House UK Micro Cap C Acc
	BlackRock UK Smaller Companies D Acc	-1.4	Liontrust UK Smaller Companies I Acc	9.5	Liontrust UK Smaller Companies I Acc	-2.9	Merian UK Smaller Coms Foc R GBP Inc*	55.4	Liontrust UK Smaller Companies I Inc	192.8	Liontrust UK Smaller Companies I Inc
	Invesco UK Smaller Coms Eq UK (NoTr) Acc	-1.5	Liontrust UK Smaller Companies I Inc	9.5	Liontrust UK Smaller Companies I Inc	-2.9	TB Amati UK Smaller Companies B	50.2	TB Amati UK Smaller Companies B	189.5	TB Amati UK Smaller Companies B
	Franklin UK Smaller Companies Z Acc	-1.6	JPM UK Smaller Companies C Acc	8.8	ASI UK Smrl Coms Plfm 1 Acc £ UnH	-3.8	FP Octopus UK Micro Cap Growth P Acc	50.2	Jupiter UK Smaller Companies Fd I	183.2	Jupiter UK Smaller Companies Fd I
	Dimensional UK Smrl Coms Acc	-1.6	BlackRock UK Smaller Companies D Acc	8.6	M&G Smaller Companies GBP I Acc	-4.6	Invesco UK Smaller Coms Eq UK (NoTr) Acc	44.8	MI Discretionary Unit Acc	177.9	MI Discretionary Unit Acc
	JPM UK Smaller Companies C Acc	-1.7	Royal London UK Smaller Companies M	8.5	Royal London UK Smaller Companies M	-5.1	ASI UK Smrl Coms Plfm 1 Acc £ UnH	43.8	River & Mercantile UK Eq Sm Cos A Inc	175.9	River & Mercantile UK Eq Sm Cos A Inc
	Kames UK Smaller Companies GBP D Acc	-1.7	FP Octopus UK Micro Cap Growth P Acc	6.7	Dimensional UK Smrl Coms Acc	-5.2	LF Gresham House UK Micro Cap C Acc	43.3	AXA Framlington UK Smrl Coms Z GBP Acc	175.4	AXA Framlington UK Smrl Coms Z GBP Acc
	Fidelity UK Smaller Companies W Acc	-1.8	Aviva Investors								



# INVESTMENT FUNDS TOP PERFORMERS

## TOP PERFORMERS IN EACH SECTOR: TOTAL RETURN

Source: Morningstar

	After 1 month	%	After 6 months	%	After 1 year	%	After 3 years	%	After 7 years	%	
<b>D</b>	Janus Henderson Instl Lg Dtd Gilt I Acc	8.8	Janus Henderson Instl Lg Dtd Gilt I Acc	19.5	ASI Stlg Long Dtd Govt Bd I Acc	20.2	ASI Stlg Long Dtd Govt Bd I Acc	12.1	ASI Stlg Long Dtd Govt Bd I Acc	70.3	
	ASI Stlg Long Dtd Govt Bd I Acc	8.7	ASI Stlg Long Dtd Govt Bd I Acc	19.4	iShares Over 15 Yrs Gilts Idx (UK) D Acc	20.0	Vanguard UK Lg Dur Gilt Idx A Grs Acc	9.9	Janus Henderson Instl Lg Dtd Gilt I Acc	69.8	
	iShares Over 15 Yrs Gilts Idx (UK) D Acc	8.6	iShares Over 15 Yrs Gilts Idx (UK) D Acc	18.8	Janus Henderson Instl Lg Dtd Gilt I Acc	19.7	BNY Mellon Long Gilt Inst Acc	9.5	BNY Mellon Long Gilt Inst Acc	66.7	
	BNY Mellon Long Gilt Inst Acc	8.1	Vanguard UK Lg Dur Gilt Idx A Grs Acc	18.4	Vanguard UK Lg Dur Gilt Idx A Grs Acc	18.5	Janus Henderson Instl Lg Dtd Gilt I Acc	9.2	Janus Henderson Instl Lg Dtd Gilt I Acc	64.2	
	Vanguard UK Lg Dur Gilt Idx A Grs Acc	6.6	BNY Mellon Long Gilt Inst Acc	17.9	BNY Mellon Long Gilt Inst Acc	18.3	Vanguard UK Govt Bd Idx GBP Acc	7.4	Vanguard UK Govt Bd Idx GBP Acc	38.3	
	<b>Number of funds</b>	<b>19</b>	<b>Number of funds</b>	<b>19</b>	<b>Number of funds</b>	<b>19</b>	<b>Number of funds</b>	<b>18</b>	<b>Number of funds</b>	<b>15</b>	
	<b>Average</b>	<b>5.2</b>	<b>Average</b>	<b>12.5</b>	<b>Average</b>	<b>13.1</b>	<b>Average</b>	<b>7.0</b>	<b>Average</b>	<b>42.8</b>	
<b>UK GILT</b>	Janus Henderson Index-Linked Bond I Acc	9.4	Janus Henderson Index-Linked Bond I Acc	21.6	Janus Henderson Index-Linked Bond I Acc	22.1	Royal London Index Linked M Acc	18.0	iShares Index Linked Gilt Idx (UK) D Acc	91.5	
	iShares Index Linked Gilt Idx (UK) D Acc	9.0	Baillie Gifford Act IdxLnkd Glt InvMCAcc	21.0	iShares Index Linked Gilt Idx (UK) D Acc	21.9	iShares Index Linked Gilt Idx (UK) D Acc	17.7	Baillie Gifford Act IdxLnkd Glt InvMCAcc	86.1	
	<b>Number of funds</b>	<b>8</b>	<b>Number of funds</b>	<b>8</b>	<b>Number of funds</b>	<b>8</b>	<b>Number of funds</b>	<b>8</b>	<b>Number of funds</b>	<b>6</b>	
	<b>Average</b>	<b>7.8</b>	<b>Average</b>	<b>19.2</b>	<b>Average</b>	<b>19.8</b>	<b>Average</b>	<b>15.8</b>	<b>Average</b>	<b>82.5</b>	
<b>E</b>	Schroder Instl Long Dated Corp Bd I	5.4	Schroder Instl Long Dated Corp Bd I	17.1	Schroder Instl Long Dated Corp Bd I	19.4	PIMCO GIS GlnGd Crdt Ins EUR CcyExpsAcc	21.2	Schroder Instl Long Dated Corp Bd I	86.1	
	Janus Henderson Instl Lg Dtd Crdt I Acc	5.1	PIMCO GIS GlnGd Crdt Ins EUR CcyExpsAcc	16.5	Janus Henderson Instl Lg Dtd Crdt I Acc	17.4	Rathbone Ethical Bond I Inc	17.2	Baillie Gifford InvM Grd Lng Bd C Acc	73.4	
	BMO Long Dated Sterling Corp Bd 3 Acc	4.9	Janus Henderson Instl Lg Dtd Crdt I Acc	16.4	BMO Long Dated Sterling Corp Bd 3 Acc	16.4	Schroder Instl Long Dated Corp Bd I	17.0	Janus Henderson Instl Lg Dtd Crdt I Acc	69.1	
	Baillie Gifford InvM Grd Lng Bd C Acc	3.8	BMO Long Dated Sterling Corp Bd 3 Acc	15.9	Baillie Gifford InvM Grd Lng Bd C Acc	16.2	Schroder Instl Long Dated Corp Bd I	15.6	Rathbone Ethical Bond I Inc	68.6	
	BNY Mellon Long Corp Bd Inst Acc	3.6	Baillie Gifford InvM Grd Lng Bd C Acc	13.5	PIMCO GIS GlnGd Crdt Ins EUR CcyExpsAcc	15.9	Schroder Sterling Corporate Bond Z Inc	14.8	Rathbone Ethical Bond I Inc	68.1	
	Aberdeen Sterling LD Corp Bd I GBP Acc	2.4	BNY Mellon Long Corp Bd Inst Acc	12.5	Aberdeen Sterling LD Corp Bd I GBP Acc	13.6	BMO Long Dated Sterling Corp Bd 3 Acc	14.1	PIMCO GIS GlnGd Crdt Ins EUR CcyExpsAcc	61.9	
	Baillie Gifford Investment Grd Bd B Acc	2.3	Merian Corporate Bond R GBP Acc	9.5	BNY Mellon Long Corp Bd Inst Acc	13.3	Baillie Gifford InvM Grd Lng Bd C Acc	13.8	BNY Mellon Long Corp Bd Inst Acc	60.9	
	Schroder All Maturities Corp Bd A Acc	2.3	Baillie Gifford Investment Grd Bd B Acc	9.2	Schroder Sterling Corporate Bond Z Inc	11.0	Royal London Corporate Bond M Acc	13.1	Royal London Corporate Bond M Acc	59.4	
	L&G Sterling Corporate Bond Index F Acc	2.2	Schroder Sterling Corporate Bond Z Inc	9.1	Schroder Sterling Corporate Bond A Acc	10.4	Royal London Sterling Credit M Acc	12.8	Schroder Sterling Corporate Bond Z Inc	59.0	
	PIMCO GIS GlnGd Crdt Ins EUR CcyExpsAcc	2.2	Schroder All Maturities Corp Bd A Acc	9.1	Baillie Gifford Investment Grd Bd B Acc	10.2	Royal London Corporate Bond M Acc	12.6	L&G Managed Monthly Income F Acc	55.3	
	<b>Number of funds</b>	<b>70</b>	<b>Number of funds</b>	<b>70</b>	<b>Number of funds</b>	<b>70</b>	<b>Number of funds</b>	<b>61</b>	<b>Number of funds</b>	<b>45</b>	
	<b>Average</b>	<b>1.5</b>	<b>Average</b>	<b>7.6</b>	<b>Average</b>	<b>8.4</b>	<b>Average</b>	<b>10.1</b>	<b>Average</b>	<b>49.1</b>	
	<b>F</b>	AXA Sterling Strategic Bond Z (G) Acc	3.9	Hermes Multi-Strategy Credit F EUR Acc	14.6	Hermes Multi-Strategy Credit F EUR Acc	14.2	Royal London Sterl Extra Yld Bd A*	25.5	GAM Star Credit Opps (GBP) Instl GBP Acc*	94.3
		Legg Mason IF BW Gbl Inc Optr X Acc GBP	3.1	AXA Sterling Strategic Bond Z (G) Acc	10.1	Baillie Gifford Sterling Agg Bd C Acc	10.9	Sanlam Strategic Bond P GBP Acc*	22.4	GAM Star Credit Opps (GBP) GBP Acc*	89.7
		Sarasin Sterling Bond Z Acc	3.0	Baillie Gifford Sterling Agg Bd C Acc	10.1	Janus Henderson Strategic Bond I Inc	10.9	Hermes Multi-Strategy Credit F EUR Acc	22.2	Royal London Sterl Extra Yld Bd A*	85.3
Baillie Gifford Sterling Agg Bd C Acc		2.9	Janus Henderson Strategic Bond I Inc	9.4	AXA Sterling Strategic Bond Z (G) Acc	10.8	Sanlam Strategic Bond I GBP Inc*	21.6	AXA Framlington Managed Income Z Grs Inc	70.5	
Janus Henderson Strategic Bond I Inc		2.7	Baillie Gifford Stlg Agg Pls Bd C Acc	9.3	Janus Henderson Preference & Bond I Inc	10.5	Tideway GBP Hybrid Capital Bd A GBP Acc*	21.6	AXA Framlington Managed Income Z Grs Inc	70.3	
Baillie Gifford Stlg Agg Pls Bd C Acc		2.6	Janus Henderson Preference & Bond I Inc	8.7	Baillie Gifford Strategic Bond B Inc	10.1	Royal London Global Bd Opps Z GBP*	18.9	Artemis High Income I Acc	68.4	
Royal London GMAP Cnsvr R GBP Acc		2.5	Janus Henderson Fxd Intr MthInc Inc	8.3	Janus Henderson Fxd Intr MthInc Inc	10.1	Baillie Gifford Strategic Bond B Inc	17.2	Artemis High Income I Acc	68.4	
Jupiter Strategic Bond I Inc		2.4	ASI Gbl Opportunistic Bd I Acc	8.3	Baillie Gifford Stlg Agg Pls Bd C Acc	9.9	Janus Henderson Preference & Bond I Inc	16.2	Baillie Gifford Strategic Bond B Inc	62.4	
Janus Henderson Preference & Bond I Inc		2.3	Man GLG Strategic Bond Profi Acc C	8.2	ASI Gbl Opportunistic Bd I Acc	9.5	Janus Henderson Fxd Intr MthInc Inc	16.0	MI TwentyFour AM Dynamic Bond I Acc Grs	59.9	
ASI Gbl Opportunistic Bd I Acc		2.2	RLBF II Royal London Ethical Bond R Acc	8.0	Jupiter Strategic Bond I Inc	9.4	GAM Star Credit Opps (GBP) Instl GBP Acc*	15.4	Sanlam Strategic Bond P GBP Acc*	59.8	
<b>Number of funds</b>		<b>60</b>	<b>Number of funds</b>	<b>59</b>	<b>Number of funds</b>	<b>56</b>	<b>Number of funds</b>	<b>51</b>	<b>Number of funds</b>	<b>37</b>	
<b>Average</b>		<b>0.9</b>	<b>Average</b>	<b>5.7</b>	<b>Average</b>	<b>6.2</b>	<b>Average</b>	<b>12.0</b>	<b>Average</b>	<b>47.9</b>	
<b>£ STRATEGIC BOND</b>		BNY Mellon Global High Yield Bd P Acc	1.3	Hermes Global High Yld Crdt F EUR Acc	10.5	Hermes Global High Yld Crdt F EUR Acc	7.6	Hermes Global High Yld Crdt F EUR Acc	19.8	Schroder High Yield Opportunities Z Inc	70.1
		ASI Eurpan High Yield Bd I Acc	0.8	BNY Mellon Global High Yield Bd P Acc	6.1	T. Rowe Price Global High Inc Bd Qdh GBP*	7.3	Baillie Gifford High Yield Bond B Acc	18.0	Schroder High Yield Opportunities Z Acc	69.8
		Threadneedle HY Bd Ins Grs Acc GBP	0.8	Baillie Gifford High Yield Bond B Acc	5.8	BNY Mellon Global High Yield Bd P Acc	7.3	T. Rowe Price Global High Inc Bd Qdh GBP*	17.2	Hermes Global High Yld Crdt F EUR Acc	66.5
	Kames High Yield Bond GBP D Acc	0.6	Threadneedle HY Bd Ins Grs Acc GBP	5.0	Baillie Gifford High Yield Bond B Inc	6.8	Invesco High Yield UK (No Trail) Acc	16.1	Marlborough High Yield Fixed Int P Inc	64.4	
	ASI High Yield Bd Plfm 1 Acc £ UnH	0.6	ASI Eurpan High Yield Bd I Acc	5.0	Kames High Yield Bond GBP D Acc	6.7	AXA Global High Income Z Gross Acc	15.7	Invesco High Yield UK (No Trail) Acc	64.0	
	<b>Number of funds</b>	<b>17</b>	<b>Number of funds</b>	<b>17</b>	<b>Number of funds</b>	<b>17</b>	<b>Number of funds</b>	<b>17</b>	<b>Number of funds</b>	<b>14</b>	
	<b>Average</b>	<b>0.2</b>	<b>Average</b>	<b>4.5</b>	<b>Average</b>	<b>4.5</b>	<b>Average</b>	<b>14.7</b>	<b>Average</b>	<b>56.1</b>	
	<b>G</b>	Threadneedle Mthly Etr Inc Z Inc GBP	-0.6	Threadneedle Mthly Etr Inc Z Inc GBP	6.8	HSBC Monthly Income C Acc	2.0	Threadneedle Mthly Etr Inc Z Inc GBP	17.0	Threadneedle Mthly Etr Inc Z Inc GBP	89.3
		LF Canlife UK Equity and Bond Inc C Acc	-2.1	HSBC Monthly Income C Acc	5.4	M&G UK Income Distribution GBP R Acc	1.8	M&G UK Income Distribution GBP R Acc	13.2	M&G UK Income Distribution GBP R Acc	66.2
		HSBC Monthly Income C Acc	-2.3	M&G UK Income Distribution GBP R Acc	3.8	Threadneedle Mthly Etr Inc Z Inc GBP	1.3	LF Canlife UK Equity and Bond Inc C Acc	11.1	LF Canlife UK Equity and Bond Inc C Acc	64.7
		M&G UK Income Distribution GBP R Acc	-2.8	LF Canlife UK Equity and Bond Inc C Acc	3.5	LF Canlife UK Equity and Bond Inc C Acc	-1.9	HSBC Monthly Income C Acc	8.8	HSBC Monthly Income C Acc	53.4
		<b>Number of funds</b>	<b>4</b>	<b>Number of funds</b>	<b>4</b>	<b>Number of funds</b>	<b>4</b>	<b>Number of funds</b>	<b>4</b>	<b>Number of funds</b>	<b>4</b>
		<b>Average</b>	<b>-1.9</b>	<b>Average</b>	<b>4.9</b>	<b>Average</b>	<b>0.8</b>	<b>Average</b>	<b>12.5</b>	<b>Average</b>	<b>68.4</b>
		<b>H</b>	Vanguard LifeStrategy 20% Eq A Grs Acc	1.8	Vanguard LifeStrategy 20% Eq A Grs Acc	9.4	Vanguard LifeStrategy 20% Eq A Grs Acc	9.4	Fidelity MltAsst Income Y Inc	19.3	Fidelity MltAsst Income Y Inc
	Fidelity Mlt Asst Allctr Defesv Y Acc		1.6	Fidelity Mlt Asst Allctr Defesv Y Acc	8.8	Fidelity Mlt Asst Allctr Defesv Y Acc	9.2	Royal London Sustainable Mgd Gr C Acc	18.7	BlackRock Consensus 35 D Acc	51.2
BlackRock Consensus 35 D Acc	1.5		Royal London Sustainable Mgd Gr C Acc	8.7	Royal London Sustainable Mgd Gr C Acc	8.7	Jupiter Merlin Conservative I Acc	16.6	Vanguard LifeStrategy 20% Eq A Grs Acc	48.3	
Jupiter Merlin Conservative I Acc	1.1		BlackRock Consensus 35 D Acc	8.5	BlackRock Consensus 35 D Acc	8.2	BlackRock Consensus 35 D Acc	13.6	Jupiter Distribution I Inc	46.3	
Royal London Sustainable Mgd Gr C Acc	1.0		Jupiter Merlin Conservative I Acc	8.5	Jupiter Merlin Conservative I Acc	7.6	Vanguard LifeStrategy 20% Eq A Grs Acc	13.6	Jupiter Distribution I Acc	46.2	
<b>Number of funds</b>	<b>43</b>		<b>Number of funds</b>	<b>43</b>	<b>Number of funds</b>	<b>43</b>	<b>Number of funds</b>	<b>39</b>	<b>Number of funds</b>	<b>21</b>	
<b>Average</b>	<b>0.1</b>		<b>Average</b>	<b>5.5</b>	<b>Average</b>	<b>4.4</b>	<b>Average</b>	<b>10.1</b>	<b>Average</b>	<b>37.5</b>	
<b>I</b>	LF Ruffer Total Return C Acc		1.8	Royal London Sustainable Div C Acc	13.2	Royal London Sustainable Div C Acc	10.3	Royal London Sustainable Div C Acc	30.9	Artemis Monthly Distribution I Inc	96.7
	Sarasin IE GlobalSar Strategic EUR P Acc*		1.4	Sarasin IE GlobalSar Strategic EUR P Acc*	12.9	Fidelity Mlt Asst Allctr Strat Y Acc	8.5	Barclays Wealth Global Mkts 3 R Acc GBP	24.1	Artemis Monthly Distribution I Acc	96.3
	EF Tellsons Endeavour SP GBP Acc		1.2	AXA Global Distribution Z Acc	10.9	Vanguard LifeStrategy 40% Equity A Acc	8.1	AXA Global Distribution Z Acc	23.4	AXA Global Distribution Z Acc	82.6
	Vanguard LifeStrategy 40% Equity A Acc		0.7	Zurich Horizon Multi-Asset I E Acc	10.9	Sarasin IE GlobalSar Strategic EUR P Acc*	7.9	Zurich Horizon Multi-Asset II E Acc	21.9	Invesco European High Inc UK(NoTrail)Acc	78.5
	Fidelity Mlt Asst Allctr Strat Y Acc		0.6	Zurich Horizon Multi-Asset II E Acc	10.6	Zurich Horizon Multi-Asset I E Acc	7.7	Standard Life Wealth Phoenix Z Acc	20.3	Premier Multi-Asset Distribution C Acc	69.7
	Close Conservative Portfolio X Acc		0.6	Fidelity Mlt Asst Allctr Strat Y Acc	9.5	Standard Life Wealth Phoenix Z Acc	6.8	M&G Episode Income GBP R Acc	19.7	Premier Liberation No. V Class C Acc	68.5
	Sarasin Globasr Strategic F Acc		0.4	Vanguard LifeStrategy 40% Equity A Acc	9.5	VT AJ Bell Passive Moderately Cau I Acc	6.7	Close Conservative Portfolio X Acc	19.2	BMO MM Navigator Cautious 4 Acc	67.1
	UBS Multi-Asset Income B Gross Acc		0.4	LF Miton Cautious Multi Asset B Acc	9.2	Vanguard Target Retirement 2015 Acc	6.7	Kames Diversified Monthly Inc GBP B Acc	19.1	Premier Multi-Asset Monthly Inc C Acc	66.4
	HC Verbatim Multi-Index Portfolio 3 A	0.3	MI Miton Cautious Mthly Inc B Acc units	8.8	Kames Diversified Monthly Inc GBP B Acc	6.6	Kames Diversified Monthly Inc GBP B Inc	19.0	Vanguard LifeStrategy 40% Equity A Acc	65.2	
	BNY Mellon Global Multi-Strategy S Acc	0.3	MI Miton Cautious Mthly Inc B Inc units	8.8	Kames Diversified Monthly Inc GBP B Inc	6.6	Vanguard Target Retirement 2015 Acc	18.7	Quilter Investors Cirillum Balanced R	65.0	
	<b>Number of funds</b>	<b>119</b>	<b>Number of funds</b>	<b>117</b>	<b>Number of funds</b>	<b>116</b>	<b>Number of funds</b>	<b>109</b>	<b>Number of funds</b>	<b>74</b>	
	<b>Average</b>	<b>-1.0</b>	<b>Average</b>	<b>5.3</b>	<b>Average</b>	<b>3.0</b>	<b>Average</b>	<b>13.2</b>	<b>Average</b>	<b>52.5</b>	
	<b>J</b>	Vanguard Global Balanced A GBP Acc	0.5	Royal London Sustainable World C Acc	17.4	Royal London Sustainable World C Acc	12.9	Royal London Sustainable World C Acc	49.0	Royal London Sustainable World C Acc	159.8
		Close Balanced Portfolio X Acc	0.5	Janus Henderson Instl GI Rpnsh Mgd I Acc	12.6	Climate Assets C GBP Acc	10.8	Liontrust Sust Fut Mgd 2 Net Inc	40.3	Liontrust Sust Fut Mgd 2 Net Inc	119.5
		Fidelity MoneyBuilder Balanced Y Acc	0.1	Climate Assets C GBP Acc	12.4	Vanguard Global Balanced A GBP Acc	10.0	Baillie Gifford Managed B Acc	40.3	Baillie Gifford Managed B Acc	113.3
Vanguard Target Retirement 2020 Acc		-0.2	BNY Mellon Mlt-Asst Balanced B Acc	12.3	VT Seneca Diversified Growth B Acc	9.7	Baillie Gifford Managed B Acc	37.0	Janus Henderson Instl GI Rpnsh Mgd I Acc	109.4	
Royal London Sustainable World C Acc		-0.2	Janus Henderson Instl GI Rpnsh Mgd A Acc	12.2	BNY Mellon Mlt-Asst Balanced B Acc	9.4	Neptune Balanced C Acc GBP	34.6	Vanguard LifeStrategy 80% Equity A Acc	103.8	
Standard Life Wealth Bldg Bridge Z Acc		-0.3	Vanguard Global Balanced A GBP Acc	12.1	Liontrust Sust Fut Mgd 2 Net Inc	9.0	VT Seneca Diversified Growth B Acc	32.2	Climate Assets C GBP Acc	100.7	
Vanguard LifeStrategy 60% Equity A Acc		-0.3	LF Miton Balanced Multi Asset B Acc	11.7	Liontrust Sust Fut Mgd 6 Net Acc	9.0	Marlborough Balanced I Acc	31.5	Janus Henderson Instl GI Rpnsh Mgd A Acc	99.0	
BlackRock Consensus 70 D Acc		-0.4	McInroy & Wood Balance Pers Inc	11.6	Janus Henderson Instl GI Rpnsh Mgd I Acc	8.9	Zurich Horizon Multi-Asset IV E Acc	30.6	Marlborough Balanced I Acc	93.1	
Vanguard Target Retirement 2025 Acc		-0.4	Neptune Balanced C Acc GBP	11.5	Janus Henderson Instl GI Rpnsh Mgd A Acc	8.2	Vanguard Global Balanced A GBP Acc	30.4	Premier Multi-Asset Growth&Inc C Acc	92.5	
McInroy & Wood Income Pers Inc		-0.4	AXA Framlington Managed Balanced Z Acc	11.4	Close Balanced Portfolio X Acc	8.1	Barclays Wealth Global Mkts 4 R Acc GBP	29.8	Lazard Managed Balanced A Acc	90.3	
<b>Number of funds</b>		<b>111</b>	<b>Number of funds</b>	<b>110</b>	<b>Number of funds</b>	<b>110</b>	<b>Number of funds</b>	<b>100</b>	<b>Number of funds</b>	<b>67</b>	
<b>Average</b>		<b>-1.9</b>	<b>Average</b>	<b>7.3</b>	<b>Average</b>	<b>3.3</b>	<b>Average</b>	<b>20.9</b>	<b>Average</b>	<b>74.7</b>	
<b>K</b>		Trojan Ethical Fund S Acc	1.2	Sentinel Enterprise B Acc	23.7	Sentinel Enterprise B Acc	19.8	Neptune Global Alpha C Acc GBP	57.2	LF Ruffer Japanese C Acc	171.6
		Close Growth Portfolio X Acc	1.0	Close Growth Portfolio X Acc	14.3	Close Growth Portfolio X Acc	10.6	Sentinel Enterprise B Acc	55.3	Neptune Global Alpha C Acc GBP	139.0
		Trojan O Acc	0.5	Standard Life Wealth Bridge Z Acc	13.7	Trojan O Acc	9.0	Liontrust Sust Fut Absolute Gr 2 Net Acc	48.3	Liontrust Sust Fut Absolute Gr 2 Net Acc	136.6
	Pictet-Multi Asset Global Opps HI GBP	0.2	Jupiter Merlin Growth Portfolio Acc	12.3	Liontrust Sust Fut Absolute Gr 2 Net Acc	8.6	LF Ruffer Japanese C Acc	42.6	Unicorn Mastertrust B	121.1	
	VT Redlands Multi-Asset A GBP Acc	0.1	Zurich Horizon Multi-Asset V E Acc	11.9	Sarasin Global Equity Real Return P Acc	8.1	Zurich Horizon Multi-Asset V E Acc	38.1	Premier Multi-Asset Global Growth C Acc	109.6	
	HC Kleinwort Hambros Growth B Acc	0.0	Sarasin Global Equity Real Return P Acc	11.3	First State Diversified Gr B Acc GBP	7.5	Close Growth Portfolio X Acc	34.1	JPM Diversified Growth C Net Acc	108.8	
	Sentinel Enterprise B Acc	-0.1	Fidelity Multi Asset Allctr Advtrs Y Acc	11.3	Fidelity Multi Asset Allctr Advtrs Y Acc	7.3	TB Wise Multi-Asset Growth B Acc	33.5	BNY Mellon Mlt-Asst Growth Inst W Acc	108.7	
	Schroder Dynamic Multi Asset X Acc	-0.2	Liontrust Sust Fut Absolute Gr 2 Net Acc	10.9	Standard Life Wealth Bridge Z Acc	7.2	Barclays Wealth Global Mkts 5 R Acc GBP	33.1	Courtiers Total Return Growth	106.4	
	Standard Life Wealth Bridge Z Acc	-0.6	ACPI Balanced UCITS GBP Instl UnH Acc	10.2	Jupiter Merlin Growth Portfolio Acc	7.1	Sarasin Global Equity Real Return P Acc	32.3	BNY Mellon Mlt-Asst Growth B Acc	104.4	
	JPM Diversified Growth C Net Acc	-0.6	Trojan O Acc	9.5	Trojan Spectrum O Acc	6.6	Unicorn Mastertrust B	31.1	TB Wise Multi-Asset Growth B Acc	103.0	
	<b>Number of funds</b>	<b>93</b>	<b>Number of funds</b>	<b>92</b>	<b>Number of funds</b>	<b>92</b>	<b>Number of funds</b>	<b>79</b>	<b>Number of funds</b>	<b>54</b>	
	<b>Average</b>	<b>-2.4</b>	<b>Average</b>	<b>5.8</b>	<b>Average</b>	<b>1.4</b>	<b>Average</b>	<b>22.0</b>	<b>Average</b>	<b>83.3</b>	
	<b>L</b>	FP Foresight Global RI Infrs A GBP Acc	3.2	M&G Global Listed Infrs GBP PP Acc</							



**TOP PERFORMERS IN EACH SECTOR: TOTAL RETURN**

Source: Morningstar

	After 1 month	%	After 6 months	%	After 1 year	%	After 3 years	%	After 7 years	%
<b>MI</b> <b>GLOBAL EQUITY INCOME</b>	Legg Mason IF RARE Gbl Infrans Inc X Acc	0.4	Morgan Stanley Gbl Brands Eq Inc I Acc	20.9	Legg Mason IF RARE Gbl Infrans Inc X Acc	22.6	Morgan Stanley Gbl Brands Eq Inc I Acc	51.4	Fidelity Global Dividend W Inc	149.5
	Morgan Stanley Gbl Brands Eq Inc I Acc	0.0	Neptune Global Income C Acc GBP	19.1	Morgan Stanley Gbl Brands Eq Inc I Acc	19.9	Neptune Global Income C Acc GBP	42.2	Fidelity Global Dividend W Acc	148.8
	Neptune Global Income C Acc GBP	-0.4	Sarasin Global Dividend P Acc	15.7	Neptune Global Income C Acc GBP	15.2	JPM Global Equity Income C Net Acc	40.6	Guinness Global Equity Income Z*	141.7
	Guinness Global Equity Income Z*	-0.6	Fidelity Global Dividend W Inc	15.6	Fidelity Global Dividend W Inc	15.0	Sarasin Global Dividend P Acc	39.5	Guinness Global Equity Income Y GBP Acc*	136.1
	Guinness Global Equity Income Y GBP Acc*	-0.6	Fidelity Global Dividend W Acc	15.6	Fidelity Global Dividend W Acc	15.0	Baillie Gifford Global Inc Growth B Acc	38.8	JPM Global Equity Income C Net Acc	132.3
	Number of funds	46	Number of funds	44	Number of funds	44	Number of funds	42	Number of funds	25
	Average	-2.5	Average	9.9	Average	6.2	Average	28.8	Average	112.4
<b>N</b> <b>GLOBAL BONDS</b>	Barings Global Bond Fund-CI A USD Inc*	4.5	Threadneedle Global Bd Ins Grs Acc GBP	19.3	Pictet-Latin Amer Lcl Ccy Dbt P y GBP*	19.7	Nomura Fds US High Yield Bond A EUR*	24.1	Nomura Fds US High Yield Bond A EUR*	95.7
	Threadneedle Global Bd Ins Grs Acc GBP	3.9	Barings Global Bond Fund-CI A USD Inc*	19.2	Threadneedle Global Bd Ins Grs Acc GBP	18.0	Pictet-US High Yield I dm GBP*	22.9	M&G European High Yield Bond GBP I Acc	71.8
	Janus Henderson Instl Overseas Bd I Acc	3.6	Janus Henderson Instl Overseas Bd I Acc	18.9	Barings Global Bond Fund-CI A USD Inc*	17.7	M&G European High Yield Bond GBP I Acc	20.7	iShares Overseas Corp Bd Idx (UK) D Acc	62.3
	PIMCO GIS Ttl Ret Bd Instl EUR UnH Acc*	3.3	iShares Overseas Corp Bd Idx (UK) D Acc	18.1	Janus Henderson Instl Overseas Bd I Acc	17.0	iShares Overseas Corp Bd Idx (UK) D Acc	20.4	PIMCO GIS Euro Bond Instl EUR Acc*	61.6
	SLI Global Bond A Acc USD*	3.2	BNY Mellon International Bond B Acc	18.0	PIMCO GIS Ttl Ret Bd Instl EUR UnH Acc*	17.0	PIMCO GIS Ttl Ret Bd Instl EUR UnH Acc*	19.6	Marlborough Global Bond P Inc	59.9
	Number of funds	53	Number of funds	53	Number of funds	53	Number of funds	50	Number of funds	42
	Average	0.8	Average	10.3	Average	9.8	Average	11.9	Average	40.9
<b>NI</b> <b>GLOBAL EMERGING MARKET BONDS</b>	Pictet-Global Emerging Debt I GBP*	1.2	Pictet-Global Emerging Debt I GBP*	16.4	M&G Emerging Markets Bond GBP I Inc	20.2	M&G Emerging Markets Bond GBP I Inc	27.0	M&G Emerging Markets Bond GBP I Inc	89.6
	ASI Em Mkt Govt Bd Plfwm 1 Acc £ UnH	-0.2	ASI Em Mkt Govt Bd Plfwm 1 Acc £ UnH	15.8	PIMCO GIS Emerg Lcl Bd Instl GBP UnH Acc*	20.2	M&G Emerging Markets Bond GBP R Acc	25.6	M&G Emerging Markets Bond GBP R Acc	85.6
	ASI Em Mkts Bd I Acc	-0.7	M&G Emerging Markets Bond GBP I Inc	14.4	M&G Emerging Markets Bond GBP R Acc	19.8	ASI Em Mkt Govt Bd Plfwm 1 Acc £ UnH	23.0	ASI Em Mkts Bd I Acc	32.4
	M&G Emerging Markets Bond GBP I Inc	-1.4	M&G Emerging Markets Bond GBP R Acc	14.3	ASI Em Mkt Govt Bd Plfwm 1 Acc £ UnH	19.7	Threadneedle EM Local Ins Grs Acc GBP	19.6	PIMCO GIS Emerg Lcl Bd Instl GBP UnH Acc*	22.5
	M&G Emerging Markets Bond GBP R Acc	-1.5	L&G EM Govt Bond US\$ Index I Inc	13.0	Pictet-Global Emerging Debt I GBP*	19.6	Pictet-Global Emerging Debt I GBP*	18.5	Threadneedle EM Local Ins Grs Acc GBP	21.8
	Number of funds	21	Number of funds	20	Number of funds	20	Number of funds	16	Number of funds	7
	Average	-2.6	Average	9.7	Average	15.1	Average	16.1	Average	39.6
<b>O</b> <b>GLOBAL EMERGING MARKETS</b>	Lazard Developing Markets Eq C Acc GBP*	0.7	Fidelity Instl Emerg Mkts W Acc	13.1	JPM Emerging Markets B Net Acc	14.6	Baillie Gifford Em Mkts Lead Coms B Acc	47.0	Hermes Global Emerging Mkts F USD Acc	113.7
	AXA Framlington EmerG Markets Z GBP Acc	-2.9	JPM Emerging Markets B Net Acc	12.9	BlackRock Emerging Markets D Acc	12.5	Baillie Gifford Emerging Mkts Gr B Acc	45.7	Hermes Global Emerging Mkts F GBP Acc	113.6
	Hermes Global EM SMID Eq X USD Acc	-3.3	AXA Framlington EmerG Markets Z GBP Acc	12.3	JPM Emerging Markets Income C Net Inc	11.3	Baillie Gifford Em Mkts Lead Coms A Acc	43.7	TT Emerging Markets Equity H GBP Acc*	106.1
	Jupiter Global Emerging Markets Acc	-3.3	Threadneedle Global EM Eq Ins Acc GBP	10.5	Fidelity Instl Emerg Mkts W Acc	11.2	JPM Emerging Markets B Net Acc	43.1	JPM Em Mkts Small Cap A (dist) perf GBP	106.0
	JPM Em Mkts Small Cap A (dist) perf GBP	-3.3	MI Somerset Emerg Mkts Div Gr A Acc	9.9	Baillie Gifford Em Mkts Lead Coms B Acc	10.9	BlackRock Emerging Markets D Acc	40.6	Baillie Gifford Em Mkts Lead Coms B Acc	100.3
	Pictet-Emerg Mkt Sustainable Eq I EUR	-3.7	MI Somerset Emerg Mkts Div Gr A Inc	9.9	Baillie Gifford Emerging Mkts Gr B Acc	10.2	Hermes Global Emerging Mkts F GBP Acc	40.5	Baillie Gifford Emerging Mkts Gr B Acc	96.6
	Number of funds	61	Number of funds	58	Number of funds	57	Number of funds	55	Number of funds	47
Average	-4.9	Average	6.1	Average	5.4	Average	27.7	Average	69.4	
<b>P</b> <b>SPECIALIST</b>	Merian Gold & Silver R GBP Acc*	7.7	LF Ruffer Gold C Acc	45.8	Investec Global Gold R GBP Acc	70.0	Neptune Russia C Acc GBP	75.0	Polar Capital Healthcare Opports R Inc*	366.0
	LF Ruffer Gold C Acc	5.6	Investec Global Gold R GBP Acc	42.8	LF Ruffer Gold C Acc	66.8	Polar Capital Biotech I Inc*	64.1	Polar Capital Global Ins I Acc*	225.6
	BlackRock Gold and General D Acc	5.6	BlackRock Gold and General D Acc	41.8	BlackRock Gold and General D Acc	63.2	Pictet-Russian Equities I GBP*	60.6	BMO Overseas Equity-Linked UK Infl 3 Acc	224.3
	Investec Global Gold R GBP Acc	5.2	Merian Gold & Silver R GBP Acc*	32.8	Merian Gold & Silver R GBP Acc*	44.9	Jupiter Financial Opportunities I Acc	57.4	AXA Framlington Biotech GBP Z Acc	196.0
	TC South River Gold and Prec Mtls A Acc	5.2	Jupiter International Fincls I Acc	24.0	BNY Mellon Brazil Equity GBP W Acc*	38.3	AXA Framlington FinTech Z GBP Acc	57.3	BMO Overseas Equity-Linked UK Gilt 3 Acc	193.2
	Number of funds	113	Number of funds	113	Number of funds	112	Number of funds	104	Number of funds	77
	Average	-2.2	Average	9.3	Average	7.7	Average	23.5	Average	79.6
<b>Q</b> <b>TECH &amp; TEL CO</b>	GAM Star Technology Z GBP Acc*	-0.6	Polar Capital Global Tech R Inc*	26.9	Polar Capital Global Tech R Inc*	17.0	Polar Capital Global Tech R Inc*	112.8	Polar Capital Global Tech R Inc*	435.2
	Polar Capital Global Tech R Inc*	-1.1	L&G Global Technology Index F Acc	18.7	Fidelity Global Technology W-Acc-GBP	14.0	Neptune Global Technology C GBP Acc	96.8	Fidelity Global Technology W-Acc-GBP	314.4
	Number of funds	12	Number of funds	12	Number of funds	12	Number of funds	12	Number of funds	7
	Average	-3.4	Average	14.5	Average	9.0	Average	74.9	Average	257.8
<b>R</b> <b>JAPAN</b>	Lindsell Train Japanese Eq C USD Acc	2.2	Legg Mason IF Japan Equity X Acc	18.2	Fidelity Japan W Acc	5.1	First State Japan Focus B Acc GBP	55.5	Legg Mason IF Japan Equity X Acc	429.3
	Lindsell Train Japanese Eq B GBP QutdInc*	1.5	Legg Mason IF Japan Equity A Acc	18.1	Jupiter Japan Income I Acc	4.3	Legg Mason IF Japan Equity X Acc	53.2	Legg Mason IF Japan Equity A Acc	412.1
	First State Japan Focus B Acc GBP	1.4	First State Japan Focus B Acc GBP	18.1	First State Japan Focus B Acc GBP	3.0	Legg Mason IF Japan Equity A Acc	52.2	JPM Japan C Net Acc	205.1
	Legg Mason IF MC Japan Alpha A Acc £	0.6	JPM Japan C Net Acc	18.0	Barings Japan Growth I GBP Acc	2.7	Lindsell Train Japanese Eq C USD Acc	49.9	Baillie Gifford Japanese B Acc	189.5
	Fidelity Japan Smaller Companies W Acc	-0.3	Polar Capital Japan R Inc*	15.6	Legg Mason IF Japan Equity X Acc	2.0	JPM Japan C Net Acc	44.6	AXA Framlington Japan Z GBP Acc	181.5
	Number of funds	42	Number of funds	42	Number of funds	42	Number of funds	41	Number of funds	33
	Average	-1.5	Average	9.6	Average	-2.0	Average	29.0	Average	147.3
<b>RI</b> <b>JAPAN SM COS</b>	Baillie Gifford Japan Small Co B Acc	-3.1	Baillie Gifford Japan Small Co B Acc	7.3	Baillie Gifford Japan Small Co B Acc	-6.1	Baillie Gifford Japan Small Co B Acc	58.6	Baillie Gifford Japan Small Co B Acc	287.6
	Invesco Japanese Smrl Coms UK (NoTr) Acc	-4.9	Invesco Japanese Smrl Coms UK (NoTr) Acc	6.0	Invesco Japanese Smrl Coms UK (NoTr) Acc	-10.9	Invesco Japanese Smrl Coms UK (NoTr) Acc	37.3	Invesco Japanese Smrl Coms UK (NoTr) Acc	191.4
	Number of funds	4	Number of funds	4	Number of funds	4	Number of funds	4	Number of funds	4
	Average	-4.6	Average	2.4	Average	-11.3	Average	32.3	Average	197.2
<b>S</b> <b>CHINA/ GREATER CHINA</b>	HSBC GIF Chinese Equity AC*	-0.2	HSBC GIF Chinese Equity AC*	16.7	Fidelity China Consumer W Acc	12.0	Fidelity China Consumer W Acc	52.1	HSBC GIF Chinese Equity AC*	187.5
	Baillie Gifford China B Acc	-2.5	First State Greater China Gr B Acc GBP	12.3	HSBC GIF Chinese Equity AC*	11.8	Baillie Gifford China B Acc	51.8	Fidelity China Consumer W Acc	184.3
	Janus Henderson China Opps I Acc	-2.5	Fidelity China Consumer W Acc	9.5	First State Greater China Gr B Acc GBP	10.8	First State Greater China Gr B Acc GBP	48.7	Janus Henderson China Opps I Acc	180.1
	Janus Henderson China Opps A Acc	-2.6	Pictet-Greater China I GBP*	9.2	Barings Hong Kong China I GBP Acc*	6.8	Invesco Hong Kong & China UK (No Tr) Acc	45.6	Invesco Hong Kong & China UK (No Tr) Acc	176.8
	Fidelity China Consumer W Acc	-2.7	Baillie Gifford China B Acc	9.1	Pictet-Greater China I GBP*	5.2	Pictet-Greater China I GBP*	44.4	Baillie Gifford China B Acc	171.2
	Number of funds	14	Number of funds	14	Number of funds	14	Number of funds	14	Number of funds	14
	Average	-3.1	Average	6.9	Average	4.3	Average	39.8	Average	143.7
<b>T</b> <b>ASIA EXCLUDING JAPAN</b>	HSBC Asian Growth Accumulation C	2.6	Veritas Asian A GBP*	14.1	Fidelity Asia Pacific Opps W GBP Acc	13.7	HSBC Asian Growth Accumulation C	63.0	Veritas Asian A GBP*	165.3
	Veritas Asian A GBP*	-1.3	BMO Pacific Equity 2 Acc	11.1	Fidelity Asia Pacific Opps W GBP Acc	12.8	JPM Asia Growth C Net Acc	53.4	JPM Asia Growth C Net Acc	144.5
	Fidelity Asia Pacific Opps W GBP Acc	-2.0	Investec Asia Pacific Franchise R AccGBP	11.1	BNY Mellon Asian Income B Acc	10.0	Baillie Gifford Pacific B Acc	46.2	Merian Asia Pacific R GBP Acc	139.4
	Hermes Asia ex-Japan Equity F EUR Acc	-2.0	Schroder Institutional Pacific I Acc	11.0	Jupiter Asian Income I GBP Acc	9.5	Investec Asia Pacific Franchise R AccGBP	45.6	Fidelity Emerging Asia W Acc	134.9
	T. Rowe Price Asian Opps Eq Q GBP*	-2.0	Fidelity Asia Pacific Opps W GBP Acc	10.9	Jupiter Asian Income I GBP Inc	9.4	Fidelity Asia Pacific Opps W GBP Acc	44.2	Baillie Gifford Pacific B Acc	132.2
	Hermes Asia ex-Japan Equity F GBP Acc	-2.5	First State Asia Focus B Acc GBP	10.7	Schroder Institutional Pacific I Acc	8.8	Fidelity Asia Dividend W Acc	43.4	Fidelity Asia W Acc	127.2
	Number of funds	63	Number of funds	63	Number of funds	63	Number of funds	63	Number of funds	40
Average	-3.9	Average	6.8	Average	3.3	Average	31.8	Average	94.9	
<b>TI</b> <b>ASIA INCL JAPAN</b>	JPM Pacific Equity A (dist) USD*	-1.2	JPM Pacific Equity A (dist) USD*	13.0	ASI Asia Pac and Japan Eq I Acc	5.9	JPM Pacific Equity A (dist) USD*	41.6	Invesco Pacific UK (No Trail) Acc	143.7
	Invesco Pacific UK (No Trail) Acc	-2.5	Baillie Gifford Developed Asia Pac B Acc	11.8	JPM Pacific Equity A (dist) USD*	5.2	Baillie Gifford Developed Asia Pac B Acc	37.0	JPM Pacific Equity A (dist) USD*	143.0
	Number of funds	5	Number of funds	5	Number of funds	5	Number of funds	5	Number of funds	5
	Average	-2.8	Average	9.9	Average	2.6	Average	33.7	Average	125.3
<b>U</b> <b>NORTH AMERICA</b>	Principal US Equity I Acc GBP*	2.3	Marlborough US Multi-Cap Income P Inc	28.2	Principal US Equity I Acc GBP*	22.5	Baillie Gifford American B Acc	93.4	T. Rowe Price US Large Cap Gr Eq Q GBP*	288.7
	Majedie Asset Mgmt US Equity B GBP Acc	1.7	Artemis US Select I Acc GBP	22.4	Investec American Franchise R Acc GBP	19.4	T. Rowe Price US Large Cap Gr Eq Q GBP*	83.3	Baillie Gifford American B Acc	282.0
	Artemis US Select I Acc GBP	0.4	Principal US Equity I Acc GBP*	21.8	Marlborough US Multi-Cap Income P Inc	19.4	T. Rowe Price US Blue Chip Eq Q GBP*	81.0	T. Rowe Price US Blue Chip Eq Q GBP*	277.4
	Marlborough US Multi-Cap Income P Inc	0.3	Janus Henderson US Forty U GBP Acc*	21.4	Legg Mason IF MC Nth Am A Acc £	19.2	Investec American Franchise R Acc GBP	80.6	Polar Capital North American R*	258.1
	Investec American Franchise R Acc GBP	0.2	Legg Mason IF MC Nth Am A Acc £	21.3	Majedie Asset Mgmt US Equity B GBP Acc	17.3	Janus Henderson US Forty U GBP Acc*	80.5	UBS US Growth B Acc	237.3
	Artemis US Extended Alpha I Acc GBP	0.0	Polar Capital North American R*	21.3	Legg Mason IF CB US Eq Inc X Acc	17.0	Artemis US Select I Acc GBP	77.6	Merian North American Equity R GBP Acc	231.4
	Number of funds	84	Number of funds	83	Number of funds	83	Number of funds	77	Number of funds	55
Average	-2.6	Average	14.6	Average	8.3	Average	49.9	Average	190.2	
<b>UI</b> <b>NORTH AM SMALL COS</b>	Artemis US Smaller Companies I Acc GBP	-1.5	T. Rowe Price US Smrl Cm Eq Q GBP*	17.2	T. Rowe Price US Smrl Cm Eq Q GBP*	13.0	Artemis US Smaller Companies I Acc GBP	73.3	T. Rowe Price US Smrl Cm Eq Q GBP*	235.7
	Neuberger Berman US Sm Cap EUR I2 Acc*	-1.8	Neuberger Berman US Sm Cap EUR I2 Acc*	16.0	Brown Advisory US Smaller Companies £ B*	11.7	T. Rowe Price US Smrl Cm Eq Q GBP*	59.0	Threadneedle AmerSmrlComs(Inst)AccGBP	194.0
	Number of funds	12	Number of funds	12	Number of funds	11	Number of funds	10	Number of funds	4
	Average	-3.8	Average	11.4	Average	2.1	Average	45.0	Average	178.9
<b>V</b> <b>EUROPE EXCL UK</b>	BlackRock Continental Eurp Inc D Acc	1.0	ASI Eurp ex UK Eq I Acc	20.0	ASI Eurp ex UK Eq I Acc	8.0	LF Miton European Opportunities B Acc	67.2	Man GLG Continental Eurp Gr Prf Acc C	204.0
	FP Argonaut European Alpha R GBP Acc	0.5	LF Miton European Opportunities B Acc	19.5	BlackRock Continental Eurp Inc D Acc	7.7	Jupiter European I Inc	52.8	Jupiter European I Inc	186.0
	ASI Eurp ex UK Inc Eq Plfwm 1 Acc £ UnH	0.2	Threadneedle European Sel Ins Acc GBP	17.6	T. Rowe Price Continental Eurp Eq C GBP	7.4	ASI Eurp ex UK Eq I Acc	50.8	BlackRock European Dynamic D Acc	161.8
	Polar Cptl Eurp Ex UK Inc I EUR Acc*	0.1	Threadneedle European Sel Rtl Acc GBP	17.3	Fidelity European W Acc	6.7	Fidelity European W Acc	42.0	Marlborough European Multi-Cap B Inc	158.0
	ASI Eurp ex UK Eq I Acc	0.1	FP Argonaut European Alpha R GBP Acc	16.8	T. Rowe Price Continental Eurp Eq Q GBP*	6.7	BlackRock European Dynamic D Acc	40.9	Baillie Gifford European B Acc	155.9
	SLI European Trust II Ret Acc	-0.4	BlackRock European Dynamic D Acc	16.5	Threadneedle European Ins Acc GBP	6.5	BlackRock Continental Euro D Acc	39.0	BlackRock Continental Euro D Acc	147.5
	Number of funds	80	Number of funds	79	Number of funds	79	Number of funds	76	Number of funds	58
Average	-1.9	Average	11.0	Average	0.3	Average	28.0	Average	118.7	
<b>VI</b> <b>EURO SMALL COS</b>	SLI European Smaller Coms A Acc GBP*	-1.8	Barings Europe Select I GBP Inc	11.7	Barings Europe Select I GBP Inc	0.2	ASI Eurp Smrl Coms I Acc	54.4	Barings Europe Select I GBP Inc	189.0
	Pictet-Small Cap Europe I GBP*	-2.5	ASI Eurp Smrl Coms I Acc	11.6	ASI Eurp Smrl Coms I Acc	-0.8	Janus Henderson European Smr Coms A Acc	45.1	Janus Henderson European Smr Coms A Acc	180.5
	JPM European Small Cap A (dist) EUR*	-2.8	Threadneedle Eurp Smrl Coms Ins Acc GBP	9.9	Threadneedle Eurp Smrl Coms Ins Acc GBP	-3.3	Threadneedle Eurp Smrl Coms Ins Acc GBP	35.9	SLI European Smaller Coms A Acc GBP*	176.8
	Number of funds	13	Number of funds	13	Number of funds	13	Number of funds	13	Number of funds	12
	Average	-3.9	Average	6.0	Average	-8.1	Average	27.6	Average	151.2



