



WAVERTON
INVESTMENT MANAGEMENT

WAVERTON TACTICAL EQUITY FUND A GBP

FUND FACTSHEET - AS AT 31 DECEMBER 2017

OBJECTIVES

FUND AIM

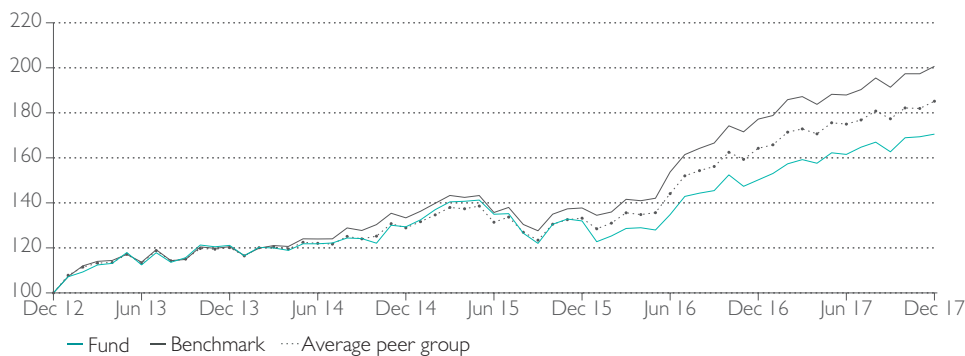
The Fund aims to achieve growth on your investment and income. The Fund may invest up to 100% of its assets indirectly in shares of companies worldwide, through investment in other funds (including, for example, exchange traded funds).

INVESTMENT STYLE

The Fund provides a diversified interest in global equity markets with a high degree of flexibility around the benchmark. It will maintain a relatively concentrated list of holdings with the focus on identifying and blending funds and vehicles which we believe can provide the best risk adjusted returns in each region.

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	1 Year	3 Years	5 Years	Inception Jan 10
Portfolio (%)	0.7	4.8	13.5	31.8	70.5	93.1
Benchmark (%)	1.8	5.1	13.8	53.5	106.7	144.4
Average Peer Group (%)	1.6	4.2	12.6	43.6	84.7	99.3
Quartile	4	2	2	4	4	3

DISCRETE CALENDAR YEAR PERFORMANCE

Period	2017	2016	2015	2014	2013
Fund (%)	13.5	13.8	2.0	6.8	21.1
Benchmark (%)	13.8	29.6	4.0	11.3	21.0

STANDARDISED PERFORMANCE

Period 1 year to	31/12/2017	31/12/2016	31/12/2015	31/12/2014	31/12/2013
Fund (%)	13.5	13.8	2.0	6.8	21.1

PORTFOLIO SUMMARY

INVESTMENT VEHICLE

Active Funds	87.6%
Passive Vehicles	7.1%
Structured Products	4.4%
Cash	0.9%
Total	100.0%

EQUITIES BY REGION

Asia Pacific (ex Japan)	23.6%
Global Equities	19.8%
Emerging Markets	13.9%
Japan	13.4%
Continental Europe	11.4%
United Kingdom	9.2%
Hedging	4.4%
North America	3.4%
Cash	0.9%
Total	100.0%

TOP 10 HOLDINGS

Hermes Asia Ex Japan Equity Fund	13.7%
Lindsell Train Japanese Equity Fund	8.8%
RWC Global Emerging Markets Fund	7.3%
Schroder European Alpha Income	6.6%
Prusik Asian Equity Income Fund Inc	6.4%
RAM Euro Equities Systematic Fund	4.8%
MI Metropolis Valuefund	4.8%
Source JPX-Nikkei 400 UCITS ETF £	4.6%
T Bailey Aptus Global Financials Fund	4.5%
Waverton Protection Strategy	4.4%
Total	65.9%

COMMENTARY

The final quarter of 2017 delivered positive equity market returns, remarkably the ninth consecutive quarter of positive returns for global equities in GBP terms. One has to look back to the third quarter of 2015 for the previous negative three month period.

The funds top performing holding over the quarter was the Ocean Dial Gateway to India fund, which rose 11.10%. The Indian equity market responded positively towards the end of 2017 to the introduction of the goods and services tax (GST) and continued economic momentum in the country. The market gain has however, driven market valuations higher, which was highlighted as the primary concern for the manager of the fund during our recent meeting.

The top performing holding, held throughout the year, was the Hermes Asia ex Japan fund which delivered 33.70%. This holding was consistently the largest position within the fund and it is positive to note both the strength in absolute terms, but also the 3.92% outperformance over the course of 2017. The fund remains the largest absolute position within Tactical equity, with significant exposure in China and Korea from a country perspective and technology and consumer discretionary from a sector standpoint.

We purchased two new closed ended funds over the quarter, the first of which, Blackrock World Mining provides diversified exposure to the sector, managed by the experienced natural resource team at Blackrock. The trust trades at a ~10% discount to NAV, offers a 3% dividend yield and a compelling means to access an undervalued sector.

The second fund, purchased towards the end of the December was the Fidelity China Special Situations investment trust, following the outright sale of the RAM systematic emerging market fund. The trust provides an excellent means to access the domestic Chinese growth story and increases direct exposure to China. The trust is predominately positioned in the domestic consumer focused names and hence would benefit from domestic consumption strength in the goods and services sectors.

We increased exposure to existing holdings Riverstone Energy, Aptus Global Financials and Driehaus US Micro Cap Equity over the quarter, all of which continue to appear very attractive at this juncture. We remain optimistic for the outlook for equity markets particularly within Europe, Japan and Asia.

FUND MANAGER



John Bellamy

FUND MANAGER



Steve Iffland

FUND DETAILS

FUND FACTS

Launch Date	11th January 2010
Morningstar Sector	Global Large-Cap Blend Equity
Benchmark	FTSE All World TR
Fund Size	£77.4m
No. of Holdings	22
Domicile	Ireland
Sedol	B5BCBB7
Bloomberg Code	JOEQAAC ID
Fund Type	OEIC
Base Currency	GBP
Other Currencies	None
Ex Dividend Dates	30th April and 31st October

RISK STATISTICS

3Y Annualised

Fund Volatility (%)	10.8
Index Volatility (%)	9.8
Sharpe Ratio	0.9
Information Ratio	-1.3
Tracking Error	4.4
Alpha (%)	-5.2
Beta	1.0

FUND INFORMATION

Share class	ISIN	Minimum investment	AMC	INC/ACC	NAV	Historic yield (%)	Ongoing charge (%)
A GBP	IE00B5BCBB77	1,500 GBP	1.00%	INC	19.13	0.00%	1.91%
B GBP	IE00B5BCBD91	1,500 GBP	0.75%	INC	18.96	0.00%	1.66%
P GBP	IE00BGQYPS02	1,500 GBP	0.40%	INC	14.19	0.12%	1.32%

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. 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). Sources: Waverton, Morningstar.

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