



INTERNATIONAL RANGE

RISK RATING



Equity and property investments are volatile by nature and subject to potential 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 over 3 to 5 years

PEER GROUP: Morningstar Global Bonds

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 3 - 5 years

MARKET VALUE: £42.6m

CURRENCIES AVAILABLE AND PRICES:

GBP Class A: £8.7719

USD Class A: \$10.1865

Value and prices as at 31 December 2018

INCEPTION DATE: 23 August 2012

MINIMUM INVESTMENTS:

Class A: £1,000 / \$1,500

FEES AND CHARGES (VAT incl)*

Management fee Class A: 1.25% p.a

ON-GOING CHARGES (as at 31 Dec 2018)²

Class A: 2%

DIVIDEND DATES:

End March, June, September and December

DISTRIBUTION YIELD:

GBP Class A: 4.55%

Based on last four quarterly distributions as a percentage of current share price. Last dividend 1 Nov 2018

DEALING: Daily

NOTICE PERIODS:

Subscriptions: Noon T-1

Redemptions: Noon T-1

SETTLEMENT PERIODS:

Subscriptions: T+2

Redemptions: T+3

ISIN / SEDOL:

Class A Dist GBP: IE00B5NHP748 / B5NHP74

Class A Dist USD: IE00B4TCZL03 / B4TCZL0

FUND OBJECTIVE

The Income MultiFund aims to provide a low risk, low volatility investment option over the medium to longer-term.

It is anticipated that the Income MultiFund will achieve a return in excess of 3-month LIBID in the currency of the relevant share class over a rolling 3 to 5 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 multi-layered process to facilitate disciplined decision-making and risk management.

The Income MultiFund is suitable for clients with an investment time horizon of 3 to 5 years. Investing in the fund involves a risk to capital in order to achieve the desired return.

FUND PERFORMANCE ¹

PERIOD	GBP	GBP PEER GROUP	3 MONTH GBP LIBID	USD	USD PEER GROUP	3 MONTH USD LIBID
	%	%	%	%	%	%
3 Months	-1.1%	0.1%	0.2%	n/a	n/a	n/a
6 Months	-0.7%	-0.2%	0.3%	n/a	n/a	n/a
1 Year	-1.8%	-1.9%	0.5%	n/a	n/a	n/a
3 Year Ann	1.7%	1.5%	0.4%	n/a	n/a	n/a
5 Year Ann	1.3%	2.0%	0.4%	n/a	n/a	n/a
2018	-1.8%	-1.9%	0.5%	n/a	n/a	n/a
2017	2.2%	1.6%	0.2%	n/a	n/a	n/a
2016	4.9%	4.8%	0.4%	n/a	n/a	n/a
2015	-0.7%	-0.2%	0.5%	n/a	n/a	n/a
2014	2.4%	5.6%	0.4%	n/a	n/a	n/a
2013	2.6%	-2.3%	0.4%	n/a	n/a	n/a
Lowest 1 yr return	-3.6%					
Highest 1 yr return	7.0%					
Since inception *	2.0%	1.3%	0.4%	n/a	n/a	n/a

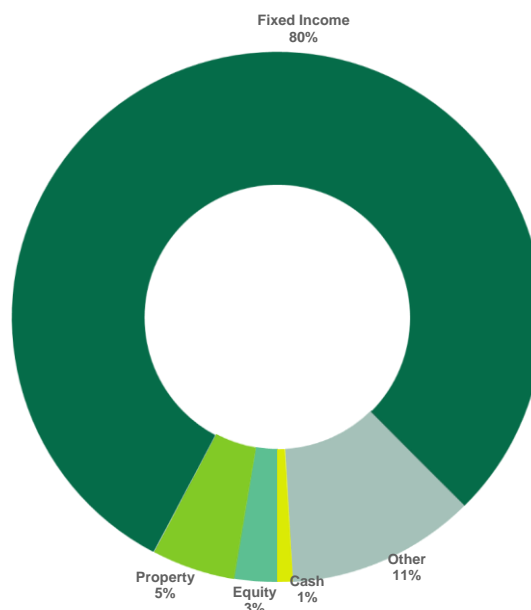
Class A performance net of fees and assuming reinvestment of dividends. * Since inception annualised.

