EF 8AM Multi-Strategy Portfolio II Fund (Retail) — 30 September 2019

	Volatility Range[1]	Typical Investor Profile	Peer Group (for illustrative comparison only)[2]	Dynamic Planner Rating
Multi-Strategy Portfolio II	5.0 – 9.5	Cautious	Mixed Investment 20 – 60% Shares	DYNAMIC PLANNER PROFILED 4

INVESTMENT AIMS

The objective of the fund is to achieve long term Capital Growth (within defined volatility targets).

WHY INVEST?

- Provides a total portfolio management solution.
- A highly experienced management team headed by Richard Philbin.
- A risk controlled portfolio, managed within defined volatility bands.
- Widely diversified portfolio with a broad range of asset classes.
- Selecting only consistently consistent funds and managers.

PERFORMANCE (CLASS R)

	1m	3 m	6 m	1 yr	3 yr	YTD	Since Launch
Multi-Strategy Portfolio II	0.76%	0.91%	3.37%	0.57%	10.77%	7.16%	34.20%

Source: All performance data - Financial Express

KEY FACTS

Fund Manager	Richard Philbin
Fund Size	£23.27m
Launch Date/ Price	01.08.07/ 100p
Vehicle Type	UK OEIC
Initial charge	up to 5%
Price (NAV)	126.13p
Dealing Day & Time	Daily at 12 noon
Income Allocation	31st Aug, 28th Feb
Min Investment	£1,000
Base Currency	Sterling
Pricing Basis	Forward/Single Price
ISIN:	GB00B1Z8MN25 (Class R)

FUND COMMENTARY

A good number of funds outperformed their peer group over the month of September and delivered positive returns too. Worthy of note would be the following long-held funds: CRUX European Special Situations, Invesco Global Financial Capital, CC Japan Income & Growth and Baillie Gifford Strategic Bond.

In the month, the number of holdings in the portfolio rose by one to twenty-two. The introduction of the Man GLG Strategic Bond was brought into the portfolio to help with diversification and risk management. No existing assets were removed during the month and, with market movements, cash flows and performance of the underlying funds, the asset allocation did change a little but we remain confident the fund meets the objectives of the prospectus. As at the end of the third quarter, the allocation to equity funds rose by 1.80% to 53.50% and fixed income funds represented 20.74% (up from 19.33% a month earlier). Exposure to infrastructure holdings and other funds remained similar to their allocations a month earlier. Cash fell to 6.46% over the month from 8.36%.

Source: All performance data - Financial Express. All portfolio data 8AM Global LLP

Richard Philbin took over as investment manager of Multi Strategy Portfolio II on the 1st September 2012.

He has managed portfolios for private clients as well as retail and institutional Fund of Funds portfolios for both F&C Investments and AXA, through their Architas brand, helping then to be some of the largest multi managers in the UK. He has been involved in managing multi asset funds since 1994.

PERFORMANCE

A - IA Mixed Investment 20-60% Shares GTR in GB [35.97%]
B - EF - 8AM Multi-Strategy Portfolio II R TR in GB [30.50%]

Source: Financial Express

30/08/2013 - 30/09/2019 Data from FE 2019

[1]Ranges are measured using the Standard Deviation of the Fund's annualised returns over 1 year periods. [2]The IA's Mixed Investment sectors have strict guidelines as to how funds within those sectors should be managed. It is your Managers belief that an unconstrained approach may produce superior results, so he does not wish to be bound by those guidelines. We believe that the IA's managed sectors are a useful tool for comparing the performance of your fund to those with similar investment objectives, or its "peers".

PROGRESSIVE // DISCIPLINED // ADAPTIVE // ASSET MANAGEMENT

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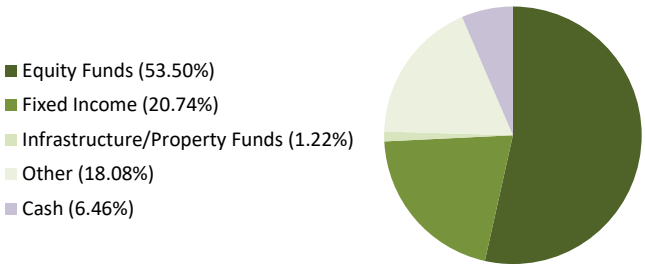
ASSET ALLOCATION



Source: 8AM Global LLP

MULTI-STRATEGY PORTFOLIO II

Top Ten Holdings	Asset Class	%
Fundsmith Equity	Equity Funds	9.79
Fidelity Index World	Equity Funds	9.37
Fidelity Investment Fund	Equity Funds	7.40
Baillie Gifford Corporate Bond Fund	Fixed Income	7.20
CF Miton UK Multi Cap Inc	Equity Funds	6.96
CC Japan Income and Growth Founder	Equity Funds	5.90
FP Crux European Special Situations	Equity Funds	5.66
JP Morgan GBP Ultra Short Income	Equity Funds	5.62
Latitude Horizon Fund	Other	5.44
Liontrust Special Situations	Equity Funds	5.16

Source: 8AM Global LLP

MARKET COMMENTARY

September was a month where "revert to mean" would probably make sense; a month where many indices that performed well can also lay claim to having a poor 3 months and vice versa. Uncertainty brings volatility, and volatility is rising; September also saw a strong month for "value" stocks at the expense of "growth" stocks – commonly referred to as rotation. The value investing style has been out of favour for many years and is very much associated with economic slowdown and ultimately recession. One month though is not a good measure though with regard to signalling a trend, or a shift in market direction but many market commentators have written a great deal of column inches on this, and it is worth paying close attention to.

The Federal Reserve and the European Central Bank cut interest rates in the month, with the European rate now being -0.50%. Yes, it costs you to deposit money (to be fair, it has done for a few years now) and this can lead to questions surrounding the validity of the banking system in global economics. Mario Draghi – the outgoing president of the bank in his final public speech mentioned that it is time for governments to take over – using monetary policy to stimulate growth has come to the end of its course and now it's time for fiscal policy (such as tax reform or spending on large infrastructure projects for instance) to take the reins.

Trouble is, the major governments of the world have problems of their own – the UK has to deliver something with relation to Brexit by the end of this month; the US and China have trade tariff issues; the US and Europe have trade tariff issues; the US is a little over 12 months away from a general election; Japan is struggling with deflation and so on.

As economic cycles hit their latter phases, we see pressures rise, for example, Aston Martin recently failed to get a debt issuance away, as did Metro bank. Recent IPOs either didn't deliver that "pop" or were pulled. Also, returns from unorthodox, traditional investments classes seem to come to the fore. Gold for instance has had a very strong year and Bitcoin is hitting headlines again.

It is fairly obvious that the global economy is slowing down, but the political powers are doing whatever they can to keep the fires burning. India reduced its corporate tax rate from 30% to 22% in the month. Companies still are making profits and paying dividends. One worry is that between $14 trillion and $17 trillion in government bonds have a negative yield. This is unprecedented. How it all unwinds will be a very interesting case study at some stage in the future.

Source: All performance data Financial Express

SUITABILITY

An investor who is comfortable with holding a significant proportion of their portfolio in higher risk investments in order to have the opportunity for a greater investment return.

An investor who is prepared to accept investment losses in the short-term in order to achieve potentially greater investment returns over the longer-term. The portfolio will be subject to fluctuations in value.

CONTACT DETAILS

Issued by 8AM GLOBAL LLP, which is authorised and regulated by the Financial Conduct Authority ("FCA"). If you have any doubt as to whether the EF 8AM Investment Funds are suitable for you and you wish to receive advice, you should consult a financial advisor. Further information can be obtained from:

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