The Structured Product Fund

Sterling Ordinary Fund Factsheet - November 2015

Investment Aims

The Structured Product Fund plc is intended to meet the needs of investors seeking medium to long-term capital growth who are willing to accept a moderate level of risk. The target for the Fund is to achieve annualised returns between 5% and 15%. Higher returns on an investment cannot normally be achieved without increased risks to capital, or a reduced probability of receiving the returns. The Fund manages the risks to capital in a number of ways, as well as working to enhance the probability of delivering the targeted returns.

Investment Manager Commentary

November was a lacklustre month for global equities, although in a sense it was nice to witness a period of calm after the proceeding months of volatility. Geopolitical risk intensified after the tragic events in Paris, Gold rose but unconvincingly and most other commodities including Oil slid lower with Brent Crude falling almost 10%. This should be good for global GDP – after all, when the input cost of one of the most used products in the world falls, everybody should benefit. Everyone that is bar the oil exporters. Conspiracy theories abound, but OPEC continue to pump the black gold and when supply tops demand, prices fall to an equilibrium. Who knows where that equilibrium lies though. Economists at Goldman Sachs have not dismissed the fact that it could go as low as $20 per barrel – suggesting oil still has potentially another 50% to fall. (Let's not forget though that back in 2008 this same team forecast oil could get to $200 from the then present price of c$130.)

The fall in the Oil price had ramifications on the Fund as the Natixis FTSE/China/Oil Autocall fell -15.48% and the high weighting of the oil sector also drove the FTSE 100 down and the RBC FTSE/Gold Autocall fell -5.77%. The Commerz Triple Market Autocall was the best market performer with a gain of 7.02% thanks to a recovery in the Brazilian market to which it is particularly sensitive. Thankfully we have maintained a high cash weighting within the Fund which helped dampen down returns and the Fund gave up some of last months gains falling -1.95%

The month ahead brings glad tidings of joy, a couple of days of holiday and a potential (albeit pretty much nailed on) rise in the US Federal Funds rate. The US hasn't raised rates in almost ten years. For many fund managers and those involved in the capital markets, this will be the first time in their careers that rates have risen. Rate rises do not necessarily mean that global markets will return to normality though. As we enter the Christmas period there are reasons for cheer, however, the US is raising rates because broadly speaking the world's biggest economy is in reasonable health and as discussed, the long term fall in Oil aids global consumption and we are confident that the fund is well placed to capitalise on even a modest recovery in markets as many of the structures require only modest recovery in their targeted indices to deliver leveraged returns. We look forward to 2016 with optimism at the chance of delivering our investors a significant return on their investments. Merry Christmas and a Happy New Year from your new Investment Manager at 8AM GLOBAL.

Key Facts

Investment Manager: 8AM Global LLP
ISIN: IM00BJ04W750
Launch Date/Price: 26.02.14 at £1.00
NAV Date: COB Wednesday
Price: £0.8515
Weekly Pricing and Dealing.
Dealing Day: Thursday
(Deadline for subscriptions & redemptions COB Tuesday)
Minimum Investment: £1,000
Base Currency: Sterling

CONTACT DETAILS

Further Information including the Offering Document and application form can be obtained from the Promoter at:

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Institutional Share Class:

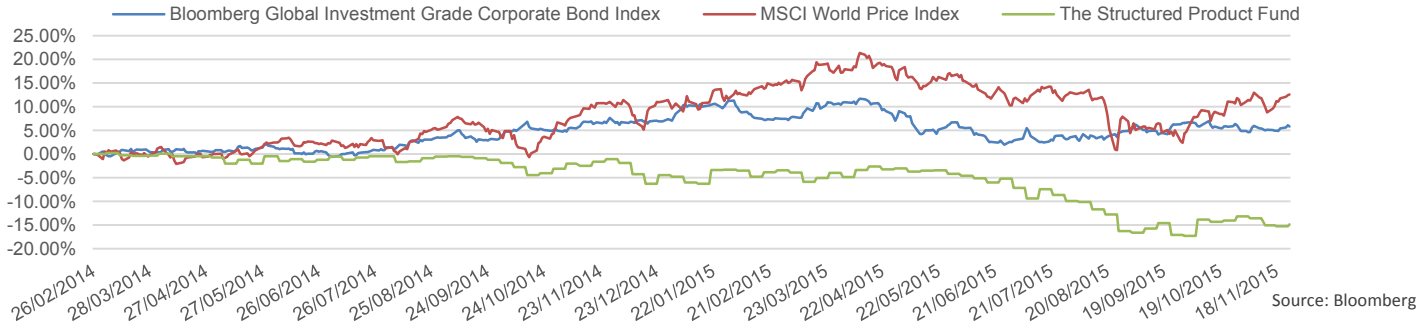
ISIN: IM00BYV2WK60

Cumulative Returns

	1 month	3 months	6 months	1 year	Since Launch	YTD
The Structured Product Fund (%)	**-1.95**	**1.72**	**-11.14**	**-13.94**	**-14.85**	**-10.60**
MSCI World Price Index (%)	0.68	8.25	-3.71	1.79	12.58	2.74
Bloomberg Global Investment Grade Corporate Bond Index (%)	-0.24	1.22	-0.25	-0.68	5.83	-1.14

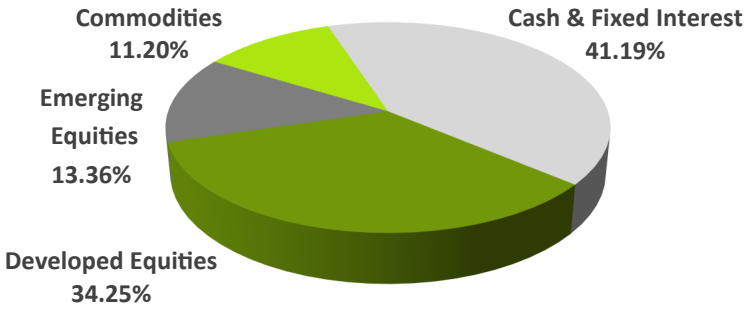
(Information correct as at 25/11/2015)

Performance (%)



Source: Bloomberg

Asset Allocation



Top Five Holdings

Nomura 5 Year Global Defensive Autocall

SocGen FTSE Eurostoxx S&P Defensive Autocall

Morgan Stanley 6 Year FTSE Supertracker

UBS FTSE Gold 6 Year Semi Annual Autocall

Commerzbank 5 Year Triple Market

Fund Details

Target:	5– 15% p.a. growth
Liquidity & Dealing:	Weekly
AMC:	1.75%
Allocation:	100%
Early Exit Charge:	5% over 5 years reducing on a sliding scale
Performance Fee:	10% on profits over 10% pa on a HWM basis

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