



WAVERTON
INVESTMENT MANAGEMENT

WAVERTON GLOBAL STRATEGIC BOND FUND A USD

FUND FACTSHEET - AS AT 30 NOVEMBER 2018

OBJECTIVES

FUND AIM

To achieve capital growth and income through investment in UK and international government and corporate bonds. The Fund's performance benchmark is US Cash Indices LIBOR Total Return 1 month.

INVESTMENT STYLE

The Fund has a highly flexible approach to duration, credit and currency. Fund duration can be reduced to a minimum of -3. In addition the Fund can take short currency positions up to a combined maximum of 20%. Investment decisions are fundamentally driven using a combination of quantitative analysis with qualitative judgement calls. Derivative instruments are also utilised to manage risk.

PERFORMANCE

ROLLING PERFORMANCE



Risk Warning: Past performance is no guide to future performance. The value of holdings may fall as well as rise and investors may not get back their initial investment.

Important information: Performance displayed is for the A Share Class. Performance is calculated on a NAV to NAV basis and does not take into account any initial fees.

Performance is displayed net of fees and assumes income is reinvested.

Period	1 Month	3 Months	YTD	1 Year	3 Years	5 Years	Inception Jan 10
Portfolio (%)	-1.2	-1.9	-4.6	-4.6	3.7	5.7	18.7
Benchmark (%)	0.2	0.6	1.8	1.9	3.4	3.7	4.7
Peer Group (%)	-0.1	-2.3	-5.6	-5.2	4.4	-4.9	5.0
Quartile	4	2	2	2	3	1	1

DISCRETE CALENDAR YEAR PERFORMANCE

Period	2017	2016	2015	2014	2013
Fund (%)	7.2	1.5	0.6	0.8	1.3
Benchmark (%)	1.1	0.5	0.2	0.2	0.2

STANDARDISED PERFORMANCE

Period 1 year to	30/11/2018	30/11/2017	30/11/2016	30/11/2015	30/11/2014
Fund (%)	-4.6	7.8	0.8	0.3	1.5

PORTFOLIO SUMMARY

CREDIT QUALITY		SECTOR		CURRENCY		TOP 10 ISSUERS	
AAA	6.1%	Financial	59.7%	US Dollar	79.7%	Mexican Government	5.3%
AA	7.6%	Government	13.1%	Mexican Peso	5.9%	Lloyds Bank	5.2%
A	11.9%	Energy	7.3%	Indian Rupee	4.8%	Barclays Bank	4.5%
BBB	29.4%	Utilities	4.7%	Swedish Krona	4.7%	Royal Bank of Canada	3.8%
BB	18.8%	Consumer, Non-cyclical	3.7%	Norwegian Krone	4.5%	Phoenix Group	3.3%
B	4.9%	Consumer, Cyclical	2.9%	British Pound	0.9%	Pershing Square	3.0%
CCC	0.0%	Communications	2.6%	Brazilian Real	0.8%	Royal Bank of Scotland	2.8%
NR	18.0%	Industrial	2.0%	Indonesian Rupiah	0.5%	HSBC	2.7%
Cash	3.2%	Basic Materials	0.8%	Japanese Yen	0.1%	AIG	2.5%
Total	100.0%	Cash	3.2%	Euro	-1.9%	Burford Capital	2.2%
		Total	100.0%	Total	100.0%	Total	35.3%

COMMENTARY

During November the fund (Class A USD) fell 1.19% while the benchmark (JPM 1 month USD Cash) rose 0.19% and the JPM Broad Global Bond Index rose 0.54%.

It was a poor month for the fund largely due to the 'risk-off' tone in financial markets. Whilst none of our names have suffered from a specific credit issue the general widening of spreads led to some slight underperformance of Government bonds. We saw most spread widening in the High Yield sector (11% NAV) and the Legacy Bank Capital (21% NAV). Despite this widening of spreads we remain confident in our names and at these lower prices we think the return prospects look attractive. The portfolio now has a gross yield to redemption of 5.7%, the highest since we launched in 2010, but still maintaining an average credit quality of BBB.

There was a lot of volatility towards the end of the month with Chairmen Powell of the Federal Reserve suggesting that interest rate policy might be softening but also with trade talks between the US and China and Brexit negotiations coming to a head. We expect this volatility to continue.

Perhaps surprisingly our exposure to Emerging Markets was a positive (up 1.9% over the month) as we saw recoveries in the Indian and Indonesian Rupees (+6.3%).

FUND MANAGER



Jeff Keen

ANALYST



James Carter

FUND DETAILS

FUND FACTS

Launch Date	11th January 2010
Morningstar Category	Global Flexible Bond
Benchmark	JPM Cash 1 Month
Fund Size	\$104.5m
No. of Holdings	72
Domicile	Ireland
Sedol	B4T0912
Bloomberg Code	WVGBDAU ID
Fund Type	OEIC
Base Currency	USD
Other Currencies	GBP, EUR
Ex Dividend Dates	Jan 31st, Apr 30th, Jul 31st and Oct 31st

RISK STATISTICS

Fund Volatility 3Y (%)	3.8
Duration	4.3
Sharpe Ratio 3Y	0.0
Running Yield (%)	5.2
Yield to Maturity (%)	5.7

FUND INFORMATION

Share class	ISIN	Minimum investment	AMC	INC/ACC	NAV	Historic yield (%)	Ongoing charge (%)
A USD *	IE00B4T09128	2,500 USD	0.50%	INC	7.885	5.16%	0.71%
A GBP *	IE00B4V37489	1,500 GBP	0.50%	INC	7.539	5.21%	0.71%
I USD	IE00B6Y98M27	2,500 USD	0.75%	INC	8.554	5.14%	0.96%
I EUR ACC	IE00BQ1KPV61	1,500 EUR	0.75%	ACC	9.602	0.00%	0.95%

*Performance fee for A Class only. 10% on outperformance of benchmark with high watermark. Any underperformance is carried forward.

CONTACT DETAILS

MARKETING CONTACT

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Risk Warning: Past performance is no guide to future performance. The value of holdings may fall as well as rise. All financial investments involve an element of risk. The level of income from the investment may fluctuate in value. Currency movements may also affect the value of the investment. If the currency in which the past performance is displayed differs from the currency of the country in which you reside, then you should be aware that due to exchange rate fluctuations the performance shown may increase or decrease if converted into your local currency.

For full details of investment risks please refer to the Prospectus. *Performance fee for A Classes only. 10% on outperformance of benchmark with high watermark. Any underperformance carried forward. A copy of the full prospectus and the KIID is available from Waverton Investment Management or Administrator, RBC Investor Services (Ireland).

Peer Group consists of the following Morningstar Categories: Global Bond; Global Bond – USD/CHF/EUR/GBP biased.

Sources: Waverton, Morningstar, Bloomberg Composite Ratings.

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