

**INTERNATIONAL RANGE**

**RISK RATING**



Equity and property investments are volatile by nature and subject to potential capital loss. For credit and income instruments, while unlikely, capital loss may also occur due to an event like the default of an issuer. The portfolio may be subject to currency fluctuations due to its international exposure.

**GENERAL INFORMATION**

**BENCHMARK:**

3 month LIBID +3% to 5% over 5 to 7 years

**PEER GROUP:**

Morningstar Aggressive Allocation USD

**FUND LEGAL STRUCTURE:**

Irish OEIC UCITS IV

**INVESTMENT MANAGER:**

Nedgroup Investments (IOM) Limited; licensed by the Isle of Man Financial Services Authority.

**APPROPRIATE TERM:**

Minimum 5 - 7 years

**MARKET VALUE:**

\$201.5m

**CURRENCIES AVAILABLE AND PRICES**

**USD Class A:** \$19.8976

**USD Class B:** \$15.0643

**GBP Class A:** £12.9016

**GBP Class B:** £15.7786

Value and prices as at 29 June 2018

**INCEPTION DATE:** 19 August 2011

**MINIMUM INVESTMENTS:**

**Class A:** \$1,500 / £1,000

**Class B:** \$250,000 / £150,000

**FEES AND CHARGES (VAT incl)\***

Management fee Class A: 1.40% p.a

Management fee Class B: 1.00% p.a

**ON-GOING CHARGES (as at 30 May 2018)<sup>2</sup>**

Class A: 2.17%

Class B: 1.77%

**DEALING:**

Daily

**NOTICE PERIODS:**

Subscriptions: Noon T-1

Redemptions: Noon T-1

**SETTLEMENT PERIODS:**

Subscriptions: T+2

Redemptions: T+3

**ISIN / SEDOL:**

**Class A USD:** IE00B5T08X47 / B5T08X4

**Class B USD:** IE00B5N9GQ62 / B5N9GQ6

**Class A GBP:** IE00B5V7GM87 / B5V7GM8

**Class B GBP:** IE00B42XPP46 / B42XPP4

**FUND OBJECTIVE**

The Growth MultiFund aims to provide high levels of growth with moderate to high levels of risk and volatility over the medium to longer-term.

It is anticipated that the Growth MultiFund will achieve a return of 3-month LIBID + 3% to 5% in the currency of the relevant share class over a rolling 5 to 7 year period.

In order to achieve the investment objective, the portfolio invests across a range of asset classes within a strategic and tactical asset allocation framework designed to maximise diversification benefits. An absolute and relative valuation-based approach underpins this framework, resulting in a multilayered process to facilitate disciplined decision-making and risk management.

The Growth MultiFund is suitable for clients with an investment time horizon of 5 to 7 years. Investing in the fund involves a risk to capital in order to achieve the desired return.

**FUND PERFORMANCE <sup>1</sup>**

PERIOD	USD	USD PEER GROUP	USD LIBID 3 Month		GBP	GBP PEER GROUP	GBP LIBID 3 Month	
	%	%	+3%	+5%	%	%	+3%	+5%
3 Months	0.8%	0.1%	1.3%	1.8%	4.0%	3.2%	0.9%	1.4%
6 Months	-1.3%	-1.3%	2.5%	3.5%	-0.3%	-0.4%	1.7%	2.7%
1 Year	5.3%	6.0%	4.7%	6.7%	3.7%	4.4%	3.4%	5.4%
3 Years	4.5%	4.3%	4.0%	6.0%	7.4%	7.2%	3.4%	5.4%
5 Years	5.6%	5.2%	3.7%	5.7%	7.0%	6.6%	3.4%	5.4%
YTD	-1.3%	-1.3%	2.5%	3.5%	-0.3%	-0.4%	1.7%	2.7%
2017	16.9%	16.2%	4.2%	6.2%	10.6%	9.9%	3.2%	5.2%
2016	3.7%	3.3%	3.6%	5.6%	13.9%	13.5%	3.4%	5.4%
2015	-3.2%	-2.4%	3.2%	5.2%	-0.2%	0.6%	3.5%	5.4%
2014	5.0%	1.4%	3.1%	5.1%	8.5%	5.0%	3.5%	5.4%
2013	12.6%	12.4%	3.1%	5.1%	6.9%	7.0%	3.4%	5.4%
2012	7.2%	9.9%	3.3%	5.3%	7.0%	9.4%	3.7%	5.7%
Lowest 1 yr reutm	-11.4%				-6.3%			
Highest 1 yr return	18.6%				21.5%			
Since inception *	5.4%	5.3%	3.5%	5.5%	6.3%	6.1%	3.4%	5.4%