# INVESTMENT FUNDS TOP PERFORMERS

## GLOBAL EMERGING MARKETS



**A**ugust was a bad month for emerging markets: the MSCI Emerging Markets index fell 5% over the month, while the

IA Global Emerging Market sector lost 4.9%. One key driver of this poor performance was the escalating trade war between the US and China. In

early August China's currency depreciated to move above 7 yuan to the dollar. This was widely seen as a response by Chinese authorities to US

threats to impose tariffs on another US\$300 billion of Chinese goods, sparking fears of the trade war turning into a currency war. **TOM BAILEY**

### PERFORMANCE OF SELECTED BENCHMARK INDICES TO 1 SEPTEMBER 2019

	Percentage return after:						Percentage return after:						Percentage return after:				
	1 month	6 months	1 year	3 years	7 years		1 month	6 months	1 year	3 years	7 years		1 month	6 months	1 year	3 years	7 years
BB Barclays Global Aggregate Corporate TR	2.47	17.65	16.39	19.64	62.97	FTSE EPRA Nareit UK TR	2.33	-2.21	-3.89	5.20	75.29	FTSE World Ex Japan TR	-1.77	13.25	7.75	44.22	153.39
BB Barclays Global Aggregate Govt TR	2.92	16.36	15.07	12.70	37.94	FTSE Emerging TR	-4.16	4.51	2.91	18.69	37.43	FTSE World Europe Ex UK TR	-1.35	12.24	4.80	33.92	118.40
BB Barclays Sterling Gilts TR	3.74	11.14	11.78	7.33	37.76	FTSE World Govt Bond 3-5 Yr Hdg TR	1.12	3.51	5.04	3.56	13.60	FTSE All World North America TR	-1.17	15.62	9.72	52.89	201.62
BB Barclays UK Govt Inflation Linked TR	4.52	17.57	18.27	15.75	78.54	FTSE Global Large Cap TR	-2.57	8.88	4.11	29.33	89.81	FTSE World TR	-1.67	12.92	7.08	42.66	151.16
Dow Jones Industrial Average TR	-0.79	12.66	11.12	65.69	212.25	FTSE Global Small Cap NR	-2.88	7.94	-1.22	31.48		FTSE World Ex UK TR	-1.54	13.44	7.41	44.27	159.00
FTSE 250 Ex Investment Trust TR	-0.90	2.26	-4.98	16.15	103.74	FTSE Japan TR	-0.55	9.45	0.17	27.17	130.57	MSCI EM (Emerging Markets) GR	-4.33	4.38	2.47	28.64	64.45
FTSE AW Latin America TR	-6.43	4.12	19.04	28.95	16.86	FTSE Small Cap NR	-2.70	1.00	-4.75	20.37	109.59	NASDAQ Composite TR	-1.93	16.09	5.96	69.73	268.08
FTSE All Small TR	-2.71	0.41	-5.31	20.46	111.84	FTSE Sterling Corporate Bond TR	-1.38	-3.88	-2.57	14.96	29.48	Russell 2000 TR	-4.42	4.38	-7.04	35.04	164.35
FTSE All World TR	-1.78	12.51	6.88	41.84	147.73	FTSE UK Equity Income TR	-4.96	-2.55	-7.52	-5.56	11.87	S&P 500 TR	-1.05	15.93	9.84	53.95	213.91
FTSE All Share TR	-3.57	4.28	0.44	20.20	72.07	FTSE UK Private Investor Balanced TR	-0.75	7.58	5.48	23.52	80.52	Consumer Prices Index*	0.01	1.54	2.06	7.34	12.86
FTSE All World Greater China TR	-4.03	4.12	2.30	33.11	120.86	FTSE UK Private Investor Growth TR	-1.24	8.68	5.48	28.29	92.94						
FTSE BRIC 50 PR	-6.02	1.63	5.34	30.11	55.79	FTSE UK Private Investor Income TR	-0.19	7.14	5.75	19.19	65.85						
FTSE EPRA Nareit Global TR	1.43	15.27	15.69	27.39	119.43	FTSE World Asia Pacific Ex Japan TR	-4.20	6.27	1.92	30.23	83.31						

Notes: TR = total return. CR = capital return. Further indices in share section. \*To 31/07/2019. CPI data are now published a month out of date, as the Office for National Statistics has changed the monthly release date. It now falls just after our press day.

### TOP PERFORMERS IN EACH SECTOR: TOTAL RETURN

Source: Morningstar

	After 1 month	%	After 6 months	%	After 1 year	%	After 3 years	%	After 7 years	%	
<b>V2</b> EUROPE INCL UK	Threadneedle Pan Eurp Focus Ins Acc GBP	1.1	Threadneedle Pan Eurp Focus Ins Acc GBP	24.0	Threadneedle Pan Eurp Focus Ins Acc GBP	16.8	Threadneedle Pan Eurp Focus Ins Acc GBP	45.5	JPM Europe Strategic Growth A (dist) GBP*	170.5	
	SLI European Equity Uncons A Acc GBP*	-0.1	JPM Europe Strategic Growth A (dist) GBP*	17.0	JPM Europe Strategic Growth A (dist) GBP*	4.6	JPM Europe Strategic Growth A (dist) GBP*	37.5	Threadneedle Pan Eurp Focus Ins Acc GBP	143.3	
	JPM Europe Strategic Growth A (dist) GBP*	-0.1	Wellington Strategic Eurp Eq S EUR Acc*	12.9	Tideway European Equity Income A GBP Acc*	3.0	Wellington Strategic Eurp Eq S EUR Acc*	28.1	Wellington Strategic Eurp Eq S EUR Acc*	129.4	
	Tideway European Equity Income A GBP Acc*	-1.1	Hermes European Alpha Equity F EUR Acc	12.2	Vanguard SRI European Stock GBP Acc	2.3	Vanguard SRI European Stock GBP Acc	26.0	M&G Pan European Select GBP R Acc	106.9	
	Hermes European Alpha Equity F EUR Acc	-1.4	SLI European Equity Uncons A Acc GBP*	12.0	Wellington Strategic Eurp Eq S EUR Acc*	0.9	M&G Pan European Select GBP R Acc	24.7	Vanguard SRI European Stock GBP Acc	90.6	
	Number of funds	10	Number of funds	10	Number of funds	10	Number of funds	9	Number of funds	8	
	Average	-1.8	Average	10.6	Average	0.7	Average	24.6	Average	108.5	
<b>X</b> MONEY MARKET	ASI Stlg Money Market A Acc	0.0	ASI Stlg Money Market A Acc	0.4	ASI Stlg Money Market A Acc	0.7	ASI Stlg Money Market A Acc	1.2	Invesco Money UK Acc	1.9	
	Invesco Money UK Acc	0.0	Invesco Money UK Acc	0.3	Invesco Money UK Acc	0.4	Invesco Money UK Acc	0.6	ASI Stlg Money Market A Acc	1.8	
	Number of funds	2	Number of funds	2	Number of funds	2	Number of funds	2	Number of funds	2	
	Average	0.0	Average	0.3	Average	0.5	Average	0.9	Average	1.8	
<b>X1</b> SHORT TERM MONEY MKT	L&G Cash Trust L Acc	0.1	L&G Cash Trust L Acc	0.4	L&G Cash Trust L Acc	0.8	L&G Cash Trust L Acc	1.7	Fidelity Cash Y Acc	1.6	
	Fidelity Cash Y Acc	0.0	Fidelity Cash Y Acc	0.3	Fidelity Cash Y Acc	0.7	Fidelity Cash Y Acc	1.2	Fidelity Cash Y Acc	1.6	
	Number of funds	3	Number of funds	3	Number of funds	3	Number of funds	2	Number of funds	1	
	Average	0.0	Average	0.4	Average	0.7	Average	1.5	Average	1.6	
<b>Y</b> TARGETED ABSOLUTE RETURN	Polar Capital UK Absolute Eq I GBP*	7.2	Polar Capital UK Absolute Eq I GBP*	16.3	H2O Multireturns N/A GBP	20.1	Polar Capital UK Absolute Eq I GBP*	63.0	VT iFunds Absolute Return Orange A Acc	52.2	
	Winton Absolute Return Futures I GBP Acc*	4.6	Hermes Absolute Ret Crdt F USD Acc	12.8	Hermes Absolute Ret Crdt F USD Acc	12.2	H2O Multireturns N/A GBP	37.6	Schroder UK Dynamic Abs Ret P2 GBP Acc	49.9	
	Kames UK Equity Absolute Ret GBP D Acc	1.6	Newton Real Return B Acc	8.7	Newton Real Return B Acc	8.7	Merian UK Specialist Equity R GBP Acc*	18.8	BNY Mellon Mlt-Asst Divers Ret B Acc	49.3	
	Aviva Investors Mlt-Strat Trgt Ret 1£Acc	1.6	Winton Absolute Return Futures I GBP Acc*	8.3	Winton Absolute Return Futures I GBP Acc*	6.0	Hermes Absolute Ret Crdt F USD Acc	17.7	Smith & Williamson Enterprise C*	45.8	
	AHFM Total Return A GBP Acc*	1.6	VT iFunds Absolute Return Green A Acc	7.7	BNY Mellon Global Dynamic Bd B Acc	5.8	Schroder UK Dynamic Abs Ret P2 GBP Acc	17.4	Janus Henderson UK Absolute Return I Acc	44.5	
	Newton Real Return B Acc	1.6	VT iFunds Absolute Return Orange A Acc	7.2	M&G Absolute Return Bond GBP PP Acc	5.5	BNY Mellon Mlt-Asst Divers Ret B Acc	16.2	IFSL Brooks Macdonald Def Cap A Acc	42.7	
	BNY Mellon Global Absolute Ret B Acc	1.3	BNY Mellon Global Absolute Ret B Acc	6.4	BNY Mellon Global Absolute Ret B Acc	4.9	BlackRock Gbl Long/Short Eq D Acc	15.7	Barings Multi Asset I GBP Acc	39.1	
	VT iFunds Absolute Return Green A Acc	1.2	H2O Multireturns N/A GBP	5.8	BlackRock Emerging Mkts Abs Alpha D Acc	4.4	Sanlam Multi Strat Founder GBP Acc*	14.8	Baillie Gifford Diversified Gr B1 Acc	36.4	
	Number of funds	59	Number of funds	59	Number of funds	59	Number of funds	53	Number of funds	30	
	Average	-0.1	Average	2.6	Average	1.3	Average	6.9	Average	23.7	
<b>Y1</b> VOLATILITY MANAGED	IFSL Sinfonia Income Portfolio A Acc	1.1	BlackRock Volatility Strategy I C Acc	8.7	L&G Multi-Index Income 4 R Acc	7.2	HSBC Global Strategy Dynamic Retl X Acc	29.6	HSBC Global Strategy Dynamic Retl X Acc	102.9	
	Aviva Investors Multi-asset I R2 GBP Acc	1.1	IFSL Sinfonia Income Portfolio A Acc	8.5	HSBC Global Strategy Cautious Retl X Acc	7.1	BlackRock Volatility Strategy IV C Acc	28.3	Rathbone Multi Asset Enhanced Gr S Acc	90.9	
	HSBC Global Strategy Cautious Retl X Acc	0.9	IFSL Sinfonia Cautious Managed A Acc	8.3	L&G Multi-Index 3 R Acc	7.0	Rathbone Multi Asset Enhanced Gr S Acc	27.4	Aviva Investors Multi-Asset V R2 GBP Acc	86.5	
	Santander Atlas Portfolio 3 IA	0.5	Aviva Investors Multi-Asset V R2 GBP Acc	8.0	BMO Universal MAP Cautious C Acc	6.9	Aviva Investors Multi-Asset V R2 GBP Acc	25.4	Aviva Investors Multi-Asset IV R2 £ Acc	81.8	
	BMO Universal MAP Cautious C Acc	0.4	BlackRock Volatility Strategy II C Acc	7.9	IFSL Sinfonia Income Portfolio A Acc	6.7	BlackRock Volatility Strategy III C Acc	25.4	Santander Atlas Portfolio 7 IA	81.1	
	L&G Multi-Index 3 R Acc	0.2	L&G Multi-Index 5 R Acc	7.8	L&G Multi-Index 4 R Acc	6.5	LF Prudential Risk Managed Pasv 5 P Acc	24.7	HSBC Global Strategy Balanced Retl X Acc	80.1	
	SVS Cornelian Defensive F Acc	0.1	L&G Multi-Index 6 R Acc	7.6	BlackRock Volatility Strategy I C Acc	6.5	Santander Atlas Portfolio 7 IA	23.0	IFSL Sinfonia Adventurous Growth A Acc	72.4	
	BMO MM Lifestyle 3 B Acc	0.1	L&G Multi-Index 7 R Acc	7.6	BMO Universal MAP Balanced C Acc	6.4	HSBC Global Strategy Balanced Retl X Acc	23.0	LF Prudential Risk Managed Actv 5 R Acc	70.0	
	SVS Cornelian Defensive RMP G GBP Acc	0.0	BlackRock Volatility Strategy III C Acc	7.6	L&G Multi-Index 5 R Acc	6.0	BlackRock Volatility Strategy II C Acc	21.8	Aviva Investors Multi-asset III R2 £ Acc	69.3	
	Invesco Balanced Risk 8 UK (NoTrail) Acc	0.0	Santander Atlas Portfolio 7 IA	7.5	BMO Universal MAP Growth C Acc	5.9	Aviva Investors Multi-Asset IV R2 £ Acc	20.6	IFSL Sinfonia Balanced Managed A Acc	67.8	
	Number of funds	65	Number of funds	65	Number of funds	65	Number of funds	49	Number of funds	28	
	Average	-1.4	Average	6.3	Average	3.8	Average	16.7	Average	59.5	
	<b>Z</b> PROPERTY	ASI Gbl Real Estate Plfm 1 Acc £ UnH	3.6	Schroder Global Cities Real Estt L £ Acc	19.6	GlobalAccess Global Prpty Secs I Acc USD*	23.6	SKAGEN m2 B*	38.9	ASI Eurpan Real Estate I Acc	132.7
		ASI Gbl Real Estate Plfm 1 Acc £ UnH	2.3	First State Gbl Prpty Secs B Acc GBP	17.8	Schroder Global Cities Real Estt L £ Acc	18.5	Schroder Global Cities Real Estt L £ Acc	31.3	ASI UK Real Estate I Acc	129.1
		First State Gbl Prpty Secs B Acc GBP	2.2	Schroder Gbl Cities Real Estt Inc L Acc	16.9	First State Asian Prpty Secs B Acc GBP	17.1	ASI Eurpan Real Estate I Acc	30.3	Premier Pan Europe Prop Share C Acc	126.1
ASI UK Real Estate I Acc		2.1	Fidelity Global Property W Acc	16.9	BMO Global Real Estate Securities 2 Acc	16.0	ASI UK Real Estate I Acc	28.8	Fidelity Global Property W Acc	114.7	
Schroder Global Cities Real Estt L £ Acc		2.1	BMO Global Real Estate Securities 2 Acc	16.8	Scot Wid MM Global Rel Est Sec C GBP	16.6	Fidelity Global Property W Acc	27.8	iShares Gbl Prpty Secs Eq Idx (UK) D Acc	113.0	
ASI Eurpan Real Estate I Acc		1.9	Scot Wid MM Global Rel Est Sec C GBP	16.5	iShares Gbl Prpty Secs Eq Idx (UK) D Acc	15.6	First State Asian Prpty Secs B Acc GBP	27.4	Scot Wid MM Global Rel Est Sec C GBP	109.4	
Premier Pan Europe Prop Share C Acc		1.7	iShares Gbl Prpty Secs Eq Idx (UK) D Acc	15.9	First State Gbl Prpty Secs B Acc GBP	15.6	Scot Wid MM Global Rel Est Sec C GBP	24.7	First State Gbl Prpty Secs B Acc GBP	100.1	
JPM Global Property Securities C Acc		1.7	ASI Eurpan Real Estate I Acc	15.7	Fidelity Global Property W Acc	15.4	First State Gbl Prpty Secs B Acc GBP	24.4	First State Asian Prpty Secs B Acc GBP	95.6	
Number of funds		25	Number of funds	25	Number of funds	25	Number of funds	24	Number of funds	14	
Average		1.0	Average	10.5	Average	9.6	Average	19.1	Average	93.5	
<b>Z1</b> UK DIRECT PROPERTY	MGTS St Johns Property Athrsd Tr GBP Acc	0.5	VT Redlands Prpty A GBP Acc	2.5	L&G UK Property Feeder Acc	3.3	L&G UK Property Feeder Acc	25.5	Janus Henderson UK Pty PAIF Feeder I Inc	54.9	
	Kames Property Income GBP B Net Inc	0.3	L&G UK Property Feeder Acc	1.8	VT Redlands Prpty A GBP Acc	2.8	L&G UK Property Feeder F Acc	21.5	Threadneedle UK Prpty Athrsd Tr INA	42.5	
	L&G UK Property Feeder Acc	0.3	Janus Henderson UK Pty PAIF Feeder I Inc	1.3	Janus Henderson UK Pty PAIF Feeder I Inc	2.4	Janus Henderson UK Pty PAIF Feeder I Inc	20.6	Aberdeen UK Property Feeder UT I Acc	40.6	
	Kames Property Inc Feeder(Acc) GBP B Acc	0.3	Threadneedle UK Prpty Athrsd Invmt IGA	1.1	L&G UK Property Feeder F Acc	1.9	SLI UK Real Estate Acc Feeder Inst Acc	15.9	SLI UK Real Estate Acc Feeder Inst Acc	39.0	
	Kames Property Income GBP B Net Acc	0.3	L&G UK Property Feeder F Acc	1.1	SLI UK Real Estate Acc Feeder Inst Acc	0.4	Kames Property Inc Feeder(Acc) GBP B Acc	15.7	M&G Property Portfolio GBP I Acc	35.7	
	Threadneedle UK Prpty Athrsd Invmt IGA	0.2	Kames Property Income GBP B Net Inc	1.0	M&G Property Portfolio GBP I Acc	-2.3	Kames Property Income GBP B Net Acc	15.6	M&G Feeder of Property GBP I Acc	34.9	
	Janus Henderson UK Pty PAIF Feeder I Inc	0.2	Kames Property Income GBP B Net Acc	0.8	M&G Feeder of Property GBP I Acc	-2.3	Threadneedle UK Prpty Athrsd Invmt IGA	15.6	Number of funds	6	
	Threadneedle UK Prpty Athrsd Tr INA	0.2	Kames Property Inc Feeder(Acc) GBP B Acc	0.8	Aberdeen UK Property Feeder UT I Acc	-3.4	Kames Property Income GBP B Net Inc	15.0	Average	41.3	
	Number of funds	16	Number of funds	15	Number of funds	15	Number of funds	14			
	Average	-0.8	Average	-0.6	Average	-1.9	Average	15.4			
<b>GREEN/ETHICAL</b>	JPM Sterling Corporate Bond C Grs Acc	2.0	Majedie Asset Mgmt US Equity B GBP Acc	20.5	Majedie Asset Mgmt US Equity B GBP Acc	17.3	Fidelity Global Technology W-Acc-GBP	81.7	Fidelity Global Technology W-Acc-GBP	314.4	
	Sarasin Responsible Corporate Bond P Acc	1.9	JPM Japan C Net Acc	18.0	JPM Emerging Markets B Net Acc	14.6	Baillie Gifford Global Stewardship B Acc	59.5	JPM Japan C Net Acc	205.1	
	BMO Responsible Sterling Corp Bd 2 Acc	1.9	Royal London Sustainable World C Acc	17.4	Hermes Multi-Strategy Credit F EUR Acc	14.2	Majedie Asset Mgmt US Equity B GBP Acc	55.8	JPM US Select C Net Acc	204.5	
	Royal London Sustainable Mgd Inc C Acc	1.8	Sarasin Responsible Global Equity P Acc	17.0	Fidelity Global Technology W-Acc-GBP	14.0	BMO Responsible Global Equity 4 Acc	53.7	Pictet-Security I dy GBP	183.7	
	Kames Ethical Corporate Bond GBP D Acc	1.8	Pictet-Security I dy GBP	16.7	Royal London Sustainable World C Acc	12.9	JPM Asia Growth C Net Acc	53.4	Janus Henderson Global Sust Eq I Acc	176.7	
	Majedie Asset Mgmt US Equity B GBP Acc	1.7	Royal London Sustainable Leaders C Acc	16.0	Hermes Absolute Ret Crdt F USD Acc	12.2	Liontrust Sust Fut Gbl Gr 2 Net Acc	53.2	BMO Responsible Global Equity 2 Acc	165.4	
	RLBF II Royal London Ethical Bond R Acc	1.7	BMO Responsible Global Equity 4 Acc	15.9	JPM Emerging Markets Income C Net Inc	11.3	JPM US Select C Net Acc	50.6	Royal London Sustainable World C Acc	159.8	
	Liontrust Sust Fut Corp Bd 6 Grs Acc	1.2	BMO Responsible Global Equity 2 Acc	15.4	JPM Global Equity Income C Net Acc	11.2	JPM US Select Equity I (dist) USD	50.3	Liontrust Sust Fut Gbl Gr 2 Net Acc	154.1	
	Trojan Ethical Fund S Acc	1.2	M&G Global Select GBP R Acc	15.3	Royal London Sustainable Leaders C Acc	11.0	BMO Responsible Global Equity 2 Acc	50.2	Hermes Global Equity F USD Acc	152.8	
	Rathbone Ethical Bond I Acc	1.1	Fidelity Global Technology W-Acc-GBP	15.2	Liontrust Sust Fut Gbl Gr 2 Net Acc	10.7	Royal London Sustainable World C Acc	49.0	JPM Asia Growth C Net Acc	144.5	
	Number of funds	115	Number of funds	111	Number of funds	103	Number of funds	99	Number of funds	70	
	Average	-2.1	Average	8.7	Average	3.4	Average	28.6	Average	108.2	



## HOW EACH FUND HAS PERFORMED OVER FIVE PERIODS - PLUS RANKINGS AND RATINGS

Source: Morningstar

Total Return	Sec- tor	Price p	12m yld %	1 mth %	6 mths %	1 yr Rank	3 yrs Rank	7 yrs Rank	OCF %	Morningstar Rating	Total Return	Sec- tor	Price p	12m yld %	1 mth %	6 mths %	1 yr Rank	3 yrs Rank	7 yrs Rank	OCF %	Morningstar Rating						
7IM AAP Adventurous C Acc	L	184.9	1.6	-2.7	5.4	1.0	46	18.6	53	79.7	31	0.69	***	Artemis European Opportunities I Acc	V	113.7	1.8	-1.8	7.5	-3.2	67	28.6	33	127.2	15	0.86	****
7IM AAP Balanced C Acc	J	169.5	1.5	-0.8	5.0	2.5	61	11.9	72	49.1	47	0.62	***	Artemis Global Emerging Mkts I Acc GBP	O	141.0	2.7	-5.7	4.0	3.4	39	35.1	11	0.95	*****		
7IM AAP Income C Acc	I	186.1	2.5	-0.9	4.5	4.3	19	11.3	12	41.0	8	0.83	***	Artemis Global Energy I Acc	P	34.3		-3.6	1.4	-10.0	106	20.4	56	-22.3	75	0.95	***
7IM AAP Moderately Adventurous C Acc	K	183.1	1.4	-1.7	5.4	1.8	76	17.1	72	67.8	41	0.65	***	Artemis Global Equity Income I Acc GBP	M1	125.3		-4.9	4.0	-7.5	40	19.9	36			0.90	**
7IM AAP Moderately Cautious C Acc	I	153.5	1.5	0.1	4.9	3.0	32	6.8	36	32.9	15	0.64	***	Artemis Global Growth I Acc	M	292.5	2.1	-5.2	4.0	-0.9	160	31.7	117	161.2	29	0.87	****
7IM Adventurous C Acc	L	263.0	0.6	-3.5	2.6	-2.9	84	14.5	64	77.4	38	1.53	**	Artemis Global Income I Acc	M1	134.1		-5.0	3.4	-7.5	42	20.1	35	131.3	7	0.83	**
7IM Balanced C Acc	J	226.6	1.3	-1.3	3.8	0.3	98	9.8	87	46.8	50	1.34	**	Artemis Global Income I Inc	M1	94.7		-5.0	3.4	-7.5	41	20.1	34	131.4	6	0.83	**
7IM Cautious C Acc	I	109.8	1.2	0.9	5.5	4.9	13	8.7	27			0.79	***	Artemis Global Select I Acc	M	131.1	0.7	-1.2	17.1	9.9	36	47.2	35	163.2	28	0.90	****
7IM Moderately Adventurous C Acc	K	262.3	0.8	-2.6	3.4	-1.2	98	13.6	89	64.7	50	1.44	**	Artemis High Income I Acc	F	102.4	5.0	0.0	3.2	2.0	54	12.7	19	68.4	6	0.72	*****
7IM Moderately Cautious C Acc	I	195.9	1.7	-0.3	4.0	1.7	42	5.4	37	32.0	16	1.32	***	Artemis High Income I Inc	F	79.9	5.6	0.0	3.2	2.0	55	12.7	20	68.4	7	0.72	*****
7IM Personal Injury C Acc	I	151.8	1.4	0.8	5.3	4.8	14	9.2	25	32.9	14	0.63	***	Artemis Income I Acc	B	474.8		-2.2	6.0	0.7	9	19.8	4	84.6	22	0.80	****
7IM Real Return S Acc	Y	129.0		-0.6	2.3	1.1	27	9.1	17			0.74	***	Artemis Monthly Distribution I Acc	J	97.4	4.1	-1.1	6.3	1.3	82	16.4	20	96.3	2	0.84	*****
7IM Sustainable Balance C Acc	J	171.5	1.9	0.2	7.5	5.1	29	15.4	31	60.2	19	1.44	****	Artemis Monthly Distribution I Inc	J	72.4	4.2	-1.1	6.3	1.4	80	16.5	19	96.7	1	0.84	*****
Aberdeen Asia Pacific and Japan Eq I Acc	T1	169.0	1.1	-3.9	9.6	5.9	1	28.5	4	74.2	5	1.14	*****	Artemis Strategic Assets I Acc	L	78.3	0.5	-2.8	-8.0	-14.3	92	-3.9	79	20.9	54	0.87	*
Aberdeen Asia Pacific Equity I	T	312.5		-4.7	9.5	6.8	15	32.9	24	67.9	35	1.21	*****	Artemis Strategic Bond I Quarterly Acc	F	105.1	3.4	1.1	5.4	5.3	34	13.4	17	53.2	14	0.59	****
Aberdeen Corporate Bond I GBP Acc	E	206.3		2.0	9.0	9.5	20	9.1	39	52.8	14	0.59	*****	Artemis UK Select I Acc	A	535.1	2.8	-4.5	0.2	-9.3	155	18.6	85	82.2	76	0.86	***
Aberdeen Diversified Growth I Acc	P	133.4	3.9	-2.1	0.3	-1.3	88	11.0	80			0.68	***	Artemis UK Smaller Companies I Acc	C	1720	2.2	-0.9	5.7	-7.6	18	34.8	16	123.9	27	0.86	****
Aberdeen Diversified Income I Acc	J	136.8	5.2	-2.3	0.2	-1.3	112	6.5	98	38.5	65	0.78	***	Artemis UK Special Situations I Acc	A	601.5	2.9	-3.1	1.3	-8.5	150	1.5	163	58.8	126	0.86	**
Aberdeen Eastern European Equity I Acc	P	353.1		-4.0	19.3	25.9	7	29.0	31	45.2	55	0.94	****	Artemis US Equity I Acc GBP	U	227.5	0.3	-0.2	19.9	13.6	14	66.3	9	0.90	*****		
Aberdeen Emerging Markets Bond I Acc	N1	122.9	6.5	-0.7	5.5	11.0	17	9.1	15	32.4	3	0.91	*	Artemis US Extended Alpha I Acc GBP	U	244.9	0.0	0.0	19.5	13.2	15	64.4	12	0.87	***		
Aberdeen Emerging Markets Equity I Acc	O	813.9		-5.6	7.6	8.9	9	17.5	50	50.6	40	1.21	***	Artemis US Select I Acc GBP	U	240.9		0.4	22.4	15.2	10	77.6	6	0.87	*****		
Aberdeen Ethical World Equity I Acc	M	307.1	0.7	-3.5	10.0	5.5	92	30.9	121	77.1	122	1.12	**	Artemis US Smaller Companies I Acc GBP	U1	256.2	0.0	-1.5	15.5	5.4	3	73.3	1	0.89	*****		
Aberdeen Euro Corporate Bond I Acc	N	213.4	0.8	-0.3	12.0	8.0	35	14.2	21	49.3	14	0.61	*****	ASI Strategic Bd I Acc	F	163.2	3.4	0.5	5.1	5.6	26	11.2	31	43.5	20	0.61	****
Aberdeen European Equity I	V	234.8		0.1	20.0	8.0	1	50.8	3	123.5	19	0.87	*****	ASI Target Ret Bd I Gross Acc	Y	109.5	2.4	1.0	2.7	1.8	23	5.4	26	8.5	25	0.61	**
Aberdeen European High Yield Bond I Acc	G	147.8		0.8	5.0	3.0	13	12.4	16	62.9	6	0.81	*****	Aviva Investors Contn Eurp Eq 2 GBP Acc	V	371.9	1.7	-3.3	8.9	-5.1	70	17.1	74	120.6	22	0.85	***
Aberdeen European Property Share I Acc	Z	193.2	2.7	1.9	15.7	8.7	14	30.3	3	132.7	1	0.85	*****	Aviva Investors Distribution 2 GBP Acc	J	249.8	3.3	0.2	7.5	5.8	20	11.6	76			0.73	****
Aberdeen European Smllr Coms Eq I Acc	V1	215.7	0.8	-4.3	11.6	-0.8	2	54.4	1	124.5	10	0.87	*****	Aviva Investors Global Eq Inc 2 GBP Acc	M1	193.4	2.7	-2.5	12.6	8.8	19	38.1	6	128.3	10	0.92	****
Aberdeen Global Asn Smllr Coms A Acc USD*	T	363.7		-3.0	8.8	5.1	23	16.1	61	50.5	38	1.99	*****	Aviva Investors Intl Idx Tr 2 £ Acc	M	206.5		-3.0	12.7	6.6	72	40.8	65	146.9	52	0.31	****
Aberdeen Global Emerging Mkts Quant Eq B	O	212.5	2.1	-5.2	3.0	1.2	51	26.9	25	58.4	32	0.60	***	Aviva Investors Mlt-Strat Trgt Ret 1£Acc	Y	108.7	0.8	1.6	4.3	2.0	20	0.8	42			1.10	**
Aberdeen Global High Yield Bond I Acc	G	175.6		0.5	4.1	4.2	9	13.0	14	39.5	13	0.75	***	Aviva Investors Monthly Inc Pls R2 £ Acc	E	148.3		1.9	8.8	9.5	21	9.2	35	53.9	11	0.63	****
Aberdeen Japan Equity I	R	252.1	0.8	-1.2	10.9	-1.4	25	10.8	41	106.5	28	0.87	****	Aviva Investors Multi-asset I R2 GBP Acc	Y1	130.4	1.0	1.1	5.6	5.7	13	7.4	49	31.1	27	0.55	***
Aberdeen Latin American Equity I Acc	P	120.8		-10.0	2.3	21.7	13	26.4	40	25.8	60	1.19	****	Aviva Investors Multi-Asset II R2 £ Acc	Y1	151.7	1.3	-0.5	7.1	5.2	17	13.8	33	52.4	18	0.55	***
Aberdeen MM Diversity D Acc	J	146.1	1.2	-0.6	6.8	4.4	39	14.2	48	43.5	55	1.37	****	Aviva Investors Multi-asset III R2 £ Acc	Y1	168.4	1.3	-1.5	7.2	4.4	26	17.7	21	69.3	9	0.56	***
Aberdeen Multi-Asset I	K	321.0	1.1	-1.4	8.9	5.2	36	24.8	26	66.7	45	0.94	****	Aviva Investors Multi-Asset IV R2 £ Acc	Y1	180.3	1.8	-2.5	7.2	3.5	36	20.6	10	81.8	4	0.55	***
Aberdeen Multi-Mgr Balanced Mgd I Acc	K	169.8	1.4	-2.0	7.7	3.0	58	20.3	48	72.7	33	1.37	***	Aviva Investors Multi-Asset V R2 GBP Acc	Y1	184.5	1.7	-3.7	8.0	2.7	48	25.4	4	86.5	3	0.58	****
Aberdeen Multi-Mgr Cautious Mgd I Acc	J	155.2	1.9	-0.9	7.9	5.1	27	17.2	14	57.8	21	1.33	****	Aviva Investors Multi-Asset V 20-60% 2 £Acc	J	143.7	0.9	-0.5	7.4	4.6	35	15.1	35	55.7	26	1.40	****
Aberdeen Multi-Mgr Equity Mgd Ptf I Acc	L	184.1	0.7	-3.2	8.2	1.8	37	23.6	32	88.0	21	1.45	***	Aviva Investors Multi-Asset V 40-85% 2 £Acc	K	148.8	0.6	-2.0	7.5	3.4	50	20.5	47	76.4	26	1.50	***
Aberdeen Multi-Mgr Ethical I Acc	P	205.9		-4.6	7.4	0.4	83	23.6	44	108.2	21	1.56	***	Aviva Investors Multi-Mgr Flexible 2£Acc	L	159.2		-2.7	8.0	2.8	30	24.9	27	91.5	17	1.56	*****
Aberdeen Multi-Mgr Multi Asset Dist I	J	151.2	3.3	-1.8	5.9	2.5	60	13.7	53	54.7	31	1.46	****	Aviva Investors UK Equity Income 2 £ Acc	B	205.6		-3.2	4.9	-1.0	17	16.6	14	82.0	23	0.81	****
Aberdeen North American Equity I	U	3300		-2.5	16.7	12.3	18	50.7	35	167.0	45	0.87	***	Aviva Investors UK Lstd Eq Uncons2GBP Acc	A	281.7	3.2	-5.2	-4.4	-8.4	148	8.8	151	66.4	116	0.83	***
Aberdeen Property Share I Acc	Z	223.8	1.8	2.1	8.1	6.1	19	28.8	4	129.1	2	0.85	***	Aviva Investors UK Lstd S&M Cap2 GBP Acc	A	300.2	1.7	-2.4	6.9	-3.7	97	26.6	30	83.1	74	0.83	****
Aberdeen Responsible UK Equity I Acc	A	175.5		-3.2	9.2	3.7	15	30.8	20	80.4	81	0.87	****	Aviva Investors UK Smaller Coms 2 £ Acc	C	631.7	1.0	-3.3	6.6	-6.4	12	28.3	23	115.6	30	0.89	***
Aberdeen Sterling LD Corp Bd I GBP Acc	E	113.1	1.7	2.4	8.1	13.6	6					0.70	***	Aviva Investors US Eq Inc 2 GBP Acc	U	267.4		-2.4	11.4	6.1	61	31.2	67	152.8	51	0.88	***
Aberdeen Sterling LD Govt Bd I GBP Acc	D	354.2		8.7	19.4	20.2	1	12.1	1	70.3	1	0.50	*****	Aviva Investors US Equity Inc II 2 £ Acc	U	204.0		-2.4	11.5	6.3	59	30.5	69			0.88	***
Aberdeen Sterling Money Market A Acc	X	112.7	0.6	0.0	0.4	0.7	1	1.2	1	1.8	2	0.25	***	AXA Defensive Distribution Z Acc Gross	I	212.9	1.8	0.9	6.9	5.1	12	9.0	26	39.9	9	0.77	****
Aberdeen Sterling Opps Corp Bd I Acc	F	149.2	2.6	0.5	5.3	5.6	27	9.2	39	32.2	31	0.62	**	AXA Distribution Z Acc	J	249.1	2.8	0.0	7.2	5.1	28	13.5	57	51.1	40	0.77	****
Aberdeen Sterling SD Corp																											



# INVESTMENT FUNDS ALPHABETICAL

## HOW EACH FUND HAS PERFORMED OVER FIVE PERIODS - PLUS RANKINGS AND RATINGS

Source: Morningstar

Total Return	Sec- tor	Price p	12m yld %	1 mth %	6 mths %	1 yr % Rank	3 yrs % Rank	7 yrs % Rank	OCF %	Morningstar Rating
Baillie Gifford Emerging Mkts Gr B Acc	O	817.6	1.1	-5.6	7.5	10.2 6	45.7 2	96.6 6	0.79	★★★★★
Baillie Gifford European B Acc	V	2255	0.7	-4.8	13.2	0.0 42	37.3 7	155.9 5	0.59	★★★★★
Baillie Gifford Global Alpha Gr B Acc	M	321.4	0.6	-3.6	13.0	6.1 80	55.0 15	188.1 14	0.59	★★★★
Baillie Gifford Global Discovery B Acc	M	1650		-4.6	6.8	-0.6 156	72.8 3	284.9 2	0.78	★★★★★
Baillie Gifford Global Inc Growth B Acc	M1	1559		-2.4	13.8	9.3 18	38.8 5	126.8 11	0.60	★★★★
Baillie Gifford Global Stewardship B Acc	M	525.3	0.3	-5.7	9.5	1.2 146	59.5 10		0.53	★★★★
Baillie Gifford Greater China B Acc	S	484.3	0.8	-2.5	9.1	4.7 6	51.8 2	171.2 5	0.79	★★★★
Baillie Gifford High Yield Bond B Acc	G	253.1		0.5	5.8	6.8 4	18.0 2	62.9 7	0.37	★★★★★
Baillie Gifford International B Acc	M	7227	0.5	-3.2	14.1	7.4 62	57.5 12	196.9 11	0.60	★★★★
Baillie Gifford Investment Grd Bd B Acc	E	231.9		2.3	9.2	10.2 10	10.2 27		0.27	★★★
Baillie Gifford Invn Grd Lng Bd C Acc	E	312.1	2.9	3.8	13.9	16.2 4	13.8 7	73.4 2	0.03	★★★★★
Baillie Gifford Japan Small Co B Acc	R1	4911	0.3	-3.1	7.3	-6.1 1	58.6 1	287.6 1	0.62	★★★★★
Baillie Gifford Japanese B Acc	R	1694	1.1	-2.9	10.5	-0.9 23	39.4 9	189.5 4	0.62	★★★★★
Baillie Gifford Japanese Inc Gr B £ Acc	R	145.1		-2.0	10.5	0.7 11	39.7 8		0.63	★★★★★
Baillie Gifford Managed B Acc	K	1157		-2.6	11.0	4.4 45	37.0 4	1133 3	0.43	★★★★★
Baillie Gifford Multi Asset Gr B1 Acc	Y	121.3		-0.2	3.6	4.3 9	14.0 9		0.60	★★★★
Baillie Gifford Pacific B Acc	T	749.9		-2.6	9.7	2.7 33	46.2 3	132.2 5	0.73	★★★★★
Baillie Gifford Positive Change B Acc	M	170.3	0.4	-4.9	7.4	-3.3 173			0.59	★★★★
Baillie Gifford Sterling Agg Bd C Acc	F	127.7		2.9	10.1	10.9 2	9.6 37		0.02	★★★★
Baillie Gifford Stlg Agg Pls Bd C Acc	F	125.0		2.6	9.3	9.9 8	8.4 41		0.05	★★★★
Baillie Gifford Strategic Bond B Inc	F	92.6	3.3	1.3	8.0	10.1 6	17.2 7	62.4 8	0.52	★★★★★
Baillie Gifford UK Equity Alpha B Acc	A	705.2		-4.7	8.8	-1.2 74	39.0 8	103.7 41	0.57	★★★★★
Barclays Multi-Asset Income R Acc GBP	J	149.9	2.7	-1.3	4.3	3.1 53	9.1 91		1.46	★★★
Barclays UK Alpha M Acc GBP	A	382.7	3.1	-3.6	0.8	-4.8 109	12.6 129		0.83	★★
Barclays UK Lower Cap A Acc GBP	A	545.7	1.2	-1.3	0.7	-9.7 159	18.6 86	123.5 23	1.51	★★★★
Barclays Wealth Global Mkts 1 R Acc GBP	I	125.5	1.6	0.1	3.6	3.3 30	9.6 21	23.5 21	0.45	★★
Barclays Wealth Global Mkts 2 R Acc GBP	J	144.1	1.7	-0.3	6.4	5.1 26	17.0 16	39.4 63	0.45	★★★
Barclays Wealth Global Mkts 3 R Acc GBP	J	162.0	2.0	-0.7	8.1	5.9 19	24.1 2	54.9 29	0.45	★★★★
Barclays Wealth Global Mkts 4 R Acc GBP	K	171.5	2.0	-1.3	9.0	5.9 24	29.8 10	65.0 49	0.45	★★★★
Barclays Wealth Global Mkts 5 R Acc GBP	L	179.1	1.8	-1.8	9.5	5.7 13	33.1 8	73.2 42	0.45	★★★★
Baring Russia R GBP Inc*	P	5179		-3.7	20.1	23.0 11	46.2 12	58.5 47	2.18	★★★
Baring Australia A USD Inc*	P	9441	2.2	-4.5	10.2	2.7 69	21.3 55	52.4 51	1.70	★★
Baring Eastern Europe I USD Acc*	P	8249		-5.8	14.4	24.1 9	42.8 16		1.00	★★★★
Baring Eastern I GBP Acc	T	1101	0.0	-3.9	9.0	3.5 30	33.3 21		0.98	★★★★
Baring Eastern I GBP Inc	T	1077		-3.9	9.1	3.5 31	33.3 20	124.1 7	0.97	★★★★
Baring EM Debt Blind Ttl Ret C GBP Acc*	N1	10789	0.0	-4.0	1.5	7.9 18			0.80	★★★★
Baring Europe Select I GBP Inc	V1	4281	0.1	-3.2	11.7	0.2 1	35.8 4	189.0 1	0.80	★★★★
Baring European Growth I GBP Inc	V	1436	0.0	-3.7	9.9	-2.9 64	31.7 21	124.4 18	0.92	★★★
Baring Frontier Markets A GBP Inc*	P	1375	1.3	-4.0	6.8	7.4 43	14.6 71		2.45	★★★
Baring German Growth I GBP Acc	P	859.7	0.0	-4.3	7.9	-8.6 103	22.5 50	123.4 18	0.81	★★★★★
Baring Global Agriculture I USD	P	259.0	0.0	-2.7	12.5	7.9 42	28.8 33		1.27	★★★★
Baring Global Emerging Mkts A Inc*	O	3116	0.0	-4.3	5.8	6.5 24	33.7 17	65.4 22	1.95	★★★★
Baring Global Leaders A USD Inc*	M	1629	0.0	-1.9	11.0	1.6 140	30.7 122	99.0 112	1.95	★★
Baring Global Resources I GBP Acc*	P	1480	0.0	-5.1	1.5	-9.0 105	11.2 78	6.8 67	1.00	★★★
Baring Hong Kong China I GBP Acc*	S	96832	0.0	-2.8	7.0	6.8 4	35.6 11	120.5 11	1.00	★★★★
Baring International Bond A USD Inc*	N	2236	0.7	4.5	19.2	17.7 3	12.4 28	35.1 26	1.20	★★★
Baring Japan Growth I GBP Acc	R	228.5	1.0	-1.5	13.7	2.7 4	37.5 10	138.3 10	1.00	★★★★★
Baring Latin America I GBP Acc*	P	2929		-9.3	1.1	17.6 17	15.8 69	5.9 68	1.00	★★★
Baring Multi Asset I GBP Acc	Y	195.0	2.2	-1.1	3.8	1.9 22	12.3 11	39.1 7	0.79	★★★
Baring Strategic Bond I GBP Inc	N	123.2	0.7	1.4	4.7	10.3 25	8.2 36	13.7 39	0.80	★
BlackRock Absolute Return Bond P Acc	Y	108.5	1.2	-0.3	0.5	0.4 35	1.6 39	6.2 27	1.08	★★★★
BlackRock Asia D Acc GBP	T	181.2		-3.3	7.4	4.6 25	30.5 34		0.98	★★★
BlackRock Asia Special Situations D Acc	T	189.0		-3.2	5.8	1.4 43	21.9 58		0.99	★★★★
BlackRock Balanced Growth D Acc	K	374.9	1.5	-1.8	11.2	4.7 41	28.1 19	74.4 30	0.97	★★★★
BlackRock Cash OA GBP Acc	X1	100.6	0.5	0.0	0.3	0.6 3			0.57	★★★★
BlackRock Consensus 100 D Acc	M	230.7		-2.5	11.7	5.7 90	37.1 88	125.7 75	0.24	★★★★★
BlackRock Consensus 35 D Acc	I	149.9	1.6	1.5	8.5	8.2 4	13.6 4	51.2 2	0.22	★★★★★
BlackRock Consensus 60 D Acc	J	157.0	1.9	0.3	8.1	6.2 17	16.1 25	56.4 24	0.22	★★★★
BlackRock Consensus 70 D Acc	K	165.1	1.9	-0.4	8.4	5.7 31	18.7 58	63.9 52	0.22	★★★★
BlackRock Consensus 85 D Acc	K	236.0	2.2	-1.1	9.0	5.1 40	23.8 31	79.0 21	0.23	★★★★
BlackRock Continental Euro D Acc	V	285.4		-0.9	16.4	5.1 11	39.0 6	142.1 7	0.93	★★★★★
BlackRock Continental Eurp Inc D Acc	V	228.0	4.3	1.0	16.1	7.7 2	28.1 35	147.5 6	0.92	★★★★★
BlackRock Corporate Bond 1-10 Year D Acc	E	155.3		0.6	5.7	6.7 52	9.8 31	42.5 37	0.17	★★
BlackRock Corporate Bond D Acc	E	364.3		0.7	6.6	8.1 47	12.6 12	53.5 12	0.57	★★★★
BlackRock Corporate Bond D Inc	E	121.1		0.7	6.7	8.2 45	12.6 11	52.1 16	0.57	★★★★
BlackRock Dynamic Allocation A GBP Acc	P	104.8		-1.0	2.4	1.6 78	8.8 86		0.94	★★★
BlackRock Dynamic Diversified Gr D Acc	P	144.5		-1.0	3.2	2.3 73	11.1 79	28.6 59	0.66	★★
BlackRock Emerging Markets D Acc	O	567.2	0.9	-4.5	8.3	12.5 2	40.6 5	77.4 15	0.97	★★★★
BlackRock Emerging Mkts Abs Alpha D Acc	Y	101.7	0.0	-6.8	-5.1	4.4 8	3.3 33		1.23	★★★★
BlackRock European Dynamic D Acc	V	663.6		-0.9	16.5	2.6 25	40.9 5	161.8 3	0.93	★★★★★
BlackRock Fixed Inc Global Opps D Acc	F	375.2	2.9	0.4	3.2	2.9 52	6.5 46	12.6 36	0.73	★★★
BlackRock Gbl Long/Short Eq D Acc	Y	105.6	0.0	-2.2	-1.6	0.5 34	15.7 7		1.36	★★★★
BlackRock Global Equity D Acc	M	206.9	2.0	-2.7	11.9	8.8 45	28.7 136	107.1 102	0.92	★★★
BlackRock Global Equity D GBP Acc	M	284.6	2.4	-2.9	9.2	3.7 119	31.3 118	110.5 89	0.22	★★★
BlackRock Global Income D Acc	M1	228.7		-2.7	12.0	8.6 21	24.8 28	112.5 14	0.94	★★★★
BlackRock Global Multi Asset Inc D Acc	J	504.9	5.6	0.1	4.6	4.5 37	13.7 54	47.0 49	0.90	★★★
BlackRock Gold and General D Acc	P	1284		5.6	41.8	63.2 3	13.9 72	1.1 73	1.18	★★★★
BlackRock Managed Volatility I C	P	155.8		-0.4	7.8	6.0 47	16.2 68	52.7 50	0.24	★★★★
BlackRock Managed Volatility II C	P	162.2		-0.9	8.2	5.3 56	19.3 59	59.7 46	0.24	★★★★
BlackRock Managed Volatility III C	P	169.5		-1.5	8.4	5.0 57	22.0 51	67.5 38	0.26	★★★★
BlackRock Market Advantage D GBP Acc	P	116.2		-0.1	4.4	4.3 62	10.4 83		0.43	★★★
BlackRock Ntrl Resources Gr & Inc D Acc	P	114.7	3.3	-6.1	2.6	-4.5 99	18.8 61	32.3 58	0.95	★★★★
BlackRock Overseas Equity I Acc GBP	M	351.2	1.4	-2.4	13.7	7.2 65	43.9 48	161.0 30	0.23	★★★★★
BlackRock Sterling Strategic Bd D £ Acc	F	118.5	2.3	-0.3	4.0	5.1 38	11.7 26		0.60	★★★★
BlackRock System Continen Euro A GBP Acc	V	148.0	2.1	-2.8	10.0	1.2 35	28.2 34		1.15	★★★
BlackRock UK Absolute Alpha D	Y	151.2	0.3	0.3	1.9	3.6 12	5.6 24	26.6 13	0.93	★★★★
BlackRock UK D Acc	A	664.4		-0.6	14.7	3.0 19	34.5 13	102.5 44	0.92	★★★★★
BlackRock UK Equity D Acc	A	751.6		-1.8	11.0	3.5 18	29.4 25	93.5 59	0.93	★★★★★
BlackRock UK Income D Acc	B	1688		-2.5	5.2	-0.2 13	15.6 23	74.0 28	0.88	★★★★
BlackRock UK Smaller Companies D Acc	C	1071	1.3	-1.4	8.6	-7.9 21	39.4 13	151.9 16	0.92	★★★★
BlackRock UK Special Situations D Acc	A	4895		-1.9	8.6	-1.3 75	34.3 15	90.7 64	0.92	★★★★
BlackRock US Dynamic D Acc	U	1607		-3.1	12.3	3.2 71	54.8 24	195.5 22	0.89	★★★★
BlackRock US Opportunities D Acc	U	1194		-4.1	12.2	3.7 69	32.8 66	170.0 42	0.89	★★
BlackRock Volatility Strategy I C Acc	Y1	153.2		-0.3	8.7	6.5 7	18.9 14			★★★★★
BlackRock Volatility Strategy II C Acc	Y1	158.3		-1.2	7.9	5.1 19	21.8 9			★★★★★
BlackRock Volatility Strategy III C Acc	Y1	163.5		-2.0	7.6	4.1 27	25.4 5			★★★★★
BlackRock Volatility Strategy IV C Acc	Y1	160.9	2.2	-2.7	7.3	2.9 46	28.3 2			★★★★★
BMO Emerging Markets Equity 2 Acc	O	208.8	1.2	-4.5	7.7	3.2 42	20.1 47	55.4 38	0.90	★★★
BMO European Growth & Income A Inc EUR*	1573	1.0	-2.3	8.2	-6.3 10	19.6 5	91.1 1		1.87	★★★
BMO FTSE All-Share Tracker 2 Acc	A	686.0	3.8	-3.4	4.7	-0.2 59	19.1 77	69.8 111	0.31	★★★
BMO Global Equity 2 Acc	M	258.7	2.0	-2.3	11.5	5.8 89	37.0 89		0.31	★★★★
BMO Global Real Estate Securities 2 Acc	Z	104.4	1.2	1.1	16.8	16.6 4	24.2 9		0.93	★★★★
BMO High Income Bond C Inc GBP*	760.0	4.7	0.5	1.8	-2.1 9	3.9 8			1.73	★★★★
BMO Long Dated Sterling Corp Bd 3 Acc	E	169.9		4.9	15.5	16.4 3	14.1 6		0.45</	



