



# EF 8AM Multi-Strategy Portfolio Funds

2 January 2020

## INVESTMENT AIMS

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

Fund Name	Volatility Range <sup>1</sup>	Typical Investor Profile	Peer Group (for illustrative comparison only) <sup>2</sup>
Multi-Strategy Portfolio II	5.0 – 9.5	Cautious	Mixed Investment 20 – 60% Shares
Multi-Strategy Portfolio III	10.0 – 14.5	Balanced	Mixed Investment 40 – 85% Shares
Multi-Strategy Portfolio IV	15.0 – 19.5	Adventurous	Mixed Investment 40 – 85% Shares

<sup>1</sup>Ranges are measured using the Standard Deviation of the Fund's annualised returns over 1 year periods. <sup>2</sup>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. Therefore Multi-Strategy III and IV currently reside within the Unclassified Sector. Nevertheless, we do 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".

## 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 A)

	6 m	1 yr	3 yr	5 yr	YTD
Multi-Strategy Portfolio II	2.52%	9.29%	12.93%	24.81%	9.29%
Multi-Strategy Portfolio III	2.64%	11.99%	16.45%	33.44%	11.99%
Multi-Strategy Portfolio IV	2.41%	11.84%	15.30%	37.03%	11.84%

Source: Financial Express to 31.12.19

## 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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ISIN: MSP II: GB00B9J92G01 (Class A) MSP III: GB00B9L57F01 (Class A)  
 MSP IV: GB00B9L5BC50 (Class A)

## KEY FACTS

Fund Manager	Richard Philbin
Fund Size	MSP II: £23.72m MSP III: £14.61m MSP IV: £3.94m
Launch Date/ Price	MSP II: 01.08.07/ 100p MSP III, IV: 07.05.13/ 100p
Vehicle Type	UK OEIC
Unit Type	Income
ISA Eligible?	Yes
Total Expense Ratio	MSP II: 1.81% (Class A) MSP III: 2.00% (Class A) MSP IV: 2.27% (Class A)
Initial charge	0% (Class A & C) up to 5% (Class R)
Price (NAV)	MSP II: 123.08p (Class A) MSP III: 139.97p (Class A) MSP IV: 147.26p (Class A)
Dealing Day & Time	Daily at 12 noon
Year End	30th June
Income Allocation	31st Aug, 28th Feb
Min Investment	£1,000 (Class A)
Base Currency	Sterling
Pricing Basis	Forward/Single Price
Sedol Number:	MSP II: B9J92G0 MSP III: B9L57F0 MSP IV: B9L5BC5



## FUND MANAGER COMMENTARY

Most asset classes registered positive gains for the final month of the decade, aided by a few weights being lifted from the shoulders of investors – a breakthrough (well, delay at least) in the stalemate between the US and China and the ongoing trade wars and a large majority for Prime Minister Johnson in the UK meaning “getting Brexit done” would be easier. Those assets that didn’t perform well were typically fixed income assets – partly due to the market realising the end of austerity is likely upon us and the government is likely to issue more gilts to pay for the number of hospitals, schools, nurses, teachers and the like promised in the manifesto. Fixed income assets also partly suffered as the size of the election victory pushed up the value of Sterling. A weaker US Dollar and Euro market also pushed down the returns from their respective government debt markets.

Although this review is for December, it is interesting to look back over the year. 12 months ago the capital markets were being hit hard. The final quarter of 2018 was ugly to say the least for capital investors. 2019 therefore started on a low base and improved throughout the year. 12 months ago very few investors would suggest a return of 30% was probable for the US equity market in 2019....

Looking forward, interest rates remain low; inflation is under control. Signs are positive for markets. Earnings are still high (what is the likelihood of them rising further?) and the yield curve flirts with inversion. The trade war with China rumbles on. The US is now widening their scope and the EU seems to be in the crosshairs. There is a presidential election in the US, there is likely to be some form of “Brexit” and the fear of Germany falling into recession is real. We are on a knife point – especially when you consider the EU recently appointed a new President and there will be a change of governor of the Bank of England. What will this change bring?