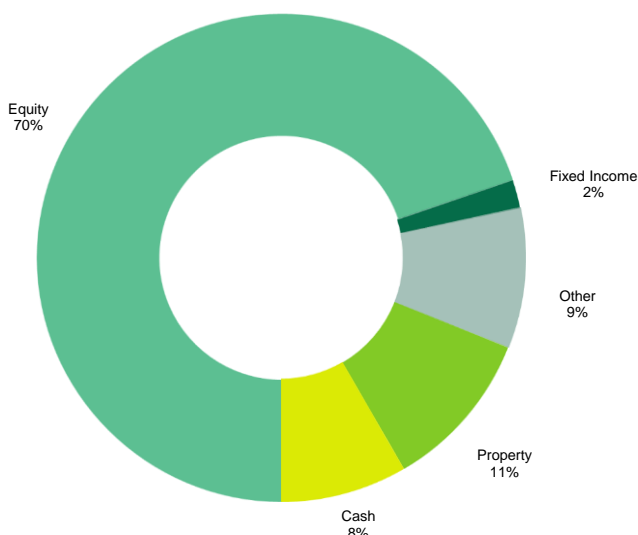
Class A performance net of fees. Inception 31 July 2011. \* Since inception annualised.

USD peer group is the Morningstar Aggressive Allocation USD. For the GBP peer group data, the same competitor universe and returns are used as for the USD data, although a 45% hedge to sterling is applied, as per the fund's GBP share class.

**RISK MEASURE**

SINCE FUND INCEPTION	FUND USD	FUND GBP
Annualised volatility	9.3%	8.6%
Sharpe ratio (annualised)	0.53	0.68
Lowest monthly return	-7.8%	-7.8%

**PORTFOLIO STRUCTURE**



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**MINIMUM DISCLOSURE DOCUMENT**

Please note: Differences may exist due to rounding

\* Class A includes a trail fee of 0.75%  
Class B includes a trail fee of 0.50%

1) The annualised total return is the average return earned by an investment each year over a given time period. Performance is calculated for the portfolio and individual investment performance may differ as a result of initial fees, the actual investment, the actual investment date, the date of any reinvestment and dividend withholding tax. Data source Nedgroup Investments (IOM) Limited.

2) The on-going fee is a measure of the actual expenses incurred in the management of the Classes of the Sub-Fund. The on-going fee shown is expressed as a percentage of the monthly average value of the portfolio calculated over a 12-month period as at the date shown. The current on-going fee cannot be used as an indication of future on-going fees. A higher on-going fee does not necessarily imply a poor return, nor does a low on-going fee imply a good return.

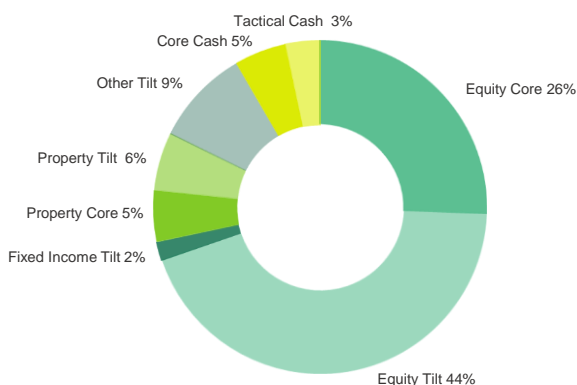
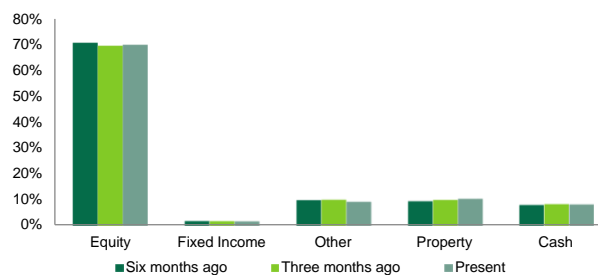


