



WAVERTON
INVESTMENT MANAGEMENT

WAVERTON MULTI-ASSET INCOME FUND P GBP



OBJECTIVES

FUND AIM

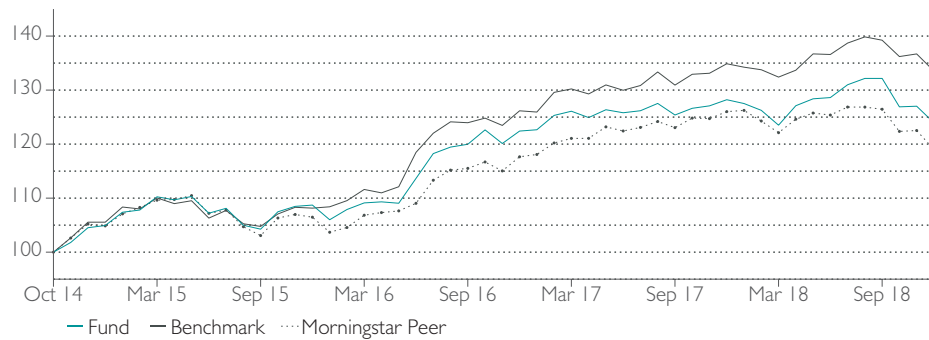
The investment objective of the Waverton Multi-Asset Income Fund is to provide holders with a reasonable level of income and maintain the real value of the capital over the medium to long term. The yield of the Fund may alter as interest rate and market conditions change.

INVESTMENT STYLE

The Fund has a multi-asset structure and invests in a diversified portfolio of equities, government and corporate bonds mainly through third party funds but also with some direct holdings. The Fund will maintain a relatively concentrated portfolio with a high degree of flexibility.

PERFORMANCE

PERFORMANCE SINCE INCEPTION



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 P 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. The Waverton Cautious Index is a composite benchmark of 45% MSCI AC World Index TR, 17.5% Iboxx Sterling Gilts Index, 17.5% Iboxx Sterling Corporates Index, 20% GBP 1 month LIBOR.

Period	1 Month	3 Months	1 Year	3 Years	Inception Oct 14
Portfolio (%)	-2.4	-6.2	-3.3	14.0	23.9
Benchmark (%)	-2.3	-4.1	-1.0	23.5	33.5
Average Peer Group (%)	-2.8	-5.7	-5.1	12.5	20.2
Quartile	2	3	1	2	2

DISCRETE CALENDAR YEAR PERFORMANCE

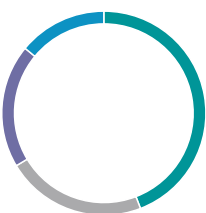
Period	2018	2017	2016	2015
Fund (%)	-3.3	4.7	12.6	3.6
Benchmark (%)	-1.0	6.9	16.7	2.5

STANDARDISED PERFORMANCE

Period 1 year to	31/12/2018	31/12/2017	31/12/2016
Fund (%)	-3.3	4.7	12.6

PORTFOLIO SUMMARY

ASSET ALLOCATION



Asset	%	Projected Yield (%)
Equities	44.3%	1.3%
Fixed Income	22.2%	0.9%
Alternatives	19.5%	1.0%
Cash	13.9%	0.0%
Total	100.0%	3.2%

TOP 10 HOLDINGS

Waverton Sterling Bond Fund 'A' Inc £	4.5%
US Treasury 2.25% 15/11/2027 \$100/\$100	4.0%
Channel Islands Property	3.6%
Morant Wright Nippon Yield Fund 'B' £ Inc	3.4%
iShares MSCI Far East ex Japan Fund £ UCITS ETF	3.3%
UBS ETF MSCI USA Value (USD) A Inc	3.3%
iShares Core S&P 500 UCITS ETF	3.3%
RWC Global Emerging Markets B £	2.6%
AT&T Inc Com US\$1.00	2.6%
Invesco Physical Markets Secured Gold Linked Notes US\$	2.5%
Total	33.3%

COMMENTARY

December capped off a tricky twelve months for multi-asset investors, with few places to hide during the year. The S&P 500 had fallen 12% in December by Christmas Day, while US Investment Grade and High Yield credit spreads widened to 1.6% and 5% respectively. US Treasuries did provide some respite to the weakness, performing their traditional role in hedging systematic risk and benefitting the fund, further vindicating our decision to add to duration earlier in the year while yields were above 3% (c.2.7% at the time of writing, having reached 2.6% at the end of December). The global equity market (represented by the MSCI AC World Index) was down -7% in December; encouragingly, the fund again protected investors' capital during this volatile period and returned -2.4%.

We were positioned defensively in December given a bearish read on markets and a belief that the sell-off was not yet done. December is a funny month for markets for a number of technical reasons and we were concerned that any further market weakness could be compounded by lower trade volumes as money managers went away for the holidays and stepped away from their portfolios. We carried an average of 43% in equity to reflect our concerns which, coupled with a tilt towards defensive equities, led our equity allocation to outperform the World Index. Our Alternatives holdings were positive contributors to the fund in December, while both our government and corporate bonds were positive contributors in our fixed income allocation. We would have liked to have provided a positive return to investors, but an allocation of any size in equity risk would have made this difficult to achieve.

We come into 2019 with a similar equity weight, but continue to watch for incrementally positive economic and policy surprise. Our sense is that strategists and market participants have become bears of the global economy and, by extension, the equity market. There are undoubtedly concerns – tight liquidity, dollar strength, weaker economic survey data, slowing growth and sustained geopolitical risk to name a few – however, much of this is likely priced already, and there is plenty of scope for both economic and policy news to surprise to the upside.

2018 was a tricky year for investors, and we are pleased to have finished in the top quartile (12th percentile). We want to take this opportunity to thank our investors and to reiterate that we continue to focus on maximising risk-adjusted returns and paying a consistent and sustainable dividend. We are looking forward to 2019 and the opportunities it may present.

FUND DETAILS

FUND FACTS

Launch Date	16th October 2014
Morningstar Sector	GBP Moderate Allocation
Benchmark	Waverton Cautious Index*
Fund Size	£42.0m
No. of Holdings	54
Domicile	Ireland
Sedol	BQ1KPQ1
Bloomberg Code	WAVCIPG ID
Fund Type	OEIC
Base Currency	GBP
Other Currencies	None
Ex Dividend Dates	Jan 31st, Apr 30th, Jul 31st and Oct 31st

*Waverton Cautious Index: 45% MSCI AC World Index, 17.5% Iboxx Sterling Gilts Index, 17.5% Iboxx Sterling Corporate Index, 20% GBP LIBOR 1 Month

FUND INFORMATION

Share class	ISIN	Minimum investment	AMC	INC/ACC	NAV	Historic yield (%)	Ongoing charge (%)
B GBP	IE00BQ1KPP02	1,500 GBP	0.75%	INC	10.28	4.28%	1.23%
P GBP	IE00BQ1KPQ19	1,500 GBP	0.40%	INC	10.5	4.27%	0.88%

Note: The Cautious Income Fund P share class is only available through Financial Advisors

CONTACT DETAILS

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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. Clients should note that yields on investments may fall or rise dependent on the performance of the underlying investment and more specifically the performance of financial markets. As such, no warranty can be given that the expressed yields will consistently attain such levels over any given period. 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. A copy of the full prospectus and the KIID is available from Waverton Investment Management or Administrator, RBC Investor Services (Ireland).

Sources: Waverton, Morningstar.

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FUND MANAGER



James Mee

FUND MANAGER



Luke Hyde-Smith

RISK PROFILE