HOW EACH FUND HAS PERFORMED OVER FIVE PERIODS - PLUS RANKINGS AND RATINGS

Source: Morningstar

Total Return	Sec- tor	Price p	12m yld %	1 mth %	6 mths %	1 yr Rank	3 yrs Rank	7 yrs Rank	OCF %	Morningstar Rating	Total Return	Sec- tor	Price p	12m yld %	1 mth %	6 mths %	1 yr Rank	3 yrs Rank	7 yrs Rank	OCF %	Morningstar Rating						
Credo Dynamic A Retail GBP Acc <sup>2</sup>	L	110.6	0.0	-2.1	6.1	-0.7	69		1.44		Fidelity Multi Asset Allctr Growth Y Acc	K	166.6	1.2	-0.5	10.4	7.9	11	19.9	51	57.3	61	0.25	***			
Credo Global Equity B Retail USD Acc <sup>2</sup>	M	89.0	0.0	-2.8	11.8	5.4	95		1.39		Fidelity Open World Y Acc	M	194.8	0.2	-3.2	9.3	4.9	98	35.7	96			1.45	***			
Denker Global Equity A GBP Acc <sup>2</sup>	M	138.5	2.0	-3.3	4.9	-0.7	159	25.4	151	50.1	123	1.59	***	Fidelity Short Dated Crprate Bd Y Acc	E	1071	3.7	0.1	2.9	3.5	64			0.38			
Denker Global Financial F EUR Acc <sup>2</sup>	M	186.9	0.0	-5.9	5.1	-1.8	165	34.4	105	85.3	117	1.64	***	Fidelity Special Situations W Acc	A	360.4	2.3	-3.6	1.2	-5.7	119	20.0	65	109.3	33	0.91	***
Dimensional Emerging Mkts Core Eq Acc	O	462.2	0.9	-5.4	2.8	0.3	52	21.5	42	58.5	30	0.67	***	Fidelity Strategic Bond Y Acc	F	128.1	1.9	1.1	6.1	7.6	16	6.9	45	35.8	27	0.66	***
Dimensional International Core Eq Acc	M	278.6	0.8	-3.0	11.6	4.1	112	38.1	82	149.5	50	0.35	****	Fidelity UK Opportunities W Acc	A	218.1	2.0	-3.9	3.0	-11.3	166	9.4	148	86.6	70	0.67	***
Dimensional International Val Acc	M	323.0		-4.7	6.4	-1.0	162	29.2	133	126.1	73	0.43	***	Fidelity UK Select W Acc	A	323.4		-1.5	9.7	5.7	8	25.4	32	98.7	49	0.92	****
Dimensional UK Core Equity GBP Acc	A	218.3	2.7	-3.6	3.2	-1.4	76	19.5	72	75.7	92	0.25	****	Fidelity UK Smaller Companies W Acc	C	248.4	1.7	-1.8	3.2	-5.9	9	25.1	32	164.3	13	0.92	***
Dimensional UK Smrlr Coms Acc	C	435.8	2.0	-1.6	2.6	-5.2	8	15.8	37	108.7	32	0.60	**	First State Asia All-Cap B Acc GBP	T	157.2	1.0	-3.2	8.6	2.0	38	27.9	44			1.30	***
Dimensional UK Value Acc	A	235.6	3.1	-5.9	-2.4	-6.5	129	17.3	103	54.5	133	0.42	*	First State Asia Focus B Acc GBP	T	194.3		-2.6	10.7	6.9	14	41.5	9			0.90	****
Discovery Balanced B GBP Acc	J	151.9	3.6	-2.1	4.9	-0.8	110	15.4	32	56.4	23	1.67	****	First State Asian Prpty Secs B Acc GBP	Z	237.4	2.7	0.2	13.2	17.1	3	27.4	6	95.6	8	1.68	***
Discovery Managed Growth B GBP Acc	L	172.7	0.1	-2.5	7.0	0.0	60	22.5	35	78.7	34	1.82	***	First State Diversified Gr B Acc GBP	L	115.0	1.4	-1.0	5.3	7.5	6	8.1	76			0.99	**
Dodge & Cox Worldwide Global Stk GBP Acc <sup>2</sup>	M	279.1	0.0	-3.7	6.5	0.0	153	32.5	112	143.1	55	0.63	****	First State Gbl Lstd Infrs B Acc GBP	M	335.6		1.0	18.7	23.1	2	41.1	63	159.1	34	0.78	****
Dodge & Cox Worldwide US Stock A GBP <sup>2</sup>	U	328.9	0.0	-5.2	7.7	0.1	77	43.2	52	193.9	23	0.63	****	First State Gbl Prpty Secs B Acc GBP	Z	265.6	2.1	2.2	17.8	15.6	7	24.4	8	100.1	7	0.80	****
Eaton Vance Intl (IRL) PrGr DefEq Z2\$Acc <sup>2</sup>	P	821.1	0.0	0.5	9.2	6.7	44		0.15		First State Greater China Gr B Acc GBP	S	101.2	1.0	-3.2	12.3	10.8	3	48.7	3	148.7	8	1.05	****			
Eden SRI Z GBP Acc	K	105.8		-1.6	7.8	3.9	49		1.00		First State Japan Focus B Acc GBP	R	198.7	0.0	1.4	18.1	3.0	3	55.5	1			1.10	****			
EdenTree Amity European B	V	260.5		-3.0	7.3	-1.6	53	24.6	48	117.2	31	0.81	***	FP Argonaut European Alpha R GBP Acc	V	205.6	1.2	0.5	16.8	-0.2	43	19.5	67	97.6	49	0.96	***
EdenTree Amity International B	M	279.2		-4.2	8.3	0.1	152	25.2	153	85.6	116	0.81	***	FP Argonaut European Income Opp R Acc	V	121.0	5.5	-1.9	8.1	-2.2	60			0.85			
EdenTree Amity Sterling Bond B	F	116.5		0.6	4.8	5.4	33	12.0	23	49.6	17	0.70	****	FP Carmignac Emerging Discv A GBP Acc	O	99.9		-8.5									
EdenTree Amity UK B	A	231.2	2.4	-1.4	5.1	-4.0	106	13.3	124	76.4	90	0.79	****	FP CRUX European I GBP Acc	V	143.1	1.6	-1.8	12.8	-0.7	48	18.4	72			0.93	**
EdenTree Higher Income B	K	133.9	5.2	-3.2	0.5	-1.4	99	13.3	92	58.1	60	0.79	***	FP CRUX European Special Sit I Acc GBP	V	284.8	1.6	-1.8	11.4	-1.8	57	22.1	58	133.8	9	0.87	***
EdenTree UK Equity Growth B	A	284.3	2.1	-4.5	4.1	-6.0	123	24.3	40	115.2	28	0.79	****	FP CRUX UK B Acc	A	243.4	2.4	-3.0	8.7	4.3	12	21.5	52	92.1	61	0.93	****
EF Brompton Global Balanced B GBP Acc	J	137.4	0.6	-0.7	7.6	3.0	55	15.8	27			1.73	****	FP Foresight Global RI Infrs A GBP Acc	M	110.7		3.2								0.85	
EF Brompton Global Cnsrv B GBP Acc	I	129.5	0.5	0.3	7.1	4.1	22	12.6	6			1.70	****	FP Foresight UK Infrs Inc A GBP Acc	P	125.7	3.0	1.5	8.3	17.3	19					0.65	
EF Brompton Global Equity B GBP Acc	M	175.2	0.2	-2.7	12.0	4.5	104	31.1	120			1.64	***	FP Henderson Rowe FTSE RAFI Em Mkt A	O	162.7	3.4	-6.8	2.7	6.6	21	35.1	12	58.8	29	0.83	****
EF Brompton Global Growth B GBP Acc	K	141.4	0.3	-1.7	7.9	1.9	74	17.9	66			1.69	***	FP Mattioli Woods Balanced C GBP Acc	K	240.0	0.0	-1.4	6.9	4.6	43	21.6	38	69.3	39	0.72	***
EF Brompton Global Opps B GBP Acc	L	172.9	0.2	-1.9	8.1	1.0	45	17.8	58			1.69	***	FP Miton Income B Acc	B	159.7		-3.0	2.4	-5.8	47	8.2	48	67.1	39	0.97	***
EF FACET Balanced Discretionary C Acc	J	137.5	2.0	-0.3	2.7	1.0	87	16.1	24	38.6	64	1.77		FP Octopus Dynamic Mixed Asset B Acc	P	157.3	1.4	-0.5	7.5	5.7	51	16.5	67	50.1	52	0.74	****
EF FACET Cautious Discretionary C Acc	J	136.2	2.5	-0.1	1.8	1.6	77	13.6	55	35.0	71	1.84		FP Octopus Fixed Income B Acc	N	142.4	3.2	0.9	7.1	9.4	28	6.5	42	24.6	36	1.10	***
EF New Horizon Balanced Inc & Gr C Acc	J	122.0	1.8	-0.7	7.0	3.4	49	11.0	80	64.0	13	1.05	****	FP Octopus Global Growth B	M	184.0	0.7	-4.3	7.6	0.4	151	30.7	123	83.4	119	1.27	***
EF New Horizon Cautious C Acc	I	113.7	1.0	0.3	6.3	4.1	25	5.2	38	24.3	20	1.08	**	FP Octopus Global Strategies B	Y	116.3	0.2	0.4	1.1	-0.3	37	1.0	41	12.8	21	1.39	
EF New Horizon Growth C Acc	K	126.9	1.5	-1.4	8.1	4.5	44	14.0	87	56.9	62	1.46	**	FP Octopus International Equity B Acc	M	293.4	0.8	-3.6	11.4	4.1	113	38.5	78	138.3	60	0.81	****
EF Rosevine Capital Global Equity R GBP	M	106.0	0.0	-1.4	17.5	6.7	69		1.00		FP Octopus UK Equity B Acc	A	218.5	2.4	-4.0	0.6	-6.8	133	10.8	140	68.3	113	1.17	***			
EF Tellsons Endeavour SP GBP Acc	J	124.3	2.1	1.2	6.2	2.4	62	16.1	26			0.74	***	FP Octopus UK Micro Cap Growth P Acc	C	239.7	0.0	-2.9	6.7	-8.4	24	50.2	5	124.3	26	1.25	***
EF WM Global Corp Autonomies I GBP Acc	M	162.3	1.2	-2.9	13.2	9.7	38	38.1	81			1.04	****	FP Octopus UK Multi Cap Income R GBP Acc	B	102.2		-1.2								1.25	
EF WM Global Trend B Acc GBP	P	115.8	0.1	-2.6	5.8	-3.6	97	4.5	96	25.3	61	1.41	**	FP Pictet Multi Asset Portfolio A Acc	Y	113.1	1.2	-0.3	5.6	0.6	30	8.8	18			0.86	*
Elite Balanced Trust B Acc	K	154.1	0.3	-2.1	5.9	2.1	71	18.7	59	59.4	58	1.85	***	FP Russell Invsmts Intl Gr Assts C Acc	M	263.7		-3.3	7.5	3.2	123	35.6	97	136.6	61	1.11	****
Elite Income Tust B Acc	J	128.4	1.9	-2.1	4.9	3.1	54	13.4	59	49.6	44	1.75	***	FP Russell Invsmts Mlt Asst Gr II C Acc	J	116.9	1.3	-1.2	4.7	2.8	57	10.4	83			0.59	**
ES AllianceBernstein Eurp Ex UK Eq I Acc	V	106.9		-1.5						0.80		0.80		FP Russell Invsmts Mlt Asst Gr IV C Acc	K	119.4	1.1	-3.2	4.3	1.0	85	15.7	80			0.58	*
ES Ardevora UK Income Instl Net Acc	B	200.7		-3.9	4.0	-2.2	23	6.8	53	96.5	11	1.23	***	FP Russell Invsmts Multi Asst Gr I C Acc	I	114.0	1.3	-0.4	4.8	3.7	29	6.9	35			0.59	**
Fidelity Allocator World Y Acc	M	209.8	1.1	-2.5	12.1	6.7	70	38.8	77			0.25	****	FP Russell Invsmts Multi Asst Gr V C Acc	K	122.2	1.0	-4.1	4.1	0.0	92	17.7	69			0.61	**
Fidelity American Special Sits W Acc	U	165.3		-5.0	6.2	1.8	76	24.1	76	177.1	34	0.91	***	FP Russell Invsmts Real Assets C GBP Acc	P	141.4	1.3	0.2	5.4	4.8	60	9.1	84	21.3	63	1.25	*
Fidelity American W Acc GBP	U	475.5	0.6	-1.9	15.5	12.3	19	46.6	46	164.0	48	0.92	***	FP Russell Invsmts UK Growth Assts C Acc	A	198.1		-4.3	2.2	-3.3	94	18.8	81	71.1	106	1.04	*
Fidelity Asia Pacific Opps W GBP Acc	T	214.4		-2.0	10.9	13.7	1	44.2	5			0.90	****	FP SCDavies Global Alts A Acc GBP	P	102.6	0.0	-0.4	2.9	1.5	79	1.1	98	2.7	70	3.09	*
Fidelity Asia W Acc	T	142.4		-4.0	8.4	5.6	20	40.4	11	127.2	6	0.94	****	FP SCDavies Global Equity A Acc GBP	M	219.6	0.0	-4.4	7.9	2.1	137	27.1	143	115.2	85	2.52	***
Fidelity Asia Y Acc	T	268.4	0.8	-4.1	8.2	5.3	22	39.4	14	123.9	8	1.19	****	FP SCDavies Global Fixed Inc A Acc GBP	N	111.7	3.5	0.1	4.6	5.1	44	2.0	48	9.9	42	3.83	**
Fidelity Asian Dividend W Acc	T	204.8		-4.7	10.5	12.8	2	43.4	6			0.90	****	FP WHEB Sustainability C	M	225.4		-5.5	7.6	-1.0	161	29.9	128	125.9	74	1.06	***
Fidelity Cash Y Acc	X1	101.2	0.6	0.0	0.3	0.7	2	1.2	2	1.6	1	0.15															



# INVESTMENT FUNDS ALPHABETICAL

## HOW EACH FUND HAS PERFORMED OVER FIVE PERIODS - PLUS RANKINGS AND RATINGS

Source: Morningstar

Total Return	Sec- tor	Price p	12m yld %	1 mth %	6 mths %	1 yr % Rank	3 yrs % Rank	7 yrs % Rank	OCF %	Morningstar Rating	Total Return	Sec- tor	Price p	12m yld %	1 mth %	6 mths %	1 yr % Rank	3 yrs % Rank	7 yrs % Rank	OCF %	Morningstar Rating
Guinness Global Innovators X GBP ACC*	M	1771	0.0	-1.8	13.7	3.0 125	44.8 46	202.8 8	1.24	★★★★★	Invesco Asian Equity Inc UK(No Trail)Acc	T	183.9	3.8	-4.5	4.6	5.5 21	22.5 55	81.6 26	1.29	★★★
H2O Multireturns N/A GBP	Y	176.4	1.0	0.9	5.8	20.1 1	37.6 2		1.00		Invesco Asian UK (No Trail) Acc	T	324.8		-4.2	3.0	0.1 50	36.4 18	122.0 9	1.20	★★★★
Halifax Ethical G	M	58.4	1.0	-3.4	9.9	5.8 88	32.6 109	111.0 88	1.05	★★★	Invesco Balanced Risk 10 UK (NoTrail)Acc	Y1	139.1	-0.1	4.6	4.0 29	13.4 34	36.1 26	0.96	★★★	
Halifax European G	V	48.0	2.2	-1.3	11.2	3.5 22	33.1 16	118.9 25	1.03	★★★	Invesco Balanced Risk 8 UK (NoTrail) Acc	Y1	130.8	0.0	3.9	3.6 35	11.2 41	28.3 28	0.92	★★	
Halifax Intl Gr G	M	62.0	1.3	-3.8	8.1	1.2 145	32.7 107	122.7 81	1.01	★★★★	Invesco Corporate Bond UK (No Trail) Acc	E	191.4	0.8	5.5	6.1 55	8.9 41	45.1 34	0.91	★★★	
Halifax UK Equity Income G	B	41.5	3.6	-4.2	1.7	-3.6 39	13.8 27	57.6 48	1.01	★★★	Invesco Distribution UK (No Trail) Acc	J	194.7	4.8	-0.6	4.7	4.0 44	10.7 81	50.5 41	1.04	★★★★
Halifax UK Growth G	A	43.3	3.2	-3.8	3.2	-2.3 84	16.7 106	64.7 118	1.01	★★★	Invesco Emerging European UK Z Acc	P	333.0	-5.6	14.7	17.6 18	54.2 7	69.4 35	1.17	★★★★★	
Harris Associates Glb Concnr Eq N/A GBP	M	177.2	1.3	-3.6	9.7	4.2 109	41.8 60		1.00	★★★	Invesco European Equity Inc UK (NoTr)Acc	V	193.7	5.7	-3.4	1.8	-6.4 72	17.5 73	118.9 26	1.19	★★★★
HC Charteris Global Macro A Acc	M	127.3		0.7	11.8	18.6 9	17.0 169		2.52		Invesco European Equity UK (NoTrail) Acc	V	198.1	2.7	-4.2	1.8	-6.4 73	19.2 68	129.6 13	1.18	★★★★
HC Charteris Property A Acc	Z	118.0	4.4	0.2	-6.6	-11.5 25	-12.3 24		8.45	*	Invesco European High Inc UK(NoTrail)Acc	J	216.0	3.6	-0.9	3.7	0.2 100	16.3 23	78.5 4	1.02	★★★★
HC Kleinwort Hambros Equity Income A Acc	B	177.8		-4.9	-0.1	-6.0 50	5.1 58	50.5 53	2.36	★★	Invesco European Opps UK (No Trail) Acc	V	203.7	2.1	-3.0	1.0	-8.6 77	5.4 76	93.5 53	1.20	★★
HC Kleinwort Hambros Fixed Income B Acc	F	118.0		0.0	0.0	0.0 56	0.0 51	5.5 37	1.19	*	Invesco European Smlr Coms UK (NoTr) Acc	V1	282.7	0.8	-4.8	1.6	-12.9 11	11.3 12	112.6 11	1.20	★★
HC Kleinwort Hambros Growth B Acc	L	164.9	0.0	0.0	0.0	0.0 61	0.0 78	21.5 53	1.86	*	Invesco Eurp ex UK Enh Idx UK (NoTr) Acc	V	132.4	2.5	-1.4	11.2	2.1 30	29.7 30		0.25	★★★
HC Kleinwort Hambros Multi Ast Bal A Acc	K	167.4	0.0	-1.4	6.9	3.2 54	16.2 77	43.4 66	2.28	★★★	Invesco Global Balanced Idx UK (NoTr)Acc	K	201.5	2.1	-3.3	4.1	-1.6 101	15.6 81	75.7 27	0.70	★★★★
HC Sequel Bal Trgt Ret Strat B £ Acc	K	132.0	3.2	-1.1	1.7	0.8 88	13.3 91		1.71	★★	Invesco Global Bond UK (No Trail) Acc	N	166.7	2.1	-0.2	8.8	8.3 32	9.0 33	31.7 29	0.92	★★★
HC Sequel Cau Trgt Ret Strat B £ Acc	J	125.5		-0.6	1.0	0.3 97	8.1 95		1.59	★★★	Invesco Global Distr UK (No Trail) Acc	J	128.2	4.4	-1.5	1.8	1.3 85	14.0 50		1.04	★★★
HC Sequel Growth Trgt Ret Strat B £ Acc	L	140.5	3.0	-1.9	1.8	1.0 47	18.2 55		1.85	★★	Invesco Global Emerg Mkts Bd UK(NoTr)Acc	N1	109.9	5.7	-2.1	10.1	14.9 14			0.95	
HC Verbatim Multi-Index Portfolio 3 A	J	151.7	1.3	0.3	6.3	5.2 25	10.6 82	42.7 58	0.73	★★★★	Invesco Global Emerg Mkts UK (NoTr) Acc	O	237.8	1.3	-6.1	2.0	0.0 54	20.8 45	80.0 14	1.25	★★★★
HC Verbatim Multi-Index Portfolio 4 A	J	161.6	1.6	-0.7	6.2	4.1 43	14.6 40	55.6 27	0.75	★★★★	Invesco Global Emerg Mkts UK Z Acc	O	347.2	1.6	-6.1	2.1	0.3 53	21.7 40	83.1 13	1.00	★★★★
HC Verbatim Multi-Index Portfolio 5 A	K	173.8	1.9	-1.7	6.5	3.3 53	17.7 68	67.7 42	0.76	★★★	Invesco Global Equity Inc UK(NoTrail)Acc	M1	355.3	3.4	-3.5	5.6	-0.2 34	24.9 27	109.4 15	1.17	★★★★
HC Verbatim Multi-Index Portfolio 6 A	L	168.6	2.2	-2.4	6.3	2.6 32	20.7 44	70.2 43	0.74	★★★	Invesco Global Equity UK (No Trail) Acc	M	286.2	1.4	-4.2	2.7	-6.0 182	22.3 163	109.4 93	1.17	★★★
Heriot Global A Acc	M	199.0	1.5	-2.8	16.1	8.4 48	47.7 34		0.74	★★★	Invesco Global ex UK CorEqIdxUK(NoTr)Acc	M	261.3	1.2	-4.7	5.3	-4.4 174	26.2 147	125.3 77	0.70	★★★★
Hermes Absolute Ret Crdt F USD Acc	Y	182.6	0.0	0.8	12.8	12.2 2	17.7 4		0.70		Invesco Global ex UK Enh Idx UK(NoTr)Acc	M	330.2	1.7	-3.8	9.6	2.0 138	37.0 90	151.5 46	0.25	★★★★
Hermes Asia ex-Japan Equity F EUR Acc	T	372.1	0.0	-2.0	-0.2	-4.5 62	30.9 30		0.83	★★★★	Invesco Global Find Cptl UK (No Tr) Acc	P	204.0		-0.8	-0.5	-2.3 91	16.9 66	73.3 33	0.96	★★★★
Hermes Asia ex-Japan Equity F GBP Acc	T	256.2		-2.5	-0.2	-4.5 61	31.6 26		0.83	★★★★	Invesco Global Opportunities UK(NoTr)Acc	M	355.5	1.3	-5.0	2.1	-5.6 180	24.0 159	134.7 63	1.20	★★★
Hermes Europe ex-UK Equity F EUR Acc	V	313.9	0.0	-2.8	11.8	-2.4 61	36.3 9	121.0 21	0.89	★★★★	Invesco Global Smaller Coms UK (NoTr)Acc	M	380.3	0.7	-4.3	8.0	-1.3 164	30.2 126	141.4 58	1.20	★★★★
Hermes European Alpha Equity F EUR Acc	V2	268.4	0.0	-1.4	12.2	-2.5 7	19.5 6		0.85	★★	Invesco Global Targeted Inc UK (NoTr)Acc	Y	104.4	3.6	0.5	2.1	0.6 31			1.07	
Hermes Global EM SMID Eq X USD Acc	O	177.7		-3.3	8.2				0.77		Invesco Global Tgtd Rets UK (NoTrail)Acc	Y	116.8	0.8	0.9	1.5	-1.1 44	-0.9 44		1.07	
Hermes Global Emerging Mkts F GBP Acc	O	205.4	0.0	-4.9	6.9	7.1 18	40.5 6	113.6 2	1.10	★★★★★	Invesco High Income UK (No Trail) Acc	A	166.9		-5.6	-6.3	-14.5 176	-9.1 171	44.5 143	1.17	★★
Hermes Global Emerging Mkts F USD Acc	O	233.1	0.0	-4.3	6.9	7.0 19	40.1 7	113.7 1	1.10	★★★★★	Invesco High Yield UK (No Trail) Acc	G	264.7		0.3	4.8	3.2 12	16.1 4	64.0 5	0.94	★★★★
Hermes Global Equity ESG F USD Acc	M	219.9	0.0	-2.7	11.2	1.9 139	35.7 94		0.73	★★★★	Invesco Hong Kong & China UK (No Tr) Acc	S	321.9	0.8	-3.4	7.7	3.8 8	45.6 4	176.8 4	1.19	★★★★★
Hermes Global Equity F USD Acc	M	241.4	0.0	-2.7	11.3	2.6 129	37.6 84	152.8 45	0.71	★★★★★	Invesco Income & Growth UK (NoTrail) Acc	B	268.0	-1.9	7.2	0.7	8	10.8 42	71.8 35	1.17	★★★★
Hermes Global High Yld Crdt F EUR Acc	G	235.1	0.0	-0.5	10.5	7.6 1	19.8 1	66.5 3	0.76	★★★★	Invesco Income UK (No Trail) Acc	A	165.8		-5.0	-5.2	-12.4 172	-7.6 170	44.8 142	1.16	★★
Hermes Global Small Cap Equity X USD Acc	M	184.6	0.0	-3.1	11.0	-0.7 157			0.65		Invesco Japan UK (No Trail) Acc	R	198.5	1.3	-2.1	0.9	-6.3 36	15.4 39	129.5 15	1.18	*
Hermes Impact Opportunities Eq F GBP Acc	M	119.2	0.0	-4.0	9.4	2.1 136			0.90		Invesco Japanese Smlr Coms UK (NoTr) Acc	R1	326.6	0.0	-4.9	6.0	-10.9 2	37.3 2	191.4 2	1.24	★★★
Hermes Multi-Strategy Credit F EUR Acc	F	283.9		0.9	14.6	14.2 1	22.2 3		0.72	★★★★★	Invesco Latin American UK (No Trail) Acc	P	149.4	1.4	-10.6	-2.7	10.6 35	11.8 75	1.7 72	1.25	★★
Hermes US Smid Equity F USD Acc	U1	299.5	0.0	-3.2	13.2	2.1 7	32.4 8		0.83	★★★	Invesco Managed Growth UK Z Acc	L	387.4	1.6	-4.0	2.1	-4.7 87	17.6 59	97.3 12	1.07	★★
HL Multi-Manager Balanced Managed M Acc	K	236.0	1.3	-3.3	3.4	-2.1 103	15.0 85		1.46	★★	Invesco Managed Income UK Z Acc	K	337.9	2.7	-3.5	1.1	-5.2 107	9.3 96	74.2 31	1.08	★★
HL Multi-Manager Equity & Bond M Acc	J	165.8	2.2	-3.0	0.1	-3.8 116	4.2 106		1.38	*	Invesco Money UK Acc	X	90.9	0.4	0.0	0.3	0.4 2	0.6 2	1.9 1	0.50	★★★★
HL Multi-Manager Income & Growth M Acc	B	184.2		-5.4	-2.8	-8.9 61	4.3 60		1.31	★★	Invesco Monthly Inc Plus UK (NoTrail)Acc	F	199.2	5.3	-0.2	4.1	3.9 45	11.6 27	48.9 18	0.92	★★★★
HL Multi-Manager Special Sits M Acc	M	376.0	0.9	-4.2	4.9	-2.7 170	23.9 160		1.50	★★★	Invesco Monthly Inc Plus UK Z Inc	F	208.8	5.4	-0.2	4.3	4.2 42	12.3 22		0.72	★★
HL Multi-Manager Strategic Bond M Acc	F	195.4	1.8	0.9	5.4	5.8 25	9.7 35		1.26	★★★	Invesco Pacific UK (No Trail) Acc	T1	298.8	1.0	-2.5	5.8	-0.1 5	33.9 3	143.7 1	1.21	★★★★★
HL Select Global Growth Shares A GBP Acc	M	107.1		-2.9					0.60		Invesco Tactical Bond UK (No Trail) Acc	F	151.0	3.3	0.7	2.1	2.5 53	4.3 49	30.2 33	0.94	★★
HL Select UK Growth A Acc	A	139.1	1.5	-3.3	10.7	1.5 36			0.60		Invesco UK Companies UK Z Acc	A	330.6	2.9	-4.2	-2.1	-9.7 158	7.6 159	73.0 100	0.97	★★
HL Select UK Income Shares A Acc	B	101.6		-4.0	2.1	-0.1 12			0.60		Invesco UK Enhanced Index UK(NoTrail)Acc	A	536.4	4.2	-3.5	4.6	-0.4 64	23.3 45	87.3 68	0.25	★★★★
HSBC American Index C Acc	U	638.7	1.5	-2.8	15.3	9.4 33	52.2 30	204.6 11	0.06	★★★★	Invesco UK Focus UK (No Trail) Acc	A	193.9	2.8	-2.7	-1.2	-7.8 142	13.5 123	102.0 46	1.17	★★★
HSBC Asian Growth Accumulation C	T	153.5		2.6	-1.1	-4.3 60	63.0 1		1.07	★★★★	Invesco UK Growth UK (No Trail) Acc	A	167.6	2.8	-3.0	-0.3	-6.6 130	12.5 131	82.0 77	1.16	★★★
HSBC Balanced Acc C	K	236.0	2.3	-2.5	5.2	3.4 52	15.1 83	67.7 43	0.77	★★★	Invesco UK Smaller Coms Eq UK (NoTr) Acc	C	433.9	1.1	-1.5	11.6	1.2 1	44.8 6	167.3 12	1.17	★★★★
HSBC Corporate Bond C Acc	E	315.9		1.9	8.9	9.9 13	9.9 30	52.2 15	0.42	★★★	Invesco UK Strategic Inc UK (NoTrail)Acc	A	650.7	3.9	-5.9	-6.4	-18.4 181	-13.6 173	46.3 141	1.17	★★
HSBC European Index Accumulation C	V	948.6	2.6	-1.3	13.0	4.8 13	33.7 13	119.0 24	0.07	★★★	Invesco US Enhanced Index UK(NoTrail)Acc	U	149.2		-3.6	12.8	6.2 60	48.3 42		0.25	★★★
HSBC FTSE 250 Index C Acc	A	270.6	2.7	-1.3	3.6	-3.9 102	17.7 98	102.4 45	0.18	★★★	Invesco US Equity UK (No Trail) Acc	U	340.8	0.2	-4.8	5.1	-4.9 81	24.7 75	130.2 55	1.16	★★
HSBC FTSE All-World Index C Inc	M	165.6	1.9	-3.1	11.6	6.2 79	39.5 72		0.19	★★★★	Investec American Franchise R Acc GBP	U	331.9		0.2	20.8	19.4 2	80.6 4		1.08	★★★★★
HSBC GIF Chinese Equity AC*	S	725.3	0.0	-0.2	16.7	11.8 2	41.8 8	187.5 1	1.90	★★★	Investec Asia Pacific										



HOW EACH FUND HAS PERFORMED OVER FIVE PERIODS - PLUS RANKINGS AND RATINGS

Source: Morningstar

Total Return	Sec- tor	Price p	12m yld %	1 mth %	6 mths %	1 yr Rank	3 yrs Rank	7 yrs Rank	OCF %	Morningstar Rating	Total Return	Sec- tor	Price p	12m yld %	1 mth %	6 mths %	1 yr Rank	3 yrs Rank	7 yrs Rank	OCF %	Morningstar Rating						
iShares Overseas Corp Bd Idx (UK) D Acc ●	N	171.8	2.5	2.0	18.1	16.8	6	20.4	4	62.3	3	0.11	★★★★	JPM Global High Yield Bond A Grs Inc	G	35.7	5.9	0.4	3.5	4.0	10	12.7	15	37.7	14	1.25	★★★
iShares Overseas Govt Bd Idx (UK) D Acc ●	N	148.9	1.1	2.9	17.5	16.3	8	13.9	22	39.9	22	0.11	★★★★	JPM Global Macro Balanced C (acc) EUR**	103116	0.0	-0.4	-3.4	3.2	6	28.6	4	16.6	3	0.75	★★★	
iShares Pacific ex Jpn Eq Idx (UK) D Acc ●	T	333.3		-5.0	5.8	1.5	42	29.2	36	80.3	27	0.13	★★★	JPM Global Property Securities C Acc	Z	150.6	1.6	1.7	4.1	8.7	15	12.0	22	73.8	10	0.93	★
iShares UK Equity Index (UK) D Acc ●	A	226.9		-3.4	4.8	0.2	54	20.2	63	72.9	101	0.05	★★★★	JPM Global Unconstrained Eq A Net Acc	M	1559	0.2	-2.7	14.3	8.9	44	36.6	93	129.6	68	1.65	★★★
iShares UK Gilts All Stks Idx (UK) D Acc ●	D	186.6	1.3	4.5	10.7	11.6	10	7.1	7	35.7	7	0.11	★★★	JPM Japan C Net Acc ●	R	280.9	0.3	-0.7	18.0	0.9	9	44.6	5	205.1	3	0.81	★★★★
iShares US Equity Index (UK) D Acc ●	U	312.0	1.4	-2.3	15.9	10.0	30	53.2	28	207.2	9	0.05	★★★★	JPM Multi-Asset Income X Net Acc	J	141.8	3.6	-0.1	4.7	4.6	36	15.0	37			0.05	★★★
Janus Henderson All Stocks Credit I Acc	E	283.1		1.9	8.4	9.3	24	9.3	33	45.5	32	0.54	★★★	JPM Multi-Manager Growth X Net Acc	M	158.5	1.8	-2.6	7.7	3.4	121	42.2	57			0.06	★★★★
Janus Henderson Asian Div Inc UT Inc	T	106.4	6.2	-3.5	9.6	6.6	16	30.1	35	88.7	23	1.65	★★★★	JPM Natural Resources C Net Acc	P	656.3	2.1	-6.2	2.9	0.1	84	31.3	27	-6.7	74	0.82	★★★
Janus Henderson AsiaPac Cptl Gr A Acc	T	116.7		-3.8	9.2	1.5	41	30.7	33	95.6	17	1.73	★★★	JPM Pacific Equity A (dist) USD**	T1	8608	0.0	-1.2	13.0	5.2	2	41.6	1	143.0	2	1.75	★★★★
Janus Henderson Cautious Mgd I Acc	J	242.3	3.6	-0.7	2.8	0.3	95	7.7	96	46.1	52	0.71	★★★	JPM Sterling Corporate Bond C Grs Acc ●	E	144.1		2.0	9.1	9.7	19	8.8	43	49.3	19	0.65	★★★
Janus Henderson China Opps A Acc	S	1446	0.4	-2.6	6.0	3.6	9	38.8	9	162.9	6	1.72	★★★★	JPM UK Dynamic C Net Acc ●	A	202.7	3.3	-3.8	2.1	-8.0	144	18.5	87	103.3	43	0.85	★★★
Janus Henderson China Opps I Acc	S	209.7	1.1	-2.5	6.4	4.5	7	42.4	6	180.1	3	0.87	★★★★	JPM UK Equity Core E Net Acc ●	A	368.0		-3.3	5.4	-0.2	62	20.2	60	78.6	85	0.33	★★★★
Janus Henderson Emerg Mkts Opps A Acc	O	199.3	0.7	-5.8	3.1	1.3	50	11.6	53	45.2	42	1.76	★★★	JPM UK Equity Growth C Net Acc ●	A	204.5	2.7	-2.6	6.5	0.2	53	23.8	43	107.7	35	0.85	★★★★
Janus Henderson European Focus I Acc	V	239.1	1.3	-1.4	14.1	4.0	17	30.9	25	132.2	12	0.85	★★★★	JPM UK Higher Income C Net Acc ●	B	157.6		-4.4	-0.2	-4.8	41	11.3	41	62.3	41	0.71	★★★
Janus Henderson European Gr A Acc	V	237.5	0.8	-2.2	8.0	-2.5	62	19.5	66	116.0	33	1.70	★★★★	JPM UK Smaller Companies C Acc ●	C	499.0	1.9	-1.7	8.8	-6.4	11	30.3	21	115.5	31	0.86	★★★
Janus Henderson European Sel Opps A Acc	V	1777	0.4	-1.2	13.5	3.7	21	25.3	45	111.4	38	1.70	★★★★	JPM UK Strategic Equity Income C Net Acc ●	A	168.6		-5.3	-1.5	-6.1	124	15.7	110	74.1	94	0.75	★★★
Janus Henderson European Smr Coms A Acc	V1	2299	0.5	-4.2	7.8	-3.5	4	45.1	2	180.5	2	1.71	★★★★	JPM US C Net Acc	U	219.8		-5.8	2.5	1.9	75	33.7	65	141.0	52	0.75	★★★★
Janus Henderson Eurp Abs Ret I Acc EURH	Y	143.2	0.0	-2.6	4.7	-2.7	53	9.2	16			0.87	★★★	JPM US Equity Income C Net Acc	U	307.1		-3.5	13.7	10.6	24	45.3	48	181.5	33	0.79	★★★★
Janus Henderson Fxd Intr MthInc Inc	F	22.6	4.2	2.2	8.3	10.1	7	16.0	9	56.1	12	1.40	★★★★	JPM US Select C Net Acc ●	U	510.1	0.7	-3.1	13.9	7.5	51	50.6	37	204.5	12	0.56	★★★★
Janus Henderson Gbl Research U GBP Acc*	M	2266	0.0	-1.7	11.8	6.2	78	42.0	58			1.05	★★★	JPM US Select Equity I (dist) USD ●	14188		-1.8	14.3	7.8	3	50.3	1			0.67	★★★	
Janus Henderson Global Research Equity Acc	M	3515	0.0	-1.7	14.0	4.8	100	46.4	39	175.3	22	2.09	★★★★	JPM US Smaller Companies C (acc) USD**	15475	0.0	-3.9	11.9	1.1	7	39.2	2			0.96	★★★★	
Janus Henderson Global Equity I Acc	M	306.8	0.3	-1.5	14.7	6.1	82	51.9	21	200.6	9	0.85	★★★★	Jupiter Absolute Return I Acc	Y	52.6	0.6	-1.2	-2.2	-4.4	56	-7.2	53	7.1	26	0.85	★★★
Janus Henderson Global Fncls I Acc	P	554.6	1.1	-3.2	14.6	8.9	39	46.2	13	150.2	15	1.07	★★★★	Jupiter Asian Income I GBP Acc	T	158.7	3.5	-3.7	9.8	9.5	4	28.1	42			0.98	★★★★
Janus Henderson Global Sust Eq I Acc ●	M	378.2		-2.9	15.0	9.1	41	49.0	31	176.7	21	0.84	★★★★	Jupiter Asian Income I GBP Inc	T	139.4	3.6	-3.7	9.7	9.4	5	28.1	43			0.98	★★★★
Janus Henderson Global Technology I Acc	Q	2392	0.0	-3.9	17.4	8.9	7	83.7	5	249.0	4	0.84	★★★★	Jupiter China Acc	S	125.2	1.1	-6.2	-3.1	-4.2	14	14.5	14	86.9	14	1.78	★★
Janus Henderson Index-Linked Bond I Acc	D1	658.7	0.0	9.4	21.6	22.1	1	16.6	4	83.3	3	0.54	★★★★	Jupiter Corporate Bond I Inc	E	60.7		2.1	8.9	9.7	16	11.0	18			0.66	★★★
Janus Henderson Instl APexJpn IdOpp I Acc	T	312.6		-5.6	5.3	0.8	46	26.9	48	76.5	32	0.83	★★★	Jupiter Distribution and Growth Inc	K	110.0	4.7	-4.6	0.0	-6.1	110	-2.0	100	39.6	67	1.79	★
Janus Henderson Instl Eurp Idx Opp I Acc	V	183.6	2.1	-1.6	12.2	3.5	23	31.7	22	116.1	32	0.79	★★★	Jupiter Distribution I Acc	I	111.1	2.9	-0.2	5.2	4.1	24	7.3	33	46.2	5	0.61	★★★
Janus Henderson Instl GI 50/50IdOpp 3Acc	M	251.1	2.8	-2.9	8.0	2.2	133	28.5	137	106.4	103	0.39	★★★	Jupiter Distribution I Inc	I	61.0	3.0	-0.2	5.3	4.1	23	7.4	32	46.3	4	0.61	★★★
Janus Henderson Instl GI Rpnbs Mgd A Acc ●	K	218.7		-1.5	12.2	8.2	9	26.6	24	99.0	7	1.69	★★★★	Jupiter Ecology I Acc	M	450.3	0.8	-2.5	10.3	2.4	130	24.0	157	107.4	101	0.78	★★★★
Janus Henderson Instl GI Rpnbs Mgd I Acc ●	K	247.8	1.3	-1.4	12.6	8.9	8	29.3	13	109.4	4	0.85	★★★★	Jupiter Ecology I Inc	M	429.3		-2.5	10.3	2.4	131	24.0	158			0.78	★★★
Janus Henderson Instl Jpn Idx Opps I Acc	R	181.0	1.8	-1.5	8.3	-0.8	19	24.8	25	119.2	23	0.34	★★★	Jupiter Enhanced Distribution GBP Inc	J	46.5	3.7	-2.3	2.9	-0.1	104	3.5	108			1.38	★
Janus Henderson Instl Lg Datd Crdt I Acc	E	444.0	2.5	5.1	16.4	17.4	2	11.4	15	69.1	3	0.54	★★★★	Jupiter European I Inc	V	548.1	0.5	-1.0	15.9	1.4	34	52.8	2	186.0	2	1.02	★★★★
Janus Henderson Instl Lg Datd Gilt I Acc	D	387.6		8.8	19.5	19.7	3	9.2	4	64.2	4	0.55	★★★★	Jupiter European Income I Inc	V	254.2	3.2	-2.1	8.2	-1.7	56	22.9	55			1.02	★★★
Janus Henderson Instl MainstrmUKEq I Acc	A	296.0	4.0	-2.0	6.2	2.9	22	19.4	73	83.7	72	0.54	★★★★	Jupiter European Special Sits I Acc	V	455.4	1.0	-1.0	14.9	2.1	29	23.8	51	106.8	42	1.02	★★★★
Janus Henderson Instl Overseas Bd I Acc	N	302.3	0.9	3.6	18.9	17.0	4	13.0	26	33.4	27	0.54	★★★	Jupiter Financial Opportunities I Acc	P	825.7	0.2	-0.5	21.9	10.7	34	57.4	4	166.4	7	1.00	★★★★
Janus Henderson Instl UK Gilt I Acc	D	369.2	1.1	5.1	11.7	12.1	8	6.0	12	30.3	14	0.54	★★★	Jupiter Global Emerging Markets Acc	O	64.7	0.9	-3.3	4.6	1.7	49	7.8	55	56.4	35	1.95	★★
Janus Henderson Instl UK Idx Opps I Acc	A	299.6	3.7	-3.5	4.6	-0.5	66	19.9	67	73.5	97	0.52	★★★★	Jupiter Global Equity Income I Inc	M1	73.3		-3.2	8.5	3.9	30	27.0	25			1.02	★★★
Janus Henderson INTECH US Cor U GBP Acc*	U	2844		-0.8	14.9	7.2	53	46.1	47			0.55	★★★	Jupiter Global Managed I Inc	M	279.4	1.2	-2.0	17.9	12.9	21	43.4	50			0.98	★★★★
Janus Henderson Japan Opps A Acc	R	366.8		-1.4	12.7	0.5	13	23.7	28	131.0	14	1.71	★★★	Jupiter Global Value Equity X Acc	M	50.4	2.8	-3.0	1.7	-5.2	177					0.53	★
Janus Henderson Mlt-Ast AbsRet A Acc	Y	143.5	0.4	-0.2	0.6	1.4	24	3.5	30	13.9	18	1.65	★★★	Jupiter Growth & Income I Inc	A	94.2	4.5	-6.4	0.5	-7.3	138	-0.3	164	51.2	138	1.01	★
Janus Henderson Mlt-Mgr Active B Acc	L	149.3		-1.8	5.4	0.8	51	20.3	46			1.59	★★★	Jupiter Income Trust I Acc	B	755.8		-4.2	0.9	-5.8	48	10.6	44	73.7	32	0.94	★★★
Janus Henderson Mlt-Mgr Divers A Acc	I	89.2		-0.7	4.9	4.1	27	9.5	23	37.2	11	1.91	★★★★	Jupiter Income Trust I Inc	B	547.9	4.6	-4.2	0.9	-5.9	49	10.7	43	73.9	30	0.94	★★★★
Janus Henderson Mlt-Mgr Divers B Acc	I	179.6		-0.6	5.1	4.5	17	11.2	13	43.6	6	1.16	★★★★	Jupiter India	P	108.1		-1.9	6.4	-11.6	110	-8.7	103	98.2	24	1.82	★★
Janus Henderson Mlt-Mgr Inc & Gr B Inc	J	118.2	2.6	-2.3	3.1	-0.5	106	5.4	102			1.49	★★	Jupiter India I Acc	P	114.8		-1.8	6.8	-10.9	107	-6.7	102	109.0	20	1.07	★★
Janus Henderson Oppc Alp U GBP Acc*	U	2578	0.0	-1.9	17.3	13.9	12	49.3	41			1.05	★★★	Jupiter International Fncls I Acc	P	119.2	0.3	-3.0	24.0	5.8	49	53.7	8	174.7	6	1.08	★★★★
Janus Henderson Preference & Bond I Inc	F</																										