**TOTAL PORTFOLIO ANALYSIS**

FULL PORTFOLIO LISTING

EQUITY			69.9%
Vanguard Global Stock Index	Core	19.5%	
Dodge & Cox Global Stock Fund	Tilt	13.3%	
Nedgroup Global Equity Fund	Tilt	11.7%	
TOBAM Anti-Benchmark World Equity	Tilt	6.2%	
Vanguard Emerging Markets Stock	Core	6.1%	
Morgan Stanley Global Brands	Tilt	4.6%	
Coronation Global Emerging Markets	Tilt	3.8%	
Allianz Global Small Cap Equity	Tilt	4.6%	
PROPERTY			10.6%
Nedgroup Global Property Fund	Core	4.9%	
F&C Commercial Property Trust	Tilt	2.2%	
Impact Healthcare REIT	Tilt	1.7%	
Target Healthcare REIT	Tilt	1.0%	
Standard Life Investment Property Income	Tilt	0.8%	
FIXED INCOME			1.8%
Franklin Templeton Global Total Return Fund	Tilt	1.8%	
OTHER			9.4%
Greencoat UK Wind	Tilt	3.0%	
SQN Asset Finance Income Fund C Shares	Tilt	1.8%	
GCP Asset Backed Income Fund	Tilt	1.4%	
3i Infrastructure Plc	Tilt	1.1%	
John Laing Environmental Assets Group	Tilt	1.0%	
Greencoat Renewables	Tilt	1.0%	
CASH			8.4%
BlackRock Institutional USD Liquidity Fund / Cash	Core	5.0%	
	Tilt/Tactical	3.4%	
TOTAL			100.0%

CHANGES IN ASSET ALLOCATION BY STRATEGY



**EQUITY COMPONENT <sup>3</sup>**

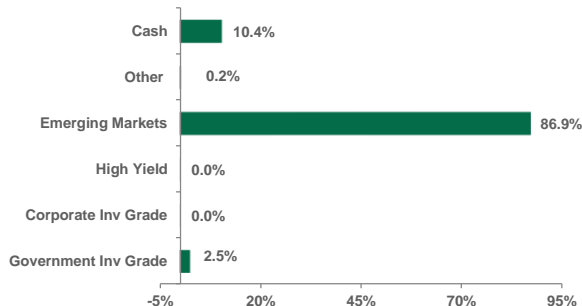
TOP TEN UNDERLYING HOLDINGS	
Microsoft	1.9%
Alphabet	1.5%
Comcast	1.3%
American Express	1.2%
UnitedHealth Group	0.9%
Charter Communications	0.9%
Airbus	0.9%
Reckitt Benckiser	0.9%
Baidu	0.8%
Naspers	0.8%
TOTAL	
	11.1%

COUNTRY ALLOCATION	
USA	48.1%
Europe ex-UK	15.2%
UK	7.8%
Emerging Markets	16.1%
Pacific ex-Japan	2.6%
Japan	4.8%
Canada	2.2%
Cash	3.2%
TOTAL	
	100.0%

SECTOR ALLOCATION	
Information Technology	17.8%
Financials	16.8%
Health Care	14.6%
Consumer Discretionary	14.3%
Industrials	9.7%
Consumer Staples	9.5%
Energy	4.5%
Materials	4.0%
Real Estate	2.0%
Telecommunication Services	1.9%
Utilities	1.7%
Cash	3.2%
TOTAL	
	100.0%

**FIXED INCOME COMPONENT <sup>3</sup>**

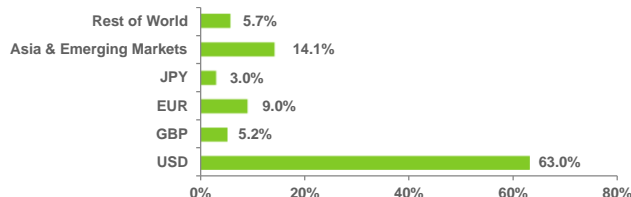
CATEGORY ALLOCATION



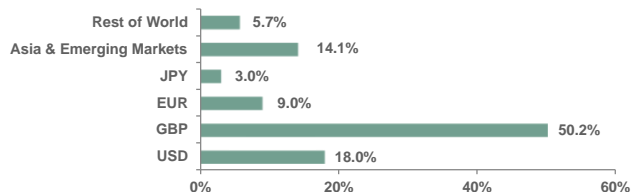
YIELD	
Yield To Maturity	11.0%
Average Weighted Maturity (in years)	3.3
Average Modified Duration (in years)	-0.7

