



**WAVERTON**  
INVESTMENT MANAGEMENT

# WAVERTON TACTICAL EQUITY FUND A GBP

FUND FACTSHEET - AS AT 30 SEPTEMBER 2017

## OBJECTIVES

### FUND AIM

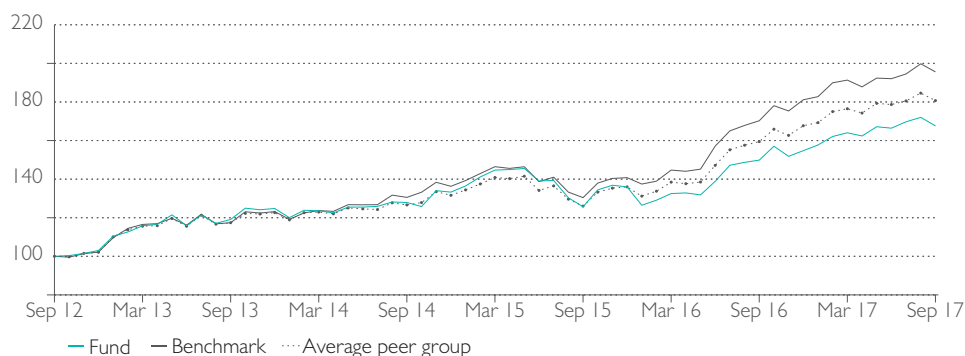
The Fund aims to achieve growth on your investment and income. The Fund may invest up to 100% of its assets indirectly in shares of companies worldwide, through investment in other funds (including, for example, exchange traded funds).

### 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	YTD	1 Year	3 Years	5 Years	Inception Jan 10
Portfolio (%)	-2.6	0.7	8.3	11.9	31.1	67.6	84.2
Benchmark (%)	-2.1	1.9	8.3	15.5	52.6	101.6	132.6
Average Peer Group (%)	-1.9	1.4	8.1	13.5	42.3	80.3	90.5
Quartile	4	3	2	3	4	3	3

### DISCRETE CALENDAR YEAR PERFORMANCE

Period	2016	2015	2014	2013	2012
Fund (%)	13.8	2.0	6.8	21.1	10.4
Benchmark (%)	29.6	4.0	11.3	21.0	12.0

### STANDARDISED PERFORMANCE

Period 1 year to	30/09/2017	30/09/2016	30/09/2015	30/09/2014	30/09/2013
Fund (%)	11.9	19.2	-1.7	7.4	19.1

## PORTFOLIO SUMMARY

### INVESTMENT VEHICLE

Active Funds	83.2%
Passive Vehicles	7.7%
Structured Products	6.8%
Cash	2.3%
<b>Total</b>	<b>100.0%</b>

### EQUITIES BY REGION

Asia Pacific (ex Japan)	20.9%
Emerging Markets	16.5%
Global Equities	15.4%
Japan	13.9%
Continental Europe	12.1%
United Kingdom	9.3%
Hedging	6.8%
North America	2.8%
Cash	2.3%
<b>Total</b>	<b>100.0%</b>

### TOP 10 HOLDINGS

Hermes Asia Ex Japan Equity Fund	14.4%
Lindsell Train Japanese Equity Fund	8.7%
RWC Global Emerging Markets Fund	7.2%
Schroder European Alpha Income	7.1%
Waverton Protection Strategy	6.8%
Prusik Asian Equity Income Fund Inc	6.5%
Source JPX-Nikkei 400 UCITS ETF £	5.2%
RAM Euro Equities Systematic Fund	5.0%
MI Metropolis Valuefund	4.9%
Ocean Dial Gateway To India Fund	3.6%
<b>Total</b>	<b>69.4%</b>

## COMMENTARY

Within the Tactical Fund we purchased two new positions, the first of which, Driehaus US micro-cap, provides exposure to US smaller capitalisation companies primarily within the healthcare, technology, consumer discretionary and industrial sectors. The fund is managed by the experienced team at Driehaus and would be a clear beneficiary of any improvement in US economic growth or signs of progress on tax reform.

The second purchase was Aptus global financials managed by Toscafund. This fund offers a differentiated, high conviction exposure to the sector, investing across the capitalisation spectrum. The sector is cheap and valuations are particularly attractive within Europe. The fund is positioned for ongoing recovery in the Eurozone periphery, loosening regulation within the US, favours challenger banks within the UK and structural growth in low cost tech empowered companies within emerging markets.

Over the quarter our best performing holding within Tactical was the ETFS ROBO Global Automation and Robotics ETF. Most importantly the underlying holdings posted the strongest earnings per share (EPS) growth since 2011, with the Q2 2017 median EPS growth up over 24% year on year. We continue to believe there is a structural growth story to exploit with promising long term drivers across multiple industries

Elsewhere we increased exposure to existing holdings in both Japanese and emerging market equities, at the expense of the US large cap iShares S&P 500 ETF. We remain positive on the opportunity set within emerging markets as robust global economic growth is supportive of the region. Valuations appear compelling on both an absolute and relative basis yet investors remain underweight which we believe may begin to reverse. We choose to increase exposure to the RWC Emerging Markets fund given the managers value orientated positioning which appears particularly compelling at this juncture.

### 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	£73.1m
No. of Holdings	21
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 (%)	11.3
Index Volatility (%)	10.0
Sharpe Ratio	0.8
Information Ratio	-1.1
Tracking Error	5.1
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	18.25	0.16%	1.91%
B GBP	IE00B5BCBD91	1,500 GBP	0.75%	INC	18.07	0.27%	1.66%
P GBP	IE00BGQYPS02	1,500 GBP	0.40%	INC	13.52	0.51%	1.32%

## CONTACT DETAILS

### MARKETING DIRECTOR

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### ADMINISTRATOR

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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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