# INVESTMENT FUNDS ALPHABETICAL

## HOW EACH FUND HAS PERFORMED OVER FIVE PERIODS - PLUS RANKINGS AND RATINGS

Source: Morningstar

Total Return	Sec- tor	Price p	12m yld %	1 mth %	6 mths %	1 yr Rank	3 yrs Rank	7 yrs Rank	OCF %	Morningstar Rating	Total Return	Sec- tor	Price p	12m yld %	1 mth %	6 mths %	1 yr Rank	3 yrs Rank	7 yrs Rank	OCF %	Morningstar Rating				
L&G All Stocks Gilt Index F Acc	D	243.4	0.5	4.4	10.2	11.0	15	5.9	15	0.37	***	LF Canlife Corporate Bond C Acc	E	284.7	1.7	8.2	9.1	26	10.6	22	46.3	27	0.57	***	
L&G All Stocks Index Linked Gt Idx F Acc	D1	159.9	0.0	7.7	18.4	19.4	5	15.3	5	0.37	**	LF Canlife Diversified Monthly Inc C Acc	J	102.3	-0.6								0.65		
L&G Cash Trust L Acc	X1	50.9	0.9	0.1	0.4	0.8	1	1.7	1	0.00		LF Canlife European C Acc	V	146.6	1.2	-0.7	11.2	2.1	28	25.4	44	103.0	45	0.85	***
L&G Distribution Trust F Acc	J	97.7	3.5	-1.8	2.5	0.4	94	5.5	100	0.91	**	LF Canlife Global Equity C Acc	M	941.4	1.4	-1.0	11.4	4.3	107	29.6	130	128.1	70	0.82	***
L&G Dynamic Bond F Acc	F	93.8	6.4	1.1	4.7	4.7	40	2.0	50	0.92	*	LF Canlife Global Equity Income C Acc	M1	208.6	-2.3	6.0	5.3	27	26.6	26	101.1	17	0.91	***	
L&G EM Govt Bond US\$ Index F Acc	N1	75.4	4.2	-2.6	12.9	17.9	11	13.2	12	0.48	***	LF Canlife Global Infrastructure C Acc	P	177.5	-0.4	13.3	15.5	22	31.0	28			0.97	***	
L&G EM Govt Bond US\$ Index I Inc	N1	57.7	4.4	-2.6	13.0	18.1	10	13.8	10	0.29	***	LF Canlife Global Macro Bond C Acc	N	138.5	2.3	1.3	14.8	13.1	15	15.4	16	41.8	20	0.83	***
L&G Em Mkts Govt Bd (Lcl Ccy) Idx L Acc	N1	72.4	5.1	-2.7	11.1	19.0	7	18.0	7	0.14	****	LF Canlife Global Resource C Acc	P	103.7	1.4	-3.7	-0.1	-10.9	108	1.0	99			0.99	**
L&G Ethical F Acc	A	103.2		-3.7	2.7	-0.6	68	13.6	122	0.45	***	LF Canlife Managed 0%-35% B Acc	I	109.1	2.0	0.0	4.0	2.6	35					1.03	
L&G European Index F Acc	V	435.0	2.5	-1.6	12.1	4.1	16	31.4	24	0.36	***	LF Canlife Managed 20%-60% C Acc	J	104.6		-0.7								0.81	
L&G Fixed Interest F Acc	E	156.7		2.0	8.9	10.0	11	9.4	32	0.57	****	LF Canlife North American C Acc	U	1539.0	0.8	-1.6	15.4	7.5	52	37.9	61	171.1	39	0.82	***
L&G Fut Wld Gndr in Ldrsp UK Idx R £ Acc	A	51.0	2.9	-2.1	6.2	2.0	32			0.50		LF Canlife Portfolio III C Acc	I	133.4	1.8	0.6	7.2	5.2	11	10.8	16			0.78	****
L&G Future World Sustainable Opps R £ Acc	P	48.2	0.4	-1.0	1.1	-3.6	98			1.05		LF Canlife Portfolio IV C Acc	J	137.5	1.7	-0.3	7.0	3.9	45	14.0	51			0.75	*****
L&G Global 100 Index F Acc	M	181.2	1.9	-2.8	14.0	7.3	63	47.1	36	0.38	*****	LF Canlife Portfolio V C Acc	K	140.8	1.4	-1.5	6.6	2.7	63	16.3	75			0.78	****
L&G Global 100 Index I Acc	M	193.3		-2.9	14.2	7.6	59	48.1	33	0.14	*****	LF Canlife Portfolio VI C Acc	K	142.4	1.7	-2.6	5.8	1.2	82	17.9	65			0.79	***
L&G Global 100 Index I Inc	M	133.5		-2.8	14.1	7.5	60	48.1	32	0.14	*****	LF Canlife Portfolio VII C Acc	L	139.8	1.7	-3.4	5.4	-0.2	65	19.4	50			0.88	**
L&G Global Emerging Markets Index F Acc	O	68.7	2.1	-5.4	5.0	4.5	35	24.8	34	0.57	***	LF Canlife Short Duration Corp Bd C Acc	E	103.6	2.3	0.0	1.4	1.7	70					0.60	
L&G Global Equity Index F Acc	M	278.5	1.5	-2.6	12.0	5.8	87	38.3	80	0.63	***	LF Canlife Strategic Return C Acc	P	136.0		2.0	13.4	14.8	26	17.0	65			0.94	
L&G Global Health & Pharma Index F Acc	M	82.8	1.2	-0.6	9.3	5.7	91	34.4	104	0.45	****	LF Canlife UK Equity and Bond Inc C Acc	H	1942.0	4.8	-2.1	3.5	-1.9	4	11.1	3	64.7	3	0.86	***
L&G Global Inflation Linked Bd Idx F Acc	N	57.3	1.0	2.3	7.5	6.4	39	5.5	43	0.51	**	LF Canlife UK Equity C Acc	A	117.7	3.4	-5.2	-0.4	-8.0	143	7.7	157			0.80	*
L&G Global Real Estate Div Idx L Acc	Z	79.9	2.6	1.1	14.9	14.4	9	23.0	11	0.08	***	LF Canlife UK Equity Income C Acc	B	558.9		-3.8	1.9	-5.1	45	7.5	51	61.9	42	0.82	**
L&G Global Technology Index F Acc	Q	55.4	0.7	-3.8	18.7	8.2	9	81.4	7	0.46	****	LF Cautela Retail Acc	L	124.6	0.7	-1.2	5.8	1.8	36	8.6	74			1.60	*
L&G High Income F Acc	G	134.4	5.7	-0.3	2.8	2.3	15	13.4	12	0.65	**	LF Gresham House UK Micro Cap C Acc	C	166.8	0.8	-2.4	4.5	-6.7	13	43.3	8	219.5	2	0.98	****
L&G International Index F Acc	M	150.2	1.6	-2.5	12.7	6.4	76	40.9	64	0.37	****	LF Gresham House UK Mlt Cap Inc C £ Acc	B	115.5	4.2	-2.0	4.2	-2.5	25					0.98	
L&G Japan Index F Acc	R	64.0	1.5	-1.5	8.3	-0.8	20	24.1	27	0.37	***	LF Gresham House UK Smaller Coms C Acc	C	105.6		-2.5	5.7							1.70	
L&G Managed Monthly Income F Acc	E	136.0		1.9	8.8	9.9	12	10.5	24	0.68	****	LF Heartwood Adventurous H Acc	M	98.4		-4.0								1.59	
L&G Mixed Investment 0-20% F Acc	I	57.8	1.9	0.3	5.7	6.0	9	9.5	22	0.55	***	LF Lindsell Train UK Equity Acc	A	490.7		-0.1	19.7	13.9	2	50.0	3	191.0	2	0.65	*****
L&G Mixed Investment 0-35% F Acc	I	185.9	2.2	-0.1	6.1	6.3	8	11.6	9	0.55	****	LF Macquarie Global Infrs Secs B Acc	M	244.1		-0.1	14.7	15.0	16	30.5	124	102.5	108	1.23	****
L&G Mixed Investment 20-60% F Acc	J	62.0		-1.1	6.2	5.3	24	14.4	45	0.55	***	LF Miton Balanced Multi Asset B Acc	K	96.5	2.2	-0.5	11.7	1.3	80					1.00	
L&G Mixed Investment 40-85% F Acc	K	328.8	2.4	-1.9	6.5	4.4	46	21.3	40	0.55	***	LF Miton Cautious Multi Asset B Acc	J	274.6	3.0	0.1	9.2	2.0	70	13.0	61	38.1	66	0.81	***
L&G Mixed Investment Income 0-35% F Acc	I	59.1		-0.5	5.7	6.5	6	10.5	17	0.62	****	LF Miton Defensive Multi Asset B Acc	I	377.0		0.9	8.0	4.2	21	10.2	18	27.3	18	0.89	***
L&G Mixed Investment Income 20-60% F Acc	J	61.7	2.8	-1.2	5.9	5.7	22	12.9	63	0.65	***	LF Miton European Opportunities B Acc	V	203.4	0.5	-1.6	19.5	6.4	7	67.2	1			0.94	*****
L&G Multi-Index 3 R Acc	Y1	54.9	1.6	0.2	6.8	7.0	3			0.61		LF Miton UK Multi Cap Inc B Acc Instl	B	249.9		-3.3	-0.8	-8.4	59	12.2	40	123.3	3	0.81	****
L&G Multi-Index 4 R Acc	Y1	55.7	1.6	-0.5	7.5	6.5	6			0.61		LF Miton UK Smaller Companies B Acc	C	190.5	0.1	-5.9	-14.4	-27.6	45	-1.1	43			0.86	*
L&G Multi-Index 5 R Acc	Y1	56.8	1.7	-1.4	7.8	6.0	9			0.61		LF Miton UK Value Opps B Instl Acc	A	194.1	1.9	-0.8	7.2	-4.9	110	23.0	48			0.89	***
L&G Multi-Index 6 R Acc	Y1	57.5		-2.3	7.6	4.9	22			0.61		LF Miton US Opportunities B Acc	U	256.8	0.3	-3.0	15.7	8.9	38	47.7	44			0.97	****
L&G Multi-Index 7 R Acc	Y1	57.9	1.9	-3.1	7.6	3.3	41			0.61		LF Miton US Smaller Companies B Acc	U1	129.4	0.0	-4.7	10.9	-0.1	9					0.94	
L&G Multi-Index Income 4 R Acc	Y1	55.2	3.3	-0.5	7.0	7.2	1			0.70		LF Miton Worldwide Opportunities B Acc	L	412.3	0.9	-3.3	0.8	-3.5	86	27.7	13	88.1	20	0.95	*****
L&G Multi-Index Income 5 R Acc	Y1	55.3	3.4	-1.4	6.7	5.9	11			0.75		LF Morant Wright Japan B Acc	R	411.6	1.4	-3.6	1.9	-6.1	35	21.2	35	119.8	20	1.16	***
L&G Multi-Index Income 6 R Acc	Y1	55.5	3.0	-2.2	6.5	5.0	21			0.79		LF Morant Wright Nippon Yield B Acc	R	421.0	3.0	-3.7	1.9	-7.4	39	23.1	31	128.1	17	1.16	***
L&G Pacific Index F Acc	T	167.4		-5.0	5.6	1.3	44	27.9	45	0.41	***	LF Morant Wright Nippon Yield B Inc	R	332.2	3.0	-3.7	1.9	-7.4	38	23.1	30	128.2	16	1.16	****
L&G Sterling Corporate Bond Index F Acc	E	68.6		2.2	8.0	8.9	31	6.8	55	0.37	***	LF Odey Opus I Acc	L	199.2		-8.2	4.0	-6.1	88	15.5	62	77.7	37	1.16	***
L&G Sterling Income F Acc	E	200.9		0.2	3.9	4.5	58	7.2	52	0.66	**	LF Prudential Risk Managed Actv 1 P Acc	Y1	131.7		-0.3	5.6	4.5	25	12.6	39	46.5	21	0.55	****
L&G UK 100 Index F Acc	A	224.1	3.9	-3.8	4.9	1.1	43	19.3	76	0.34	***	LF Prudential Risk Managed Actv 2 R Acc	Y1	149.3	1.2	-1.2	5.0	3.0	45	13.0	36	50.5	19	0.81	****
L&G UK Alpha F Acc	A	137.7	0.0	-5.0	-11.8	-27.2	182	-20.0	174	1.03	*	LF Prudential Risk Managed Actv 3 R Acc	Y1	154.8	1.1	-2.0	4.5	1.7	57	14.6	31	54.6	16	0.81	***
L&G UK Equity Income F Acc	B	75.8		-6.5	-3.1	-9.6	64	0.3	68	1.03	*	LF Prudential Risk Managed Actv 4 R Acc	Y1	162.3	1.0	-3.1	3.6	0.1	63	15.8	25	62.2	11	0.81	**
L&G UK Index F Acc	A	305.3	3.7	-3.3	4.7	0.2	52	19.5	71	0.30	****	LF Prudential Risk Managed Actv 5 R Acc	Y1	169.9	0.9	-3.8	3.0	-0.9	64	17.6	22	70.0	8	0.82	**
L&G UK Index I Inc	A	162.3	4.0	-3.3	4.9	0.4	49	20.3	58	0.10	****	LF Prudential Risk Managed Pasv 1 R Acc	Y1	145.9		-0.8	6.9	5.7	12	14.7	29	47.3	20	0.51	****
L&G UK Property Feeder Acc	Z1	91.6	3.4	0.3	1.8	3.3	1	25.5	1	0.00		LF Prudential Risk Managed Pasv 2 R Acc	Y1	128.4	1.7	-1.2	7.0	5.1	20	16.6	23			0.51	****
L&G UK Property Feeder F Acc	Z1	83.0	2.3	0.2	1.1	1.9	4	21.5	2	1.00		LF Prudential Risk Managed Pasv 3 R Acc	Y1	161.7		-1.6	6.9	4.6	24	18.7	17	61.2	13	0.50	****
L&G UK Select Equity F Acc	A	343.9	3.0	-3.6	1.6	-7.2	137	8.6	153																



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Total Return	Sec- tor	Price p	12m yld %	1 mth %	6 mths %	1 yr %	Rank	3 yrs %	Rank	7 yrs %	Rank	OCF %	Morningstar Rating	Total Return	Sec- tor	Price p	12m yld %	1 mth %	6 mths %	1 yr %	Rank	3 yrs %	Rank	7 yrs %	Rank	OCF %	Morningstar Rating
Liontrust Sust Fut UK Gr 2 Net Acc	A	222.4	-3.2	9.1	1.2	42	34.5	14	125.3	22	0.91	★★★★★	Marlborough Far East Growth P Inc	T	227.2	-4.0	3.4	0.0	51	25.5	53	77.6	31	0.92	★★		
Liontrust UK Ethical 2 Net Acc	A	292.0	-2.7	10.9	3.8	14	39.0	9	130.2	18	0.86	★★★★★	Marlborough Global Bond B Acc	N	202.0	2.6	1.5	12.5	11.6	18	14.9	17	54.1	11	0.68	★★★★	
Liontrust UK Growth I Inc	A	445.4	2.1	-2.8	8.8	1.7	35	25.7	31	98.6	50	0.91	★★★★★	Marlborough Global Bond P Acc	N	210.1	2.9	1.5	12.3	11.6	19	15.4	15	59.6	8	0.43	★★★★
Liontrust UK Smaller Companies I Acc	C	146.4	0.3	-2.7	9.5	-2.9	3	42.9	9			1.40	★★★★	Marlborough Global Bond P Inc	N	163.5	2.9	1.5	12.3	11.5	20	15.4	14	59.9	5	0.43	★★★★
Liontrust UK Smaller Companies I Inc	C	144.7	0.3	-2.7	9.5	-2.9	4	42.9	10	192.8	3	1.40	★★★★★	Marlborough Global P Acc	M	269.9	0.2	-3.5	11.0	1.1	147	25.2	152	104.7	105	1.70	★★★
Loomis Sayles US Equity Leaders N/A GBP	U	304.7	-2.9	18.3	14.0	11	61.2	18				1.00	★★★★	Marlborough High Yield Fixed Int P Inc	G	74.3	0.6	4.7	2.9	14	14.2	9	64.4	4	0.83	★★★★	
M&G Absolute Return Bond GBP PP Acc	Y	103.2	2.2	0.0	4.5	5.5	6					0.50	★★★	Marlborough Multi Cap Income B Acc	B	204.8	-3.7	0.2	-5.0	42	13.1	33	104.3	8	1.03	★★★	
M&G Asian GBP R Acc	T	177.1	-6.1	3.2	2.1	36	23.3	54	79.6	28	1.20	★★★	Marlborough Nano Cap Growth B Acc	C	174.7	0.3	-2.3	5.5	-1.0	2	56.5	2			1.05	★★★★	
M&G Corporate Bond GBP R Acc	E	139.6	1.3	7.8	8.5	37	9.2	37	42.3	38	0.84	★★★	Marlborough Special Situations B Acc	C	164.4	0.9	-3.1	3.7	-12.0	38	25.3	30	142.5	20	1.03	★★★★	
M&G Dividend GBP R Acc	B	152.0	-2.3	2.4	-5.3	46	5.3	57	51.7	52	0.93	★★	Marlborough UK Micro Cap Growth B Acc	C	730.7	0.4	-3.8	3.2	-8.1	23	36.1	15	167.9	10	1.03	★★★★	
M&G Emerging Markets Bond GBP I Inc	N1	139.2	6.0	-1.4	14.4	20.2	1	27.0	1	89.6	1	0.75	★★★★★	Marlborough UK Micro Cap Growth P Acc	C	733.7	0.6	-3.8	3.4	-7.8	20	37.1	14	170.6	9	0.78	★★★★★
M&G Emerging Markets Bond GBP R Acc	N1	176.5	4.8	-1.5	14.3	19.8	3	25.6	2	85.6	2	1.00	★★★★★	Marlborough UK Multi-Cap Growth P Inc	A	339.7	-3.1	7.1	-8.3	147	30.3	21	131.8	17	0.80	★★★★★	
M&G Episode Allocation GBP I Acc	J	151.7	-3.9	0.4	0.8	91	15.3	34	53.0	35	0.80	★★★	Marlborough US Multi-Cap Income P Inc	U	609.5	0.3	28.2	19.4	3	62.6	17	203.2	14	0.84	★★★★★		
M&G Episode Growth GBP R Acc	K	158.8	2.3	-4.0	-0.3	-1.4	100	15.0	84	59.0	59	1.15	★★	McInroy & Wood Balance Pers Inc	K	529.2	1.4	-1.3	11.6	6.9	14	19.7	53	84.0	13	1.11	★★★★
M&G Episode Income GBP R Acc	J	160.5	0.0	6.5	5.0	30	19.7	6	61.4	15	1.05	★★★★★	McInroy & Wood Emerging Mkts Pers Inc	P	232.8	1.6	-3.5	10.5	13.3	29	22.8	48	60.0	45	1.33	★★★★	
M&G European Corporate Bond GBP I Acc	N	149.0	1.3	-0.7	10.6	6.3	40	14.2	20	49.0	15	0.65	★★★★★	McInroy & Wood Income Pers Inc	K	273.1	2.9	-0.4	10.1	6.6	16	11.4	93	59.6	57	1.11	★★★
M&G European Corporate Bond GBP R Acc	N	146.8	1.1	-0.7	10.5	6.0	41	13.4	24	46.6	17	0.90	★★★★★	McInroy & Wood Smaller Comps Pers Inc	M	572.5	-3.3	10.2	-2.2	167	39.2	75	159.3	32	1.18	★★★★	
M&G European High Yield Bond GBP I Acc	N	169.6	-0.4	11.2	6.6	38	20.7	3	71.8	2	0.70	★★★★★	Merian Asia Pacific R GBP Acc	T	224.6	-3.9	5.0	-2.0	57	37.1	15	139.4	3	1.00	★★★★		
M&G European Select GBP R Acc	V	195.6	1.1	-3.2	6.3	-6.7	74	19.7	65	93.7	52	0.95	★★	Merian Asian Equity Income R GBP Acc	T	117.9	-5.5	1.9	-3.8	59	16.8	60	49.6	39	1.18	★★	
M&G Feeder of Property GBP I Acc	Z1	1388	2.8	-1.0	-2.5	-2.3	7	12.9	11	34.9	6	0.79	★★★	Merian Corporate Bond R GBP Acc	E	140.3	1.8	9.5	9.9	15	10.5	25	51.5	17	0.65	★★★★	
M&G Gilt & Fixed Interest Inc GBP I Acc	D	1302	0.7	4.1	9.7	10.4	18	4.7	16	31.7	12	0.30	★★★★	Merian European Equity ex UK R GBP Acc	V	176.4	2.7	-2.1	11.2	-0.6	46	18.7	70	82.9	56	0.90	★★
M&G Global Convertibles GBP R Acc	P	166.3	-1.7	10.8	5.8	48	11.3	77	68.1	37	1.10	★★★★★	Merian Global Emerging Mkts R GBP Acc	O	1479	0.0	-5.9	7.6	5.1	32	22.0	39	76.5	16	1.20	★★★★	
M&G Global Dividend GBP R Acc	M	204.9	-4.2	6.1	0.6	150	34.9	101	108.0	98	1.11	★★★	Merian Global Equity E USD Acc	M	79.8	-2.8									0.45	★★★	
M&G Global Emerging Markets GBP R Acc	O	155.1	-6.4	3.4	7.8	15	26.6	27	57.1	34	1.20	★★★	Merian Global Equity R GBP Acc	M	279.2	-3.5	7.6	-0.7	158	42.5	54	205.2	7	1.00	★★★★★		
M&G Global Government Bond GBP R Acc	N	137.3	2.5	0.2	13.9	14.9	11	14.8	18	40.1	21	0.80	★★★★★	Merian Global Strategic Bond P GBP Acc	N	127.3	2.5	2.6	9.1	11.4	21	10.2	31	11.6	40	0.65	★★★★★
M&G Global Listed Infras GBP PP Acc	M	116.2	2.7	22.2	27.2	1						0.65	★★★★★	Merian Gold & Silver R GBP Acc	P	161.9	0.0	7.7	32.8	44.9	4	5.2	94			0.99	★★★
M&G Global Macro Bond GBP I Acc	N	161.3	2.4	1.9	13.0	13.8	12	16.7	9	54.8	9	0.78	★★★★★	Merian Monthly Income Bond P GBP Acc	F	145.5	3.8	0.6	6.8	8.1	13	10.1	34	43.6	19	0.80	★★★
M&G Global Macro Bond GBP R Acc	N	150.3	2.1	1.9	12.8	13.4	14	15.5	12	51.2	13	1.03	★★★★★	Merian North American Equity R GBP Acc	U	322.3	-3.4	9.0	1.9	74	48.0	43	231.4	6	0.95	★★★★★	
M&G Global Recovery GBP R Acc	M	196.0	0.8	-3.9	5.8	-4.7	175	17.6	168	95.1	113	1.15	★★	Merian Pacific Equity R GBP Acc	T	155.8	-3.9	5.1	-2.0	56	16.0	62	58.9	36	1.20	★★	
M&G Global Select GBP R Acc	M	236.6	0.4	-2.8	15.3	9.1	43	41.3	61	132.6	66	1.15	★★★★★	Merian Strategic Abs Ret Bd A GBP H Acc	Y	102.1	0.0	0.2	2.6	2.7	19					1.04	★
M&G Global Target Return GBP PP Acc	Y	96.5	-2.7	-3.4	-2.1	51						0.55	★★★	Merian UK Alpha A GBP Acc	A	135.6	-3.6	3.9	-1.6	79	18.4	88				1.60	★★
M&G Global Themes GBP I Acc	M	187.9	-0.4	18.5	11.9	26	38.4	79	86.7	115	0.86	★★★★★	Merian UK Alpha P GBP Acc	A	97.9	-3.5									1.10	★★	
M&G Index-Linked Bond GBP I Acc	D1	1773	0.0	7.4	17.4	17.7	8	13.9	7	76.0	6	0.30	★★★	Merian UK Dynamic Equity R GBP Inc	A	456.7	0.6	-3.2	3.7	-12.1	170	26.6	29	167.7	3	1.07	★★★★★
M&G Japan GBP R Acc	R	229.8	1.0	-2.9	2.3	-8.8	41	17.2	38	136.3	11	1.15	★★★	Merian UK Equity Income R GBP Acc	B	159.9	-4.5	-1.4	-6.2	52	8.1	49	73.8	31	0.90	★★★	
M&G Japan Smaller Companies GBP I Acc	R1	253.6	1.1	-5.1	-1.8	-13.9	3	17.1	3	157.2	3	0.90	★★	Merian UK Equity R GBP Acc	A	147.8	3.2	-4.8	1.3	-10.9	165	10.9	139	79.6	82	0.90	★★
M&G Japan Smaller Companies GBP R Acc	R1	249.1	0.8	-5.1	-1.9	-14.2	4	16.2	4	152.5	4	1.15	★★	Merian UK Mid Cap R GBP Acc	A	285.3	1.2	-2.1	4.6	-13.9	174	23.4	44	158.8	4	0.85	★★★★
M&G Managed Growth GBP R Acc	L	169.3	0.9	-4.2	3.0	-1.3	75	27.3	15	67.4	45	1.15	★★★	Merian UK Smaller Companies R GBP Acc	C	260.9	0.8	-4.6	1.6	-12.9	40	32.8	18	159.0	15	1.03	★★★
M&G North American Dividend GBP I Acc	U	306.7	0.8	-2.0	15.8	12.9	16	64.1	14	201.6	16	0.70	★★★★★	Merian UK Smaller Coms Foc R GBP Inc	C	268.4	0.0	-5.0	0.7	-16.1	42	55.4	3	224.9	1	0.85	★★★★★
M&G North American Dividend GBP I Inc	U	277.3	-2.0	15.8	12.9	17	64.1	13	201.6	18	0.70	★★★★★	Merian UK Specialist Equity R GBP Acc	Y	122.6	0.0	-0.7	3.6	-1.7	49	18.8	3			1.07	★★★★★	
M&G North American Value GBP R Acc	U	269.6	0.4	-5.8	2.2	-5.0	82	30.2	70	165.9	46	0.95	★★★	Merian US Equity Income R GBP Acc	U	159.0	-4.1	8.7	-0.3	79	30.6	68				1.20	★★★
M&G Optimal Income GBP I Inc	F	149.3	-0.4	2.8	3.6	49	11.1	32	40.1	23	0.84	★★★★★	MFM Bowland	A	259.9	1.0	-2.2	6.4	-2.4	85	45.8	5	147.9	7	0.82	★★★★	
M&G Pan European Select GBP R Acc	V2	207.7	-2.3	8.6	0.5	6	24.7	5	106.9	4	0.95	★★★★★	MFM Techinvest Special Situations A Acc	C	155.3	0.0	-5.8	-4.4	-27.1	44	4.6	41	116.4	29	1.63	★	
M&G Pan Eurp Sel Smllr Coms GBP R Acc	V1	203.9	-4.8	1.4	-10.1	8	10.0	13	100.7	12	1.10	★★	MFM Techinvest Technology B Acc	Q	581.1	0.0	-4.7	-0.3	-4.2	12	38.4	11	161.2	6	1.21	★★	
M&G Positive Impact Sterling PP GBP Acc	M	108.7	-2.6	14.8								0.65	★★★	MFM UK Primary Opportunities B Acc	A	617.9	2.4	-4.4	2.8	-3.7	98	26.7	28	81.5	78	1.12	★★★
M&G Property Portfolio GBP I Acc	Z1	1391	2.8	-1.0	-2.5	-2.3	6	13.1	9	35.7	5	0.79	★★★	MGTS AFH DA European Equity R GBP Acc	V	90.9	0.0	-4.4	3.7	-5.8	71					0.97	★★★
M&G Recovery GBP R Acc	A	124.3	1.8	-3.0	-4.9	-9.8	160	10.1	143	22.4	145	1.06	★	MGTS AFH DA North American Eq R GBP Acc	U	114.4	0.0	-5.3	7.7	3.8	68					0.95	★★★
M&G Short Dated Corp Bd GBP PP Acc	E	101.8	0.3	3.0	3.0	67	6.3	57	18.6	44	0.30	★	MGTS AFH DA UK Multi-Cap Gr R GBP Acc	A	106.8	0.0	-3.3	5.5	-0.								



# INVESTMENT FUNDS ALPHABETICAL

## HOW EACH FUND HAS PERFORMED OVER FIVE PERIODS - PLUS RANKINGS AND RATINGS

Source: Morningstar

Total Return	Sec- tor	Price p	12m yld %	1 mth %	6 mths %	1 yr % Rank	3 yrs % Rank	7 yrs % Rank	OCF %	Morningstar Rating	Total Return	Sec- tor	Price p	12m yld %	1 mth %	6 mths %	1 yr % Rank	3 yrs % Rank	7 yrs % Rank	OCF %	Morningstar Rating						
Montanaro UK Income GBP	A	109.0	-1.4	4.9	-3.7	100	22.9	49	0.86	★★★★★	Pictet-Security I dy GBP	M	23668	-1.5	16.7	9.9	35	46.4	40	183.7	18	1.20	★★★★★				
Morgan Stanley Gbl Brands Eq Inc I Acc	M1	1508	3.5	0.0	20.9	19.9	2	51.4	1	1.00	★★★★★	Pictet-Small Cap Europe I GBP	V1	117515	0.0	-2.5	5.8	-5.9	6	24.9	7	137.7	9	1.12	★★★★★		
Morgan Stanley UK Global Brands I GBP	M	10849	-0.1	22.1	20.9	4	60.4	9	184.3	17	0.90	★★★★★	Pictet-Timber I dy GBP	P	12318	1.3	-1.8	2.8	-16.0	112	18.8	60	84.1	30	1.22	★★★★★	
Morgan Stanley UK Sterling Corp Bd I Acc	E	2859	2.5	1.3	7.5	8.2	43	10.6	23	52.9	13	0.37	★★★	Pictet-US High Yield I dm GBP	N	9682	5.6	1.3	14.6	11.0	22	22.9	2			0.83	★★
Morgan Stanley US Advantage I Acc GBP	U	1798	-2.0	20.4	15.7	9				0.85	★★★★★	Pictet-USA Index I GBP	U	22190	0.0	-1.1	15.4	8.9	37	50.1	40			0.29	★★★★★		
Neptune Balanced C Acc GBP	K	178.0	0.1	-1.8	11.5	5.2	37	34.6	5	81.2	17	0.83	★★★★★	Pictet-Water I dy GBP	M	33342	-0.4	16.3	15.4	15	40.2	69	145.8	53	1.20	★★★★★	
Neptune China C Acc GBP	S	180.7	1.0	-3.0	3.2	-1.0	13	29.5	13	92.8	12	0.96	★★★★★	PIMCO GIS Emerg Lcl Bd Instl GBP UnH Acc	N1	2149	0.0	-3.1	12.9	20.2	2	18.5	6	22.5	4	0.89	★★★★★
Neptune Emerging Markets C Acc GBP	O	159.5	1.6	-8.2	2.2	3.4	40	26.3	29	66.8	21	0.90	★★★★★	PIMCO GIS Euro Bond Instl EUR Acc	N	2400	0.0	1.3	13.7	10.6	23	17.9	6	61.6	4	0.46	★★★★★
Neptune European Opportunities C Acc GBP	V	169.5	2.2	-3.7	5.9	-10.3	78	23.8	52	76.4	58	0.96	★★★★★	PIMCO GIS Euro Credit Instl EUR Acc	N	1549	0.0	0.4	11.9	8.0	34	16.5	11	52.6	12	0.40	★★★★★
Neptune Global Alpha C Acc GBP	L	635.0	0.0	-4.4	9.0	3.2	25	57.2	1	139.0	2	0.89	★★★★★	PIMCO GIS Euro Income Bond Instl EUR Acc	N	1384	-0.7	9.0	5.6	43	17.7	8	59.8	6	0.49	★★★★★	
Neptune Global Equity C Acc GBP	M	199.5	0.3	-3.4	10.8	1.3	144	45.1	44	103.4	107	0.89	★★★★★	PIMCO GIS Euro Low Dur Instl EUR Acc	N	1037	0.0	-0.6	6.6	1.7	50	7.1	41	24.7	35	0.46	★★★★★
Neptune Global Income C Acc GBP	M1	195.9	1.5	-0.4	19.1	15.2	3	42.2	2		1.20	★★★★★	PIMCO GIS Euro Short-Term Instl EUR Acc	N	1093	-0.5	5.9	1.0	52	4.9	45	16.6	37	0.40	★★★★★		
Neptune Global Smaller Coms C Acc GBP	M	183.0	0.0	-5.6	10.4	2.1	135	71.3	5	108.2	97	1.30	★★★★★	PIMCO GIS Gbl Bd Instl EUR Ccy Exps Acc	N	1267	0.0	2.1	15.2	13.6	13	16.6	10			0.49	★★★★★
Neptune Global Technology C Acc GBP	Q	238.1	0.0	-4.7	16.1	9.5	5	96.8	2		0.93	★★★★★	PIMCO GIS GlnGd Crdt Ins EUR CcyExpsAcc	E	1285	0.0	2.2	16.5	15.9	5	21.2	1	61.9	6	0.49	★★★★★	
Neptune Income C Acc GBP	B	172.5	3.5	-4.2	5.2	3.5	4	25.3	3	76.9	27	0.81	★★★★★	PIMCO GIS Ttl Ret Bd Instl EUR UnH Acc	N	2602	0.0	3.3	17.6	17.0	5	19.6	5	59.7	7	0.50	★★★★★
Neptune India C Acc GBP	P	209.1	-6.0	1.9	-15.8	111	-2.1	101	95.9	25	1.31	★★★★★	Polar Capital Biotech I Inc	P	1548	0.0	-4.5	7.2	0.5	81	64.1	2			1.16	★★★★★	
Neptune Japan Equity C Acc GBP	R	135.4	1.2	-2.1	9.5	-3.8	30	19.2	36		0.90	★★★★★	Polar Capital Financial Opports R Inc	P	817.8	0.9	-3.9	16.8	2.7	70	35.2	22	162.0	9	1.62	★★★★★	
Neptune Japan Opportunities B Acc GBP	R	412.7	1.0	-4.1	-3.3	-14.0	42	11.9	40	89.3	32	1.23	★★★★★	Polar Capital Gbl Convert I Inc	P	708.6	4.2	-0.6	18.9	12.6	30	32.8	26			1.12	★★★★★
Neptune Latin America C Acc GBP	P	121.6	-12.1	1.2	19.4	14	42.1	17	36.0	57	1.08	★★★★★	Polar Capital Global Ins I Acc	P	769.1	0.3	0.4	18.1	19.0	16	52.0	10	225.6	2	0.87	★★★★★	
Neptune Russia & Greater Russ C Acc GBP	P	155.3	3.8	-5.4	16.2	26.8	6	75.0	1	66.1	40	1.05	★★★★★	Polar Capital Global Tech R Inc	Q	3184	0.0	-1.1	26.9	17.0	1	112.8	1	435.2	1	1.66	★★★★★
Neptune UK Mid Cap C Acc GBP	A	142.0	3.1	-3.1	-0.4	-15.0	178	-4.2	169	73.6	96	0.79	★★★★★	Polar Capital Healthcare Opports R Inc	P	3110	0.0	-0.8	13.5	9.3	37	53.2	9	366.0	1	1.66	★★★★★
Neptune UK Opportunities C Acc GBP	A	157.5	2.5	-2.4	6.3	-6.0	122	7.0	160	63.6	120	0.94	★★★★★	Polar Capital Healthcare Blue Chip I Acc	P	898.3	0.0	1.3	21.6	14.2	27	43.5	15			1.01	★★★★★
Neptune US Income C Acc GBP	U	230.9	1.4	-3.5	12.6	4.8	64	42.1	57	169.9	43	0.98	★★★★★	Polar Capital Japan R Inc	R	11.6	0.0	-0.6	15.6	-1.2	24	30.1	13	80.8	33	1.69	★★★★★
Neptune US Opportunities B Acc GBP	U	626.1	0.0	-3.1	16.7	8.4	41	63.5	16	174.6	36	1.26	★★★★★	Polar Capital North American R	U	1603	0.0	-1.7	21.3	8.3	42	53.8	25	258.1	4	1.44	★★★★★
Neuberger Berman EM Dbt Blnd GBPUnH PAcc	N1	1106	-2.2								0.87	★★★★★	Polar Capital UK Absolute Eq I GBP	Y	2325	0.0	7.2	16.3	1.4	26	63.0	1			1.17	★★★★★	
Neuberger Berman US Eq Ldx PW USD I Acc	P	922.1	0.0	-0.4	12.4	5.6	53				0.80	★★★★★	Polar Capital UK Value Opports I GBP Acc	A	1109	0.0	-3.1	-1.9	-8.5	151					0.86	★★★★★	
Neuberger Berman US Sm Cap EUR I2 Acc	U1	1060	-1.8	16.0							0.98	★★★★★	Polar Cptl Atmtn & Artfcl Intlgn R Acc	M	890.1	0.0	-1.9	13.3	3.8	118					1.44	★★★★★	
Newton Asian Income B Acc	T	175.0	3.6	-3.7	9.9	10.0	3	26.6	49	78.7	29	0.98	★★★★★	Polar Cptl Eurp Ex UK Inc I EUR Acc	V	1073	0.0	0.1	8.9	4.6	14	30.0	29			0.87	★★★★★
Newton Continental European B Acc	V	211.9	1.4	-0.6	12.7	3.9	19	29.6	31	118.0	27	0.98	★★★★★	Polar Emerging Market Stars R USD Acc	Y	779.2	0.0	-2.3	11.7	6.7	4					1.44	★★★★★
Newton Emerging Income B Acc	O	123.6	3.8	-5.5	5.4	3.6	36	10.6	54		1.06	★★★★★	Premier Defensive Growth C Acc	Y	118.7	0.4	-0.4	-3.1	-2.6	52	-1.6	46	13.6	19	0.84	★★★★★	
Newton Global Dynamic Bd B Acc	Y	115.5	2.8	1.0	4.6	5.8	5	5.8	23	19.9	16	0.85	★★★★★	Premier Ethical C Acc	A	319.6	2.1	-2.2	4.2	-5.0	111	17.4	102	113.9	29	1.00	★★★★★
Newton Global Dynamic Bd Inc F Acc	F	108.3	3.5	1.3	5.9	7.1	21				0.63	★★★★★	Premier Global Alpha Growth C Acc	M	221.0	1.3	-6.5	2.4	-5.5	179	24.5	155	127.9	71	1.00	★★★★★	
Newton Global Emerging Mkts F Acc	O	149.5	0.6	-3.8	8.1	-0.3	55	21.1	44	93.8	7	0.72	★★★★★	Premier Global Infrastructure Inc C Acc	M1	152.8	4.4	-3.0	6.0	13.7	7	14.6	41	99.4	18	1.12	★★★★★
Newton Global Equity B Acc	M	227.7	1.0	-1.7	13.4	7.9	52	35.1	100	135.7	62	0.95	★★★★★	Premier Income C Acc	B	871.9	5.4	-2.8	-3.2	-5.1	43	4.1	64	67.5	37	0.91	★★★★★
Newton Global High Yield Bond P Acc	G	130.7	4.6	1.3	6.1	7.3	3	13.2	13		1.10	★★★★★	Premier Liberation No. IV Class C Acc	J	159.1	1.8	-2.0	1.9	-0.6	109	11.2	79	60.7	16	1.24	★★★★★	
Newton Global Income B Acc	M1	228.1	2.9	-2.2	15.4	12.8	11	34.7	14	131.3	8	0.95	★★★★★	Premier Liberation No. V Class C Acc	J	189.0	1.4	-2.8	2.2	-1.2	111	13.9	52	68.5	6	1.29	★★★★★
Newton Global Income Inst W Inc	M1	183.1	3.0	-2.2	15.5	13.0	10	35.3	11		0.80	★★★★★	Premier Liberation No. VI Class C Acc	K	208.9	1.6	-3.6	1.7	-2.4	105	16.2	76	77.4	24	1.34	★★★★★	
Newton Global Opportunities X Acc	M	454.6	1.9	-2.2	14.7	10.0	34	39.4	73	156.7	37	0.07	★★★★★	Premier Liberation No. VII Class C Acc	L	168.9	-4.6	1.7	-3.3	85	18.1	56	79.2	33	1.47	★★★★★	
Newton International Bond B Acc	N	136.1	1.3	3.1	18.0	16.6	7	13.9	23	37.2	25	0.77	★★★★★	Premier Monthly Income C Acc	B	244.3	5.3	-2.8	-3.2	-5.1	44	4.0	65	67.3	38	0.96	★★★★★
Newton Long Corp Bd Inst Acc	E	206.2	3.6	12.5	13.3	7	10.8	21	60.9	7	0.61	★★★★★	Premier Multi Asset Absolute Ret C Acc	Y	125.1	0.0	0.0	2.5	0.5	33	5.4	27	23.6	14	1.14	★★★★★	
Newton Long Gilt Inst Acc	D	613.8	8.1	17.9	18.3	5	9.5	3	66.7	3	0.61	★★★★★	Premier Multi Asset Cnsv Gr C	J	78.1	1.0	-0.1	2.6	1.1	86	11.2	78	33.1	72	1.27	★★★★★	
Newton Multi-Asset Balanced B Acc	K	161.7	2.0	-1.6	12.3	9.4	5	20.0	50	65.5	48	0.84	★★★★★	Premier Multi-Asset Distribution C Acc	J	347.7	3.6	-2.5	2.7	2.0	71	15.0	36	69.7	5	1.30	★★★★★
Newton Multi-Asset Divers Ret B Acc	Y	144.6	2.3	-0.6	4.0	3.1	16	16.2	6	49.3	3	0.89	★★★★★	Premier Multi-Asset Global Growth C Acc	L	201.7	0.6	-4.3	3.3	-1.7	78	21.5	40	109.6	5	1.59	★★★★★
Newton Multi-Asset Growth B Acc	L	198.9	-3.5	7.6	3.3	24	21.7	39	104.4	9	0.85	★★★★★	Premier Multi-Asset Growth&Inc C Acc	K	184.5	2.7	-3.4	3.1	-0.9	96	18.0	63	92.5	9	1.54	★★★★★	
Newton Multi-Asset Growth Inst W Acc	L	207.3	-3.5	7.7	3.5	22	22.4	37	108.7	7	0.67	★★★★★	Premier Multi-Asset Monthly Inc C Acc	J	186.0	4.7	-2.3	1.6	0.9	89	13.3	60	66.4	8	1.23	★★★★★	
Newton Multi-Asset Income F Acc	L	137.0	4.0	-2.0	4.6	1.7	39	18.8	52		0.60	★★★★★	Premier Optimum Income C Inc	B	101.8	6.7	-2.6	-4.0	-6.3	53	4.1	62	73.9	29	1.01	★★★★★	
Newton Oriental B Acc	T	141.3	-2.9	8.5	-1.5	55	17.1	59	46.4	40	1.07	★★★★★	Premier Pan Europe Prop Share C Acc	Z	109.4	3.2	1.7	5.4	-0.1	24	14.5	17	126.1	3	0.91	★★★★★	