GBP Peer Group is Morningstar Global Bonds – GBP Hedged. USD Peer Group is Morningstar Global Bonds – USD Hedged.

RISK MEASURE

SINCE FUND INCEPTION	FUND GBP	FUND USD
Annualised Volatility	2.4%	n/a
Sharpe Ratio (annualised)	0.66	n/a
Lowest Monthly Return	-1.7%	n/a

PORTFOLIO STRUCTURE



CONTACT US

Tel +44 (0) 1624 645150

Fax +44 (0) 1624 670630

Website www.nedgroupinvestments.com

Email helpdesk@nedgroupinvestments.com

MINIMUM DISCLOSURE DOCUMENT

Please note: Differences may exist due to rounding

* Class A includes a trail fee of 0.60%
Class B includes a trail fee of 0.40%

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.

NEDGROUP INVESTMENTS INCOME MULTIFUND - DISTRIBUTING

December 2018

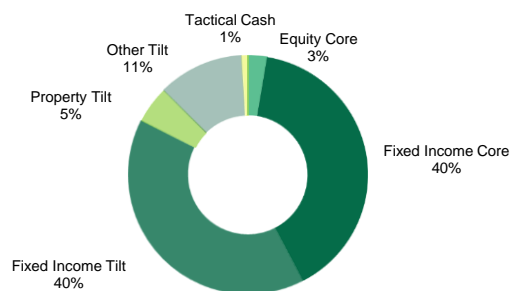


TOTAL PORTFOLIO ANALYSIS

FULL PORTFOLIO LISTING

EQUITY INCOME			2.6%
iShares UK FTSE Dividend Plus Fund	Core		2.6%
EQUITY PROPERTY			5.1%
Target Healthcare REIT	Tilt		2.3%
F&C Commercial Property Trust	Tilt		1.8%
Impact Healthcare REIT	Tilt		1.0%
FIXED INCOME			79.8%
Muzinich Short Duration High Yield	Tilt		16.6%
AXA US Short Duration High Yield	Tilt		15.4%
Vanguard US Government Bond Index Fund	Core		15.2%
PIMCO Global IG Credit	Core		12.4%
Wellington Global Credit Plus	Core		12.1%
Franklin Templeton Global Total Return	Tilt		8.0%
OTHER			11.6%
Greencoat UK Wind	Tilt		3.0%
John Laing Environmental Assets Group	Tilt		2.5%
SQN Asset Finance Income Fund C Shares	Tilt		2.1%
GCP Asset Backed Income Fund	Tilt		1.5%
Greencoat Renewables	Tilt		1.4%
3i Infrastructure Plc	Tilt		1.0%
CASH			0.9%
Cash	Tilt/Tactical		0.9%
TOTAL			100.0%

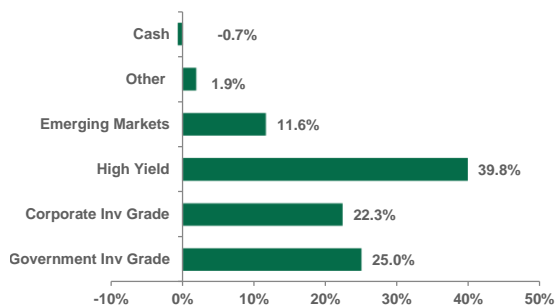
CHANGES IN ASSET ALLOCATION BY STRATEGY



FIXED INCOME COMPONENT ³

CREDIT RATING		
AAA		26.8%
AA		3.8%
A		10.4%
BBB		15.1%
< BBB		43.8%
TOTAL		100.0%
MATURITY		
< 3 year		30.9%
3-5 years		37.9%
5-10 years		22.9%
> 10 years		8.3%
TOTAL		100.0%