\*Source: All performance data Financial Express

## MULTI-STRATEGY PORTFOLIO II

Top Ten Holdings	Asset Class	%
Fidelity Index World	Equity Funds	9.39
Fidelity Investment Fund	Equity Funds	8.21
CF Miton UK Multi Cap Inc	Equity Funds	7.30
Baillie Gifford Corporate Bond Fund	Fixed Income	7.04
Brown Advisory Global Leaders Fund	Equity Funds	6.32
TM Crux European Special Situations	Equity Funds	5.89
CC Japan Income and Growth Founder	Equity Funds	5.61
JP Morgan GBP Ultra Short Income	Equity Funds	5.53
Liontrust Special Situations	Equity Funds	5.42
Latitude Horizon Fund	Other	5.33

Source: 8AM Global LLP

## COMMENTARY

Multi Strategy Portfolio II registered a 1.09% return for the month of December, aided by strong absolute (and relative to peer group) returns from (although not exclusively limited to) the following long-held funds that should be noted: Blackstone / GSO Loan Financing, CRUX European Special Situations, Miton UK Multi Cap Income; Invesco Global Financial Capital, Latitude Horizon and Fulcrum Income.

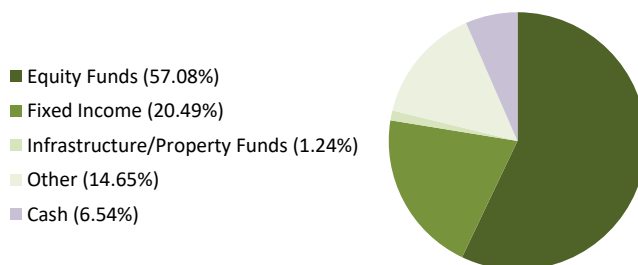
During the month, the manager introduced a new fund – Brown Advisory Global leaders and an existing holding – BNY Mellon Global Dynamic Bond – was removed. The portfolio remains invested in 22 underlying funds, but due to these changes, combined with performance from the underlying managers, cash flows and so on, the asset allocation of the portfolio changed during the month.

Allocation to equity fund rose to 57.08% (up from 54.64% a month earlier) and exposure to “other” fell to 14.65% down from 16.14%. Within the equity allocation, the allocation to UK rose by a little over 1% to 20.93% and the new addition – a global equity fund – was funded primarily by selling down an existing global equity fund. Exposure to global funds remained constant over the month.

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

See page 4 for Important Information and Risk Warnings

## ASSET ALLOCATION



## PERFORMANCE



31/08/2012 - 31/12/2019 Data from FE fundinfo 2020

Source: Financial Express

## MULTI-STRATEGY PORTFOLIO III

Top Ten Holdings	Asset Class	%
Fidelity Index World	Equity Funds	10.79
Fidelity Investment Fund	Equity Funds	8.44
Liontrust Special Situations	Equity Funds	7.73
Brown Advisory Global Leaders Fund	Equity Funds	5.97
CF Chelverton UK Equity Fund	Equity Funds	5.68
TM Crux European Special Situations IRI	Equity Funds	5.16
Brooks Macdonald A Defensive Cap	Other	5.14
Fidelity Asian Values Plc	Equity Funds	5.11
Herald Investment Trust Plc	Equity Funds	4.36
RIT Capital Partners Plc	Equity Funds	4.24

Source: 8AM Global LLP

### COMMENTARY

During December one fund was entirely removed from the portfolio, and two new holdings introduced. Brown Advisory Global Leaders was brought into the model (5.97% as at the end of the month) and Ashoka India Equity Investment Trust (0.67%). Due to cash flows as well as the alterations and performance of the underlying funds held in the portfolio, the asset allocation did change but the fund does still meet the objectives and meets with suitability.