**CURRENCY EXPOSURE <sup>3</sup>**

USD SHARE CLASS



GBP SHARE CLASS <sup>4</sup>



<sup>3</sup> Source: Underlying managers. Data point 31 May 2018  
 Data point for underlying fund information on a look-through basis is one month in arrears.  
<sup>4</sup> For the sterling Hedged share class a 45% hedge to sterling is applied

## INVESTMENT MANAGER COMMENTARY

## MARKET COMMENTARY

Nedgroup Investments (IOM) Ltd  
Investment Manager and Distributor

Despite the fact that global forecasts for GDP and corporate earnings remain robust, investors became more risk averse in June. The main talking point continued to be the deterioration in trade relations between the US and most other countries, with President Trump upping the ante on all fronts. The first tariffs, on US\$50bn worth of Chinese exports to the US, will be enacted on the 6th July, and Trump has threatened to extend protectionism to exports from other countries, such as the EU. In response, the EU has said it will retaliate by enforcing tariffs on US exports to Europe, such as Harley Davidson motor bikes and Jack Daniels whiskey. More recently, Trump stated he would escalate the spat further by extending levies on an additional US\$400bn of Chinese exports to the US, along with other measures targeting non-US auto exports worth up to US\$360bn. Naturally, all these threats and counter-threats did little for investor confidence, causing volatility to rise and economically sensitive assets to sell off.

Central banks also made the headlines, with growing policy divergence contributing to uncertainty. Whilst the Federal Reserve raised interest rates and sounded a little more hawkish than in previous speeches, Mario Draghi and the European Central Bank responded to worries about Italy and signs of a slowdown in the EU economy by leaving policy unchanged and generally making dovish statements.

In Europe, the financial markets remained wary about the future plans of the new Five Star / Lega coalition government, whilst the Brexit talks continued to give all the appearance of being a complete shambles on the part of the UK government. With the Government, Parliament and whole country hopelessly split down the middle regarding the best course of action, it appears that the Prime Minister is unable to determine what kind of a future relationship she wants with the EU. As the clock ticks, business and consumer confidence is waning, undermining both the pound and the UK economic outlook.

Over June, the MSCI AC World Index gave up -0.5% in US dollar terms. With Trump fuelling trade tensions, Emerging Markets (-4.2%) and Asia ex Japan (-4.8%) were under severe pressure, whilst developed markets, such as the US (+0.6%), Europe ex-UK (-0.6%) and the UK (-1.0%) generally held up better. Increased risk aversion also meant economically sensitive sectors tended to underperform stable earners, with Financials (-2.3%), Industrials (-2.8%) and Materials (-1.8%) all struggling, whilst Consumer Staples (+2.2%), Utilities (+1.4%) and Healthcare (+1.2%) all rose. In terms of style, Growth (-0.3%) did marginally better than Value (-0.7%), whilst Small Caps (-0.9%) underperformed Large Caps (-0.5%).

Performance across fixed income markets was mixed, with high quality sovereign bonds benefiting from their safe haven status, whilst riskier segments generally declined in value. Against this background, the JP Morgan Global Government Bond Index rose +0.3%, whilst the Merrill Lynch Global Corporate Investment Grade Bond Index lost -0.3%, the Merrill Lynch Global High Yield index lost -0.1%, and the JP Morgan Emerging Market Bond Index slipped -1.0% (all returns in hedged to US dollar terms).

Along with most other risk assets, commodities were also under pressure, with the Bloomberg Commodities Index falling -3.5%, although there was significant dispersion across the various sectors. Crude Oil (+8.8%) advanced strongly on an improving outlook for demand and supply, whilst Agriculture (-10.5%), Industrial Metals (-4.8%) and Gold (-3.6%) were all quite weak.

The better relative performance of the US economy, along with expectations of further increases in US interest rates, saw capital flowing back towards the dollar, which rose against most of the currencies we monitor. The moves were particularly notable against some of the weaker emerging market currencies, such as the Brazilian real (-3.5% versus the dollar), the Chinese yuan (-3.3%) and the South African rand (-8.5%).

(Notes: All monthly data is quoted in US dollar terms unless otherwise stated).

## PORTFOLIO COMMENTARY

The Nedgroup Investments Growth MultiFund was flat (0.0%) in June.