HOW EACH FUND HAS PERFORMED OVER FIVE PERIODS - PLUS RANKINGS AND RATINGS

Source: Morningstar

Total Return	Sec- tor	Price p	12m yld %	1 mth %	6 mths %	1 yr Rank	3 yrs Rank	7 yrs Rank	OCF %	Morningstar Rating	Total Return	Sec- tor	Price p	12m yld %	1 mth %	6 mths %	1 yr Rank	3 yrs Rank	7 yrs Rank	OCF %	Morningstar Rating						
Royal London GMAP Defensv R GBP Acc	I	106.3	1.7	0.0	4.7	3.9	28		0.15		Schroder Asian Income L GBP Acc	T	87.5	3.6	-5.1	5.6	4.4	26	31.1	29	0.87	★★★★					
Royal London GMAP Dyn R GBP Acc	M	113.6	2.3	-2.8	8.8	3.8	116		0.15		Schroder Asian Income Maximiser L £ Acc	T	79.9	7.0	-4.7	5.0	3.8	29	25.6	52	0.89	★★★★					
Royal London GMAP Gr R GBP Acc	K	110.0	1.9	-1.4	6.7	3.0	59		0.15		Schroder Asian Income Z Inc	T	74.4	3.7	-5.1	5.6	4.4	27	30.8	32	102.6	15	0.94	★★★★			
Royal London Index Linked M Acc	D1	181.0	0.1	7.8	18.7	19.9	4	18.0	1	81.0	4	0.36	★★★★★	Schroder Dynamic Multi Asset X Acc	L	59.2	1.3	-0.2	4.9	3.2	26	12.4	70	0.05	★★★		
Royal London Inv Grade SD Credit N Acc	E	107.5	2.4	0.3	3.0	3.8	61		0.03		Schroder European Alpha Plus L £ Acc	V	72.3	2.8	-4.5	3.5	-7.6	76	21.9	62	0.86	★★					
Royal London Monthly Income Bd M GBP Acc	F	106.2	4.9	0.6	4.1	5.1	35		0.55		Schroder European Eq Abs Ret P2 Acc GBPH	Y	116.1	0.0	-0.2	-2.6	-3.2	55	-5.8	51	4.1	30	1.05	★★★★			
Royal London Sterl Extra Yld Bd A*	F	120.3	5.6	0.1	5.0	5.1	37	25.5	1	85.3	3	0.83	★★★★★	Schroder European L GBP Acc	V	81.7	1.5	-3.9	11.4	-2.8	63	24.9	47	0.85	★★★		
Royal London Sterl Extra Yld Bd A Acc*	F	106.8	0.0	0.1	5.0	5.1	36		0.83		Schroder European Sm Cos Z Acc	V1	137.3	0.9	-5.9	1.9	-16.2	13	23.9	8	163.3	5	0.94	★★★			
Royal London Sterling Credit M Acc	E	146.9		1.7	8.1	9.1	27	12.8	9		0.53	★★★★	Schroder Gilt & Fixed Interest Acc	D	245.7	2.0	4.7	10.5	11.1	14	6.1	11	32.6	11	0.59	★★★	
Royal London Sustainable Div C Acc	J	190.1	1.5	0.2	13.2	10.3	1	30.9	1		0.77	★★★★★	Schroder Gbl Cities Real Estt Inc L Acc	Z	86.2	4.1	1.0	16.9	14.3	10	16.6	13	0.88	★★★			
Royal London Sustainable Leaders C Acc	A	228.5	1.9	0.1	16.0	11.0	3	39.9	7	140.2	12	0.76	★★★★★	Schroder Global Cities Real Estt L £ Acc	Z	97.0	1.1	2.1	19.6	18.5	2	31.3	2	0.84	★★★★		
Royal London Sustainable Mgd Gr C Acc	I	158.5	2.7	1.0	8.7	8.7	3	18.7	2		0.68	★★★★★	Schroder Global Equity I Acc	M	117.2	1.1	-2.7	13.2	7.7	55	44.9	45	156.7	38	0.53	★★★★★	
Royal London Sustainable Mgd Inc C Acc	E	140.5		1.8	7.2	8.7	34	11.8	13		0.62	★★★★	Schroder Global Equity Income L GBP Acc	M1	92.1		-5.7	2.5	-1.0	35	28.8	22	0.87	★★★			
Royal London Sustainable World C Acc	K	250.1		-0.2	17.4	12.9	1	49.0	1	159.8	1	0.77	★★★★★	Schroder Global Equity Income Z Acc	M1	120.7		-5.6	2.5	-1.1	36	28.6	23	114.8	13	0.95	★★★★
Royal London UK Dividend Growth M	A	182.2		-3.7	3.8	-2.5	86	25.0	34	76.5	89	0.71	★★★	Schroder Global Healthcare Z Acc	M	174.0		-1.2	12.6	8.1	51	37.1	87	199.0	10	0.92	★★★★
Royal London UK Equity Income M	B	797.0	4.4	-2.1	4.6	-0.3	15	16.8	12	109.9	4	0.72	★★★★	Schroder High Yield Opportunities Z Acc	G	84.0		-1.3	1.6	1.4	17	14.6	8	69.8	2	0.72	★★★★
Royal London UK Equity Income M Acc	B	201.3		-2.0	4.6	-0.2	14	16.9	11	109.4	5	0.72	★★★★	Schroder High Yield Opportunities Z Inc	G	50.8		-1.3	1.6	1.4	16	14.7	7	70.1	1	0.72	★★★★
Royal London UK Equity M Acc	A	174.4		-2.6	6.5	2.2	30	23.3	46	77.0	87	0.67	★★★★	Schroder Income Fd Z Acc	B	94.5	4.7	-6.0	-7.7	-9.6	63	15.9	20	92.0	14	0.91	★★★
Royal London UK Government Bond M Acc	D	130.9	2.4	4.5	10.4	11.4	13	7.0	8	33.2	10	0.45	★★★	Schroder Income L GBP Acc	B	70.0	4.7	-6.0	-7.7	-9.5	62	16.1	17	0.83	★★★		
Royal London UK Mid-Cap Growth Instl M	A	433.4	1.6	-2.3	7.5	-1.7	81	29.3	26	129.9	19	0.77	★★★★	Schroder Income Maximiser L GBP Acc	B	65.1	8.0	-5.8	-6.9	-8.0	57	13.5	30	0.84	★★★		
Royal London UK Opportunities M Acc	A	184.9	2.2	-4.8	3.6	-7.8	141	7.8	155	58.8	125	0.77	★★	Schroder Income Maximiser Z Inc	B	46.5	8.4	-5.8	-7.0	-8.0	58	13.3	31	72.6	34	0.91	★★★
Royal London UK Smaller Companies M	C	229.1	1.0	-2.3	8.5	-5.1	7	25.2	31	131.2	24	0.77	★★★	Schroder Instl Long Dated Corp Bd I	E	377.8	3.5	5.4	17.1	19.4	1	15.6	4	86.1	1	0.27	★★★★★
Royal London US Tracker Z Acc	U	399.0	1.1	-3.1	15.0	9.1	36	51.4	32	202.8	15	0.25	★★★★	Schroder Instl Pacific I Acc	T	169.2		-4.0	11.0	8.8	6	42.8	8	90.2	22	0.52	★★★★
Russell Inv Continental Eurp Eq I*	V	3089	2.1	-2.3	7.3	-1.9	58	25.5	43	119.8	23	0.91	★★★	Schroder Instl UK Smaller Cos I Acc	C	152.9	1.8	-3.2	1.4	-9.7	28	32.8	17	138.2	23	0.51	★★★★
Russell Inv Emerging Markets D*	O	6837	1.5	-4.7	4.0	1.9	46	23.0	37	61.5	27	1.04	★★★★	Schroder ISF Asian TR C Dis GBP AV*	P	3591.9	2.3	-4.5	6.9	3.8	65	30.0	29	1140	19	1.30	★★★★★
Russell Inv EMkt Dbt Lcl Ccy I USD	N1	70636	4.4	-3.5	9.0	14.7	15	13.2	13		1.12	★★★	Schroder ISF Gbl InflLnkdBd C DisGBP AV*	N	2991.0	0.7	2.8	16.1	9.7	27	12.3	29	38.4	24	0.52	★★★★★	
Russell Inv Global List Infrs I GBP*	M	25460	3.5	1.4	17.0	19.6	6	31.7	116	117.2	84	0.94	★★★★	Schroder ISF Gbl Hi Yld C Dis GBP H QV*	N	1195.1	5.6	-0.3	3.7	3.9	47	11.9	30	42.2	19	0.83	★★★
Russell Inv Japan Equity I*	R	2986	0.0	-2.1	7.0	-3.8	29	31.4	12	133.7	13	1.01	★★★★	Schroder MM Diversity Balanced Z Acc	K	157.4	0.5	-1.0	3.6	2.1	70	10.8	95	59.6	56	1.33	★★★
Russell Inv US Quant I*	U	3421	0.4	-2.0	12.6	4.0	67	42.4	55	184.6	31	0.91	★★★★	Schroder MM Diversity Income Z Acc	J	148.6	3.4	-1.5	-0.1	0.1	101	5.5	101	38.0	67	1.11	★★
Russell Inv World Equity TYC*	M	1934	1.5	-1.5	12.2	6.0	86	42.4	56	157.3	36	0.66	★★★★	Schroder MM Diversity Q Acc	J	111.0	0.6	-0.2	2.5	3.3	51	5.9	99	30.1	73	1.04	★★
S&W Aubrey Global Conviction	M	341.3	0.0	0.9	20.8	5.3	97	72.6	4	181.9	20	2.00	★★★★	Schroder MM Diversity Tactical Z Acc	L	126.1	0.6	-0.9	3.8	2.7	31	10.9	72	63.6	46	1.36	★★★
S&W Revera UK Dynamic Founder Acc	A	205.5	2.0	-1.5	9.8	2.5	26	19.1	78	95.4	57	1.30	★★★	Schroder MM International Z Acc	M	180.9	0.5	-2.2	9.8	7.4	61	29.0	135	138.7	59	1.40	★★★★
Sanlam Active UK A*	A	1722	0.0	-5.5	-0.4	-3.4	95	17.8	95	43.3	144	1.21	★	Schroder MM UK Growth Z Acc	A	131.9	1.9	-3.2	1.1	-2.7	89	11.7	137	64.0	119	1.37	★★★
Sanlam Global High Quality C GBP Acc*	M	221.9	0.0	-0.1	14.2	10.6	31	42.9	53		0.60	★★★★★	Schroder QEP Global Core Eq A Acc	M	133.0	1.8	-3.2	11.0	4.9	99	35.7	95	144.2	54	0.32	★★★★	
Sanlam Global Value A EUR*	M	1047	0.0	-3.1	7.9	-1.2	163	26.6	145		0.97	★★★	Schroder QEP US Core I Acc	U	1953	1.3	-3.2	13.9	7.5	50	47.3	45	190.3	25	0.33	★★★★	
Sanlam Multi Strat Founder GBP Acc*	Y	1253	0.0	-0.2	3.7	3.3	14	14.8	8		0.71	★★★	Schroder Recovery L GBP Acc	A	66.5	3.7	-6.0	-7.5	-9.3	156	13.2	125		0.83	★★		
Sanlam Stable Global A GBP Acc*	M	1602	0.0	0.9	15.4	11.0	29	26.6	146		1.02	★★★	Schroder Recovery Z Acc	A	105.2	3.7	-6.0	-7.6	-9.4	157	13.0	127	101.6	48	0.91	★★★	
Sanlam Strategic Bond I GBP Inc*	F	109.6	4.5	0.5	7.7	7.2	19	21.6	4		0.64	★★★★★	Schroder Responsible Value UK Eq I Acc	A	283.4	3.8	-5.5	-4.3	-5.2	115	19.3	75	90.7	63	0.78	★★★	
Sanlam Strategic Bond P GBP Acc*	F	169.3		0.5	7.8	7.5	17	22.4	2	59.8	10	0.41	★★★★★	Schroder Small Cap Discovery L GBP Acc	P	75.5	1.0	-5.2	2.0	-2.9	94	4.8	95		0.90	★★★	
Sanlam US Dividend A GBP Acc*	U	1720	0.0	-6.4	2.6	-0.2	78	26.1	74		1.04	★★	Schroder Sterling Corporate Bond A Acc	E	81.9		2.0	8.9	10.4	9	13.1	8		1.12	★★★★		
Santander Atlas Portfolio 3 IA	Y1	192.1	1.7	0.5	7.3	5.5	15	9.7	46	38.2	25	0.81	★★★	Schroder Sterling Corporate Bond Z Inc	E	127.5		2.0	9.1	11.0	8	14.8	5	59.0	9	0.62	★★★★★
Santander Atlas Portfolio 4 IA	Y1	202.2		-0.6	6.6	3.9	30	13.0	35	55.1	15	0.86	★★★★	Schroder Strategic Bond Z Acc	F	69.5	3.1	0.8	4.9	4.7	39	12.8	18	39.5	24	0.79	★★★
Santander Atlas Portfolio 5 IA	Y1	205.5	1.4	-1.5	6.5	2.4	50	15.6	27	60.7	14	0.90	★★★	Schroder Strategic Credit A Acc	F	167.8	4.1	0.2	2.9	3.3	50	9.1	40	32.1	32	1.16	★★★
Santander Atlas Portfolio 6 XA	Y1	246.1	1.2	-2.0	7.1	2.4	51	18.4	18		0.89	★★★	Schroder Tokyo L GBP Acc	R	85.4	1.4	-2.0	6.6	-3.3	27	22.0	32		0.84	★★★		
Santander Atlas Portfolio 7 IA	Y1	222.7		-3.0	7.5	2.0	55	23.0	7	81.1	5	0.94	★★★	Schroder UK Alpha Income C Acc	B	202.2		-3.3	1.0	-6.2	51	5.4	56		1.17	★★	
Santander Equity Income IA	B	176.4		-3.7	2.6	-3.2	35	12.2	39		0.53	★★★	Schroder UK Alpha Plus L GBP Acc	A	66.4	3.1	-3.8	2.6	-2.7	90	14.1	117		0.84	★★		
Santander Europe (Excloding UK) Eqs A	V	394.1	1.6	-1.3	10.3	0.6	36	27.4	38	111.3	39	1.08	★★★	Schroder UK Dynamic Abs Ret P2 GBP Acc	Y	185.9	0.0	-0.5	3.2	-1.3	46	17.4	5	49.9	2	1.16	★★★★
Santander Japan Equities A	R	217.6	1.1	-2.2	7.0	-2.3	26	21.6	34	103.9	29	1.08	★★	Schroder UK Dynamic Smaller Cos Z Acc	C	473.7	1.6	-4.7	0.8	-13.2							



# INVESTMENT FUNDS ALPHABETICAL

## HOW EACH FUND HAS PERFORMED OVER FIVE PERIODS - PLUS RANKINGS AND RATINGS

Source: Morningstar

Total Return	Sec- tor	Price p	12m yld %	1 mth %	6 mths %	1 yr Rank	3 yrs Rank	7 yrs Rank	OCF %	Morningstar Rating	Total Return	Sec- tor	Price p	12m yld %	1 mth %	6 mths %	1 yr Rank	3 yrs Rank	7 yrs Rank	OCF %	Morningstar Rating						
SLI European Ethical Equity Plat 1 Acc	V	117.6	1.6	-1.1	15.1	0.3	41	29.5	32	117.9	29	0.92	***	T. Rowe Price Asian Opps Eq Q GBP	T	2056	-2.0	8.4	7.8	8	42.9	7	0.92	*****			
SLI European Smaller Coms A Acc GBP	V1	237.8	0.0	-1.8	8.1	-5.7	5	29.5	5	176.8	3	1.90	*****	T. Rowe Price Continental Eurp Eq C GBP	V	1352	1.5	-0.8	15.0	7.4	3			0.82			
SLI European Trust	V	268.8	2.0	-0.5	12.1	-1.4	52	23.7	53	99.0	48	0.87	**	T. Rowe Price Continental Eurp Eq Q GBP	V	1835	-0.5	14.1	6.7	5	36.7	8	0.82	****			
SLI European Trust II Ret Acc	V	232.1	1.4	-0.4	13.6	2.0	31	22.2	57	95.5	50	1.77	**	T. Rowe Price Dynamic Gbl Bd Qh GBP	N	998.0	0.0	-1.9	-1.6	-1.4	53	-5.8	50	0.66	*		
SLI Global Absolute Ret Strat Ret Acc	Y	75.2	1.8	0.2	3.9	4.1	10	1.8	38	13.4	20	1.31		T. Rowe Price Emerging Mkts Eq Q GBP	O	1824.0	0.0	-5.0	7.7	7.9	14	34.9	13	83.2	12	1.13	****
SLI Global Advantage Plat 1 Acc	K	97.0		-1.6	9.4	2.4	67	23.2	32	83.3	14	0.65	****	T. Rowe Price Eurp Smr Coms Eq Q GBP	V1	1723	0.0	-3.4	2.9	-15.7	12	28.8	6	145.6	8	1.12	****
SLI Global Bond A Acc USD	N	1528	0.0	3.2	17.1	15.2	10	9.3	32	29.9	30	1.12	**	T. Rowe Price Frontier Markets Eq Q GBP	P	1506	0.0	-3.3	13.7	9.2	38	27.0	38			1.27	*****
SLI Global Corporate Bond A Acc GBP Hdg	N	1425	0.0	2.2	8.0	8.8	30	7.2	38	29.2	32	1.08	***	T. Rowe Price Gbl Fcd Gr Eq Q GBP	M	2522	0.0	-2.2	12.5	7.0	66	63.4	8	229.3	5	0.90	*****
SLI Global Emerging Mrkt Eq Plat 1 Acc	O	90.9	1.7	-4.9	5.9	5.5	28	29.8	21	76.2	17	0.97	***	T. Rowe Price Global Growth Eq Q GBP	M	2436	0.0	-2.8	12.7	8.6	46	54.3	16	175.0	24	0.92	****
SLI Global High Yield Bond A Acc GBP Hdg	N	1384		0.5	3.3	3.4	48	8.0	37	28.2	33	1.43	*	T. Rowe Price Global High Inc Bd Qd GBP	G	981.0	5.3	0.3	4.6	7.3	2	17.2	3			0.77	*****
SLI Global Real Estate Plat 1 Acc	Z	78.8	1.6	3.6	8.0	10.2	13	16.8	12	57.2	13	1.17	**	T. Rowe Price Global Tech Eq Qd GBP	Q	1795	0.0	-4.9	10.5	8.3	8	70.6	8			0.94	***
SLI Global REIT Plat 1 Acc	Z	88.1	2.4	2.3	10.0	10.7	12	13.8	18	63.0	12	0.95	**	T. Rowe Price Japanese Eq C Acc 9 GBP	R	1206	-1.0	12.2	-0.4	16						0.61	
SLI Global Smaller Companies Ptfm 1 Acc	M	147.7		-3.0	10.4	-5.0	176	51.6	23	186.9	15	1.05	*****	T. Rowe Price US Aggregate Bond Qh GBP	N	1104		2.4	7.0	7.9	36	4.2	46			0.53	
SLI Higher Income Plat 1 Acc	G	78.0		0.6	4.5	4.6	7	13.7	11	56.1	9	0.76	***	T. Rowe Price US Blue Chip Eq Q GBP	U	2814	0.0	-2.4	14.6	11.0	22	81.0	3	277.4	3	0.81	*****
SLI International Trust	M	217.3	1.5	-2.6	13.9	4.1	111	36.9	91	170.6	25	0.14	*****	T. Rowe Price US Equity C GBP	U	1399	0.6	-2.1	18.2	13.8	13					0.82	
SLI Japanese Equity Growth Plat 1 Acc	R	108.4	0.7	-2.0	9.7	-7.5	40	24.9	24	107.0	27	0.92	***	T. Rowe Price US Large Cap Gr Eq Q GBP	U	2773	0.0	-2.8	12.7	9.7	31	83.3	2	288.7	1	0.75	*****
SLI Japanese Trust	R	45.8	0.8	-1.4	9.5	-5.3	34	21.9	33	111.9	26	0.88	*****	T. Rowe Price US Large Cp Val Eq C GBP	U	1151	1.3	-3.4	13.1	6.6	57					0.82	
SLI North American Trust	U	315.4	0.5	-1.5	16.4	8.1	44	41.4	58	182.9	32	0.84	***	T. Rowe Price US Smr Cm Eq Q GBP	U1	3105	0.0	-2.3	17.2	13.0	1	59.0	2	235.7	1	1.05	*****
SLI Pacific Basin Trust	T	161.3		-4.9	6.7	0.6	47	31.2	27	92.8	20	0.88	***	TB Amati UK Smaller Companies B	C	1113	1.2	-3.3	5.0	-7.6	19	50.2	4	189.5	4	0.92	*****
SLI Short Duration Credit Plat 1 Acc	E	66.5		0.0	3.0	3.1	66	6.8	56	28.7	42	0.66	*	TB Doherty Active Managed B GBP Acc	K	143.4	0.0	-3.6	0.7	-5.4	109	5.9	97	49.3	63	1.92	***
SLI Shrt Dur Gbl Idx-Lnk Bd Plat 1 Acc	N	54.6	1.3	0.9	5.6	5.6	42	5.2	44			0.46	**	TB Doherty Balanced Managed B GBP Acc	K	141.5	0.7	-2.9	1.0	-3.4	106	5.5	98	46.5	65	1.98	**
SLI Strategic Bond Plat 1 Acc	F	71.5	2.9	1.4	5.7	6.3	23	9.6	36	40.5	22	0.79	***	TB Doherty Cautious Managed B GBP Acc	J	132.0		-1.8	1.2	-1.8	114	3.4	109	36.2	69	1.79	**
SLI UK Equity General Trust Retl Acc	A	273.6	0.0	-4.9	-0.8	-7.1	135	12.5	130	52.1	136	0.85	*	TB Evenlode Income B Inc	A	247.3	3.0	-0.7	16.2	14.0	1	40.2	6	156.3	5	0.90	*****
SLI UK Equity High Alpha Plat 1 Acc	A	95.7	4.4	-4.7	-1.6	-10.6	163	13.2	126	89.4	66	0.90	***	TB Saracen Global Income and Growth AAcc	M1	159.5	3.8	-6.3	0.9	-5.2	39	17.0	38			1.74	**
SLI UK Equity High Inc Plat 1 Acc	B	84.0	5.3	-4.4	-2.8	-10.6	68	6.7	54	60.3	45	0.90	**	TB Wise Multi-Asset Growth B Acc	L	336.4	0.7	-2.6	1.5	0.8	50	33.5	7	103.0	10	1.15	****
SLI UK Equity Imp Emplmt Opp Retail Acc	A	50.2	1.5	-2.7	2.0	-0.3	63					1.59		TB Wise Multi-Asset Income B Acc	L	231.8	6.5	-3.9	-3.1	-6.4	90	13.9	66	92.8	16	0.93	****
SLI UK Equity Income Uncons Plat 1 Acc	B	96.7		-6.5	-8.5	-15.1	71	-0.7	69	80.4	24	1.15	**	TB Wise Multi-Asset Income B Inc	L	111.2	6.8	-3.9	-3.1	-6.4	91	13.9	67	92.8	15	0.88	****
SLI UK Equity Recovery Plat 1 Acc	A	90.4	2.5	-6.2	-24.1	-30.2	185	-9.4	172	77.4	86	1.03	*	TC Centre Multi Mgr Advnturs A Acc	L	190.9		-1.6	8.0	1.6	40	24.3	30	84.6	25	1.58	***
SLI UK Ethical Plat 1 Acc	A	108.4	1.8	-3.7	3.8	-6.8	134	23.9	41	103.8	39	0.90	****	TC Centre Multi Mgr Bal A Acc	K	156.6	2.2	-1.6	6.5	1.5	78					1.56	
SLI UK Gilt Plat 1 Acc	D	66.0	0.5	4.3	11.1	11.9	9	5.9	14	30.3	15	0.55	**	TC Centre Multi Mgr Cau A Acc	J	131.1	2.7	-1.1	5.3	2.2	69					1.68	
SLI UK Opportunities Plat 1 Acc	A	111.0	0.7	-4.0	7.8	-10.0	161	33.7	17	117.6	27	0.91	**	TC South River Gold and Prec Mtls A Acc	P	35.6	0.0	5.2	16.2	4.1	63	-15.7	104	-59.3	77	4.18	**
SLI UK Real Estate Acc Feeder Inst Acc	Z1	136.3	3.2	-0.1	-0.8	0.4	5	15.9	4	39.0	4	0.85		Templeton Asian Growth W(acc)GBP	T	1520		-4.3	6.8	2.1	37	28.7	39	50.8	37	1.25	**
SLI UK Smaller Companies Ptfm 1 Acc	C	132.9	0.9	-2.3	10.4	-3.8	5	43.8	7	159.3	14	0.99	****	Templeton China W(acc)EUR	S	1354	0.0	-3.9	3.5	0.6	11	42.1	7	89.6	13	1.40	***
Smith & Williamson Artfcl Intlnc Z GBP	P	159.9	0.0	-1.5	19.2	11.8	32					0.55		Templeton Emerging Mkts W(acc)GBP-H1	O	1748	0.0	-6.0	1.7	-2.7	57	14.8	52	87.0	10	2.49	***
Smith & Williamson Enterprise C*	Y	146.1	0.0	0.6	3.7	1.4	25	9.5	14	45.8	4	0.95		Templeton Frontier Markets W(acc)GBP	P	1647	0.0	-4.3	7.4	4.9	58	20.2	57	61.2	44	1.57	***
Smith & Williamson Far Eastern Inc&Gr B	T1	180.8	2.3	-3.6	9.6	0.2	4	27.7	5	126.2	4	0.77	*****	Templeton Global Bond W(Mdis)GBP-H1	N	853.0	7.7	-5.6	-5.0	1.1	51	7.1	40	10.7	41	0.91	*
Smith & Williamson Fxd Interest A Acc	E	118.4	1.6	1.6	6.9	7.6	50	6.9	53			1.07	***	Templeton Global Emerging Markets Z Acc	O	138.6	1.0	-5.3	6.1	5.0	33	34.6	15	37.0	47	1.20	**
Smith & Williamson MM Global Invmt B	L	163.5	2.0	-3.1	1.8	-2.1	81	28.3	12	87.7	22	0.83	****	Templeton Global Total Ret Bd Z Acc	N	214.3	8.0	-8.2	1.7	8.5	31	13.1	25	45.4	18	0.99	****
Smith & Williamson North American Eq B	U	281.5	0.3	-1.2	18.7	12.1	20	58.1	20	173.4	38	0.70	***	Templeton Growth Z Acc	M	230.7	1.6	-3.5	2.8	-5.3	178	20.3	167	107.5	100	1.03	**
Smith & Williamson Oriental Growth	T	247.1		-4.9	5.3	0.4	48	27.6	47	107.6	13	1.71	****	Templeton Latin America W(acc)GBP	P	1138		-5.6	5.9	22.8	12	28.4	34	14.3	66	1.31	****
Smith & Williamson Oriental Growth B	T	197.1		-4.8	5.7	1.3	45	30.9	31	119.8	10	0.86	****	Thesis Optima Balanced B Acc	J	181.7	2.2	-1.0	5.0	3.2	52	15.7	28	51.3	38	1.22	***
Smith & Williamson UK Equity Inc B	B	108.3		2.2	-5.9	-2.5	24	2.4	66	58.1	47	0.72	*	Thesis Optima Growth B Acc	K	204.2	1.2	-2.4	5.4	1.0	84	19.7	54	70.0	37	1.32	***
Standard Life Wealth Bal Bridge Z Acc	K	76.3	2.5	-0.3	10.9	6.8	15	23.0	33			0.02	*****	Thesis Optima Income B Acc	I	146.3		0.1	4.6	4.4	18	11.8	8	39.1	10	1.32	***
Standard Life Wealth Bridge Z Acc	L	78.4		-0.6	13.7	7.2	8	23.3	34			0.03	*****	Threadneedle Amer Extn Alpha Ins Acc GBP	U	496.6	0.0	-2.4	14.9	9.1	35	63.6	15	204.8	10	0.82	***
Standard Life Wealth Falcon Z Acc	M	85.0	2.0	-1.0	15.7	7.2	64	29.9	129			0.04	***	Threadneedle American Ins Acc GBP	U	404.4	0.2	-2.3	17.4	9.3	34	59.1	19	209.4	8	1.06	***
Standard Life Wealth Phoenix Z Acc	J	71.4	3.0	-0.2	8.3	6.8	6	20.3	5			0.16	*****	Threadneedle American Sel Ins Acc GBP	U	410.8		-2.8	14.6	7.8	48	55.5	23	186.3	29	1.06	***
Stewart Inv Indian Sbctnt Sustnby B GBP	P	255.0		-2.7	6.9	-3.1	96	22.8	49			1.11	*****	Threadneedle Amer Smr Coms(US) InstAccGBP	U1	422.1	0.0	-3.9	14.3	4.8	4						



HOW EACH FUND HAS PERFORMED OVER FIVE PERIODS - PLUS RANKINGS AND RATINGS

Source: Morningstar

Total Return	Sec- tor	Price p	12m yld %	1 mth %	6 mths %	1 yr Rank	3 yrs Rank	7 yrs Rank	OCF %	Morningstar Rating	Total Return	Sec- tor	Price p	12m yld %	1 mth %	6 mths %	1 yr Rank	3 yrs Rank	7 yrs Rank	OCF %	Morningstar Rating						
Threadneedle UK Select Z Inc GBP	A	150.3		-3.3	4.4	-4.1	107	9.9	146	81.1	79	0.88	***	Virgin Money Bond & Gilt Fd GBP	F	136.9	1.2	6.9	7.8	14	4.4	48	25.8	34	1.00	**	
Threadneedle UK Smaller Coms Z Inc	C	221.7	0.8	-2.9	6.1	-9.7	27	29.7	22	149.5	17	0.89	***	VT AJ Bell Passive Adventurous I Acc	L	115.9	-2.6	9.1	4.8	15					0.35		
Tideway European Equity Income A GBP Acc	V2	10388	0.0	-1.1	8.9	3.0	3					1.13		VT AJ Bell Passive Balanced I Acc	K	114.9	1.9	-1.0	9.3	6.5	21				0.35		
Tideway GBP Credit A GBP Acc	F	11180	0.0	0.0	3.7	4.2	43	11.8	24			0.90	****	VT AJ Bell Passive Cautious I Acc	I	109.4	1.7	0.5	7.6	6.4	7				0.35		
Tideway GBP Hybrid Capital A GBP Acc	F	12157	0.0	0.4	6.1	5.9	24	21.6	5			0.93		VT AJ Bell Passive Global Growth IGBP Acc	L	103.7	-3.5		8.1	3.8	19				0.35		
Tideway Real Return A GBP Acc	Y	11285	1.0	1.2	5.6	1.9	21	9.4	15	28.5	12	1.02		VT AJ Bell Passive Moderately Adv I Acc	K	115.9	1.8	-1.8	9.4	5.7	28				0.35		
TIME Defensive Income Securities Acc	P	120.1	4.6	1.5	5.0	9.5	36					0.75		VT AJ Bell Passive Moderately Cau I Acc	J	112.1	1.8	-0.1	8.6	6.7	7				0.35		
TM Fulcrum Divers Cor Abs Ret C Acc EUR	Y	8760	0.0	-0.7	4.1	-1.9	50	6.6	21			0.85		VT Cantab Balanced A GBP Acc	K	103.1	0.2	-2.4	9.2	3.1	57				1.36		
TM Fulcrum Divers Cor Abs Ret C GBP Acc	Y	10223	0.0	-0.1	-0.8	-1.7	48	3.4	32			0.85		VT Cantab Moderate A GBP Acc	K	105.7	0.7	-1.9	10.2	5.7	32				1.47		
TM Fulcrum Diversified Abs Ret C AUD Acc	Y	7415	0.0	-2.0	2.7	-1.3	47	4.2	29			0.33		VT Cape Wrath Focus GBP A Net Acc	A	100.6	-3.1	-0.8	-14.8	177					0.45		
TM Home Investor D	Z	140.5	0.9	0.1	0.7	1.5	21	9.1	23	42.9	14	1.57		VT Castlebay UK Equity A Accumulation	A	145.1	3.0	0.7	8.3	4.6	11	29.8	23		1.00	*****	
TM Sanditon European A Acc	V	136.8	2.2	-1.5	8.7	1.6	33	22.4	56			0.88	***	VT De Lisle America B GBP	U	367.0	-5.2	6.4	-10.3	83	29.0	71	164.9	47	1.14	***	
TM Sanditon UK A GBP Acc	A	97.8	2.9	-0.4	3.2	-8.4	149	-1.0	165			0.87	*	VT Esprit Careful Growth GBP Acc	L	103.9	0.3	-0.7	4.9	3.4	23				1.38		
TM UBS (UK) - Global Balanced F Acc	J	136.9	1.5	-1.6	6.2	3.5	48	15.6	29			1.28	****	VT Esprit Tactical Alpha Plus GBP Acc	L	98.7	-2.2	5.7	-6.4	89				1.67			
TM UBS (UK) - Global Equity F Acc	M	158.4	1.3	-3.9	7.5	1.5	142	26.8	144			1.41	***	VT Esprit Tactical Balanced GBP Acc	L	105.6	0.8	-0.7	7.3	2.4	34				1.44		
TM UBS (UK) - Global Fixed Income E Acc	N	108.4	1.7	0.6	3.6	4.3	46	1.9	49			1.19	*	VT Esprit Tactical Growth GBP Acc	L	106.0	0.3	-2.2	5.0	-1.2	70				1.48		
TM UBS (UK) - Global Growth F Acc	K	146.1	1.7	-2.5	6.8	2.9	60	20.8	42			1.33	***	VT Gravis Clean Energy Income C GBP Acc	M	127.8		1.6	16.8	22.7	3				0.80		
TM UBS (UK) - Global Yield F Acc	I	127.6	2.5	-0.5	5.9	4.2	20	11.6	10			1.24	****	VT Gravis UK Infrast Inc C GBP Acc	P	133.3	4.4	1.8	6.7	12.5	31	21.7	52		0.75	***	
TM UBS (UK) - UK Balanced F Acc	J	68.0	1.8	-1.1	6.3	3.6	47	14.6	41			1.09	***	VT Greystone Balanced Managed R Acc	K	224.1	0.6	-2.7	6.0	1.5	79	22.6	34	77.5	23	1.78	****
TM UBS (UK) - UK Eq F Acc	A	69.0	1.7	-2.4	5.9	-0.6	69	17.9	94			0.97	***	VT Greystone Cautious Managed R Acc	J	163.5	3.1	-2.8	2.6	0.3	96	13.0	62	55.4	28	1.66	***
TM UBS (UK) - UK Growth F Acc	K	71.3	2.0	-1.9	6.7	2.8	62	18.9	57			1.11	***	VT Greystone Conservative Managed R Acc	I	129.1	0.1	-0.1	4.7	2.8	33	11.9	7		1.80	***	
TM UBS (UK) - UK Income Focus F Acc	K	67.2	2.8	-1.6	4.4	0.8	89	11.3	94			1.01	***	VT Greystone Global Growth R Acc	M	343.0	0.0	-3.6	9.6	3.1	124	37.4	86	125.3	76	1.72	****
Trojan Ethical Fund S Acc	L	108.9		1.2								0.77		VT Grosvenor Adventurous A GBP Acc	L	113.5	-4.1	5.4	-1.2	72					1.35		
Trojan Global Income O Acc	M1	130.3	2.7	-1.1	15.5	14.9	6					0.96		VT Grosvenor Cautious A GBP Acc	I	106.7	1.8	-1.5	4.3	1.8	41				1.19		
Troy Spectrum O Acc	L	239.9	0.6	-1.9	9.2	6.6	10	26.6	19	75.6	40	1.50	****	VT Halo Global Asian Cnsmr A £ Net Acc	T	137.6	1.7	-4.8	3.9	7.2	13	27.7	46		1.32	***	
Troy Trojan Global Eq O Acc	M	394.2	0.6	-0.7	20.3	17.9	10	50.4	26	156.2	39	0.93	****	VT icf Absolute Return Portfolio F GBP	P	121.8	0.0	-0.9	1.6	-0.9	87	1.5	97	17.6	64	1.95	
Troy Trojan Income O Acc	B	350.7		-0.5	9.4	5.8	1	14.4	26	86.1	20	1.02	****	VT iFunds Absolute Return Green A Acc	Y	130.2		1.2	7.7	-0.6	41	-2.8	48	35.2	9	1.58	**
Troy Trojan O Acc	L	330.6	0.8	0.5	9.5	9.0	3	12.7	68	36.0	51	1.02	****	VT iFunds Absolute Return Indigo A Acc	Y	107.1		1.1	5.4	-0.5	40	-4.5	49	9.6	23	1.66	*
TT Emerging Markets Equity H GBP Acc	O	1187	0.0	-5.7	5.4	6.1	27	33.8	16	106.1	3	1.08	****	VT iFunds Absolute Return Orange A Acc	Y	139.3		1.1	7.2	-2.8	54	2.4	34	52.2	1	1.00	**
UBS Corporate Bond UK Plus B Acc Gross	E	93.0	3.1	1.5	8.4	9.7	18	8.9	42	42.0	39	0.79	***	VT iFunds Absolute Return Orange A Acc	Y	139.3		1.1	7.2	-2.8	54	2.4	34	52.2	1	1.00	**
UBS Emerging Markets Equity Income B Acc	O	70.1	3.8	-5.3	3.7	3.5	38	27.3	23	37.8	46	1.25	***	VT iFunds Absolute Return Orange A Acc	Y	139.3		1.1	7.2	-2.8	54	2.4	34	52.2	1	1.00	**
UBS Global Allocation (UK) B Acc	K	140.3	1.8	-2.0	5.9	2.7	64	21.4	39	69.4	38	1.07	***	VT iFunds Absolute Return Orange A Acc	Y	139.3		1.1	7.2	-2.8	54	2.4	34	52.2	1	1.00	**
UBS Global Emerging Markets Equity B Acc	O	229.6	1.5	-4.8	6.3	5.2	31	37.4	10	70.8	20	1.22	****	VT iFunds Absolute Return Orange A Acc	Y	139.3		1.1	7.2	-2.8	54	2.4	34	52.2	1	1.00	**
UBS Global Emerging Markets Equity C Acc	O	82.9	1.6	-4.6	6.4	5.5	29	38.1	8	73.8	19	0.91	****	VT iFunds Absolute Return Orange A Acc	Y	139.3		1.1	7.2	-2.8	54	2.4	34	52.2	1	1.00	**
UBS Global Emerging Markets Opp Q GBP	O	15810	0.0	-3.9	5.7	3.3	41	34.8	14			0.96	****	VT iFunds Absolute Return Orange A Acc	Y	139.3		1.1	7.2	-2.8	54	2.4	34	52.2	1	1.00	**
UBS Global Enhanced Equity Income C Acc	M1	59.5	9.2	-2.6	-0.8	-1.7	37	10.6	42			0.72	*	VT iFunds Absolute Return Orange A Acc	Y	139.3		1.1	7.2	-2.8	54	2.4	34	52.2	1	1.00	**
UBS Global Optimal B	M	158.0	0.7	-3.1	11.8	3.4	120	40.3	67	124.1	78	1.25	***	VT iFunds Absolute Return Orange A Acc	Y	139.3		1.1	7.2	-2.8	54	2.4	34	52.2	1	1.00	**
UBS Multi-Asset Income B Gross Acc	J	57.4	4.2	0.4	4.5	4.9	32			14.4	74	1.09	***	VT iFunds Absolute Return Orange A Acc	Y	139.3		1.1	7.2	-2.8	54	2.4	34	52.2	1	1.00	**
UBS S&P 500 Index C Acc	U	101.1	1.4	-1.0	15.8	9.5	32	52.1	31			0.09	****	VT iFunds Absolute Return Orange A Acc	Y	139.3		1.1	7.2	-2.8	54	2.4	34	52.2	1	1.00	**
UBS Sterling Corporate Bd Lxd A Grs Acc	E	56.8		2.0	7.5	8.5	36					0.30		VT iFunds Absolute Return Orange A Acc	Y	139.3		1.1	7.2	-2.8	54	2.4	34	52.2	1	1.00	**
UBS Targeted Return B	L	147.6	2.0	-0.7	6.0	6.2	12	19.8	49	48.9	50	0.81	***	VT iFunds Absolute Return Orange A Acc	Y	139.3		1.1	7.2	-2.8	54	2.4	34	52.2	1	1.00	**
UBS UK Equity Income B Acc Net	B	76.2	5.6	-5.1	-4.4	-9.8	65	12.7	34	62.4	40	1.08	***	VT iFunds Absolute Return Orange A Acc	Y	139.3		1.1	7.2	-2.8	54	2.4	34	52.2	1	1.00	**
UBS UK Opportunities B Acc Net	A	111.5	3.9	-4.9	-3.3	-8.5	152	16.3	108	64.9	117	1.08	**	VT iFunds Absolute Return Orange A Acc	Y	139.3		1.1	7.2	-2.8	54	2.4	34	52.2	1	1.00	**
UBS US Equity B Acc Instl	U	248.1	0.2	-5.2	13.3	4.6	66	42.6	54	176.9	35	1.09	***	VT iFunds Absolute Return Orange A Acc	Y	139.3		1.1	7.2	-2.8	54	2.4	34	52.2	1	1.00	**
UBS US Growth B Acc	U	304.3	0.0	-2.5	18.6	12.0	21	71.8	7	237.3	5	1.10	****	VT iFunds Absolute Return Orange A Acc	Y	139.3		1.1	7.2	-2.8	54	2.4	34	52.2	1	1.00	**
Unicorn Mastertrust B	L	462.2	0.6	-3.7	2.1	-1.8	80	31.1	10	121.1	4	0.84	****	VT iFunds Absolute Return Orange A Acc	Y	139.3		1.1	7.2	-2.8	54	2.4	34	52.2	1	1.00	**
Unicorn Outstanding British Co Instl	A	331.2	0.8	-3.0	5.3	-5.0	114	13.9	119	96.3	56	0.83	****	VT iFunds Absolute Return Orange A Acc	Y	139.3		1.1	7.2	-2.8	54	2.4	34	52.2	1	1.00	**
Unicorn UK Ethical Income B Acc	B	118.1		-3.9	-0.4	-2.2	22	19.3	6			0.81	****	VT iFunds Absolute Return Orange A Acc	Y	139.3		1.1	7.2	-2.8	54	2.4	34	52.2	1	1.00	**
Unicorn UK Ethical Income B Inc	B	101.8	5.0	-3.9	-0.4	-2.2	21	19.4	5			0.81	****	VT iFunds Absolute Return Orange A Acc	Y	139.3		1.1	7.2	-2.8							



# How to play the loathed UK



Ahead of the Brexit deadline, some fund managers are adopting a bold approach, explains **FIONA HAMILTON**

**O**ptimism is hard to find in investment circles at present, but as the late Sir John Templeton famously said: “The time of maximum pessimism is the best time to buy”. That brings us to the UK, which has for a couple of years now been among the most loathed of regions, by both domestic and international investors.

The UK stockmarket has struggled since the 2016 Brexit vote. Growing uncertainty over the outcome has undermined sterling, persuading most international investors to slash their UK exposure. Many UK investors, including pension funds and global investment trusts, have followed suit. As a result, even the multinationals which dominate the FTSE 100 index are trading on lower multiples than their overseas peers, and the more domestically oriented UK companies are lower still.

### LAGGING BEHIND

As the chart shows, UK trusts have notably underperformed global trusts since 24 June 2016. The average trust in the AIC UK all companies sector is up 25.9% over the period to the end of August, whereas the average trust in the AIC global sector has fared much better, with a gain of 68%.

Almost the only UK trusts to have achieved positive returns over the last year are a small group which have double-digit exposure to international companies plus a focus on quality growth

companies, rather than being seduced by high yields. They are **Finsbury Growth & Income, Troy Income & Growth, Murray Income**, and its sister trust **Dunedin Income Growth**. With the

exception of Dunedin Income Growth, which is 7% geared, they are cautiously positioned, with no gearing or net cash.

For a more optimistic stance you need to turn to some of the value-oriented managers, who have struggled in recent years, but who believe the tide must

eventually turn in their favour.

James Henderson, who manages **Law Debenture, Lowland** and **Henderson Opportunities Trust**, is among them. He believes UK shares are now so undervalued relative to their overseas counterparts that he has reduced Law Debenture’s US and Far East holdings and increased its UK weight-

ing from 70% to 78% this year, and expects to take it over 80%.

### LOW MULTIPLES

Henderson is buying UK companies on lowly price-to-earnings ratios of between

8 and 12 compared to 20 plus on similar overseas companies, and often achieving a sizeable increase in yield in the process. Recent purchases have included Land Securities, Hammerson and various industrials, with Henderson noting that “the global economy is still growing and companies selling overseas are advantaged by the low pound”. He adds that foreign investors and private equity have started to recognise the value on offer, as evidenced by recent bids at large premiums for Cobham and Greene King, and he expects funds to start flowing back into UK equities once Brexit is out of the way.

Lowland has no international holdings, but its weighting in the multinational rich FTSE 100 has recently been close to its all-time high at 45%. “It has not been high enough (to protect the portfolio),” Henderson concedes. But he is sticking to his guns.

Simon Gergel, who manages Merchants Trust, is another value-oriented manager who thinks the UK market is massively undervalued, and that within the UK there is an excessively wide valuation gap between “good quality multinationals” like Diageo and Unilever and companies which have had the odd issue but are now performing well, such as Balfour Beatty and Tyman.

“The differences (in valuation) are as wide as in the late 1990s, when anything remotely associated with the internet was on huge multiples whereas everything else was far cheaper,” says Gergel.

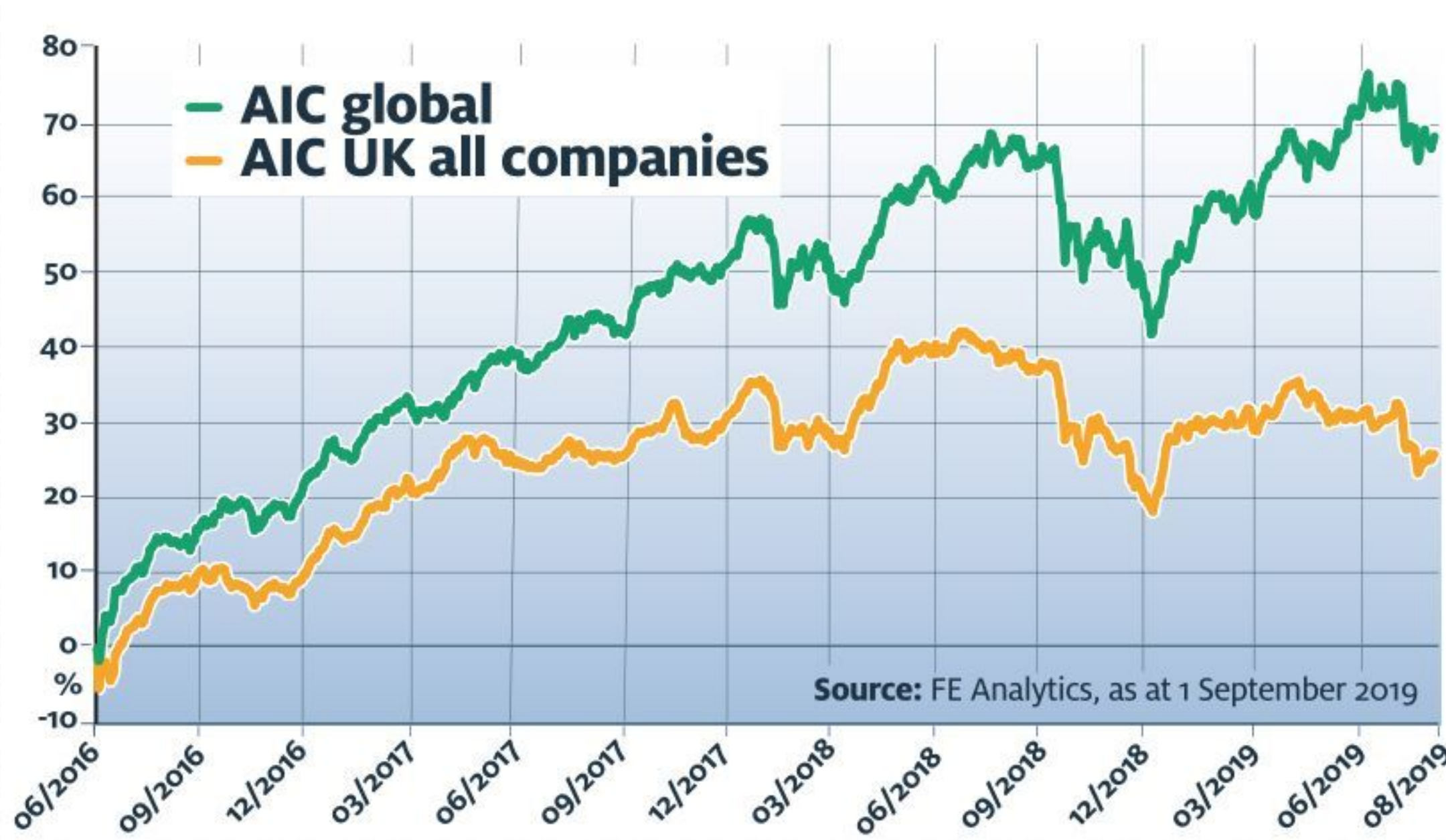
He adds: “While this trend has made shorter-term performance difficult for our investment style, it is providing numerous opportunities for us to invest in good companies trading at exceptional prices.” He has therefore raised Merchant’s gearing to nearly 19%.

Gergel hopes for certainty on Brexit. “Investors can cope with difficult environments if they can quantify and understand them,” he says.

“The time of maximum pessimism is the best time to buy”

**SIR JOHN TEMPLETON**

### UK TRUSTS UNDERPERFORM GLOBAL





## Guide to this section

Investment trusts and investment companies are traded on the main London Stock Exchange or the junior Alternative Investment Market.