Equity allocation rose to 79.94% over the month (an increase of 5.36% over the month) which is the highest since it launched. Exposure to "other" funds fell to 7.66% from 11.18%. Cash fell a little over 1.50% to 3.37% and infrastructure holdings and fixed income exposure little changed over the month.

A number of funds delivered very strong performance numbers over the month – both in absolute and relative terms (relative to their peer group) which helped add 1.60% to the value of the unit price too. Herald Investment Trust, Chelverton UK Equity Income, Polar Capital Technology, 3i Group Plc and CRUX European Special Situations are all worthy of special note. All of the funds have been held in the Multi Strategy Portfolio III for quite some time, proving patience can add value.

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

## MULTI-STRATEGY PORTFOLIO IV

Top Ten Holdings	Asset Class	%
Fidelity Investment Fund	Equity Funds	16.13
Fidelity Index World	Equity Funds	11.44
RIT Capital Partners	Equity Funds	6.87
Tetragon Financial Group	Other	6.79
3i Group Plc	Equity Funds	6.71
Fidelity Investment Funds Index US	Equity Funds	6.43
Jupiter European Insttit	Equity Funds	5.71
Hipgnosis Songs Fund Limited	Other	5.51
Fidelity Asian Values	Equity Funds	5.41
Polar Capital Technology	Equity Funds	4.45

Source: 8AM Global LLP

### COMMENTARY

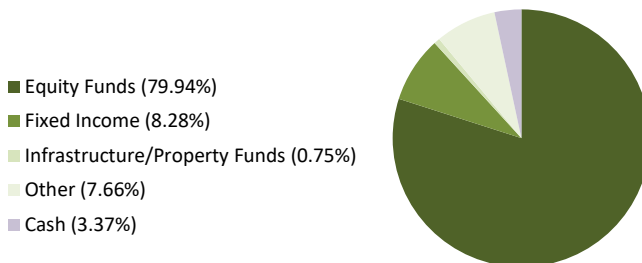
With strong performance numbers from 3i Group Plc, Fidelity Asian Values Plc, Polar Capital Technology Plc and Herald Investment Trust among others, the Multi Strategy IV fund added 0.97% to the unit price over the month.

There are 18 holdings in the fund – no change compared to the end of November. No new assets were introduced, no existing assets entirely removed. But, due to cash flow, asset performance by the underlying managers and dealing, the asset allocation of the fund did change over the month. Equity exposure rose to 81.17% from 79.44% and exposure to "other" funds fell by almost 1.50% to 12.30%.

Within the equity complex, allocation to UK rose to 16.13% and emerging market exposure increased by roughly 0.50%.

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

## ASSET ALLOCATION



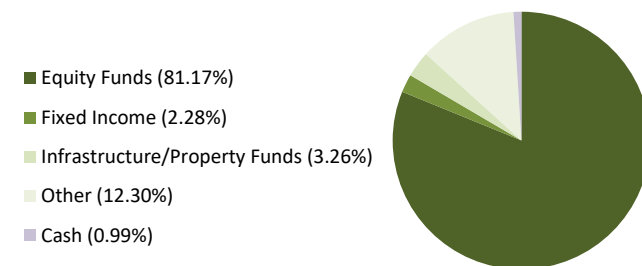
## PERFORMANCE



Source: Financial Express

07/05/2013 - 31/12/2019 Data from FE fundinfo 2020

## ASSET ALLOCATION



## PERFORMANCE



07/05/2013 - 31/12/2019 Data from FE fundinfo 2020

See page 4 for Important Information and Risk Warnings

Page 3 of 4



## SUITABILITY

### Multi-Strategy Portfolio II

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.

### Multi-Strategy Portfolio III

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.

### Multi-Strategy Portfolio IV

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 significant fluctuations in value.

## IMPORTANT INFORMATION

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