



WAVERTON
INVESTMENT MANAGEMENT

WAVERTON STERLING BOND FUND A GBP

FUND FACTSHEET - AS AT 31 MARCH 2018

OBJECTIVES

FUND AIM

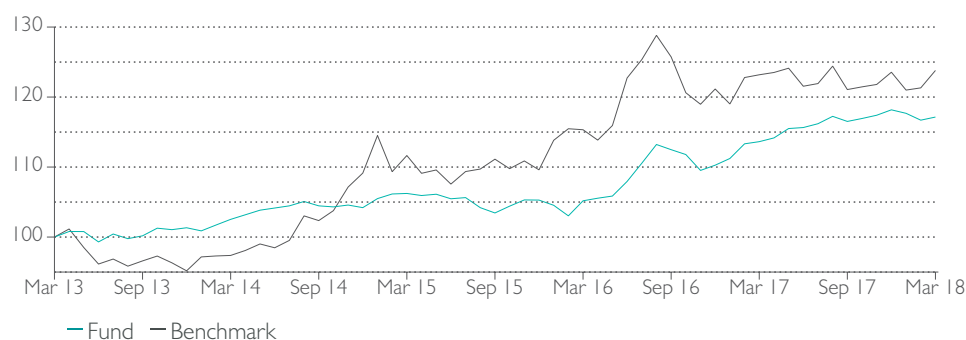
The investment objective of the Waverton Sterling Bond Fund is to achieve capital growth and income through investment in UK and international government and corporate bonds.

INVESTMENT STYLE

The Fund uses some degree of flexibility in its allocation to duration, credit and currency in order to achieve its investment objectives. 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 (%)	0.4	-0.9	-0.9	3.1	10.3	17.1	39.5
Benchmark (%)	2.1	0.2	0.2	0.5	10.9	23.8	60.5
Peer Group (%)	0.6	-0.9	-0.9	1.2	9.8	24.0	60.9
Quartile	2	2	2	1	2	4	4

DISCRETE CALENDAR YEAR PERFORMANCE

Period	2017	2016	2015	2014	2013
Fund (%)	7.2	4.7	1.0	2.8	3.6
Benchmark (%)	2.0	10.1	0.6	13.9	-3.9

STANDARDISED PERFORMANCE

Period 1 year to	31/03/2018	31/03/2017	31/03/2016	31/03/2015	31/03/2014
Fund (%)	3.1	8.0	-1.0	3.6	2.5

PORTFOLIO SUMMARY

CREDIT QUALITY		SECTOR		CURRENCY		TOP 10 ISSUERS	
AAA	14.2%	Financial	48.9%	British Pound	89.2%	UK Gilts	15.8%
AA	17.6%	Government	34.4%	US Dollar	5.1%	Lloyds Bank	6.2%
A	11.6%	Energy	3.2%	Mexican Peso	3.4%	US Treasury Inflation	4.7%
BBB	30.4%	Consumer, Cyclical	1.2%	Indian Rupee	1.9%	Barclays Bank	4.2%
BB	6.0%	Utilities	1.0%	Euro	0.4%	Phoenix Group	3.6%
B	0.6%	Communications	0.6%	Total	100.0%	HSBC	3.3%
NR	9.2%	Consumer, Non-cyclical	0.3%			Pershing Square	3.3%
Cash	10.4%	Cash	10.4%			Petroleos Mexicanos	3.0%
Total	100.0%	Total	100.0%			Aqua + Inv (Swiss Re)	2.8%
						Mexican Government	2.6%
						Total	49.5%

During March the Waverton Sterling Bond Fund rose 0.4%, compared with a rise of 2.0% for the Markit iBoxx Sterling Gilt Index.

There was a general rally in Government bonds worldwide in March driven by (i) a slight slowdown in economic momentum in Europe (ii) further lack of meaningful evidence of higher inflation and (iii) concerns about an escalation in global trade tensions. The Gilt market rallied quite strongly over the month as the aggregate yield fell from 1.71% to 1.55%. These yields compare with lower than expected levels for both CPI and RPI in March, though core CPI still remains well above the Bank of England 2% CPI target. As a result the Bank of England appeared to reinforce its intention to raise rates in May in its latest meeting. That is now 88% priced into Short Sterling futures contracts, according to Bloomberg.

While we continue to see the attraction of owning corporate bonds of issuers with sound balance sheets and good cashflow, it is a fact that spreads have contracted substantially over the last few years. As a result we have been reducing credit exposure in recent months. Our financials exposure has fallen below 50% and the weighted average credit rating is now A-.

The fund has provided a significant excess return over its benchmark over the last year with a much lower level of volatility.

FUND MANAGER



Jeff Keen

FUND DETAILS

FUND FACTS

Launch Date	11th January 2010
Morningstar Category	Global Flexible Bond - GBP Hedged
Benchmark	Markit iBoxx GBP Gilts TR
Fund Size	£154.3m
No. of Holdings	57
Domicile	Ireland
Sedol	B5BD4F5
Bloomberg Code	JOHBACC ID
Fund Type	OEIC
Base Currency	GBP
Other Currencies	None
Ex Dividend Dates	Jan 31st, Apr 30th, Jul 31st and Oct 31st

RISK STATISTICS

Fund Volatility 3Y (%)	3.7
Duration	6.5
Sharpe Ratio 3Y	0.8
Running Yield (%)	3.9
Yield to Maturity (%)	2.9

FUND INFORMATION

Share class	ISIN	Minimum investment	AMC	INC/ACC	NAV	Historic yield (%)	Ongoing charge (%)
A GBP	IE00B5BD4F58	1,500 GBP	0.75%	INC	9.47	4.42%	0.94%
B GBP	IE00B5BD4N33	1,500 GBP	1.00%	INC	9.15	4.42%	1.19%
P GBP	IE00BGQYPR94	1,500 GBP	0.40%	INC	9.55	4.42%	0.59%

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. 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: GBP Government / Flexible / Diversified / Corporate / Global Flexible - GBP Hedged Bonds. Sources: Waverton, Morningstar, Bloomberg Composite Ratings.

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