SECTOR ALLOCATION



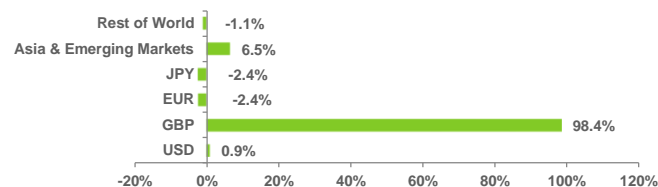
PORTFOLIO YIELD	
Effective Yield	4.5%
Average Weighted Maturity (in years)	5.6
Average Modified Duration (in years)	3.1

REGIONAL ALLOCATION ³

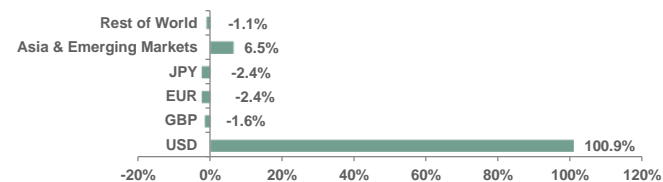
USA	61.7%
UK	22.8%
Europe ex UK	4.2%
Emerging Markets	9.3%
Rest of the World	1.6%
Asia Pacific ex Japan	0.4%
Japan	0.0%
TOTAL	100.0%

CURRENCY EXPOSURE ³

GBP SHARE CLASS



USD SHARE CLASS



³ Source: Underlying managers. Data point 30 November 2018 (including portfolio cash). Data point for underlying fund information on a look-through basis is one month in arrears.

INVESTMENT MANAGER COMMENTARY

MARKET COMMENTARY

Nedgroup Investments (IOM) Ltd
Investment Manager and Distributor

Anyone hoping for a quiet end to the year had their hopes dashed in spectacular fashion as volatility exploded in the latter stages of December, and safe havens materially outperformed riskier assets. One catalyst for this turn of events was the partial US government shut down caused by a stand-off between Trump and the US Senate over funding for his beloved southern border wall. Other factors that weighed on markets included clearer signs of slowing global economic growth and Trump's increasingly erratic behaviour, which was exemplified by his sudden announcement of the withdrawal of US troops from Syria. This led to the protest resignation of US Defense Secretary Mattis, who was said by many to be the last "grown-up" left in the Trump administration. Without restraining influences, and faced with a Democratic majority in the Senate, it remains to be seen how Trump reacts in 2019. The market impact of these negative events was amplified as they corresponded precisely with the Christmas lull in market liquidity.

Fixed income markets outperformed equities as investors scrambled for safe havens. Government bonds were the best performers, as credit spreads widened over the period. As such, the JP Morgan Global Government Bond Index rose +1.6%, whilst the shift lower in yields also helped the Merrill Lynch Global Corporate Investment Grade Index gain +1.0%. Results were more mixed in other fixed income sectors, as the Merrill Lynch Global High Yield Index turned in a disappointing -1.4%, whilst the JP Morgan Emerging Market Bond Index delivered +1.5% (all hedged to sterling).

It was a pretty grim month for global equities, which fell -7.0% when measured using the MSCI AC World Index in US dollars. All markets were under pressure, but the most resilient were Asia ex Japan (-2.6%), Global Emerging Markets (-2.6%) and the UK (-3.7%), whilst the US (-9.0%) was the biggest faller. At the sector level, stable earners tended to outperform cyclical, with Utilities (-1.9%), Communication Services (-5.9%) and Consumer Staples (-6.0%) beating the market, whilst Energy (-8.9%), Industrials (-7.9%), Financials (-7.9%) and Information Technology (-7.6%) underperformed. Viewed from a style perspective, there was little to choose between Value (-7.1%) and Growth (-6.9%), whilst Larger Companies (-7.0%) held up marginally better than Smaller Companies (-8.4%).