■ As closed-ended companies – they have a fixed amount of shares in issue – the share price does not always reflect underlying portfolio value. This means a trust's shares can be quoted at a discount or premium to the underlying net asset value. In this respect, they are

different from unit trusts and oiecs, where the mid-price of the fund is an accurate reflection of the fund's underlying assets.

■ Trusts can borrow capital to enhance performance. This 'gearing' enhances returns in rising markets and adds to losses in falling markets.

■ As they are quoted shares, you can trade investment trusts via a stockbroker or platform. Some management groups also offer dealing.

■ The tables below show the performance of £100 invested in companies overall and within their respective sectors.

■ The AIC overhauled its sector categorisation with effect from June 2019. Some trusts may have moved sectors, or sector names may have changed. We have combined the AIC's multiple property sectors into a single one, in the interests of space.

■ Details of where portfolios are

invested (where available) are provided one month in arrears.

■ The AIC has more information relating to member trusts, VCTs, split capital trusts and non-sterling share classes. Telephone 020 7282 5555 or visit [www.theaic.co.uk](http://www.theaic.co.uk).

■ See also [moneyobserver.com/funds](http://moneyobserver.com/funds) for full fact sheets and comparative tools.

**i** Full footnotes appear at the end of this section on page 89.

### TOP 10 PERFORMERS ALL COMPANIES

After 1 month	%	After 1 year	%
Global Resources IT	190.0	Leaf Clean Energy Company	531.6
Origo Partners	32.1	Life Settlement Assets E	270.8
Tiger Resource	27.3	Life Settlement Assets D	221.0
Golden Prospect Precious Metals	15.2	Adams	100.0
LMS Capital	13.4	Golden Prospect Precious Metals	52.3
Doric Nimrod Air Three	11.6	BH Macro USD	48.4
BH Macro USD	11.3	JPMorgan Russian Securities	41.6
Chenavari Toro Income Fund	8.3	UIL	37.0
Cambium Global Timberland	7.7	Alpha Real Trust	35.9
Schroder European Real Estate Inv Trust	6.9	Life Settlement Assets A	32.5
After 3 months	%	After 3 years	%
Adams	220.0	Leaf Clean Energy Company	179.1
Golden Prospect Precious Metals	80.3	Alternative Liquidity Fund	159.1
Life Settlement Assets D	75.9	Allianz Technology Trust	125.8
Global Resources IT	74.0	Dunedin Enterprise Inv Trust	113.8
Life Settlement Assets E	65.6	Globalworth Real Estate Invts	112.5
Kubera Cross-Border Fund	57.3	Cambium Global Timberland	102.4
Tiger Resource	40.0	Edinburgh Worldwide Inv Trust	101.0
RDL Realisation	37.0	Alpha Real Trust	99.2
BH Macro USD	29.9	Manchester & London Inv Trust	97.7
BH Global USD	20.9	3i Group	97.5
After 6 months	%	After 7 years	%
Leaf Clean Energy Company	471.4	Adams	2212.2
Life Settlement Assets E	216.3	3i Group	595.2
Life Settlement Assets D	205.0	Lindsell Train Inv Trust	434.1
Adams	166.7	Allianz Technology Trust	425.9
Tiger Resource	75.0	Baillie Gifford Shin Nippon	351.1
Global Resources IT	74.0	Scottish Mortgage Inv Trust	314.3
Golden Prospect Precious Metals	63.8	Baillie Gifford Japan Trust	301.8
Kubera Cross-Border Fund	49.8	HarbourVest Global Private Equity	268.7
UIL	40.0	Edinburgh Worldwide Inv Trust	263.1
EIH	39.8	BlackRock Throgmorton Trust	257.4

### BOTTOM 10 PERFORMERS ALL COMPANIES

After 1 month	%	After 1 year	%
Adamas Finance Asia	-18.8	Tau Capital	-87.2
Macau Property Opportunities	-17.0	All Asia Asset Capital	-86.7
BlackRock Latin American Inv Trust	-16.6	CATCo Reinsurance Opportunities Fund	-72.6
Riverstone Energy	-16.4	Infrastructure India	-63.1
CIP Merchant Capital	-15.6	Woodford Patient Capital Trust	-49.1
EPE Special Opportunities	-14.9	Energiser Invts	-47.8
Woodford Patient Capital Trust	-13.2	British & American Inv Trust	-46.8
Hansa Trust	-11.9	Global Resources IT	-45.6
Aberdeen Standard Equity Inc Trust	-11.8	FastForward Innovations	-45.0
Geiger Counter	-9.7	Riverstone Energy	-44.6
After 3 months	%	After 3 years	%
Woodford Patient Capital Trust	-46.6	All Asia Asset Capital	-96.8
CATCo Reinsurance Opportunities Fund	-30.9	Tau Capital	-92.9
Lindsell Train Inv Trust	-30.2	Infrastructure India	-87.8
Infrastructure India	-27.9	CATCo Reinsurance Opportunities Fund	-84.3
Macau Property Opportunities	-22.8	Energiser Invts	-63.1
Adamas Finance Asia	-22.0	Adamas Finance Asia	-62.2
India Capital Growth Fund	-21.9	Woodford Patient Capital Trust	-55.6
Polo Resources	-20.3	Adams	-52.9
All Asia Asset Capital	-20.0	Chelverton Growth Trust	-50.6
EPE Special Opportunities	-18.7	Global Resources IT	-47.0
After 6 months	%	After 7 years	%
Tau Capital	-75.5	Origo Partners	-98.8
Woodford Patient Capital Trust	-50.8	Tau Capital	-98.8
All Asia Asset Capital	-46.7	Infrastructure India	-95.0
Energiser Invts	-40.0	Polo Resources	-87.5
Riverstone Energy	-30.5	St Peter Port Capital	-86.4
Polo Resources	-26.9	Energiser Invts	-83.4
St Peter Port Capital	-23.5	Tiger Resource	-82.7
Geiger Counter	-21.5	Adamas Finance Asia	-75.7
CATCo Reinsurance Opportunities Fund	-21.0	Dolphin Capital Investors	-71.1
Ground Rents Income Fund	-20.5	Better Capital PCC 2012	-71.1

## DORIC NIMROD AIR THREE

Doric Nimrod Air Three's share price gained 11.6% in August, following a positive share recommendation in The Telegraph. The trust's assets consist of four airplanes, which it leases to Emirates Airlines. It defines its investment objectives as obtaining income and capital appreciation through acquiring, leasing and then selling aircraft.

But the key attraction for income-seeking investors is its head-turning yield, currently 11.5%, which has supported a one-year premium averaging a sky-high 38%. The trust has a target quarterly dividend of 2.0625 pence per share, amounting to 825p per share annually. However, the lease with Emirates Airlines is up for renewal in 2025.

**TOM BAILEY**

### FULL STATISTICS FOR POPULAR SECTORS AND RETURN ON £100 INVESTED

Source: Morningstar/AIC

	Mkt cap £m	Share price p	Nav p	Disc/prem %	Net yld %	3-yr div gth %	Gear-ing %	Net cash %	Total shareholder return:							Analysis of where the portfolio is invested (%)										
									1 mth %	Rank	6 mths %	Rk	1 year %	Rk	3 years %	Rk	7 years %	Rk	Cash & equiv.	Fixed Instr	FTSE 100	Small co/Aim	Split cap	Other trusts	Other trusts	Intl. equities
<b>UK ALL COMPANIES</b>																										
Artemis Alpha Trust	109.1	271.0	335.7	-19.3	1.5	8.6	0	2	-3.9	6	-1.6	6	-15.4	10	21.4	6	7.0	12	3	-	12	13	-	55	-	17
Aurora Inv Trust	119.7	183.5	180.6	1.6	2.2	34.7	0	3	-3.9	7	-9.2	12	-13.8	9	16.4	9	41.1	11	3	-	43	30	6	-	12	6
Baillie Gifford UK Growth	261.5	173.8	188.9	-8.0	2.4	-5.1	0	2	-7.3	11	0.4	4	-8.2	7	18.6	7	72.1	8	2	-	50	33	13	-	1	1
Fidelity Special Values	694.6	251.5	253.0	-0.6	2.1	14.3	4	0	-4.2	8	-0.2	5	-6.9	6	36.1	2	175.3	3	10	-	38	31	9	-	12	12
Henderson Opportunities Trust	69.5	880.0	1111.7	-20.8	1.9	5.3	14	0	-9.5	13	-8.4	11	-16.8	12	17.2	8	135.0	5	1	-	19	11	58	11	-	-
Independent Inv Trust	269.5	491.0	526.5	-6.7	1.9	11.9	0	15	-6.3	10	-10.2	13	-27.2	13	37.1	1	177.0	2	15	-	9	18	49	-	7	2
Invesco perpetual Select - UK Equity	55.7	170.5	171.5	-0.6	3.9	4.4	1	0	-3.1	4	3.9	1	-2.6	2	11.2	10	109.6	7	-	-	39	22	26	-	4	9
JPMorgan Mid Cap Inv Trust	247.2	1042.5	1193.1	-12.6	2.4	9.8	9	0	-3.5	5	2.5	3	-10.4	8	21.7	5	203.5	1	1	-	4	93	1	-	1	-
Jupiter UK Growth Inv Trust	44.6	274.0	280.5	-2.3	2.5	3.0	7	0	-8.4	12	-1.8	7	-16.7	11	-2.9	12	47.9	10	2	-	-	74	-	-	-	24
Keystone Inv Trust	206.2	1525.0	1811.0	-15.8	3.1	3.2	5	0	-6.2	9	-1.9	8	-6.3	5	-0.2	11	53.5	9	8	-	36	22	23	-	4	7
Mercantile Inv Trust	1591.0	201.0	225.3	-10.8	2.8	13.6	9	0	-1.2	2	3.1	2	-4.0	3	30.3	3	145.4	4	9	-	9	74	2	5	1	-
Sanditon Inv Trust	40.5	81.0	90.5	-10.5	0.6	3.6	0	22	0.0	1	-6.1	10	0.6	1	-22.6	13	-	-	-	-	-	-	-	-	-	-
Schroder UK Mid Cap	178.5	498.0	613.6	-18.8	2.7	20.3	3	0	-2.7	3	-3.1	9	-4.4	4	24.5	4	129.1	6	-	-	-	92	7	-	2	-
<b>Average</b>				<b>-9.6</b>			<b>4</b>		<b>-4.6</b>		<b>-2.5</b>		<b>-10.2</b>		<b>16.1</b>		<b>108.1</b>									
<b>UK EQUITY INCOME</b>																										
Aberdeen Standard Equity Inc Trust	173.1	352.0	392.5	-10.3	5.2	9.3	12	0	-11.8	28	-14.0	26	-23.1	26	-2.7	23	63.6	18	3	-	31	33	25	-	7	-
BlackRock Income and Growth Inv Trust	44.7	194.0	199.5	-2.8	3.5	4.8	2	0	-2.5	9	5.4	5	-1.4	9	15.4	12	81.6	10	5	-	75	15	4	-	1	-
BMO Capital and Income Inv Trust	314.5	306.0	314.9	-2.8	3.5	2.7	2	0	-7.2	25	2.7	12	-3.8	14	22.3	8	80.7	12	2	-	53	28	14	-	3	1
BMO UK High Income	107.9	92.0	99.4	-7.4	5.1	3.1	0	1	-6.1	21	5.1	6	-6.6	19	11.3	16	60.2	22	4	-	47	34	3	-	7	5
BMO UK High Income B Share	107.3	91.5	100.4	-8.9	5.1		0	1	-5.7	18	2.8	11	-7.1	20	10.1	17	60.6	20	4	-	47	34	3	-	7	5
British & American Inv Trust	8.9	35.5	26.2	35.5	33.2	2.0	39	0	0.0	2	-16.2	27	-46.8	27	-34.6	26	5.8	26	-	-	-	-	-	-	-	-
Cameron Investors Trust	114.0	1140.0	1149.4	-0.8			0	0	-2.6	10																
Chelverton UK Dividend Trust	34.1	163.5	185.3	-11.8	5.2	6.2	65	0	-4.4	17	-7.2	23	-21.8	25	-1.0	22	143.8	2	-	-	1	15	42	-	42	-
Diverse Income Trust	329.9	87.2	91.6	-4.8	4.0	9.2	0	11	-0.7	3	-2.7	20	-12.8	21	5.2	19	105.6	4	11	-	2	19	12	54	-	2
Dunedin Income Growth Inv Trust	397.1	268.0	289.2	-7.3	4.3	3.0	9	0	-2.2	7	9.6	3	10.8	3	23.9	7	61.4	19	3	-	50	26	3	-	2	17
Edinburgh Inv Trust	1041.8	551.0	629.6	-12.5	4.5	4.8	7	0	-7.2	26	-10.3	25	-16.2	24	-13.5	25	42.3	24	4	-	47	25	8	-	4	12
Finsbury Growth & Income Trust	1850.9	934.0	932.4	0.2	1.6	8.1	0	1	-0.7	4	18.3	1	13.0	1	51.3	1	193.4	1	1	-	70	7	1	-	1	20
Invesco Income Growth Trust	156.3	267.0	318.5	-16.2	3.6	3.6	2	0	-3.1	12	4.7	7	1.4	8	5.1	20	58.7	23	1	-	73	14	11	-	-	-
Investment Company	14.4	302.0	347.1	-13.0	4.7	-7.8	0	5	0.7	1	4.2	8	-3.2	12	-0.6	21	86.5	6	4	30	25	12	9	-	20	-
JPMorgan Claverhouse Inv Trust	389.1	690.0	718.4	-4.0	3.9	8.6	19	0	-2.8	11	0.1	15	-5.0	16	34.8	2	116.4	3	3	-	79	14	5	-	-	-
JPMorgan Elect (Managed Income Pool)	86.9	100.5	103.1	-2.5	4.5	6.0	0	0	-6.1	22	-0.6	17	-5.7	18	12.0	15	68.7	16	5	-	74	15	2	-	5	-
Law Debenture Corporation	670.1	566.0	633.6	-10.7	3.1	5.3	15	0	-4.3	16	0.3	14	-3.7	13	26.8	6	76.9	14	5	-	36	15	9	14	5	16
Lowland Inv Company	332.3	1230.0	1341.7	-8.3	4.4	9.6	15	0	-9.2	27	-7.9	24	-14.8	22	6.5	18	63.8	17	1	-	45	18	36	-	-	-
Murray Income Trust	550.0	832.0	882.3	-5.7	3.8	1.3	3	0	-1.7	5	10.7	2	12.2	2	30.1	4	71.7	15	5	-	56	25	3	-	1	11

Money Observer's 2019 Rated Funds highlighted in yellow | [moneyobserver.com/money-observer-rated-funds](http://moneyobserver.com/money-observer-rated-funds)



# INVESTMENT TRUSTS AND COMPANIES

## FULL STATISTICS FOR POPULAR SECTORS AND RETURN ON £100 INVESTED

Source: Morningstar/AIC

	Mkt cap £m	Share price p	Nav p	Disc/prem %	Net yld %	3-yr div gth %	Gear-ing %	Net cash %	Total shareholder return:							Analysis of where the portfolio is invested (%)										
									1mth %	Rank	6mths %	Rk	1 year %	Rk	3 years %	Rk	7 years %	Rk	Cash & equiv.	Fixed Intrst	FTSE 100	FTSE 250	Small Cap	Fledg-ing	AIM/NEX	Intl. equities
Perpetual Income and Growth Invst Trust	667.8	292.0	335.1	-12.9	4.3	4.2	20	0	-6.9	24	-6.7	22	-15.7	23	-13.5	24	36.9	25	2	-	40	29	15	-	5	10
Schroder Income Growth Fund	187.5	273.0	297.7	-8.3	4.0	4.6	15	0	-5.9	19	1.5	13	-5.4	17	20.2	9	81.5	11	1	-	75	18	5	-	2	-
Shires Income	79.7	261.0	262.2	-0.4	5.0	2.5	19	0	-2.4	8	3.8	10	7.1	5	34.6	3	87.1	5	4	26	39	15	4	-	9	4
Temple Bar Invst Trust	786.4	1176.0	1265.0	-7.0	4.2	5.6	11	0	-5.9	20	-6.7	21	-3.9	15	17.8	10	60.2	21	3	-	48	30	6	-	10	3
The City of London Invst Trust	1557.6	409.0	400.6	2.1	4.7	5.4	13	0	-3.9	15	4.0	9	1.8	7	14.5	14	79.0	13	1	1	76	11	2	-	-	10
The Merchants Trust	510.0	463.5	465.2	-0.4	5.8	2.7	24	0	-3.8	14	-0.5	16	-1.4	10	28.0	5	83.1	9	3	-	62	27	8	-	-	-
Troy Income & Growth Trust	239.6	81.8	81.7	0.2	3.4	4.7	0	1	-1.8	6	8.9	4	9.0	4	17.3	11	83.6	8	1	-	57	24	-	-	5	13
Value And Income Trust	113.4	249.0	307.2	-18.9	3.8	4.0	39	0	-6.2	23	-1.9	19	-2.4	11	14.6	13	83.9	7	4	-	39	20	3	-	-	-
<b>Average</b>				<b>-5.2</b>			<b>12</b>		<b>-4.2</b>		<b>0.3</b>		<b>-5.6</b>		<b>12.9</b>		<b>78.3</b>									

## UK SMALLER COMPANIES

	Mkt cap £m	Share price p	Nav p	Disc/prem %	Net yld %	3-yr div gth %	Gear-ing %	Net cash %	1mth %	Rank	6mths %	Rk	1 year %	Rk	3 years %	Rk	7 years %	Rk	Cash & equiv.	Fixed Intrst	FTSE 100	FTSE 250	Small Cap	Fledg-ing	AIM/NEX	Intl. equities
Aberdeen Smaller Companies Income Trust	60.6	274.0	313.9	-12.7	2.5	3.4	19	2	-4.9	21	5.4	9	2.0	3	50.6	3	175.4	7	1	1	-	62	30	-	4	2
Aberforth Smaller Companies Trust	1058.8	1178.0	1333.6	-11.7	2.3	5.2	1	0	-0.1	10	-3.9	16	-9.9	17	24.4	12	125.7	13	-	-	-	41	45	13	-	-
Aberforth Split Level Income Trust	136.0	71.5	80.8	-11.5	5.2		30	0	-4.2	19	-11.4	23	-17.9	20					1	-	-	40	45	13	-	-
Atelney Trust	5.1	235.0	236.3	-0.5	3.9	4.8	0	2	2.2	2	8.2	6	-4.5	11	27.3	11	147.0	12	7	-	7	24	34	1	23	4
BlackRock Smaller Companies Trust	675.1	1410.0	1467.8	-3.9	2.1	21.3	7	0	0.9	6	7.4	7	-2.9	9	67.3	2	221.4	3	2	-	-	28	20	1	48	-
BlackRock Throgmorton Trust	419.8	574.0	586.1	-2.1	1.7	14.3	22	0	2.6	1	17.7	1	7.6	1	85.7	1	257.4	1	3	-	7	43	9	-	33	4
Chelverton Growth Trust	2.2	40.5	44.8	-9.6			14	0	-6.9	23	-16.5	25	-28.3	24	-50.6	20	50.0	16	-	-	-	-	-	-	-	-
Crystal Amber Fund**	182.4	192.5	232.3	-17.1	2.2	26.0	0	4	-1.8	13	-5.8	18	-14.1	18	17.9	16	173.1	8	-	-	-	-	-	-	-	-
Downing Strategic Micro-Cap Inv. Trust	36.5	66.5	72.5	-8.2	1.7		0	13	1.5	5	-7.3	20	-25.2	23					14	17	-	-	-	4	65	-
Gresham House Strategic	36.4	1025.0	1248.1	-17.9	1.6		0	7	-9.3	25	9.6	4	0.9	4	23.4	13	20.3	18	13	-	-	-	3	-	84	-
Henderson Smaller Companies Invst Trust	602.5	806.5	901.0	-10.5	2.6	15.3	8	0	-2.4	15	0.2	12	-6.5	13	42.6	7	198.9	5	-1	-	2	59	16	-	24	-
Invesco Perpetual UK Smaller Companies Invst Trust	170.2	518.0	532.4	-2.7	5.0	6.3	0	6	2.1	4	14.1	2	2.3	2	48.3	5	218.2	4	6	-	-	47	21	-	25	-
JPMorgan Smaller Companies Invst Trust	172.0	219.5	259.5	-15.4	2.1	34.9	11	0	-4.1	17	9.9	3	-5.0	12	49.5	4	166.1	10	3	-	-	48	22	2	24	-
Marwyn Value Investors**	87.8	130.5	170.2	-23.3	4.9		17	0	0.4	7	-0.4	14	-3.7	10	-1.7	18	34.4	17	-	-	-	-	-	-	-	-
Marwyn Value Investors Realisation**	11.4	170.0	168.6	0.8			27	0	0.0	8	0.0	13	0.0	6					-	-	-	-	-	-	-	-
Miton UK Microcap	65.6	47.4	50.5	-6.1	0.4	12.6	0	11	2.1	3	-13.0	24	-29.0	25	-10.4	19			1	-	-	-	4	1	94	-
Montanaro UK Smaller Companies Trust	176.4	105.4	129.5	-18.6	2.9	24.8	2	0	-5.6	22	-0.8	15	-8.4	15	22.4	14	69.8	15	6	-	-	54	16	-	24	-
Odyssey Invst Trust	89.1	101.0	100.7	0.3			0	14	0.0	9	1.0	10	-2.0	7					12	-	-	35	39	-	12	2
Oryx International Growth Fund**	106.8	752.5	1020.6	-26.3			0	9	-4.4	20	-4.4	17	-9.6	16	18.0	15	195.1	6	-	-	-	-	-	-	-	-
Rights & Issues Invst Trust	147.1	1920.0	2098.2	-8.5	1.5	-4.4	0	11	-0.2	11	-7.8	21	-15.2	19	38.1	9	250.6	2	-	-	-	-	-	-	-	-
River and Mercantile UK Micro Cap Invst Company**	71.8	154.5	191.2	-19.2			0	13	-7.8	24	-8.6	22	-24.9	22	34.9	10			-	-	-	-	-	-	-	-
Standard Life UK Smaller Companies Trust	475.1	474.0	512.0	-7.4	1.5	6.5	0	0	-2.3	14	9.1	5	-6.8	14	41.1	8	147.9	11	4	-	5	50	10	-	30	-
Strategic Equity Capital	137.8	217.0	254.4	-14.7		8.6	0	7	-4.2	18	6.1	8	-2.2	8	12.0	17	172.9	9	-	-	-	-	-	-	-	-
SVM UK Emerging Fund	5.2	87.0	108.4	-19.7			0	0	-0.6	12	-5.9	19	-19.8	21	45.0	6	97.7	14	-	-	-	-	-	-	-	-
<b>Average</b>				<b>-11.1</b>			<b>7</b>		<b>-2.0</b>		<b>0.1</b>		<b>-9.3</b>		<b>29.3</b>		<b>151.2</b>									

## UK EQUITY & BOND INCOME

	Mkt cap £m	Share price p	Nav p	Disc/prem %	Net yld %	3-yr div gth %	Gear-ing %	Net cash %	1mth %	Rank	6mths %	Rk	1 year %	Rk	3 years %	Rk	7 years %	Rk	Cash & equiv.	Fixed Intrst	UK Equity	Intl. equities	Split cap inc	Spl-cap HGO	Other trusts	Other
Acorn Income Fund**	53.1	335.5	400.2	-16.2	5.2	12.9	80	0	-1.6	3	-5.7	3	-17.6	3	8.7	3	127.7	1	-	-	-	-	-	-	-	-
Henderson High Income Trust	221.2	172.0	179.8	-4.3	5.5	2.6	25	0	-1.4	2	6.3	1	2.5	1	9.4	2	83.0	2	-	16	77	6	-	-	-	-

## GLOBAL

	Mkt cap £m	Share price p	Nav p	Disc/prem %	Net yld %	3-yr div gth %	Gear-ing %	Net cash %	1mth %	Rank	6mths %	Rk	1 year %	Rk	3 years %	Rk	7 years %	Rk	Cash & equiv.	Fixed Intrst	UK	Cont. Europe	North America	Japan	Other Pacific	Other
Alliance Trust	2633.1	798.0	839.4	-4.9	1.7	7.3	6	0	-4.2	10	9.4	7	4.6	8	47.7	9	155.6	8	3	-	12	22	50	4	5	4
AVI Global Trust	819.3	740.0	829.3	-10.8	1.6	3.6	8	0	-4.6	13	3.8	12	-0.8	10	39.0	11	103.0	16	4	-	29	29	3	24	9	1
Bankers Invst Trust	1146.4	935.0	964.1	-3.0	2.1	7.7	0	2	-2.9	6	11.7	5	6.6	6	52.1	5	168.1	5	7	-	21	14	32	11	15	1
Brunner Invst Trust	350.5	821.0	904.4	-9.2	2.2	5.9	8	0	-6.2	15	11.4	6	8.1	5	51.3	6	143.9	10	-1	-	24	25	41	3	8	-
EP Global Opportunities Trust	126.4	303.0	320.0	-5.3	1.7	21.1	0	11	-2.3	4	1.6	14	-4.8	14	22.8	15	110.8	14	11	-	11	37	5	18	18	-
F&C Invst Trust	3811.3	702.0	740.4	-5.2	1.5	4.6	8	0	-3.6	8	4.7	11	-2.3	11	48.0	8	166.2	6	1	-	10	16	53	9	8	3
JPMorgan Elect (Managed Growth Pool)	258.4	837.5	860.2	-2.6	1.8	21.2	0	0	-3.6	9	8.1	8	-0.4	9	35.8	13	139.5	11	-	-	50	8	33	4	4	1
Lindseed Train Invst Trust	256.0	128000	108122	18.4	2.7	51.0	0	2	-2.3	5	-8.6	15	12.4	2	70.8	4	434.1	1	-1	-	80	7	9	6	-	-
Majedie Invts	129.5	244.0	299.1	-18.4	3.8	11.2	15	0	0.8	1	-10.2	16	-11.2	16	7.3	16	112.4	13	1	-	77	20	2	-	-	-
Manchester & London Invst Trust	155.9	531.0	554.8	-4.3	2.5	29.7	0	1	-1.3	3	12.1	4	5.2	7	97.7	1	136.9	12	-	-	-	-	-	-	-	-
Martin Currie Global Portfolio Invst Trust	242.9	290.0	292.6	-0.9	1.4	0.4	0	2	-6.0	14	14.5	2	12.5	1	47.6	10	150.9	9	2	-	6	48	33	-	11	-
Mid Wynd International	247.5	590.0	576.4	2.4	1.0																					







# INVESTMENT TRUSTS AND COMPANIES

## OTHER GEOGRAPHICAL SPECIALISTS AND SECTOR SPECIALISTS

	Mkt cap £m	Share price p	Disc/ prem %	Net yld %	Gear- ing %	Total shareholder return				
						1 mth %	6 mths %	1 year %	3 years %	7 years %
Global Resources IT	1.8	4.4	202.1		1	190.0	74.0	-45.6	-47.0	
Golden Prospect Precious Metals**	19.8	34.8	-19.4		0	15.2	63.8	52.3	-23.1	-62.8
Polo Resources**	10.5	3.4	-78.3		12	-7.7	-26.9	7.3	-46.6	-87.5
Riverstone Energy**	560.9	702.0	-32.7		0	-16.4	-30.5	-44.6	-36.5	
Tiger Resource	0.7	0.4	-5.4		0	27.3	75.0	-6.7	-39.1	-82.7
<b>Average</b>			<b>-1.3</b>		<b>4</b>	<b>17.6</b>	<b>13.8</b>	<b>-6.5</b>	<b>-9.6</b>	<b>-47.9</b>

## BIOTECHNOLOGY & HEALTHCARE

Adams**	3.3	4.0	39.4		0	-5.9	166.7	100.0	-52.9	22122.2
BB Healthcare Trust	529.2	125.0	1.1	3.9	10	-7.7	-10.7	-11.3		
International Biotechnology Trust	244.2	636.0	2.2	4.5	6	-2.3	5.5	-2.1	45.3	253.5
Polar Capital Global Healthcare Trust	272.2	223.5	-9.1	0.8	7	-2.2	7.4	1.6	20.6	114.3
Syncona**	1531.1	231.0	14.7	1.1	0	-9.1	-17.0	-12.4	86.2	
The Biotech Growth Trust	357.6	774.0	-7.6		8	-3.7	6.9	-8.1	11.8	169.5
Worldwide Healthcare	1464.8	2755.0	-1.0	1.0	0	-2.8	3.6	-3.3	39.6	255.3
<b>Average</b>			<b>5.7</b>		<b>4</b>	<b>-4.8</b>	<b>23.2</b>	<b>9.2</b>	<b>25.1</b>	<b>4582.9</b>

## ENVIRONMENTAL

Impax Environmental Markets Trust	570.8	302.0	-0.3	1.0	3	-4.7	9.7	11.3	51.5	230.7
Jupiter Green Invst Trust	35.9	191.0	-5.0	1.1	0	-1.8	9.5	-0.6	24.3	109.8
Leaf Clean Energy Company**	21.2	120.0	-21.1		32	-7.7	471.4	531.6	179.1	56.9
Menhaden	65.2	81.5	-22.6	0.7	0	-0.6	12.6	15.4	41.7	

## PROPERTY

Aberdeen Standard European Logistics Income	217.1	92.6	3.1	5.4	0	-6.1	-3.7	-12.5		
AEW UK Long Lease REIT	57.8	71.8	-23.2	5.9	0	-9.2	-17.8	-19.6		
AEW UK REIT	138.5	91.4	-4.7	8.3	32	-1.6	4.4	5.3	20.6	
Alpha Real Trust**	95.1	175.5	-13.4	1.4	0	0.6	27.0	35.9	99.2	249.8
Aseana Properties**	79.9	40.2	-29.0		47	0.3	-1.4	-4.5	18.4	60.8
AXA Property Trust**	7.2	31.0	-33.1		0	-0.3	-16.1	-12.8	-45.2	5.8
BMO Commercial Property Trust**	858.5	107.4	-20.7	4.4	27	-5.2	-10.1	-24.1	-2.6	43.7
BMO Real Estate Invts**	201.2	83.6	-20.2	4.8	38	3.0	-2.1	-10.5	3.8	89.0
Ceiba Invts**	107.4	78.0	-29.5	4.4	0	0.0	-13.2			
Civitas Social Housing	516.6	83.0	-21.6	5.0	0	1.5	-12.8	-17.6		
Custodian REIT	471.9	115.6	10.8	6.3	21	0.2	5.1	1.6	28.0	
Dolphin Capital Investors**	45.7	5.1	-71.9		0	0.0	-11.4	-21.7	-5.2	-71.1
Dragon Ukrainian Properties & Development**	11.5	10.5	-59.4	5.8	0	6.1	-11.0	-18.9	11.5	-16.5
Drum Income Plus REIT	30.8	80.5	-9.9	6.7	42	1.9	-11.8	-9.0	-7.1	
Ediston Property Invst Company	188.1	89.0	-19.1	5.2	42	-7.6	-10.6	-14.4	1.3	
Energiser Invts	0.7	0.6	-41.8		20	-7.7	-40.0	-47.8	-63.1	-83.4
GCP Student Living	672.6	162.6	6.1	4.0	5	0.2	8.9	10.3	24.7	
Globalworth Real Estate Invts**	1634.5	843.2	10.1	7.1	23	2.4	21.0	9.9	112.5	
Green REIT**	1204.3	172.2	5.7	2.9	0	4.7	38.5	29.6	52.2	
Ground Rents Income Fund	78.6	81.0	-26.8	3.6	0	1.6	-20.5	-21.1	-29.3	-7.4
ICG-Longbow Senior Secured UK Property Debt Invts**	119.5	98.5	1.2	6.2	0	0.0	2.3	1.5	18.9	
Impact Healthcare REIT	320.9	112.0	8.6	6.0	0	2.3	9.7	15.2		
KCR Residential REIT	7.7	49.0	-31.0		37	0.0	-5.8	-36.8	-30.0	
LXI REIT	681.0	130.6	16.8	5.0	16	0.2	10.2	23.5		
Macau Property Opportunities**	75.4	122.0	-45.8		69	-17.0	-17.3	-34.1	1.5	23.5
Pacific Alliance China Land**	5.7	216.0	0.9	72.2	0	0.5	9.2	7.1	50.8	153.6
Phoenix Spree Deutschland**	288.1	286.0	-29.6	1.7	48	-4.8	-17.2	-22.2	44.6	
PRS REIT	438.0	88.6	-4.0	5.4	0	-4.2	-9.9	-8.9		
Real Estate Credit Invts**	332.7	167.0	3.0	7.4	0	0.6	3.6	5.5	30.8	206.2
Regional REIT**	448.8	104.0	-6.4	7.4	67	-1.0	4.1	16.3	27.6	
Residential Secure Income	166.9	93.0	-11.8	4.7	28	2.5	2.5	2.7		
Schroder European Real Estate Inv Trust	145.8	109.0	-4.8	5.7	0	6.9	7.5	1.4	2.2	
Schroder Real Estate Invst Trust**	272.7	52.6	-22.0	3.9	37	-4.5	-6.6	-16.3	3.0	85.0
Secure Income REIT	1404.4	435.0	10.9	4.1	0	4.9	10.4	18.0	80.0	
Standard Life Invts Property Income Trust**	354.7	87.4	-2.8	5.3	36	1.0	3.9	-2.7	26.7	114.6
Starwood European Real Estate Finance**	421.5	102.0	1.5	6.5	0	-0.9	1.1	0.0	10.6	
Supermarket Income REIT	254.2	106.0	15.5	6.3	43	1.4	6.8	9.8		
Target Healthcare REIT	452.1	117.4	10.6	6.2	13	5.4	5.1	8.6	26.3	
The Local Shopping REIT	25.4	30.8	-0.7		0	0.7	12.0	-1.0	8.1	-22.5
TOC Property Backed Lending	27.9	103.5	12.1	6.5	4	0.0	1.4	6.4		
TR Property Invst Trust	1355.1	427.0	-1.7	3.1	12	1.7	15.0	4.1	47.5	227.8
Triple Point Social Housing REIT	294.8	84.0	-18.0	5.0	0	6.6	-14.1	-18.4		
Tritax Big Box REIT	2391.5	140.1	-5.6	4.6	6	-8.4	1.9	-2.8	10.9	
Tritax EuroBox EUR	393.7	93.1	-4.6	3.2	0	-0.6	2.3	-9.1		
UK Commercial Property REIT**	1065.5	82.0	-11.1	4.0	17	-0.2	-2.7	-4.6	16.8	71.3
Urban Logistics REIT	109.7	125.0	-6.7	5.2	41	-3.1	7.1	8.0	39.7	
Warehouse REIT	251.1	104.5	-2.1	5.6	11	3.9	4.9	10.9		
Yew Grove REIT	75.3	88.6	4.5	5.1	0	-3.0	6.4	2.2		
<b>Average</b>			<b>-10.7</b>		<b>16</b>	<b>-0.5</b>	<b>-0.5</b>	<b>-3.3</b>	<b>18.7</b>	<b>66.5</b>

## DEBT - DIRECT LENDING

BioPharma Credit	1150.7	83.8	0.7	6.9	0	0.8	10.2	6.5		
GCP Asset Backed Income**	476.1	108.0	9.2	6.3	0	1.0	3.8	10.0	17.2	
Hadrian's Wall Secured Invts**	114.9	79.5	-16.4	6.3	0	2.6	-13.6	-17.2	-13.3	
Honeycomb Invst Trust	435.9	1105.0	8.2	7.8	0	-0.5	1.3	5.4	36.2	
P2P GLOBAL Invts	626.1	838.0	-12.0	4.9	42	0.2	5.9	14.6	18.9	
RDL Realisation	42.1	261.0	52.8	18.4	0	3.1	-1.0	-4.6	-15.4	
RM Secured Direct Lending	113.9	101.5	2.9	6.6	7	0.0	3.6	2.7		
SME Credit Realisation Fund**	251.8	83.2	-11.2	5.6	9	-0.3	0.2	-13.5	-1.8	
SQN Secured Income	48.4	91.8	-4.8	7.3	0	0.1	3.6	10.3	20.1	
VPC Specialty Lending Invts	243.2	75.3	-16.6	8.9	0	-0.9	5.5	5.5	23.3	
<b>Average</b>			<b>1.3</b>		<b>6</b>	<b>0.6</b>	<b>2.0</b>	<b>2.0</b>	<b>10.6</b>	

## DEBT - LOANS & BONDS

Alcentra European Floating Rate Income Fund**	120.7	99.4	-3.5	4.4	0	0.4	4.9	3.1	16.8	39.8
Axiom European Financial Debt Fund**	77.2	84.0	-11.6	6.3	0	-2.3	-2.9	-10.3	7.3	
City Merchants High Yield**	189.0	192.5	2.1	5.3	0	-0.1	8.9	6.0	19.0	84.1
CQS New City High Yield Fund**	253.9	59.8	9.3	8.1	8	1.7	8.6	6.8	26.9	64.2
CVC Credit Partners European Opportunities EUR**	113.0	88.2	-2.8	5.5	0	-0.2	0.8	-6.9	23.0	
CVC Credit Partners European Opportunities GBP**	358.4	101.0	-3.6	5.3	0	-1.6	-2.2	-6.8	15.2	
Henderson Diversified Income Trust	177.3	93.5	3.4	4.9	17	1.7	9.5	12.4	15.3	67.6
Invesco Enhanced Income**	126.2	74.2	0.7	6.8	15	-2.1	7.5	8.8	17.2	110.8
JPMorgan Global Convertibles Income Fund**	101.5	88.3	-5.7	1.2	10	-3.3	2.3	0.1	11.3	
M&G Credit Income Invst Trust	140.4	108.0	8.6	4.2	0	2.4	6.5			

## OTHER GEOGRAPHICAL SPECIALISTS AND SECTOR SPECIALISTS

	Mkt cap £m	Share price p	Disc/ prem %	Net yld %	Gear- ing %	Total shareholder return				
						1 mth %	6 mths %	1 year %	3 years %	7 years %
NB Distressed Debt Inv Extended Life**	85.9	67.9	-11.4	1.4	0	-1.2	7.3	-9.1	1.6	
NB Distressed Debt Invst Fund**	11.2	72.9	-4.4	1.5	0	0.3	6.5	-8.9	-0.3	25.6
NB Distressed Debt New GIB**	55.8	77.1	-13.0	0.8	0	-1.9	-3.4	-14.5	10.5	
NB Global Floating Rate Income Fund GBP**	471.8	88.7	-5.8	4.9	0	-0.9	2.0	0.6	7.5	19.0
NB Global Floating Rate Income Fund USD**	25.0	75.3	-5.6	4.9	0	-0.3	11.0	8.4	16.7	60.3
Riverstone Credit Opportunities Income	81.5	81.5	0.8		0	-0.2				
TwentyFour Select Monthly Income**	173.0	93.4	2.8	7.2	0	0.0	5.7	4.4	23.8	
<b>Average</b>			<b>-2.3</b>		<b>3</b>	<b>-0.5</b>	<b>4.6</b>	<b>-0.4</b>	<b>14.1</b>	<b>58.9</b>

## DEBT - STRUCTURED FINANCE

Blackstone / GSO Loan Financing**	292.9	72.8	-10.8	11.1	2	-3.3	8.4	5.4	24.5	
Carador Income Fund Repurchase Pool Shares**	3.9	59.5	13.0		0	0.5	9.2	6.7		
Carador USD**	26.5	50.3	-4.8	9.9	0	-0.7	14.4	3.0	19.5	88.9
Chenavari Toro Income Fund**	230.7	74.1	-16.5	8.1	0	8.3	15.1	16.2	41.8	
Fair Oaks Income 2017**	282.9	62.4	-4.0	14.1	0	-5.1	3.3	-1.4	22.9	
Marble Point Loan Financing**	140.2	68.2	-0.7	9.6	0	1.8	16.0	-5.8		
TwentyFour Income**	572.8	109.5	-2.1	5.8	0	-3.5	-1.4	-5.5	17.6	
UK Mortgages**	193.9	71.0	-12.3	7.0	0					



FTSE SECTOR WATCH

OTHER GEOGRAPHICAL SPECIALISTS AND SECTOR SPECIALISTS

	Mkt cap £m	Share price p	Disc/prem %	Net yld %	Gear-ing %	Total shareholder return				
						1 mth %	6 mths %	1 year %	3 years %	7 years %
<b>Average</b>			<b>-3.6</b>		<b>25</b>	<b>2.3</b>	<b>-0.7</b>	<b>-4.9</b>	<b>6.4</b>	<b>34.7</b>

FORESTRY & TIMBER

Cambium Global Timberland**	9.3	12.7	-32.7		0	7.7	4.1	23.4	102.4	-66.9
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LIQUIDITY FUNDS

Invesco Perpetual Select - Managed Liquidity	4.3	101.5	-2.9	0.8	4	0.0	0.8	0.8	1.3	4.7
JPMorgan Elect (Managed Cash Pool)	7.2	102.5	-0.8	0.4	0	0.4	1.9	1.9	3.4	4.3

PRIVATE EQUITY

3i Group	10669	1096.5	27.2	4.1	0	-1.4	18.2	27.1	97.5	595.2
Apax Global Alpha**	751.4	153.0	-16.5	4.9	0	0.8	12.7	18.5	46.7	
Better Capital PCC 2009**	17.1	48.5	-38.5		0	0.0	-2.0	-24.2	7.5	-13.2
Better Capital PCC 2012**	26.1	9.0	-45.1	97.6	0	0.0	15.8	-13.7	1.5	-71.1
BMO Private Equity Trust	266.6	360.5	-6.2	3.8	14	-1.0	5.2	11.3	58.0	215.6
Dunedin Enterprise Invst Trust	73.5	356.0	-11.2	13.0	0	-3.0	5.4	21.4	113.8	111.6
EIH**	7.7	11.9	-11.0	61.4	0	0.5	39.8	5.1	2.7	68.4
Electra Private Equity	131.9	344.5	-32.4	87.2	0	-1.0	7.0	-22.2	13.8	173.7
EPE Special Opportunities**	54.0	162.5	-37.6		0	-14.9	1.6	12.1	10.2	187.6
FastForward Innovations**	11.9	7.4	-35.5		0	-8.1	-16.9	-45.0	-45.6	-2.0
HarbourVest Global Private Equity**	1332.1	1668.0	-18.6		0	-3.0	17.1	20.5	80.3	268.7
HgCapital Trust	871.6	216.5	-11.6	2.0	0	0.9	9.8	14.1	82.6	171.0
ICG Enterprise Trust	597.3	866.0	-18.0	2.1	0	-0.6	5.7	1.4	62.4	165.4
JPEL Private Equity**	216.5	114.1	-19.2		20	0.2	4.7	3.3	49.9	166.1
LMS Capital	46.0	57.0	-22.2		0	13.4	23.9	9.6	-5.4	-8.8
NB Private Equity Partners**	524.4	1115.0	-25.4	3.1	0	-2.6	3.3	2.4	57.1	223.6
Oakley Capital Invts**	484.4	237.0	-15.0	1.6	0	-0.2	26.5	23.9	86.2	106.4
Origo Partners**	0.7	0.2	-86.8		0	32.1	5.7	-43.1	-32.7	-98.8
Pantheon International	1230.5	2275.0	-17.4		0	-1.1	8.9	8.9	53.8	205.4
Princess Private Equity Holding**	609.0	880.7	-16.7	5.0	0	0.3	14.4	2.1	55.1	169.2
Reconstruction Capital II**	21.3	15.6	-22.2		0	-3.3	4.4	-10.4	0.3	-44.9
St Peter Port Capital**	4.2	6.5	-62.2		0	-3.0	-23.5	-24.6	-44.0	-86.4
Standard Life Private Equity Trust	550.4	358.0	-18.1	2.9	0	-0.6	4.2	11.6	60.3	182.0
Symphony International Holdings**	252.9	49.3	-45.0	2.3	0	-0.3	1.0	2.1	21.9	124.3
<b>Average</b>			<b>-25.2</b>		<b>1</b>	<b>0.2</b>	<b>8.0</b>	<b>0.5</b>	<b>34.7</b>	<b>122.1</b>

HEDGE FUNDS

Alternative Liquidity Fund**	13.8	9.4	-60.0		0	-3.6	-10.3	-9.2	159.1	
BH Global GBP**	332.1	1667.5	1.4		0	5.4	9.7	12.7	32.3	44.5
BH Global USD**	36.4	1400.0	1.9		0	6.1	21.3	23.8	50.9	92.7
BH Macro GBP**	400.8	2795.0	6.0		0	4.3	16.1	27.0	49.0	42.7
BH Macro USD**	61.4	2545.5	14.0		0	11.3	36.5	48.4	82.2	116.8
Boussard & Gavaudan Holdings EUR**	435.9	1514.6	-27.1		0	-1.0	8.2	-10.0	-1.3	68.2
Boussard & Gavaudan Holdings GBP**	9.1	1500.0	-27.5		0	-1.6	1.4	-12.8	-2.9	51.9
Gabelli Merger Plus+ Trust	76.8	743.1	-6.5	5.0	0	6.4	18.9	14.8		
Highbridge Multi-Strategy Fund GBP**	219.4	211.0	-1.9		0	-0.5	-0.7	-6.2	9.9	27.3
Pershing Square Holdings**	3272.3	1530.6	-29.7	1.5	0	4.2	23.0	31.3	36.8	
Third Point Offshore Investors USD**	511.6	1260.4	-25.9	0.0	0	5.2	16.8	3.7	26.3	158.5
<b>Average</b>			<b>-14.1</b>		<b>0</b>	<b>3.3</b>	<b>12.8</b>	<b>11.2</b>	<b>44.2</b>	<b>75.3</b>

INSURANCE & REINSURANCE STRATEGIES

CATCo Reinsurance Opportunities Fund**	44.2	11.3	-50.3	9.6	0	-9.3	-21.0	-72.6	-84.3	-68.6
Life Settlement Assets A	66.2	145.7	-19.1		0	0.5	38.0	32.5		
Life Settlement Assets B	7.7	53.0	-36.8		0	0.5	16.4	5.9		
Life Settlement Assets D	10.1	115.0	0.4		0	-6.2	205.0	221.0		
Life Settlement Assets E	4.0	254.5	-42.5		0	-5.6	216.3	270.8		
<b>Average</b>			<b>-29.6</b>		<b>0</b>	<b>-4.0</b>	<b>90.9</b>	<b>91.5</b>	<b>-84.3</b>	<b>-68.6</b>

UTILITIES

Ecofin Global Utilities & Infrastructure Trust	136.7	148.8	-13.4	3.7	7	2.8	18.9	22.9		
Premier Global Infrastructure Trust	22.5	124.5	-10.6	7.5	0	-4.5	8.2	10.8	-4.4	122.5

SPLIT CAPITAL INVESTMENT COMPANIES

ZERO DIVIDEND PREFERENCE SHARES

Trust	Redemption date	Red. Price p	Price p	Nav p	Red. yld %	Hurdle rate %	Return			
							1 mth %	6 mths %	1 year %	3 years %
Aberforth Split Level Income ZDP 2024	01/07/24	127.3	108.0	107.3	3.4	-50.3	-2.7	0.9	0.9	
Acorn Income Fund ZDP 2022**	28/02/22	167.2	155.5	152.1	3.0	-42.2	0.0	3.0	2.0	14.3
Chelverton UK Dividend ZDP 2025	30/04/25	133.2	109.0	106.9	3.6	-24.6	-3.1	-0.9	4.3	
EJF Invts ZDP 2022**	30/11/22	132.3	117.0	110.3	3.9	-76.2	0.4	3.5	6.4	
JZ Capital Partners ZDP 2022**	01/10/22	483.7	439.0	419.2	3.2	-78.0	0.0	2.1	1.2	7.1
NB Private Equity ZDP 2022**	30/09/22	126.7	116.0	112.3	3.0	-57.5	0.0	1.8	4.0	
NB Private Equity ZDP 2024**	30/10/24	130.6	110.0	105.4	3.4	-39.8	0.0	3.8	5.8	
Polar Capital Global Healthcare ZDP 2024	19/06/24	123.0	108.0	106.7	2.7	-62.0	0.0	0.9	2.9	
Premier Global Infrastructure ZDP 2020	30/11/20	125.7	121.5	118.5	2.8	-96.8	0.8	3.8	4.7	8.0
RM Secured Direct Lending ZDP 2021	06/04/21	110.9	106.0	105.0	3.0	-79.4	0.5	3.4	4.4	
UIL ZDP 2020**	31/10/20	154.9	150.5	142.7	2.6	-91.5	0.0	1.3	4.5	13.4
UIL ZDP 2022**	31/10/22	147.0	132.0	121.3	3.5	-58.8	0.0	3.9	5.6	20.8
UIL ZDP 2024**	31/10/24	138.4	117.0	108.8	3.3	-41.8	0.4	6.4	9.9	
UIL ZDP 2026**	31/10/26	151.5	107.5	106.8	4.9	-32.2	0.0	2.9	5.1	



# Media players – adapt or die



Media companies need to plug themselves into the changing landscape, says **RICHARD HUNTER**

The media sector covers a whole host of activities, ranging from publishing, video, programmes and advertising to events and public relation companies.