Within equities, the best performing active funds were Morgan Stanley Global Brands (+3.4%), Nedgroup Global Equity (+2.4%) and TOBAM Anti-Benchmark World Equity (+1.8%). The strong performance of Morgan Stanley and TOBAM was the result of their more defensive stance, as stable earners outperformed cyclicals, whilst Nedgroup Global Equity was helped by its exposure to the healthcare sector and some very strong stock specific gains. At the other end of the spectrum, Coronation Global Emerging Markets (-2.4%) lost value as Emerging Markets struggled on the back of a stronger dollar and Trump's trade tariff threats.

In other asset classes, Nedgroup Global Property Fund (+0.7%) outpaced the broader equity markets, whilst UK commercial property was also helpful in aggregate as F&C Commercial Property Trust (+4.6%) rose strongly and Standard Life Property Income Trust (-1.2%), Impact Healthcare (-0.5%) and Target Healthcare (+0.5%) broadly offset each other. Infrastructure performed very well as Greencoat Renewables (+4.5%), Greencoat UK Wind (+3.5%) and John Laing Environmental Assets (+3.8%) all benefitted from rising electricity prices. Finally, the allocation to asset-backed finance was also positive, with both GCP Asset Backed Income (+1.0%) and SQN Asset Finance Income Fund C-Shares (+0.2%) both making gains over on the month.

In terms of portfolio activity, there were no material strategy changes made over the month.

Note: All returns are quoted in US dollars.

### Investment Manager and Distributor

Nedgroup Investments (IOM) Limited (reg no 57917C) the Investment Manager and Distributor of the Fund is licensed by the Isle of Man Financial Services Authority.

### The Depository

Citi Depository Services Ireland DAC  
1 North Wall Quay, Dublin 1, Ireland.

### Performance

Funds are generally medium to long-term investments. The value of your investment may go down as well as up. International investments may be subject to currency fluctuations due to exchange rate movements. Past performance is not necessarily a guide to future performance. Nedgroup Investments does not guarantee the performance of your investment and even if forecasts about the expected future performance are included you will carry the investment and market risk, which includes the possibility of losing capital.

### Pricing

The Sub-Funds of Nedgroup Investments MultiFunds are valued using the prices of underlying funds prevailing at 11pm Irish time the business day before the price date. Prices are published on the Nedgroup Investments website.

### Fees

Fees are outlined in the relevant Sub-Fund Supplement available from the Nedgroup Investments website.

### Nedgroup Investments MultiFunds Plc (the Fund) – disclaimer

Nedgroup Investments MultiFunds Plc (the Fund) is authorised and regulated in Ireland by the Central Bank of Ireland. The Fund is authorised as a UCITS pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (S.I. No. 352 of 2011) as amended from time-to-time.

This document is not intended for distribution to any person or entity who is a citizen or resident of any country or other jurisdiction where such distribution, publication, or use would be contrary to law or regulation.

The Fund and certain of its Sub-Funds are recognised in accordance with Section 264 of the Financial Services and Markets Act 2000. UK investors should read the Appendix for UK Investors in conjunction with the Fund's Prospectus which are available from the Investment Manager or facilities agent. [www.nedgroupinvestments.com](http://www.nedgroupinvestments.com)

Singapore investors should read the Appendix for Singapore Investors in conjunction with the Fund's Prospectus and Key Investor Information Document (KIID) which are available from the Investment Manager. [www.nedgroupinvestments.com](http://www.nedgroupinvestments.com)

The Fund has been recognised under paragraph 1 of Schedule 4 to the Collective Investment Schemes Act 2008 of the Isle of Man. Isle of Man investors are not protected by statutory compensation arrangements in respect of the Fund.

The Prospectus of the Fund, the Supplements of its Sub-Funds and the KIIDs are available from the Investment Manager and Distributor or from its website [www.nedgroupinvestments.com](http://www.nedgroupinvestments.com)

The value of shares can fall as well as rise. Investors may not get back the value of their original investment.

This document is of a general nature and intended for information purposes only. Whilst we have taken all reasonable steps to ensure that the information in this document is accurate and current on an ongoing basis, Nedgroup Investments shall accept no responsibility or liability for any inaccuracies, errors or omissions relating to the information and topics covered in this document. Changes in exchange rates may have an adverse effect on the value price or income of the product.

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