Whilst currency markets were relatively quiet over the month, they also reflected investors' preference for safe havens, with the Japanese yen and Swiss franc gaining +3.4% and +1.7% respectively against the pound. In other areas, the dollar was flat versus the pound, and the euro advanced by +1.2%. Finally, Emerging Market and commodity related currencies had mixed fortunes against the pound, with weakness in the Australian dollar (-3.8%), Canadian dollar (-2.7%) and South African rand (-3.6%) counterbalanced by strength in the Mexican peso (+3.8%) and Chinese yuan (+1.2%).

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

PORTFOLIO COMMENTARY

The Nedgroup Investments Income MultiFund decreased in value by -0.3% in December.

Within fixed income, the portfolio's bias towards corporate credit proved a headwind in the risk-off environment, as corporate credit (especially sub-investment grade) underperformed. US government bonds, held via the Vanguard US Government Bond Index (+1.9%), was the best performer within the portfolio as the flight to safety caused a decline in general bond yields. The higher quality investment grade credit funds, Wellington Global Credit Plus (+1.2%) and PIMCO Global Investment Grade Credit (+0.6%) also generated positive returns, as they too benefited from the shift in yield curves. Elsewhere, Franklin Templeton Global Total Return (-0.7%), Muzinich Short Duration High Yield (-1.3%) and AXA US Short Duration High Yield (-1.1%) all lost ground as risk assets underperformed safe havens.

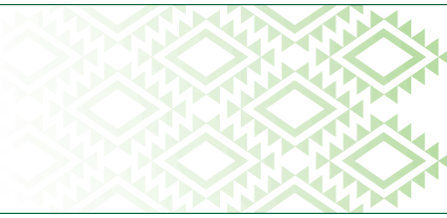
In other asset classes, falling UK equity markets meant the small exposure to high dividend paying stocks through the iShares UK Dividend Fund (-5.1%) detracted value, whilst UK commercial property exposure was more mixed. Whilst the more conventional commercial property holding, F&C Commercial Property Trust (-7.5%), retrenched on Brexit concerns, the less cyclical UK care home exposures, Impact Healthcare (+0.0%) and Target Healthcare (+0.0%), were both flat. Infrastructure also saw some divergence in performance, with 3i Infrastructure (+0.6%) and Greencoat Renewables (+0.5%) both higher, whilst Greencoat UK Wind (-2.3%) and John Laing Environmental Assets (-0.5%) were marginally down. Finally, the two asset-backed finance investments also succumbed to market pressures, with SQN Asset Finance Income Fund C-Shares returning -2.2% and GCP Asset Backed Income -0.5%.

In terms of portfolio activity, we sold our holding in Kames Short Dated High Yield Global Bond Fund after Kames announced that several senior portfolio managers had left the firm, including David Ennett the Head of High Yield. Whilst the fund had performed well, the loss of

NEDGROUP INVESTMENTS INCOME MULTIFUND

December 2018

International Range



the lead manager and the fact that this was the second time in the last few years that Kames have lost senior portfolio managers to other companies persuaded us it was time to move on. The proceeds from the sale were split between our two US short duration high yield managers, Muzinich and AXA.

Note: All returns are quoted on a hedged to sterling basis.

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 Depositary

Citi Depositary 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

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

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

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.

Income may fluctuate in accordance with market conditions and taxation arrangements.

Changes in exchange rates may have an adverse effect on the value price or income of the product.

Nedgroup Investments International contact details

Tel: +44 (0)1624 645150

Tel: 0800 999 160 (toll free from South Africa only)

Fax: +44(0) 1624 670630

Email: helpdesk@nedgroupinvestments.com

Website: www.nedgroupinvestments.com

Address: First Floor, St Mary's Court, 20 Hill Street, Douglas, Isle of Man IM1 1EU, British Isles