Globally, the onslaught of the likes of Netflix, Amazon, Disney and Comcast (which bought UK company Sky in 2018) will continue to have a profound effect on viewing habits, while the personalisation of content will become an increasingly important theme.

## BURGEONING SECTOR

The advent of social media has also added to a burgeoning sector so, given the size and complexity of the subject, for the purposes of this piece we will be looking at FTSE 100 companies within the media sector, as defined by the London Stock Exchange.

There are five stocks in this category: **Informa**, **ITV**, **Pearson**, **RELX** and **WPP**. The scope of just those five companies is testament to the breadth of activities within the sector.

Informa is an international exhibitions, events, information services and scholarly publishing group, operating across five divisions: connect, intelligence, markets, tech and Taylor & Francis.

ITV is split into three segments: ITV Studios, direct to consumer and broadcast & online; while Pearson provides content, assessment and digital services to schools, colleges and universities, as well as professional and vocational education to learners to help increase their skills and employability prospects.

RELX Group (formerly known as Reed Elsevier) is a global provider of information and analytics for professional and business

## FOOTNOTES TO THESE TABLES

**Past performance figures** Total shareholder return on £100 with net income reinvested as at 1 Sep 2019, minus 0.5% deduction to account for stamp duty on purchases. The top and bottom 10 tables exclude split-capital shares, VCTs and non-sterling shares (where a sterling class is available).

**Common abbreviations** Mkt cap Market capitalisation. Nav Net asset value per share. Disc/prem Whether shares are trading at a discount or premium to Nav. Net yld Net dividend yield per share. The figure only includes income dividends and not capital dividends. 3-yr div grth Annualised percentage dividend growth after three years. Gearing % and net cash % A figure of 0 shows an ungeared trust. Any borrowing is accounted for at

'fair value'. Net cash is the net exposure to cash/cash equivalents expressed as a percentage of shareholders' funds, after any offset against its gearing.\*LSE-listed but registered offshore.

**Split-capital trusts** Debt cover ratio Total assets divided by borrowings. Red. price The predetermined capital entitlement of the share (not guaranteed). T Nav Estimated terminal Nav should total assets not grow or decline. Red. yield The annual return from the current price until wind-up, assuming the portfolio's dividend stream and equity portion do not grow or decline. Hurdle rate Required annual growth rate of the portfolio's equity portion if there are to be sufficient assets to repay the current price.



### HOW THE BIG FIVE MEDIA PLAYERS COMPARE

Company/index	Share price performance 1 year (%)	Dividend yield (%)	Market consensus	Market capitalisation £ billions
Informa	13	2.6	STRONG BUY	10.9
ITV	-33	7.2	BUY	4.5
Pearson	-10	2.3	SELL	6.4
RELX	14.50	2.2	BUY	37.7
WPP	-26.50	6.3	BUY	12.6
FTSE 100	-5.20	4.6	N/A	N/A

Source: interactive investor, as at 22 August 2019

customers, and operates in the four segments of scientific, technical & medical, risk & business analytics, legal and exhibitions.

WPP also operates through four segments: advertising and media investment management; data investment management; public relations and public affairs; branding and identity, healthcare and specialist communications.

### ALL CHANGE

We find ourselves in a rapidly changing environment, usually impacted to some extent by technology and technological advances, and the media sector is no different.

The way we consume entertainment, for example, has long since been via the traditional TV. Mobile phones, laptops and other hand-held devices – and even those still watching TV may be doing so in separate rooms on different channels at home.

This means that the complexity of measuring content for advertising and trend purposes has increased. It also means that companies will need to pay ever greater attention to how the individual's data is protected: whilst useful of itself, a compromise in the user's security inevitably leads to distress and, in some cases, financial loss.

Indeed, the whole experience is becoming more tailored to (and by) the individual. A recent paper by PWC, entitled *Entertainment & Media Outlook 2019-2023* stated that media is being "constructed by individuals for their own enjoyment and gratification, and



accessed through personal devices. It's also an increasingly mobile world – soon to be augmented by superfast 5G networks – where empowered UK consumers are moving from passive to active consumption, controlling their own media consumption via an expanding range of smart devices and over-the-top (OTT) streaming video and music services. Total OTT revenues in the UK will rise at a compound

annual growth rate of 10.3% between 2018 and 2023, to reach £2 billion."

The emergence of the pay-per-view and/or subscription model is becoming increasingly entrenched in everyday life, and the advent of artificial intelligence may yet play a part in how content is made available and then delivered.

Meanwhile, across all parts of the media sector, digital and online is proving to be a golden goose. Of course, in

### Across all parts of the media sector, digital and online is proving to be a golden goose

the early days of adoption, it seemed difficult to see how a simple search engine or video channel such as YouTube, let alone a simple social networking site such as Facebook, would be able to monetise the volume of traffic being directed through

those sites. This evolved quickly and is now a major source of income.

Closer to home, and again from the PWC paper, the UK remains the biggest internet advertising market in Europe, growing by 15% in 2018 to reach £13.3 billion. This accounts for 31% of total European revenue. The paper adds: "Over the next five years, we project that internet advertising spend will continue to grow robustly at 9.1%, driving revenue to £20.6 billion in 2023."

### Two high-yielding names and one steady-eddy catch the eye

#### INFORMA

The business's diverse business model and solid track record have helped underpin investor confidence, while absorbing rival firm UBM last year marked another positive milestone. Recent outlook comments were upbeat – "the enlarged Informa Group is performing to plan, delivering a further period of growth in revenue, adjusted operating profit, free cash flow and dividends" – while the progressive dividend policy is attractive, although the dividend yield is low at 2.6%. A forward price/earnings ratio of over 15 is above the 10-year average of 13, which is a reason to be cautious, as is

a 35%-plus rally in the share price year-to-date, up to market close on 22 August. However, clearly progress is being made, and the company's recent results topped analyst expectations with positive full-year guidance reiterated.

#### ITV

Strategically, ITV continues to respond to changing viewer habits, while also lessening its reliance on (cyclical and waning) traditional advertising.



There has been progress on both, with its share of online viewing via the ITV hub recently having risen. Meanwhile, revenues from ITV Studios have also inched higher as the company provides prime content, with another set of popular programmes having recently hit the screens or in the pipeline. The launch of BritBox (a subscription joint venture with the BBC) should provide some clues as to the potential for this form of viewing in the UK. The dividend yield of 6.7% is an obvious attraction to income-seekers.

#### WPP

Progress is ongoing in reducing what had become a sprawling empire. A total of 44 disposals were made over the last 15 months (such as the sale of 60% of WPP's stake in Kantar, which will reduce



debt to the tune of \$1.9 billion (£1.5 billion) and return an additional \$1.2 billion to shareholders). Revenues recently improved in the group's key US and UK markets, while net new billings of nearly \$3 billion for the latest half-year were proof that the company can still compete with the best. The current dividend yield of 6.3%, which is well-covered, is another attraction.



## Guide to this section – price and total return

With effect from May 2019, all share data is supplied by Morningstar. Our unique Share Guide includes price and total return performance for main market and Alternative Investment Market shares with a live, primary listing in the UK and Ireland.

To enable you to assess how share prices are performing

relative to their peers over periods up to one year, we show performance of the relevant FTSE sectors and the major FTSE market indices, overleaf.

We also show the historic net dividend yield and the price/earnings ratio of the shares listed where available.

### What is total return?

The total return figure includes

dividends reinvested. It is a useful valuation tool for longer-term investors and it also allows like-for-like comparisons with funds and trusts.

Net dividends are reinvested into the closing share price on ex-dividend date.

### Aim shares

We list data for the 200 largest shares on the Alternative

Investment Market according to current market capitalisation.

It is important to note that the top and bottom performers are derived from the entire market.

Full factsheets, technical data background research and discussion boards can be found on our parent website interactive investor (ii.co.uk).

More notes on page 94.

### TOP 10 SHARES % CHANGE ON SHARE PRICE OR TOTAL RETURN AFTER:

1 month (price)		6 months (price)		1 year (total return)		2 years (total return)		3 years (total return)	
Kier	90.6	OKYO Pharma	402.1	RockRose Energy	352.8	RockRose Energy	1297.6	RockRose Energy	3900.0
OKYO Pharma	81.5	Argo Blockchain	137.2	IQ-AI	208.9	Future	336.5	Future	962.7
R E A	46.4	RockRose Energy	117.8	Future	179.5	Ocado	318.2	Games Workshop	775.9
Argo Blockchain	42.1	Challenger Acquisitions	82.4	OKYO Pharma	162.2	Games Workshop	182.3	EVRAZ	412.0
Grand Fortune High Grade	41.2	IWG	81.2	Ross	153.8	Softcat	174.0	Ocado	325.3
Predator Oil & Gas	39.8	Ultra Electronics	75.6	Acacia Mining	141.8	BATM Adv Comms	161.1	nmcn	309.6
Bluebird Merchant Vntrs	37.1	Future	72.9	UP Global Sourcing	114.5	Entertainment One	145.0	Ferrexpo	287.1
Aminex	35.7	AIQ	72.7	Pets at Home	105.1	Ross	127.6	SolGold	270.3
Greene King	34.5	Tyman	67.8	Greggs	102.2	Goodwin	122.0	Creightons	245.0
Avon Rubber	32.8	Hardy Oil & Gas	66.7	Polymetal Intl	89.7	JXX Oil & Gas	121.8	Aptitude Software	238.5

### BOTTOM 5 SHARES % CHANGE ON SHARE PRICE OR TOTAL RETURN AFTER:

1 month (price)		6 months (price)		1 year (total return)		2 years (total return)		3 years (total return)	
Amigo	-51.8	PV Crystalox Solar	-87.8	Iconic Labs	-94.5	Iconic Labs	-99.0	Challenger Acquisitions	-99.2
Nostrum Oil & Gas	-51.2	Thomas Cook	-83.1	Thomas Cook	-93.8	Thomas Cook	-95.4	Iconic Labs	-99.0
Kavango Resrcs	-49.3	Nostrum Oil & Gas	-78.5	Nostrum Oil & Gas	-91.6	Nostrum Oil & Gas	-94.3	Toople	-96.1
Micro Focus Intl	-36.2	Kier	-77.5	Metro Bank	-90.3	Countrywide	-94.3	Countrywide	-95.0
McColl's Retail	-31.1	Carclo	-76.2	Carclo	-88.4	Carclo	-93.5	Carpetright	-94.2

### PERFORMANCE ANALYSIS OF MAIN MARKET SHARES IN EACH SECTOR

Source: Morningstar

	Price p	Yld %	P/E ratio	% change (months)			Total return % change (years)		
				1	6	12	1	2	3
<b>Advertising &amp; Marketing Services</b>									
4imprint	2780.0	2.0	25.1	0	39	29	32	45	86
Ascential	378.6	1.5		-5	3	-12	-11	4	50
S4 Capital	15.7			0	0		25	14	
Trader Media East	0.1			0	0				
WPP	970.2	6.2	17.4	0	17	-24	-19	-23	-35
<b>Aerospace &amp; Defense</b>									
Avon Rubber	1780.0	0.9		33	40	29	30	94	121
BAE Systems	545.6	4.1		-1	17	-10	-6	-3	13
Chemring	178.6	1.8		-2	19	-9	-7	5	31
Cobham	161.5	0.0		-2	37	30	30	18	16
Meggitt	619.0	2.7		4	15	15	18	26	42
QinetiQ	288.6	2.2		0	-6	6	9	31	33
Rolls-Royce	771.2	1.5	-6.1	-11	-19	-23	-22	-13	4
Senior	202.4	3.7		1	-12	-36	-34	-21	-5
Ultra Electronics	2178.0	2.4	32.6	11	76	36	39	23	39
<b>Airlines</b>									
easyJet	963.4	6.1		0	-22	-37	-33	-11	1
Intl Consol. Airlines	421.7	6.6	4.2	-1	-30	-39	-30	-17	37
Ryanair	9.2		12.8	-6	-24	-35	-35	-49	-24
Wizz Air	3596.0		10.6	2	18	13	13	22	125
<b>Application Software</b>									
Alfa Financial Software	79.3			-17	-35	-53	-53	-83	
Aptitude Software	367.5	1.8		0	-6	-12	44	23	238
Avast	380.0	1.9		13	23	48	50		
AVEVA	3700.0	1.1		-7	23	30	32	96	100
Computacenter	1325.0	2.3	18.5	-13	19	-2	0	35	94
FDM	755.0	4.0		-8	-10	-20	-17	-11	31
Gresham Technologies	115.5	0.4		-1	31	-28	-28	-35	20
IntegraFin	386.5	1.7		0	9	7	10		
IQ-AI	2.5	0.0		0	0	27	209	68	88
Kainos	498.0	1.5		-11	1	27	29	74	206
Micro Focus Intl	1108.8	9.0	5.8	-36	-41	-15	-26	-51	-39
NCC	176.6	2.6		-4	44	-20	-18	-2	-41
RM	256.5	3.0		7	6	19	22	67	98
Sage	700.6	2.4		-3	6	18	20	6	3
SDL	497.0	1.4		4	-15	4	6	13	15
Softcat	1040.0	1.2		9	37	22	26	174	236
Sophos	383.3	1.1		-12	17	-27	-26	-22	56
Triad	45.5	4.4		-17	21	-36	-32	-17	9
<b>Asset Management</b>									
Allied Minds	58.7			-13	2	-24	-24	-53	-82
Alpha Growth	1.2			7	-26	-39	-39		
Aquila	31.0	2.7		-3	2	-25	-23	-23	-25
Arrow Global	197.4	6.4		-27	2	-21	-16	-53	-11
Ashmore	451.2	3.7		-16	7	27	32	31	42
Boston Intl	4.5			0			-40	-40	
Brewin Dolphin	304.4	5.4		-4	-3	-16	-12	-6	32
Charles Stanley	261.0	3.2		-10	-2	-30	-28	-36	-11
City of London Invnt	409.5	6.6		-5	1	4	15	21	36
<b>Close Brothers</b>									
Close Brothers	1289.0	4.9	9.7	-3	-15	-19	-15	-8	8
Golden Rock Global	6.0			0	41		-8	-71	
Hargreaves Lansdown	1878.0	1.7	36.1	-11	8	-15	-13	39	50
Intermediate Capital	1336.0	2.3	21.1	-4	27	27	32	59	142
Investec	422.4	5.8	8.3	-10	-14	-17	-12	-20	10
IP	56.8		0.0	-17	-44	-56	-56	-51	-70
J2 Acquisition	9.5		-6.4	6	-1	-4	-3		
JTC	356.0	0.3		1	8	-7	-6		
Jupiter Fund Mgmt	341.7	5.0		-9	-1	-18	-12	-25	3
Just	44.7	0.0		-5	-57	-51	-51	-69	-47
Landscape Acquisition	8.7			1	-2	-5	-5		
Liontrust Asset Mgmt	770.0	3.0		-4	27	18	23	66	150
London Finance & Invnt	38.5	3.0		0	-3	-9	-7	-8	3
Man	166.7	5.7		-3	21	-3	2	10	76
Mila Resrcs	1.6			3			-54	-60	
Quilter	124.9	2.6		-14	-4	-11	-8		
Rathbone Brothers	2230.0	3.0		1	-3	-15	-13	-15	31
Record	31.3	7.3		-4	5	-25	-19	-18	60
River and Mercantile	264.5	4.8		-4	18	-17	-11	-3	50
Sanne	523.0	2.6		-5	2	-15	-13	-27	27
Schroders	2730.0	4.2	16.4	-8	0	-11	-8	-12	10
Sherborne Invtrs (Guernsey) D	8.8	129.7		-5	-10	-64	-18	-3	37
Sherborne Invtrs (Guernsey) C	49.1			-7	-18	-44	-44	-54	
Spinnaker Opps	4.7			0	0	2	2	-2	
St James's Place	917.8	5.3		-7	-6	-19	-15	-12	8
Std Life Aberdeen	249.3	9.1		-17	1	-31	-25	-38	-22
Trident Resrcs	15.3			0	-26				
Vertu Capital	0.7			0	-22	-40	-40	-39	-38
Walker Crips	25.5	7.3		-6	-6	-34	-31	-40	-39
Worldsec	3.5			0	-7		-50	-22	-46
<b>Autos</b>									
Aston Martin Lagonda Gbl	480.6		-8.0	-3	-56		6	37	33
BCA Marketplace	241.6	3.7		0	19	2			
Caffyns	375.0	6.0		-9	-3	-12	-6	-13	-21
Carclo	10.7	0.0		0	-76	-88	-88	-93	-92
Essentra	402.0	5.1		-6	7	-10	-5	-17	-10
Inchcape	578.0	4.6		-7	2	-16	-13	-24	-6
Lookers	46.6	8.8		12	-55	-56	-52	-50	-57
Motorpoint	247.0	2.9		15	26	6	10	93	33
Pendragon	10.2	15.7		-21	-60	-59	-53	-59	-57
Tex	73.0	3.4	-0.1	0	-29	-37	-35	-37	-21
TI Fluid Systems	165.8	4.9		-16	-13	-42	-40		
<b>Banks</b>									
Atlas Mara	1.2			0	-23	-51	-51	-51	-61
Bank Audi L	3.7	14.9	3.3	-4	-24	-28	-18	-19	-14
Bank of Cyprus	1.6			0	46	-33	-33	-46	
Bank of Georgia	1361.0	10.1	5.3	-3	-19	-18	-13	-56	-44
BankMuscat (SAOG)	3.9	0.0		0	2		2	32	20
Barclays	136.6	4.8		-11	-17	-22	-18	-23	-12
Charter Court Financial	262.0	4.8		-11	-16	-27	-23		
Commer Intl Bank (Egypt)	4.7	1.3	12.1	8	17	23	24	30	41
CYBG	141.3	2.2		-18	-28	-57	-57	-50	-46
<b>Guaranty Trust Bank</b>									
Guaranty Trust Bank	3.7	10.1	4.1	-3	-27	-26	-18	-22	11
Halyk Svngs Bnk Kazakhstan	13.5	8.2	4.6	-4	18	23	34	53	155
HSBC	591.4	7.1	10.4	-10	-4	-12	-6	-11	26
Lloyds Banking	49.8	6.4		-7	-22	-16	-10	-12	0
Metro Bank	268.8			-25	-70	-90	-90	-92	-89
Onesavings Bank	321.8	4.5	6.1	-11	-18	-23	-18	-10	36
Paragon Banking	436.2	4.4	8.2	5	0	-6	-2	16	54
Sberbank of Russia	13.7	7.0	5.7	-8	7	26	36	13	73
Secure Trust Bank	1320.0	6.3	8.2	-1	3	-25	-20	-14	-30
Standard Chartered	622.0	2.8		-8	3	-1	1	-16	1
TBC Bank	1232.0	4.5	4.9	-13	-18	-23	-19	-21	23
TCS	18.6	5.3	7.3	-7	1	1	7	38	213
Royal Bank of Scotland	185.5	3.0		-15	-30	-23	-13	-16	5
Turkiye Garanti Bank	1.8	0.0	6.9	0	0	2	2	-46	-40
<b>Beverages</b>									
Barr (A G)	595.0	2.6		-13	-22	-15	-13	-1	26
Britvic	867.5	3.3		-5	-6	6	10	22	48
Coca-Cola HBC AG	2730.0	1.9	26.3	-4	8	3	12	14	82
Diageo	3503.5	1.9	26.9	2	20	30	33	40	75
Stock Spirits	236.0	3.1		3	3	22	26	8	54
<b>Biotechnology</b>									
Arix Bioscience	109.5			-13	-31	-38	-38	-42	
Genus	2630.0	1.0		0	20	-8	-7	44	48
OKYO Pharma	5.9			82	402	162	162		
Oxford BioMedica	624.0			-10	-7	-29	-29	27	197





# UK SHARES MAIN MARKET

## PERFORMANCE ANALYSIS OF MAIN MARKET SHARES IN EACH SECTOR

Source: Morningstar

	Price p	Yld %	P/E ratio	% change (months)			Total return % change (years)		
				1	6	12	1	2	3
Capita	125.8	0.0		8	1	-15	-15	-66	-76
Charles Taylor	223.0	5.0		-1	4	-21	-17	-2	-7
De La Rue	214.0	11.7		-8	-50	-55	-49	-57	-52
Equiniti	205.0	2.6		-3	2	-7	-5	-15	39
Experian	2518.0	1.5	40.3	1	28	31	33	67	73
Fisher (James) & Sons	1992.0	1.6	22.6	-8	0	11	13	32	34
Homeserve	1148.0	1.7		1	20	10	13	63	113
Intertek	5428.0	1.8	30.3	-5	7	6	8	10	62
ITE	71.5	2.7		-2	6	-15	-12	-31	-26
IWG	417.2	1.5		10	81	74	76	43	45
Kin and Carta	100.0	2.0		0	0	5	-12	21	-24
Mgmt Consulting	1.8	0.0		-4	-10	21	19	-54	78
Mears	265.0	4.7		-3	-6	-32	-29	-33	-33
Menzies (John)	398.0	5.2		-4	-31	-33	-29	-38	-13
MITIE	146.6	2.7		-11	14	-1	1	-43	-41
Myanmar Strategic	10.3		-10.0	3	3		37	8	
PayPoint	887.0	5.2	13.7	-6	2	-6	0	11	16
Rentokil Initial	450.2	1.0		3	28	39	40	51	116
Ricardo	684.0	3.0		-3	13	-13	-10	-1	-8
RPS	135.0	7.3		8	-27	-43	-38	-46	-10
Serco	145.9	0.0		-1	13	49	49	24	14
Speedy Hire	46.0	3.8		-12	-19	-22	-19	-7	32

Chemicals									
	Price p	Yld %	P/E ratio	% change (months)			Total return % change (years)		
				1	6	12	1	2	3
Croda Intl	4702.0	1.9	25.7	0	-5	-10	-6	27	51
Elementis	149.9	4.5		-1	-16	-36	-34	-34	-13
Johnson Matthey	2910.0	2.8	13.6	-9	-6	-17	-14	11	-6
Synthomer	309.2	4.0		2	-13	-42	-39	-25	1
Treatt	439.0	1.2		-4	0	-9	-8	-7	149
Victrex	2078.0	2.9	18.1	-2	-11	-34	-30	15	57
Zotefoams	533.0	1.1		-7	-14	5	-6	60	108

Coal									
	Price p	Yld %	P/E ratio	% change (months)			Total return % change (years)		
				1	6	12	1	2	3
Anglo Pacific	187.5	4.3		-8	15	25	30	45	121
Bisichi Mining	115.0	3.5		5	-4	7	13	74	98

Communication Services									
	Price p	Yld %	P/E ratio	% change (months)			Total return % change (years)		
				1	6	12	1	2	3
BATM Adv Comms	47.0	0.0		9	-1	16	16	161	165
BT	165.6	9.2		-14	-23	-24	-17	-33	-45
Inmarsat	604.0	2.7		5	51	11	14	-12	-11
Kcell JSC	4.5	0.0	-424.7	-1	-11	-2	-2	15	45
Orascom Invt	0.2	0.0		0	0		-16	-43	-50
Spirit Comms	184.6	2.0		17	23	56	59	100	133
TalkTalk Telecom	101.9	2.5		-3	2	-20	-19	-46	-44
Telecom Egypt	3.6	0.4	7.2	0	0		3	29	20
Telecom Plus	1160.0	4.4		-13	-18	13	18	16	25
Toopole	0.3			-7	-9	-64	-64	-77	-96
Vodafone	155.2	8.9		3	16	-6	-1	-20	-18
Zegona Comms	104.0	6.6		0	-1	-9	-3	-34	19

Computer Hardware									
	Price p	Yld %	P/E ratio	% change (months)			Total return % change (years)		
				1	6	12	1	2	3
Dialight	354.0	0.0		-2	-8	-32	-32	-56	-44
LG Electronics Inc	10.0	3.2	3.5	-18			-42	-41	-8
Lucent	69.2	0.9		-29	18	40	42	-70	
Renishaw	3550.0	1.7	28.0	-8	-16	-35	-34	-20	42
Spectris	2311.0	2.6		-9	-12	-2	1	5	28
TT Electronics	237.0	2.7		8	33	-12	-10	10	74
Vitec	1100.0	3.4	17.1	-2	-8	-13	-10	17	96
Xaar	88.3	8.8		-1	-40	-53	-53	-75	-78
XP Power	2300.0	3.7	17.3	13	13	-25	-22	-7	55

Conglomerates									
	Price p	Yld %	P/E ratio	% change (months)			Total return % change (years)		
				1	6	12	1	2	3
Auctus Growth	36.5			14	14		1	-3	-12
Baskerville Capital	4.0			0	23		13		
Blockchain Worldwide	3.5			0	40	-36	-36		
Challenger Acquisitions	0.2			15	82	-50	-50	-85	-99
Fandango	0.5			0	0		-33	-64	
Georgia Capital	998.0		-33.2	2	-9	-3	-3		
Huntsworth	90.0	2.6		-10	-9	-27	-25	29	123
Jardine Matheson	62.5	2.7	14.0	0	0		3	6	8
Jardine Strategic	34.4	1.0	12.1	0	0		1	2	
Ross	1.7	0.0		-27	-55	154	154	128	128
Stobart	120.4	12.5		5	-20	-49	-46	-50	2

Consulting & Outsourcing									
	Price p	Yld %	P/E ratio	% change (months)			Total return % change (years)		
				1	6	12	1	2	3
Aggreko	766.2	3.5		-8	7	-9	-5	-9	-17
Ashtead	2271.0	1.5	13.2	0	13	-4	-2	41	87
Doric Nimrod Air Two	188.0	9.6		4	-4	-14	9	57	52
G4S	173.9	5.6		-9	-17	-30	-26	-33	-12
Halma	1963.0	0.8		-1	26	37	38	82	89
HSS Hire	31.5	0.0		-8	-13	-12	-12	-34	-59
Northgate	322.5	5.5		-2	-12	-21	-17	-11	-11
Vp	760.0	3.6	11.9	-3	-26	-32	-30	-1	18

Consumer Packaged Goods									
	Price p	Yld %	P/E ratio	% change (months)			Total return % change (years)		
				1	6	12	1	2	3
Anglo African Agric	0.4			-4	8	-34	-34	-41	-34
Anglo-Eastern Plntns	462.5	0.5		2	-13	-29	-28	-44	1
Assoc British Foods	2271.0	2.0	19.6	-6	1	-1	1	-29	-21
Avangardco Invts	0.3	0.0	-0.1	0	-11	-24	-24	-50	-50
Bakkavor	110.0	5.5		4	-24	-41	-38		
Carr's	136.0	3.3		-9	-19	-6	-3	-1	15
Cranswick	2760.0	2.0	20.5	4	12	-15	-13	-4	22
Creightons	35.5	1.1		-1	12	21	24	10	245
Devro	194.8	4.6		-5	9	1	6	-8	-7
Greencore	209.9	2.7		-2	7	21	24	8	-21
Hilton Food	973.0	2.2		4	5	6	9	32	74
InnovaDerma	75.0			-13	-21	-47	-47	-80	
McBride	55.3	7.8		-15	-45	-58	-55	-64	-57
MHP SE	9.5	7.9	9.9	-5	-14	-24	-18	-3	25
Premier Foods	32.8	0.0		-3	-17	-22	-22	-21	-35
PureCircle	247.0			-7	-5	-24	-24	-39	-19
PZ Cussons	210.0	3.9		-4	10	-13	-9	-34	-30
R E A	164.0	0.0	-3.7	46	-23	-48	-48	-50	-34
Reckitt Benckiser	6399.0	2.7	19.9	0	11	-2	0	-8	-6
Tate & Lyle	719.4	4.0		-5	4	7	12	14	10

	Price p	Yld %	P/E ratio	% change (months)			Total return % change (years)		
				1	6	12	1	2	3
Unilever	5196.0	2.7	16.4	5	30	18	21	21	58

Credit Services									
	Price p	Yld %	P/E ratio	% change (months)			Total return % change (years)		
				1	6	12	1	2	3
Amigo	79.6	2.3		-52	-66	-70	-66		
ASA Intl	380.0			8	-12	-23	-22		
Funding Circle	112.0			-1	-67				
Intl Personal Finance	88.3	14.0		-13	-56	-60	-54	-42	-54
Non-Standard Finance	37.0	7.0		-2	-40	-43	-39	-45	-43
Provident Financial	403.3	2.5		-7	-33	-41	-38	-35	-76
S & U	2100.0	5.2	9.1	-9	3	-15	-10	16	2

Drug Manufacturers									
	Price p	Yld %	P/E ratio	% change (months)			Total return % change (years)		
				1	6	12	1	2	3
AstraZeneca	7318.0	3.2	51.8	4	19	26	30	70	62
Cathay Intl	4.8			-27	-37	-21	-21	-58	-76
Dechra Pharmaceut	3000.0	0.9		2	21	-4	-3	59	136
GlaxoSmithKline	1711.6	4.7	19.3	1	14	10	15	22	19
Hikma Pharmaceut	2017.0	1.6	16.5	10	21	2	4	66	-1
Indivior	60.3	0.0		10	-44	-78	-78	-86	-81
Vectura	77.1			-4	-2	-4	-4	-30	-41

Education									
	Price p	Yld %	P/E ratio	% change (months)			Total return % change (years)		
				1	6	12	1	2	3
Grand Fortune High Grade	12.0			41	-20	4	-4	29	

Employment Services									
	Price p	Yld %	P/E ratio	% change (months)			Total return % change (years)		
				1	6	12	1	2	3
Hays	140.0	2.7		-9	-8	-31	-27	-15	22
PageGroup	418.6	3.1		-7	-7	-31	-27	-8	41
Robert Walters	508.0	2.9		-5	-3	-31	-29	4	65
SThree	254.0	5.7		-10	-20	-28	-24	-14	20

Engineering & Construction									
	Price p	Yld %	P/E ratio	% change (months)			Total return % change (years)		
				1	6	12	1	2	3
Babcock Intl	501.6	5.9		5	-7	-30	-25	-31	-44
Balfour Beatty	215.6	2.2		5	-25	-26	-24	-17	-20
Costain	149.6	10.1		-4	-60	-65	-61	-60	-46
Hill & Smith	1150.0	2.8	17.7	2	-3	8	11	-6	6
John Laing	353.8	1.5		-8	-8	12	15	37	63
Keller	651.0	5.5		-1	23	-37	-34	-12	-16
Kier	117.5	57.7		91	-77	-87	-87	-84	-79
Morgan Sindall	1192.0	4.4	8.0	6	-11	-19	-15	3	80
nmcn	530.0	3.4	10.3	0	0	15	21	34	310
Severfield	63.2	4.3		-6	-6	-17	-13	3	31
Smart (J) & Co	114.5	2.8		0	3	2	5	9	21
TClarke	109.5	3.7		-6	5	29	34	41	70

Entertainment									
	Price p	Yld %	P/E ratio	% change (months)			Total return % change (years)		
				1	6				



**PERFORMANCE ANALYSIS OF MAIN MARKET SHARES IN EACH SECTOR**

Source: Morningstar

	Price p	Yld %	P/E ratio	% change (months)			Total return % change (years)		
				1	6	12	1	2	3
Macfarlane	95.0	2.4		-1	1	-9	-6	49	66
Smith (DS)	340.0	4.4		-5	1	-31	-28	-20	0

**Personal Services**

AA	55.8	3.6		12	-38	-50	-48	-61	-73
Dignity	469.2	5.2		-13	-36	-54	-52	-77	-80
Premier Veterinary	57.5			-2	17	-17	-17	-47	-61
XPS Pensions	183.0	3.6		0	0	2			

**Publishing**

Bloomsbury Publishing	235.0	3.2		1	1	4	8	46	59
Centaur Media	39.5	7.6		-13	-21	-11	-4	-17	18
Connect	37.2	8.3		-2	-4	21	21	-54	-65
Daily Mail and Gen	810.0	2.9	4.7	2	27	7	11	37	22
EuroMoney Inst Investor	1360.0	2.4		-1	6	6	8	27	39
Future	1186.0	0.0		5	73	179	180	337	963
Haynes Publishing	220.0	3.4		-2	7	0	4	34	120
Informa	870.0	2.5		0	23	14	17	32	43
Pearson	831.4	2.2	14.5	-5	-2	-9	-7	43	5
Quarto Inc	69.0	0.0		2	20	-34	-37	-48	-72
Reach	85.7	7.2		0	0	1			
RELX	1966.5	2.1	25.5	1	14	15	18	21	44
Wilmington	200.5	4.4		2	6	12	14	-9	-6

**Real Estate**

AFI Development	0.2	0.0		5	32	11	10	7	55
Boot (Henry)	246.5	3.7		0	-8	-9	-5	-14	33
Capital & Counties Props	204.8	0.7		3	-20	-21	-20	-23	-29
Cardiff Property	1700.0	1.0		-3	-3		-3	10	33
CLS	239.5	2.9		5	2	6	9	14	65
Countryside Props	299.2	3.6		2	-8	-11	-7	-7	44
Countrywide	4.5	0.0	0.1	-9	-58	-61	-61	-94	-95
Daejan	5210.0	2.0	7.1	-6	-10	-10	-9	-9	2
Dukemount Capital	0.5			22	27	16	19	29	
Foxtons	50.2	0.0		-11	-19	-5	-5	-43	-55
Grainger	244.2	2.1		7	-1	-12	-10	10	23
Harworth	128.0	0.7		-3	10	0	0	37	50
Helical	352.0	2.7		-1	4	4	7	12	34
London & Assoc Props	24.5	0.7		0	-2	-6	-5	31	8
LSL Property	196.5	5.5		-4	-21	-31	-27	-7	2
Mountview Estates	9950.0	4.0	13.9	-3	2	-6	-2	-11	-1
Palace Capital	275.5	6.9		-5	-9	-13	-7	-19	3
Plaza Centers NV	27.5	0.0	-0.1	0	-21	-54	-54	-83	-89
Raven Property	45.5	0.0		0	0	-3			
Savills	827.0	1.9	15.4	-13	-7	3	7	0	24
Sirius Real Estate	69.7	4.1		5	16	20	25	26	53
St Modwen Props	407.0	1.7		-2	0	3	5	19	50
U and I	141.0	4.2		-2	-28	-39	-34	-9	4
Urban&Civic	307.0	1.1		0	15	4	5	23	34
Vordere	10.0	0.0		0	14	-23	-23	-35	-25

**REITs**

Assura	69.3	3.9		7	20	26	31	14	31
Big Yellow	1070.0	3.0	13.7	8	9	14	17	40	54
British Land Co	509.8	6.0		0	-16	-20	-15	-7	-9
Capital & Regional	14.5	25.7		-6	-54	-68	-63	-63	-60
Derwent London	3184.0	2.1	16.2	9	-3	5	7	22	28
Great Portland Estates	696.2	1.7		5	-9	-4	-2	3	-7
Hammerson	227.0	11.4	-2.7	6	-41	-52	-46	-50	-48
Hansteen	92.9	6.7		6	-5	-7	-1	-21	-4
Highcroft Invts	885.0	5.5	14.4	-2	-4	-8	-3	7	13
Intu Props	40.8	11.3	-0.4	-15	-65	-74	-71	-76	-77
Land Securities	775.4	6.3		-3	-14	-15	-10	-20	-22
LondonMetric Property	205.2	3.9		1	7	11	16	33	41
McKay Securities	223.5	4.5		3	-6	-18	-15	2	37
NewRiver REIT	163.2	13.1		0	-25	-39	-30	-41	-28
RDI REIT	101.4	13.3		-3	-26	-88	-38	-43	-43
Safestore	671.0	2.4	11.1	7	10	26	29	70	92
Segro	785.0	2.4	9.1	3	19	19	22	53	93
Shaftesbury	866.0	1.9		10	-2	-6	-4	-10	-5
Town Centre Securities	188.5	6.2		-6	-12	-31	-26	-30	-28
UNITE	1047.0	2.8	11.6	1	14	18	21	59	78
Workspace	850.0	3.4	11.0	1	-13	-20	-17	3	36

**Restaurants**

Compass	2083.0	1.8	28.2	0	25	26	28	31	50
Domino's Pizza	239.8	4.0		-3	3	-18	-16	-6	-27
DP Eurasia NV	92.2			10	-4	2	2	-54	

	Price p	Yld %	P/E ratio	% change (months)			Total return % change (years)		
				1	6	12	1	2	3
El	281.2	0.0		0	39	80	80	99	198
Fuller Smith & Turner	1165.0	1.7		8	9	23	25	19	21
Greene King	841.2	3.9		35	27	73	80	32	16
Marston's	127.1	5.9		19	29	37	45	23	3
Mitchells & Butlers	349.0	0.0		15	22	37	37	43	41
Restaurant	153.3	4.2		1	21	-28	-25	-32	-32
Revolution Bars	63.1	7.8		-1	-21	-46	-44	-66	-52
SSP	707.0	1.5		0	1	-3	3	31	124
Wetherspoon (J D)	1579.0	0.8	26.3	3	20	27	28	47	82
Whitbread	4373.0	2.3	18.4	-3	-10	-5	-3	22	12

**Retail**

B&M Eur Value Retail	357.8	2.1		-3	1	-13	-11	0	37
BSD Crown	23.5			-2	4	-8	-8	-6	-6
Bunzl	2013.0	2.5	20.3	-6	-15	-16	-14	-9	-9
Greggs	2114.0	1.7	28.4	-5	18	99	102	81	113
Morrison Supermks	182.6	3.4		-6	-21	-31	-26	-17	7
Ocado	1295.5			4	25	21	21	318	325
Sainsbury (J)	196.1	5.2		0	-14	-40	-36	-8	-5
Tesco	219.2	1.7		-2	-3	-11	-9	26	37
X5 Retail NV	34.4	4.0	18.0	3	36	51	57	-9	40

**Retail - Apparel & Specialty**

AO World	69.5			-5	-31	-51	-51	-40	-60
Ashley (Laura)	1.8	0.0		-1	-45	-64	-64	-79	-87
Brown (N)	107.8	10.6		-10	6	-29	-24	-61	-30
Burberry	2164.0	1.9	26.5	-4	15	-3	-1	25	75
Card Factory	154.2	6.0		-7	-21	-19	-11	-42	-24
Dixons Carphone	107.4	9.3		-10	-19	-35	-34	-30	-64
Dunelm	876.0	3.0		-5	5	68	74	59	6
French Connection	38.0	0.0		-3	-3	-22	-23	-7	-25
Halfords	180.9	10.1		-6	-24	-45	-39	-33	-30
JD Sports Fashion	617.0	0.3		-5	32	21	22	91	141
Kingfisher	194.5	5.6		-13	-20	-29	-26	-29	-40
Lenta	6.1	126.1		0	0		-1	0	-24
Marks & Spencer	192.3	9.2		-8	-26	-33	-28	-26	-26
McColl's Retail	47.3	8.5		-31	-16	-66	-65	-78	-58
Moss Bros	20.0	17.4		-2	-23	-56	-56	-75	-69
Mothercare	14.0	0.0		-16	-17	-48	-48	-83	-87
Next	5936.0	2.7	13.7	-2	17	8	11	54	19
O'Key	1.5	0.0	48.5	-4	-13	-19	-19	-20	-2
Pets at Home	231.2	3.2		11	53	99	105	35	4
ScS	235.5	6.9		9	3	10	18	67	49
Sports Direct Intl	249.2	0.0		10	-8	-35	-35	-36	-16
Studio Retail	233.0	0.0		0	30	-9	-23	1	4
TheWorks.Co.uk	80.3	1.5		-1	-32	-52	-50		
Topps Tiles	65.2	5.2		-6	-3	2	8	-15	-34
UP Global Sourcing	70.3	3.9		-13	19	106	114	-63	
WH Smith	1958.0	2.8	23.3	-8	-7	-5	-2	12	38

**Semiconductors**

CML Microsystems	320.0	2.4		-1	6	-35	-34	-20	-1
Nanoco	12.7			-8	-76	-66	-66	-51	-82
Oxford Instruments	1312.0	1.0		1	30	35	37	28	76
PV Crystalox Solar	67.6	0.0		-2	-88	-88	-88	-86	-80

**Software**

Sirius Minerals	10.4			-31	-48	-71	-71	-62	-75
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**Steel**

EVRAZ	496.3	17.5	5.5	-24	-12	0	16	90	412
Ferrexpo	202.1	4.0	3.2	-22	-22	30	44	-21	287
Vesuvius	465.6	4.3		-7	-23	-25	-22	-13	49

**Tobacco Products**

Brit American Tobacco	2880.0	6.9	10.7	-2	4	-23	-17	-33	-28
Imperial Brands	2124.5	8.8	13.1	1	-15	-23	-16	-22	-34

**Transportation & Logistics**

Air Partner	82.4	6.7
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## PERFORMANCE OF THE 200 LARGEST AIM SHARES

Source: Morningstar

	Price p	Yld %	P/E ratio	% change (months)			Total return % change (years)		
				1	6	12	1	2	3
AB Dynamics	2750.0	0.1	54.4	7	75	119	120	374	501
Abcam	1157.0	1.0		-12	-10	-24	-23	11	64
accesso Technology	910.0			-12	8	-67	-67	-43	-41
Accsys Technologies	97.6	0.0		-8	-13	0	0	20	38
Adept Technology	363.0	2.6		-2	10	-1	2	24	57
Adv Medical Solutions	314.0	0.4		8	3	-8	-7	0	43
Adv Oncotherapy	40.0			4	-11	-21	-21	142	-67
AFH Financial	293.0	0.7		-10	-13	-17	-16	24	88
Allergy rapapeutics	11.2			-5	-19	-57	-57	-62	-41
Alliance Pharma	65.9	2.1		-7	-1	-31	-29	31	42
Alpha Fin Mkts Consulting	200.0	2.8		-1	-20	-24	-22		
Alpha FX	685.0	0.9		-9	7	27	28	25	
Amerisur Resrcs	18.5			1	14	23	23	23	-29
Andrews Sykes	647.5	3.7		-14	13	12	16	24	113
Anexo	180.0	0.8		2	50	57	58		
ANGLE	68.2			-11	23	44	44	86	13
Anglo Asian Mining	165.5	1.4		27	125	285	298	495	977
Animalcare	151.0	2.6		-8	10	-10	-8	-58	-34
Aquis Exchange	482.0		-0.2	-1	-12	14	14		
Arbuthnot Banking	1310.0	2.7		-3	0	-12	-11	3	11
ASOS	2380.0		32.9	-9	-26	-61	-61	-58	-47
Atalaya Mining	190.0			-13	-18	-12	-12	7	145
Augean	101.0	0.0		-14	18	138	138	339	111
B.P. Marsh & Partners	265.0	1.8		-7	-5	-10	-10	18	39
Bango	129.5			4	39	-23	-23	-46	47
Begbies Traynor	80.5	3.1		1	33	17	21	42	89
Benchmark	42.0			-20	-17	-29	-29	-17	-34
Bioventix	3825.0	1.6	35.8	1	4	16	20	84	265
Blanco Technology	127.5	0.0		-5	14	50	50	25	-42
Blue Prism	928.5		-11.6	-35	-36	-59	-59	-19	241
Boku Inc	102.5			-16	25	-43	-43		
Boohoo	241.4			1	38	36	36	6	193
Breedon	61.6			0	-6	-21	-21	-31	-16
Ergomed	335.0			3	85	91	91	85	180
Everyman Media	183.0			-5	-4	-16	-16	16	64
EVR	6.7			-8	51	-13	-13	-13	297
Fevertree Drinks	2260.0	0.6	41.3	-3	-16	-39	-39	-7	133
Finsbury Food	64.0	5.2		-6	-18	-49	-46	-36	-42
First Derivatives	2310.0	1.1		-22	5	-46	-45	-15	16
Focusrite	460.0	0.7		-9	2	-9	-8	52	184
Frontier Devs	1038.0			6	15	-7	-7	-4	512
Futura Medical	43.3			2	249	71	71	37	46
Gamma Comms	1035.0	0.9		-5	21	21	22	66	132
Gateley	160.0	4.6		-4	0	-2	3	6	46
GB	577.0	0.5		-4	18	-8	-7	51	89
GlobalData	825.0	1.3		-6	35	30	32	50	145
Gooch & Housego	1030.0	1.1		-23	-9	-36	-35	-20	2
Griffin Mining	92.0	0.0		14	-8	-13	-13	51	124
H&T	370.0	3.0		14	29	19	23	23	39
Hargreaves	250.0	2.9		-6	-17	-29	-27	-23	43
Harwood Wealth Mgmt	130.0	2.7		6	-5	-22	-20	-6	16
Highland Gold Mining	230.0	6.2		5	46	65	75	60	142
Horizon Discovery	141.0			-8	-3	-35	-35	-42	-12
Hotel Chocolat	370.0	0.5		-1	16	6	7	21	80
Hurricane Energy	43.7			1	1	-11	-11	58	48
Hutchison China	355.5			5	-6	-22	-22	-7	94
Ideagen	153.5	0.2		4	19	0	0	69	183
IDOX	30.6	0.0		3	-11	-16	-16	-48	-56
iEnergizer	287.0	0.0		22	139	422	441	426	316
IG Design	590.0	1.1		0	7	-1	1	57	148
IMobile	329.5			2	45	-10	-10	76	70
Impax Asset Mgmt	238.5	1.7		1	15	8	10	134	402
Impellam	397.0	0.0		-11	-27	-27	-27	-32	-41
Indus Gas	279.0			7	-4	0	-4	-31	-34
Inland Homes	68.2	3.2		1	12	7	9	30	1
Inspired Energy	16.2	4.0		27	-10	-23	-20	-20	35
Iomart	323.0	2.3		-5	-16	-20	-18	7	15
IQE	51.5			-22	-43	-47	-47	-62	100
ITM Power	36.2			-2	57	27	27	16	61
James Halstead	480.0	2.8		-6	4	20	24	13	15
Johnson Service	165.6	1.9		-4	29	18	20	27	74
Joules	257.5	0.8		-1	-13	-15	-14	-14	51
Judges Scientific	3440.0	1.0	25.4	-1	22	35	36	87	146
K3 Business Tech	216.0	0.7		0	-4	-11	-10	50	-31
Keystone Law	485.0	0.7		-6	18	41	44		
Keywords Studios	1587.0	0.1		-5	42	-20	-20	12	335
Knights	297.0	0.2		-7	11	51	52		
Kromek	24.3			-6	-9	-23	-23	-12	-12
Latham (James)	847.5	2.0	13.5	4	13	28	31	-1	27
Learning Techs	123.2	0.3		9	78	5	6	160	288
Lok'n Store	527.0	2.1		0	12	30	32	38	55
London Security	2110.0	3.8	16.1	-10	10		5	2	21
M P Evans	671.0	2.9		-2	-3	-11	-8	-4	64
M&C atchi	210.0	4.7		-38	-42	-42	-40	-26	-31
Marlowe	391.0			-16	12	-28	-28	3	133
Marshall Motor	145.0	5.9		-2	-11	-10	-4	1	2
Mattioli Woods	752.5	2.3		-4	-1	-10	-8	-7	23
Mercia Asset Mgmt	29.5			-12	-23	-4	-4	-10	-42
Michelmersh Brick	86.0	3.7		-7	-1	-1	3	-7	24
Midwich	506.0	3.0		-6	-12	-25	-23	40	126
Mind Gym	117.5	0.7		-3	-18	-31	-29		
Miton	41.5	3.4		-18	-15	-36	-33	12	68
Morses Club	127.0	5.8		-2	-23	-11	-5	-2	27
Mortgage Advice Bur	557.0	4.0		-8	-3	-16	-13	21	88
Mulberry	300.0	1.7		12	1	-27	-26	-72	-72
Naked Wines	259.5	2.8		1	-12	-36	-36	-15	-35
Next Fifteen Comms	589.0	1.1		-2	4	1	2	46	79
Nichols	1727.5	2.2	24.7	-4	10	18	21	-1	30
Nucleus Financial	159.0	3.1		-11	-5	-25	-23		
Numis Corp	237.5	5.1		-1	-9	-44	-41	-8	26
NWF	165.0	3.8		-1	0	-10	-7	7	12
Oxford Metrics	85.5	1.8		-2	4	13	17	54	98
Pan African Resrcs	14.4	0.0		28	44	96	96	2	-15
Park	79.0	3.9		0	0	15	-14	-18	-7
Personal	380.0	6.1		-5	13	-23	-18	8	-3
Phoenix Global Resrcs	12.2			-43	-48	-48	-48	-79	-18
Polar Capital	508.0	5.9	9.5	-11	5	-18	-13	27	92
Portmeirion	875.0	4.3	15.4	-12	-23	-25	-21	4	10
Premier Asset Mgmt	171.8	6.0		-3	-16	-34	-30	9	
Proton Power Systems	25.5			-6	204	437	437	750	451
Purplebricks	128.0			10	-10	-57	-57	-73	0
Quartix	335.0	1.9		4	34	3	7	0	-14
Quixant	311.0	0.9		5	0	-35	-34	-26	36
Randall & Quilter Invnt	159.0	3.5		-8	-3	-4	0	15	54
Real Estate Investors	53.0	6.6		-9	4	-6	0	5	15
Redcentric	78.3	0.5		-1	11	-10	-9	1	-55
Redde	106.0	11.0		-7	-31	-40	-33	-21	-31
Regal Petroleum	32.1			-20	-40	-3	-3	837	929
Renew	386.5	2.6		-3	3	-2	1	-6	15
Restore	405.0	1.5		-6	42	-21			
RWS	603.0	1.2		-7	28	30	31	49	141
San Leon Energy	32.8			-12	-8	29	29	-6	-35
Savannah Petroleum	23.6			71	-13	-9	-9	-32	-23
Scapa	229.0	1.0		16	-23	-46	-46	-48	-2
Sensyne Health	146.5			-8	-22	-25	-25		
Serica Energy	114.0			4	-9	49	49	385	641
Shield rapapeutics	176.5			-2	225	460	460	12	12
Sigma Capital	101.5	0.0		-8	-13	-23	-21	35	17
Silence rapapeutics	182.0			1	244	29	29	2	71
SimplyBiz	201.0	1.5		-1	15	8	10		
Smart Metering Systems	452.8	1.2		-10	-29	-25	-24	-34	-12
Somero Enterprises	283.0	5.5		1	-12	-26	-20	16	115
Sound Energy	8.7			0	-63	-80	-80	-82	-86
Springfield Props	102.5	3.6		-8	-10	-11	-7		
Staffline	150.0	16.8		30	-76	-87	-86	-84	-78
StatPro	152.0	1.9		3	33	14	16	9	58
Stride Gaming	149.0	2.0		0	28	46	56	-27	-33
Strix	163.4	2.6		-6	4	-2	1	29	
Summit Props	1.2	2.5	2.1	0	0	2	0	11	30
Sumo	160.3			0	20	-4	-4		
Sylvania Platinum	43.0	0.8		26	65	89	90	277	469
Tatton Asset Mgmt	194.0	3.7		-8	-4	-28	-25	19	
Team17	287.0			7	47	22	22		
Telford Homes	349.0	5.0		0	25	-16	-11	-2	21
Telit Comms	169.0	0.0		4	24	6	6	4	-29
Ten Lifestyle	117.5			0	71	33	33		
Thorpe (F W)	300.0	1.8		-8	-2	-5	-5	-12	25
Time Out	126.0			-5	74	55	57	-9	-9
TMT Invts	6.0	0.0	8.8	61	62	154	163	176	233
Tracsis	612.5	0.3		-5	-4	-13	-13	46	24
Trans-Siberian Gold	126.0	1.9		43	165	265	281	277	204
Tremor Intl	125.0	6.2		0	-18	-62	-53	-58	8
Tribal	66.0	1.7		-11	-10	-24	-23	-6	23
Tristel	272.5	1.7		-5	-7	-3	-1	-9	115
Versarien	118.0			-6	54	-25	-25	707	1080
Vertu Motors	33.6	4.5		-7	-13	-32	-29	-16	-21
Victoria	482.0	0.0		-8	42	-43	-43	-25	52
Volex	88.0	0.0		-5	2	2	2	36	119
Wandisco	488.0			-17	-34	-49	-49	-33	171
Watkin Jones	216.0	3.5		1	-1	10	14	7	109
XLMedia	74.0	7.5		1	33	-32	-27	-34	2
Yellow Cake	201.0			-5	-16	-19	-19		
YouGov	583.0	0.5		2	25	18	1		



# Dividend traps are a red flag



Be wary of dividend-focused ETFs that don't take account of stock quality, says **DIMITAR BOYADZHIEV**



In the present low-interest rate environment, many income-seeking investors have been forced to take more risk by moving out of bonds into stocks. And this is no surprise, when you consider the extra yield they can earn by investing in the FTSE 100 index, currently 4.5%, compared with gilts (0.7%) or a diversified basket of sterling-denominated corporate bonds (2%).

While the current dividend yield of the FTSE 100 is appealing, dividend-focused equity strategies such as those offered by the **BMO UK Income and Leaders ETF** and **iShares UK Dividend ETF** squeeze out even more from the market. The BMO ETF offers exposure to 30 stocks and currently yields 5.8%, while the iShares ETF holds 50 stocks and yields 7.2%.

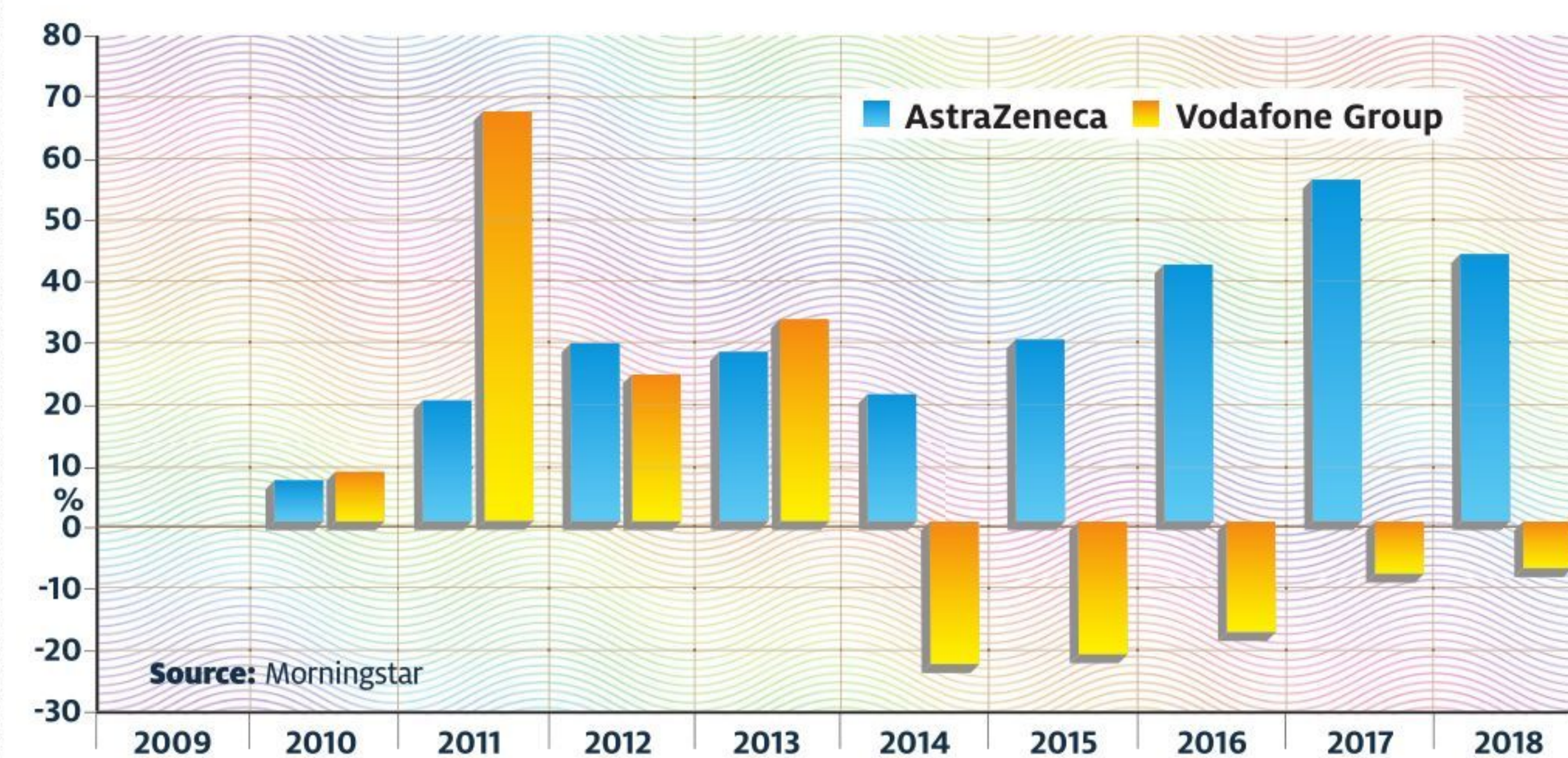
At face value, the iShares ETF appears to be more diversified and offer greater value. But when it comes to dividend investing, sometimes less now can be more over the long term. Dividend traps, or yields that are too good to be true, are not uncommon among dividend stocks. Sometimes a high yield is the result of a drop in the share price of a company caused by trouble in the business, and dividend cuts or suspensions may follow.

### SCREEN FOR TRAPS

Avoiding dividend traps completely may not be feasible, but opting for a strategy that screens companies for quality can improve the chances of avoiding such traps. When it comes to dividend-focused equity ETFs, it pays to check whether the indices they track do that screening.

The MSCI UK Select Quality Yield index tracked by the BMO ETF favours companies that are relatively profitable and less indebted. Companies are compared by assigning a 'quality' score derived from business fundamentals such as return on equity, earnings variability and debt-to-equity ratio.

### ISHARES TOP HOLDING VODAFONE'S DIVIDEND GROWTH HAS BEEN INCONSISTENT



Once the quality filter is applied, MSCI removes the bottom 50% of companies from the selection. This step is very important, as typically these would be firms with the weakest growth signals, and they could be prone to cutting dividends in future. Of the remaining group, the index then picks only the 50% of companies with the highest dividend yield and weights them according to their market capitalisation. By contrast, the FTSE UK Dividend Plus index tracked by the iShares ETF does not screen for quality. It simply tilts its portfolio towards the UK stocks with the highest expected dividend yield.

Higher-quality companies typically pay dividends through thick and thin. A classic example is Coca-Cola, which has paid increasing dividends for an uninterrupted 57 years and been a stalwart of Warren Buffett's Berkshire Hathaway since 1988.

Of course, not every company can boast such a track record. What's more, dividend cuts are not always a bad sign. For example, companies might reduce dividend payouts in order to finance growth opportunities or repay debt, so it's important to identify companies that tend to

pay stable and gently increasing dividends, as this is typically a sign of long-term resilience.

To illustrate this point, we can compare the iShares ETF's top constituent, Vodafone, currently yielding 5.2%, with BMO's, AstraZeneca, on a yield of 3%. Vodafone is not held by BMO's ETF. As we can see from the chart above, from 2009 to 2018 Vodafone's dividend growth trend is inconsistent and fluctuates significantly from year to year.

By contrast, AstraZeneca's is significantly more stable and has an upward trajectory.

In most conditions, income investors are better served by a combination

### FIVE-YEAR GAINS COMPARED

Index	Total return (%)	Yield return (%)	Capital return (%)
MSCI UK Select Quality Yield	5.23	4.85	0.38
FTSE UK Dividend Plus	1.28	5.43	-4.15
Difference	3.95	-0.58	4.53

Note: Table shows five-year annualised returns. Source: Morningstar, to end August 2019

of moderate yield and capital appreciation. We compared the returns of the indices tracked by the iShares and BMO ETFs (see table). Both have delivered positive total returns, with the MSCI index outperforming by 4%. The FTSE strategy has paid larger dividends over the period, but this higher yield has been paid not from company profits but by eating into capital – underlining the fact that simply going for high yield, while tempting, may not be the best course of action.

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## Guide to our exchange traded products statistics

In their simplest and most common form, exchange traded funds (ETFs) aim to replicate financial indices such as the FTSE 100, while a simple exchange traded commodity (ETC) tracks, for example, the price of gold.

- ETPs capture performance of underlying assets by one of two

methods: full or partial replication by trading the underlying assets; or synthetic replication via financial derivatives.

- We include price and performance for the most popular ETPs listed on the London Stock Exchange, based on fund size, which means the

ETPs shown may vary from month to month. We cover products that track equity, fixed income and commodity indices. The products are presented in easy-to-understand categories based on investment strategy. Exchange traded notes are not included. The top and bottom

performer tables are indicative only of the products included after screening by size.

- We publish total return performance figures. This includes dividends reinvested, allowing for like-for-like comparisons with other funds. Figures to 1 September 2019.

### TOP 10 ETFs (% CHANGE)

1 month		6 months		1 year		3 years	
ETFS Nickel ETC	24.6	ETFS Nickel ETC	50.0	iShares Gold Producers ETF USD Acc	76.7	iShares S&P 500 Info Tech Sect ETF\$Acc	97.5
ETFS Physical Silver ETC	12.2	iShares Gold Producers ETF USD Acc	48.5	L&G Gold Mining ETF	75.5	Xtrackers MSCI Wld Info Tech ETF 1C	88.8
VanEck Vectors Gold Miners ETF	12.2	L&G Gold Mining ETF	47.1	VanEck Vectors Gold Miners ETF	72.2	Invesco Technology S&P US Sel Sec ETF	88.4
L&G Gold Mining ETF	11.9	VanEck Vectors Gold Miners ETF	46.4	ETFS Nickel ETC	48.5	Lyxor MSCI World Info Tech TR ETF C USD	88.0
iShares Gold Producers ETF USD Acc	11.9	iShares \$ Treasury Bd 20+y ETF USD Dist	35.6	ETFS Physical Swiss Gold ETC	35.3	ETFS Nickel ETC	87.8
iShares \$ Treasury Bd 20+y ETF USD Dist	11.5	ETFS Physical Silver ETC	26.7	iShares Physical Gold ETC	35.3	L&G Cyber Security ETF	68.5
ETFS Physical Platinum ETC	8.1	ETFS Physical Swiss Gold ETC	26.4	Xtrackers Physical Gold ETC	35.3	iShares Edge MSCI Wld Mom Fctr ETF \$ Acc	65.5
ETFS Physical Swiss Gold ETC	7.6	Invesco Physical Gold ETC	26.4	Invesco Physical Gold ETC	35.3	iShares MSCI USA SRI ETF USD Acc	61.1
Invesco Physical Gold ETC	7.6	iShares Physical Gold ETC	26.4	ETFS Physical Gold	35.1	Ossiam Shiller BclyCp@US SectValTR 1C\$	57.0
iShares Physical Gold ETC	7.6	Xtrackers Physical Gold ETC	26.4	Gold Bullion Securities ETC	35.1	iShares Listed Private Eq ETF USD Dist	54.7

### BOTTOM 5 ETFs (% CHANGE)

1 month		6 months		1 year		3 years	
Invesco MSCI Saudi Arabia ETF	-8.0	iShares UK Dividend ETF GBP Dist	-4.8	ETFS WTI Crude Oil ETC	-16.5	X S&P 500 Inverse Daily Swap ETF 1C	-22.2
iShares MSCI Saudi Arabia Cpd ETF USD Acc	-7.9	iShares UK Property ETF GBP Dist	-2.6	ETFS Brent Crude ETC	-14.8	ETFS Physical Platinum ETC	-5.2
iShares MSCI EM Latin Amer ETF USD Dist	-7.7	SPDR® MSCI World Energy ETF	-2.1	ETFS Brent Oil 1 month ETC	-13.8	iShares UK Dividend ETF GBP Dist	-4.8
ETFS Brent Oil 1 month ETC	-7.7	Vanguard Global Val Fac ETFUSD Acc	-1.6	SPDR® MSCI World Energy ETF	-12.6	Invesco Morningstar US EngrInfrMLPETFDIS	-1.6
ETFS Brent Crude ETC	-7.6	iShares Healthcare Innov ETF USD Acc	-1.0	iShares UK Dividend ETF GBP Dist	-11.2	iShares UK Gilts 0-5yr ETF GBP Dist	0.9

### LEADING EXCHANGE TRADED PRODUCTS

Source: Morningstar

	Price In pence	% change over					Fund size (£m)
		1 month	6 months	1 year	3 years	5 years	
<b>UK Equity</b>							
HSBC FTSE 100 ETF	7158.2	-4.1	4.6	1.3	20.0	27.9	195.1
iShares Core FTSE 100 ETF GBP Dist	715.7	-4.1	4.6	1.3	20.2	28.6	6847.6
iShares FTSE 250 ETF GBP Dist	1853.1	-1.1	2.8	-3.8	17.6	37.2	810.7
iShares UK Dividend ETF GBP Dist	729.8	-2.5	-4.8	-11.2	-4.8	4.4	659.7
MU Lux Lyxor FTSE 100 ETF Acc	1043.0	-4.1	4.6	1.2	19.9	28.6	284.0
SPDR® FTSE UK All Share ETF Acc	5083.2	-3.6	4.1	0.2	19.4	29.8	505.2
UBS ETF MSCI UK IMI SRI GBP A dis	1547.3	-2.9	5.7	1.0	16.0		189.3
Vanguard FTSE 100 ETF	3205.6	-4.1	4.6	1.3	19.9	28.5	2659.4
Vanguard FTSE 250 ETF	3068.9	-1.1	2.9	-3.6	18.4		1041.9
<b>Europe Equity</b>							
iShares Edge MSCI Eurp Mini Vol ETF Acc	4131.6	0.8	13.6	8.7	28.1	59.9	1247.0
iShares Edge MSCI Eurp Mltfctr ETF Acc	535.3	-2.3	6.6	-1.5	27.5		209.8
iShares Edge MSCI Eurp Mom Fctr ETF Acc	613.4	-0.1	15.1	4.0	33.3		234.6
iShares Edge MSCI Eurp Val Fctr ETF Acc	501.4	-3.3	2.5	-3.0	20.1		503.4
iShares MSCI EMU Mid Cap ETF EUR Acc	3549.1	-1.2	10.2	-3.3	32.6	65.0	188.3
iShares MSCI EMU USD Hedged ETF Acc	506.9	-0.5	16.0	10.6	42.2		187.6
iShares MSCI Europe ETF EUR Acc	4630.0	-2.0	10.0	3.8	28.3	44.4	1371.0
iShares MSCI Europe SRI ETF EUR Acc	3992.7	-0.8	12.1	6.3	30.6	48.2	684.9
<b>North America Equity</b>							
Fidelity US Quality Income ETF Acc	543.0	-0.6	16.3	12.8			756.2
HSBC S&P 500 ETF	2411.1	-1.1	15.6	9.4	52.2	116.2	2453.3
Invesco FTSE RAFI US 1000 ETF	1553.3	-2.6	11.3	4.4	37.6	87.6	253.2
Invesco S&P 500 ETF	4365.7	-1.1	15.9	9.7	53.0	117.8	5451.9
Invesco S&P 500 High Div LowVol ETF	2547.3	-2.7	7.4	7.5	22.9		230.5
iShares Edge MSCI USA Momt Fac ETF \$ Acc	673.8	0.8	20.7	10.7			313.3
iShares Edge MSCI USA Qual Fac ETF \$ Acc	584.8	-1.2	15.7	10.0			503.1
iShares Edge MSCI USA Val Fac ETF \$ Acc	529.3	-4.0	7.4	-2.7			558.7
iShares Edge S&P 500 Min Vol ETF USD Acc	4789.9	0.9	19.8	15.2	45.4	129.0	2175.6
iShares MSCI Canada ETF USD Acc	1067.6	-0.6	11.7	7.2	27.3	29.7	531.4
iShares MSCI USA Quality Div ETF USD Dis	2890.5	-0.4	11.2	10.4	41.4	108.7	329.5
iShares MSCI USA SRI ETF USD Acc	637.1	-0.1	17.7	13.3	61.1		918.9
iShares S&P 500 ETF USD Dist	2399.3	-1.1	15.7	9.5	52.1	115.0	7543.6
iShares S&P 500 EUR Hedged ETF Acc	5841.0	-2.5	10.0	0.1	38.9	63.4	3004.6
iShares S&P 500 GBP Hedged ETF Acc	6744.1	-1.8	4.7	-0.1	33.5	47.3	400.6
iShares S&P SmallCap 600 ETF USD Dist	5017.6	-4.0	3.6	-9.9	34.7	94.7	667.3
Lyxor S&P 500 ETF D USD	2451.7	-1.1	15.9	9.7	53.3	118.7	6316.0
Ossiam Shiller BclyCp@US SectValTR 1C\$	5881.5	-1.5	16.4	9.7	57.0		1583.0
SciBeta HFE US Equity 6F EW ETF	1110.4	-0.2	16.8	12.3			474.3
SPDR® Russell 2000 US Small Cap ETF	3357.4	-4.4	4.2	-7.3	33.2	84.4	443.2
SPDR® S&P 400 US Mid Cap ETF	4498.5	-3.7	8.2	-0.7	33.4	87.7	695.9
SPDR® S&P 500 ETF	2409.7	-1.1	15.7	9.4	52.2	116.4	3027.8
SPDR® S&P 500 Low Volatility ETF	4750.9	2.9	21.2	23.6	52.8	138.2	432.3
SPDR® S&P US Dividend Aristocrats ETF	4507.9	-1.9	10.5	10.2	37.1	114.0	2475.3
Vanguard FTSE North America ETF	5928.5	-1.2	15.4	9.3	51.0		257.3
Vanguard S&P 500 ETF	4570.0	-1.1	15.7	9.4	52.2	116.6	1866.5
X MSCI Canada ETF 1C	4370.7	-0.6	11.7	7.1	27.3	29.7	206.4
X MSCI USA ETF 1C	6530.4	-1.2	15.5	9.2	52.1	115.3	3956.9
X Russell 2000 ETF 1C	1713.3	-4.5	4.1	-7.5	32.8		391.7
X Russell Midcap ETF 1C	2017.1	-2.4	12.7	6.7	40.6		164.7
<b>Japan Equity</b>							
X S&P 500 ETF 2C - GBP Hedged	4884.3	-1.8	4.8	0.2	33.8		1077.8
X S&P 500 Swap ETF 1C	4411.2	-1.1	15.9	9.8	53.6	119.1	4012.2
<b>Asia Pacific Equity</b>							
HSBC MSCI AC FAR EAST ex JAPAN ETF	3505.2	-4.1	2.7	-0.1	28.2	51.0	240.1
HSBC MSCI China ETF	616.4	-3.7	2.0	0.5	35.3	65.9	288.2
iShares MSCI Australia ETF USD Acc	2964.2	-3.8	13.2	8.6	33.5	39.5	260.5
iShares MSCI China A ETF USD Acc	326.6	-3.5	7.8	19.1	17.9		406.6
iShares MSCI Pacific ex-Jpn ETF USD Dist	3554.7	-5.3	8.2	7.3	32.0	45.8	192.0
SPDR® MSCI EM Asia ETF	4952.3	-3.3	3.6	-1.7	26.7	50.3	532.9
Vanguard FTSE Dev Asia Pac ex Jpn ETF	1938.4	-5.1	4.1	0.9	26.3	42.1	310.7
X FTSE Vietnam Swap ETF 1C	2605.4	-0.7	6.4	4.2	38.7	40.5	235.0
X Harvest CSI300 ETF 1D	864.5	-4.0	7.3	17.6	18.5	101.7	460.9
X MSCI AC Asia ex Japan Swap ETF 1C	3399.9	-3.9	3.4	-0.6	27.0	50.2	393.6
X MSCI Pacific ex Japan ETF 1C	4956.8	-5.3	8.2	7.3	32.4	46.7	506.1
<b>Global Equity</b>							
HSBC Economic Scale Worldwide Equity ETF	1321.2	-3.5	6.6	2.6	30.8	61.8	329.2
HSBC MSCI World ETF	1751.4	-1.6	13.3	7.3	42.9	83.6	917.4
HSBC Multi Factor Worldwide Equity ETF	1516.3	-2.5	9.3	3.1	32.8	69.1	288.7
Invesco Goldman Sachs Equity Fac Wld ETF	1232.3	-0.9	12.3	5.4	38.0	81.4	530.7
Invesco MSCI World ETF	5003.4	-1.5	13.4	7.2	42.0	83.8	749.2
iShares Ageing Population ETF USD Acc	455.2	-4.3	3.9	-2.9			209.4
iShares Core MSCI World ETF USD Acc	4678.7	-1.5	13.3	7.1	42.0	84.9	1589.4
iShares Dow Jones Glob Sust Scrn ETF \$Acc	3362.7	-1.5	12.3	6.9	39.7	69.2	174.9
iShares Edge MSCI Wld Min Vol ETF \$ Acc	4144.4	2.3	19.3	18.5	42.4	113.8	3618.5
iShares Edge MSCI Wld Mltfctr ETF \$ Acc	550.3	-2.7	7.5	0.2	35.4		382.6
iShares Edge MSCI Wld Mom Fctr ETF \$ Acc	3579.7	0.6	19.6	10.1	65.5		1031.0
iShares Edge MSCI Wld Qual Fctr ETF \$Acc	3026.2	-1.6	13.7	9.0	43.4		1283.1
iShares Edge MSCI Wld Size Fctr ETF \$Acc	2671.5	-2.6	8.4	0.6	29.1		496.9
iShares Edge MSCI Wld Val Fctr ETF \$Acc	2355.8	-3.6	3.7	-2.8	24.2		1454.6
iShares MSCI ACWI ETF USD Acc	4064.0	-1.8	12.2	6.3	39.4	76.5	577.1
iShares MSCI EM Small Cap ETF USD Dist	4928.8	-4.5	1.9	-4.7	10.7	25.4	239.0
iShares MSCI World ETF USD Dist	3743.0	-1.5	13.2	6.8	41.0	82.6	4214.6
iShares MSCI World Small Cap ETF USD Acc	405.5	-3.0	7.4	-2.4			711.7
iShares MSCI World SRI ETF USD Dist	451.9	-0.4	15.8	10.4			490.6
Lyxor Msci All Country World ETF USD Acc	16530	-1.9	12.1	6.2	39.1	76.6	279.1
SPDR® MSCI ACWI ETF	1080.9	-1.9	12.1	6.3	39.4	80.0	1292.7
SPDR® MSCI World ETF	1701.0	-1.5	13.4				255.1
SPDR® MSCI World Small Cap ETF	5799.9	-2.8	7.7	-2.4	32.1	75.5	290.0
SPDR® S&P Global Div Aristocrats ETF	2639.0	-2.2	8.0	5.5	24.0	55.9	409.0

Money Observer's 2019 Rated Funds highlighted in yellow | [moneyobserver.com/money-observer-rated-funds](http://moneyobserver.com/money-observer-rated-funds)



**LEADING EXCHANGE TRADED PRODUCTS**

Source: Morningstar

	Price In pence	% change over					Fund size (£m)
		1 month	6 months	1 year	3 years	5 years	
Vanguard FTSE All-World ETF	6925.4	-1.8	12.2	6.3	39.5	78.1	2893.4
Vanguard FTSE All-World High Div Yld ETF	4336.4	-2.5	8.3	4.8	26.2	53.6	672.3
Vanguard FTSE Developed World ETF	5140.4	-1.6	12.9	6.5	41.3		271.3
Vanguard Global Val Fac UCITS ETFUSDAcc	2481.5	-6.0	-1.6	-9.3	23.0		157.2
X MSCI World ETF 1C	5119.0	-1.5	13.3	7.1	42.0	83.9	3869.7

**Global Emerging Markets Equity**

HSBC MSCI Emerg Mkts ETF	819.7	-4.5	3.7	1.4	25.8	35.9	164.8
Invesco Goldman Sachs Eq Fac EM ETF AUDS	2914.6	-3.8	3.2				158.5
Invesco MSCI Emerging Markets ETF	3500.7	-4.4	3.8	1.5	25.1	34.3	434.6
iShares Core MSCI EM IMI ETF USD Acc	2179.1	-4.4	3.8	1.4	25.4	36.6	10297
iShares Edge MSCI EM Mini Vol ETF \$ Acc	2389.0	-2.2	6.2	5.0	22.8	39.1	778.8
iShares EM Dividend ETF USD Dist	1699.7	-5.6	4.4	8.3	32.4	30.8	353.5
iShares MSCI EM ETF USD Acc	2600.5	-4.4	3.7	1.4	24.9	35.0	566.9
iShares MSCI EM SRI ETF USD Acc	517.5	-4.0	5.7	4.5	28.4		334.2
iShares MSCI India ETF USD Acc	413.3	-2.5	9.9	-0.9			193.4
SPDR® MSCI Emerging Markets ETF	4227.2	-4.4	3.9	1.6	25.9	36.4	295.9
Vanguard FTSE Emerging Markets ETF	4502.2	-4.0	6.4	5.5	27.4	40.9	1545.7
X MSCI Emerging Markets ETF 1C	3782.3	-4.4	4.0	1.9			1702.0

**Other Equity**

iShares MSCI EM Latin Amer ETF USD Dist	1399.5	-7.7	1.9	15.1	23.9	6.7	261.7
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**Specialist Equity**

Invesco Comms S&P US Sltc Sec ETF \$ Acc	3649.5	-0.9	19.4				517.4
Invesco Financials S&P US Select Sec ETF	15639	-4.4	11.7	3.1	51.4	107.2	322.2
Invesco Health Care S&P US Sel Sec ETF	33425	0.0	8.7	5.7	39.2	104.5	148.4
Invesco Morningstar US EngrInfrMLPETFDIS	4007.8	-5.5	8.2	-3.2	-1.6	-18.6	453.4
Invesco NASDAQ Biotech ETF	2703.0	-2.1	-0.2	-10.0	18.7		215.1
Invesco Technology S&P US Sel Sec ETF	15991	-1.0	23.4	13.9	88.4	185.2	356.5
iShares Digitalisation ETF USD Acc	549.3	-4.9	11.5	2.7			434.0
iShares Global Water ETF USD Dist	3605.7	0.8	15.9	15.0	40.0	90.8	616.6
iShares Gold Producers ETF USD Acc	1053.5	11.9	48.5	76.7	31.7	66.2	1304.2
iShares Healthcare Innov ETF USD Acc	489.2	-5.7	-1.0	-9.5			364.5
iShares Listed Private Eq ETF USD Dist	1785.6	0.4	21.8	14.6	54.7	100.5	355.3
iShares S&P 500 Financials Sect ETF \$Acc	587.0	-4.4	11.7	3.1	51.8		657.5
iShares S&P 500 Health Care Sect ETF\$Acc	543.1	0.0	8.8	5.7	39.6		820.0
iShares S&P 500 Info Tech Sect ETF\$Acc	811.6	-1.0	23.4	13.4	97.5		691.9
L&G Cyber Security ETF	1265.9	-3.9	8.4	9.1	68.5		742.2
L&G Gold Mining ETF	2460.7	11.9	47.1	75.5	29.2	74.8	205.4
Lyxor MSCI World HealthCare TR ETF C USD	26780	0.5	10.5	6.9	35.0	84.5	274.4
Lyxor MSCI World Info Tech TR ETF C USD	25024	-1.7	21.1	11.0	88.0	177.4	239.4
SPDR® MSCI World Energy ETF	2461.0	-6.8	-2.1	-12.6	6.9	-5.3	206.4
SPDR® S&P® US Comm Svcs Sel Sect ETF	1676.2	-1.9	18.2	8.7			160.1
VanEck Vectors Gold Miners ETF	2578.7	12.2	46.4	72.2	27.8		203.7
X MSCI USA Health Care ETF 1D	2959.2	0.0	8.9	5.7			295.2
X MSCI World Consumer Staples ETF 1C	3030.0	2.4	21.0	18.7	27.1	87.1	205.5
X MSCI World Health Care ETF 1C	2742.8	0.5	10.5	6.9	35.0	84.9	344.4
X MSCI World Information Tech ETF 1C	2576.3	-1.6	21.3	11.4	88.8	179.6	402.5
X S&P Global Infrastructure Swap ETF 1C	3847.3	0.8	15.2	17.2	29.8	58.5	183.4

**Commodities - Broad Basket**

Invesco Bloomberg Commodity ETF	1322.9	-1.8	4.5	0.2			874.4
iShares Diversified Commodity Swap ETF	393.2	-1.8	4.5	0.2			848.7
L&G Longer Dated All Commodities ETF	1097.6	-2.1	3.5	0.2	7.7	-7.5	458.1

**Commodities - Natural Resources**

ETFS Brent Crude ETC	2166.9	-7.6	1.7	-14.8	32.8	-46.2	240.6
ETFS Brent Oil 1 month ETC	2251.1	-7.7	2.6	-13.8	35.7	-44.0	152.6
ETFS GBP Daily Hedged Physical Gold ETC	857.4	6.4	13.5	22.0	4.8	3.4	311.0
ETFS Nickel ETC	1418.1	24.6	50.0	48.5	87.8	17.5	554.0
ETFS Physical Gold	11959	7.6	26.3	35.1	24.1	59.0	6408.0
ETFS Physical Platinum ETC	7256.5	8.1	17.5	25.9	-5.2	-12.3	320.9
ETFS Physical Silver ETC	1420.8	12.2	26.7	33.2	4.0	25.6	1181.7
ETFS Physical Swiss Gold ETC	12125	7.6	26.4	35.3	24.5	59.5	1863.9
ETFS WTI Crude Oil ETC	660.9	-5.2	4.5	-16.5	18.7	-56.1	365.5
Gold Bullion Securities ETC	11783	7.6	26.3	35.1	24.0	58.7	3152.2
Invesco Physical Gold ETC	12189	7.6	26.4	35.3	24.5	59.8	5954.9
iShares Physical Gold ETC	2457.8	7.6	26.4	35.3	24.6	60.1	5520.5
X Physical Gold ETC	12226	7.6	26.4	35.3	24.6	59.9	954.6

**Property**

iShares UK Property ETF GBP Dist	557.3	2.2	-2.6	-4.6	3.0	12.9	672.4
iShares US Property Yield ETF USD Dist	2525.7	3.5	18.2	17.7	20.9	90.0	707.2
SPDR® Dow Jones Global Real Estate ETF	3149.3	2.4	15.3	13.5	17.6	67.5	671.6

**GBP Bond**

iShares Core UK Gilts ETF GBP Dist	1438.9	3.5	10.4	10.9	6.5	31.7	1546.8
iShares Core £ Corp Bond ETF GBP Dist	15342	1.5	9.2	10.3	7.9	33.6	1987.1
iShares UK Gilts 0-5yr ETF GBP Dist	13394	0.1	1.4	1.7	0.9	6.1	1248.3
iShares £ Corp Bond 0-5yr ETF GBP Dist	10702	0.1	2.9	3.5	5.9	13.6	1540.5
iShares £ Corp Bond ex-FncI ETF GBP Dist	13424	1.7	10.0	10.7	7.7	33.3	243.5
iShares £ Index-LnkD Gilts ETF GBP Dist	2045.8	4.5	17.5	18.0	15.0	57.5	1028.0
iShares £ Ultrashort Bond ETF GBP Dist	10056	0.1	0.7	1.2	2.4	4.0	963.4
Lyxor FTSE Actr UK Gilts (DR) ETF D GBP	14858	3.5	10.4	11.0	6.7	32.4	313.6
Lyxor FTSE Actr UK Gilts0-5Y(DR)ETF D GBP	1851.4	0.1	1.4	1.8	1.1		175.0
PIMCO Sterling Short Maturity Source ETF	10234	0.0	0.9	1.3	2.4	4.2	236.6
SPDR® Blmbrg Bcly 1-5 Yr Gilt ETF	5154.3	0.1	1.6	2.0	1.1	6.9	482.6
SPDR® Blmbrg Bcly Stlg Corp Bd ETF	6315.7	1.5	8.9	9.7	9.0	32.5	210.0
SPDR® Blmbrg Bcly UK Gilt ETF	6263.6	3.7	11.1	11.6	6.9	33.4	216.2
Vanguard UK Gilt UCITS ETF	2516.9	4.1	11.8	12.3	7.5	35.0	148.6

**USD Bond**

	Price In pence	% change over					Fund size (£m)
		1 month	6 months	1 year	3 years	5 years	
Invesco US Trs Bd 7-10 Yr ETF USD Dis	3609.9	4.5	20.8				1281.6
iShares \$ Corp Bond ETF USD Dist	10165	4.2	23.4	23.2	23.8	73.5	5354.5
iShares \$ Corp Bond Intr Rt H ETF \$ Dist	8012.3	-0.4	11.9	10.8	18.9	51.0	235.0
iShares \$ Floating Rate Bd ETF USD Dist	415.1	0.7	11.1	9.7			2030.6
iShares \$ High Yld Corp Bd ETF USD Dist	8495.5	1.0	13.3	13.3	25.8	64.3	4093.9
iShares \$ Short Dur Corp Bd ETF USD Dist	8452.6	1.5	13.3	12.9	15.6	52.2	2703.3
iShares \$ Short Dur HY CorpBd ETF \$ Dist	7593.7	0.8	12.0	11.7	23.9	61.8	757.2
iShares \$ TIPS 0-5 ETF USD Dist	407.4	1.1	12.4	10.3			354.3
iShares \$ Treasury Bd 0-1yr ETF USD Acc	416.2	0.8	10.7				1491.1
iShares \$ Treasury Bd 20+yr ETF USD Dist	452.2	11.5	35.6	32.9	21.9		795.0
iShares \$ Treasury Bd 7-10yr ETFUSD Dist	17245	4.5	20.8	21.3	16.5	63.4	2974.0
iShares \$ Ultrashort Bond ETF USD Dist	8267.3	0.8	11.0	9.9	14.2	46.8	616.1
iShares US Aggregate Bond ETF USD Dist	8951.5	3.1	17.8	17.2	16.8	58.4	1814.4
iShares US Mortg Backed Secs ETF USD Dis	404.2	1.5	14.4	14.1	14.3		1204.7
JPM USD Ultra-Short Income ETF USD Inc	8285.3	0.9	11.2	10.1			223.4
Lyxor US TIPS (DR) ETF D USD	8690.7	3.1	18.0	14.9	17.0		1381.8
PIMCO ST HY Corp Bd Sour ETF Inc	8249.8	0.4	12.0	11.4	26.1	66.6	1155.8
PIMCO USD Short Mat Source ETF	8332.7	0.8	11.0	9.6	14.6	48.1	2999.0
SPDR® Blmbrg Bcly 1-3 Yr US Trs Bd ETF	4127.1	1.3	12.2	11.2	12.3	44.6	159.0
SPDR® Blmbrg Bcly US TIPS ETF	2622.6	3.1	17.8	14.8	16.7		356.3
SPDR® Blmbrg Bcly US Trs Bd ETF	9164.8	3.9	18.3	17.6	15.3	56.9	377.0
SPDR® Morningstar Mlt-Asst Glb Infrs ETF	2779.5	1.8	16.8	16.8	29.2		569.5
UBS ETF BlombgBard US LqCp1-5Yr USD A	1202.6	1.8	14.5	14.4	16.7		774.5
UBS ETF BlombgBardMSCI USLqCpSu \$ A dis	1455.2	4.1	22.4	22.4	22.4		395.1
Vanguard USD Corporate Bond ETF	4552.0	3.6	20.9	20.6	22.9		222.0
Vanguard US Trs Bd UCITS ETF	2104.3	3.9	18.4	17.8	15.6		171.0
X II US Treasuries ETF 1D	1875.2	4.2	18.8	18.1	15.6	58.0	691.2
X USD Corporate Bond ETF 1D	1306.6	4.1	23.3	23.1	24.0		732.8

**Europe Bond**

iShares Aggregate Bond ETF EUR Dist	11761	1.3	14.0	10.6	13.9	33.0	2252.2
iShares Corp Bond 1-5yr ETF EUR Dist	10140	-0.3	8.1	3.7	10.0	22.0	3751.1
iShares Corp Bond BBB-BB ETF EUR Dist	477.7	0.0	11.7	7.8	15.3		663.9
iShares Corp Bond ex-FncI ETF EUR Dist	11042	0.0	12.0	7.8	13.2	30.6	1359.7
iShares Corp Bond SRI 0-3yr ETF Dist	454.6	-0.4	6.4	1.7	7.0		564.3
iShares Corp Bond SRI ETF EUR Dist	478.5	0.1	11.5	7.5			577.1
iShares CorpBd exFncI 1-5y ETF Dist	10094	-0.4	8.0	3.4	9.5	21.3	1687.1
iShares CorpBd IntrRt Hdg ETF EUR Dist	8681.4	-1.1	7.1	2.2	5.9	13.7	721.0
iShares Covered Bond ETF EUR Dist	14549	0.5	10.2	5.8	10.4	24.9	1729.3
iShares Govt Bond 0-1yr ETF EUR Dist	8912.6	-0.6	5.4	0.6	4.4	11.4	194.1
iShares Govt Bond 5-7yr ETF EUR Dist	14948	0.8	11.8	9.5	12.8	29.6	382.7
iShares High Yield CorpBd ETF EUR Dist	9553.7	0.1	9.7	5.2	17.3	32.8	7732.0
iShares Ultrashort Bond ETF EUR Dist	9054.9	-0.6	5.8	1.0	6.1	14.2	2616.7
iShares Core Corp Bond ETF EUR Dist	12271	0.1	11.6	7.6	13.8	30.7	11106
iShares Core Govt Bond ETF EUR Dist	12163	1.9	15.8	12.9	14.9	36.3	1831.4
iShares France Govt Bond ETF EUR Dist	14835	1.6	15.1	10.7	14.4	34.8	284.0
iShares Germany Govt Bond ETF EUR Dist	13710	1.7	13.0	9.2	12.3	31.3	283.3
iShares Italy Govt Bond ETF EUR Dist</							



# Funny Money



## Blurring reality and fantasy

BY IAIN MURRAY • ILLUSTRATION: ANDREW BAKER

**A**s *Money Observer* celebrates 40 years of spreading wealth and happiness, it is perhaps timely to look back over these past four decades and note with wide-eyed bewilderment, and no small shock, how the world has changed.

Back then, there were more pubs, more smokers and far fewer wowers and government-ordained killjoys. There were typewriters, telephone boxes, and policemen wearing tunics and helmets, not baseball caps and body armour. Bliss was it in that dawn to be alive.

But of all the changes wrought over these four decades, without doubt the greatest, most profound and life-altering have been technological. Never before in the history of mankind has there been a revolution so sudden, so worldwide and so earth-shattering as the advent of the internet. It seems that one instant all was calm, well and ordered, the rhythm of life innocently unchanged, when suddenly, like a monstrous blazing comet, the worldwide web struck and then nothing was ever the same again.

### IN THE BEGINNING...

How were we to know that was only the beginning? That this thing would with fissiparous malevolence spark off a myriad satellites – Google, Twitter, Facebook, Instagram – each spawning a babel of etherised shrieking, gibbering, gossiping, sneering, boasting and at times oleaginously sentimental voices sounding non-stop, for ever and ever, amen?

Oh, to stand in front of the onward-rushing juggernaut of progress, hold up an admonitory palm and shout, ‘enough already!’. Bootless, of course. Progress is unstoppable even when, paradoxically, and with a seeming inevitability, it means things get worse.

Its latest milestone on the never-ending race to heaven knows where is 5G, a breathtaking technological advance which we are promised will ‘launch a wave of transformative consumer technologies, with new smartphones, appliances and connected cars’.

“5G is not an evolutionary step, it is a revolutionary

one. We will be jumping off the horse and on to a rocket ship,” says Professor Rahim Tafazolli, founder and director of the 5G Innovation Centre at the University of Surrey.

As the internet has revolutionised human communications, 5G, we are told, will extend that to inanimate objects. It will be a world in which car can communicate with car, with the road, with the people around it.

No one knows, of course, how this will work out in

### Law of unintended consequences applies in its most pernicious form in the world of technology

practice, since the law of unintended consequences applies in its most pernicious form in the world of technological communication. Who could have imagined that smartphones would stifle the art of conversation, that pedestrians on streets

would collide with each other, eyes fixed on their screens, that people would fall to their deaths from beauty spots, still clutching their last ever selfie, that social media would mutate into sociopathic media?

When 5G enables cars to communicate with each other, will they seize the opportunity to exchange insults, take offence, often on behalf of other cars, or, when in a more amenable frame of mind, simply regale others with pictures of themselves in interesting surroundings?

As far as one can make out, much of the advances promised by 5G involve something called virtual reality. It’s a frightening concept, suggestive of a retreat from what is true and tangible into an unreal fantasy world. Exactly, in fact, the goal of every drug addict.

In the eighteenth century Bishop Berkeley postulated an immaterialist philosophy: that there are no material objects, only minds and ideas in those minds. Dr Johnson scornfully dismissed the theory by kicking a large stone and proclaiming, ‘I refute it thus’. Today, the good doctor would have to admit defeat.





## FROM ONE OLD HAND TO ANOTHER, **CONGRATULATIONS TO MONEY OBSERVER**

### ON THEIR 40<sup>TH</sup> YEAR ANNIVERSARY

Incorporated in 1889, AVI Global Trust's eventful past has helped it both to forge a character of its own and to develop a value-based style of investment that has served its investors well over lengthy timescales.

We are an actively managed global investment trust with an average annual return of 11.8%\* since AVI became the investment manager in 1985.

## Investment Approach

Asset Value Investors (AVI) has managed the c. £1 bn AVI Global Trust since 1985. The strategy over that period has been to buy quality companies held through unconventional structures and trading at a discount. The strategy is global in scope and we believe that attractive risk-adjusted returns can be earned through detailed research with a long-term mind-set.

The companies we invest in include family-controlled holding companies, property companies, closed-end funds and, most recently, cash-rich Japanese companies. The approach is benchmark-agnostic, with no preference for a particular geography or sector.

AVI has a well-defined, robust investment philosophy in place to guide investment decisions. An emphasis is placed on three key factors: (1) companies with attractive assets, where there is potential for growth in value over time; (2) a sum-of-the-parts discount to a fair net asset value; and (3) an identifiable catalyst for value realisation.

A concentrated portfolio of c. 25\* investments allows for detailed, in-depth research which forms the cornerstone of our active approach.

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AGT's long-term track record bears witness to the success of this approach, with a NAV total return well in excess of its benchmark. We believe that this strategy remains as appealing as ever, and continue to find plenty of exciting opportunities in which to deploy the trust's capital.



Joe Bauernfreund,  
Portfolio Manager

DISCOVER AGT AT [WWW.AVIGLOBAL.CO.UK](http://WWW.AVIGLOBAL.CO.UK)

\*Source: Morningstar, performance period 30/06/1985 to 30/06/2019, Total Return net of fees, GBP. \*\*One investment is the Japan Special Situations basket of 18 Japanese stocks.

Past performance should not be seen as an indication of future performance. The value of your investment may go down as well as up and you may not get back the full amount invested. Issued by Asset Value Investors Ltd who are authorised and regulated by the Financial Conduct Authority.



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To find out more, go to [fidelity.co.uk/europe](http://fidelity.co.uk/europe) or speak to your adviser.

PAST PERFORMANCE					
	Jul 14 – Jul 15	Jul 15 – Jul 16	Jul 16 – Jul 17	Jul 17 – Jul 18	Jul 18 – Jul 19
Net Asset Value	15.2%	9.4%	19.6%	12.6%	7.0%
Share Price	24.4%	-0.7%	29.0%	8.4%	11.0%
FTSE World Europe ex-UK Total Return Index	9.6%	7.1%	24.6%	5.8%	4.7%

Past performance is not a reliable indicator of future returns.  
 Source: Morningstar as at 31.07.2019, bid-bid, net income reinvested.  
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