



WAVERTON
INVESTMENT MANAGEMENT

WAVERTON UK FUND A GBP

FUND FACTSHEET - AS AT 31 DECEMBER 2017

OBJECTIVES

FUND AIM

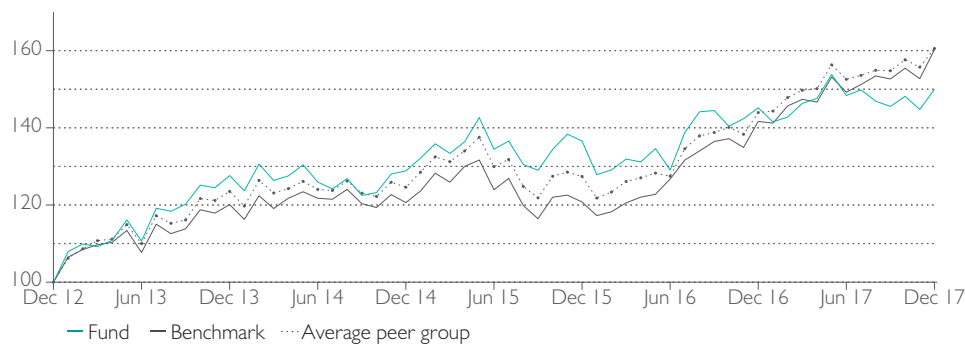
The investment objective of the Fund is to achieve long term capital growth and income through diversified investment in UK equities.

INVESTMENT STYLE

The Fund has a stock driven approach focused on identifying and investing in leading UK companies. Through rigorous bottom up stock analysis, the Fund will seek to achieve higher growth and returns by selecting attractively valued UK companies with both global and domestic exposure. The Fund will not concentrate investments in any one industrial or economic sector or companies of a particular market capitalisation.

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 Mar 07
Portfolio (%)	3.6	3.0	3.3	16.4	50.0	73.8
Benchmark (%)	4.9	5.0	13.1	32.8	60.2	83.9
Morningstar Peer Group (%)	3.1	3.8	11.6	29.2	61.3	83.7
Quartile	1	3	4	4	4	3

DISCRETE CALENDAR YEAR PERFORMANCE

Period	2017	2016	2015	2014	2013
Fund (%)	3.3	6.3	6.0	0.9	27.6
Benchmark (%)	13.1	16.8	1.0	1.2	20.2

STANDARDISED PERFORMANCE

Period 1 year to	31/12/2017	31/12/2016	31/12/2015	31/12/2014	31/12/2013
Fund (%)	3.3	6.3	6.0	0.9	27.6

PORTFOLIO SUMMARY

MARKET CAP

MSCI Large Cap	48.4%
MSCI Small Cap	34.6%
MSCI Mid Cap	13.8%
Cash	3.2%
Total	100.0%

SECTOR

Financials	17.7%
Consumer Discretionary	12.4%
Materials	12.1%
Information Technology	11.3%
Consumer Staples	10.9%
Industrials	10.1%
Telecommunication Services	8.9%
Energy	6.0%
Health Care	3.8%
Real Estate	3.6%
Cash	3.2%
Total	100.0%

TOP 10 HOLDINGS

Royal Dutch Shell Plc Class B	6.0%
Prudential plc	5.0%
Rio Tinto plc	4.6%
DS Smith Plc	4.5%
British American Tobacco p.l.c.	4.5%
Melrose Industries PLC	4.1%
ASOS plc	4.1%
Admiral Group plc	4.0%
Vodafone Group Plc	3.8%
Shire PLC	3.8%
Total	44.3%

COMMENTARY

The Waverton UK Fund returned 3.6% in December compared to the benchmark return of 4.9%. Although on a relative perspective this looks disappointing, the Fund was ahead of the peer group which returned 3.1%.

The top contributor over the month was Rio Tinto which benefited from the Materials rally and rose over 12.5%. ASOS was also a strong performer and regained some lost ground. We added to the holding early in the month. One of our most recent purchases, British Land, performed strongly and we are pleased to have bought in at an attractive valuation in late November.

The worst performer was DS Smith, the paper and packaging company. The market was expecting more from their results particularly in the US. We continue to like the company. We finally capitulated in our holding of GKN as further negative news surrounding the management change continued. This is somewhat frustrating given that the Melrose bid in January has since pushed the shares up considerably. However, we believe that we exited the position for the right reasons.

During the month we added a position in Lloyds Banking Group. In recent years, significant improvements in Lloyds' operating performance and capital generation have not translated into ROE and capital distributions due to several headwinds including PPI and restructuring charges. However, we believe that these headwinds are now coming to an end and Lloyds may finally be able to make significant distributions, a fact which has to date been largely ignored by the market.

Overall 2017 has been a frustrating year but we continue to look for attractive opportunities in the UK in 2018.

FUND MANAGER



Alexandra Buchan

FUND MANAGER



Charles Macfadyen

FUND DETAILS

FUND FACTS

Launch Date	30th March 2007
Morningstar Category	UK Large Cap Blend Equity
Benchmark	MSCI UK All Cap Index
Fund Size	£18.0m
No. of Holdings	28
Domicile	Ireland
Sedol	BIRMZK0
Bloomberg Code	WAVUKAG ID
Fund Type	OEIC
Base Currency	GBP
Other Currencies	None
Ex Dividend Dates	30th April and 31st October

RISK STATISTICS

3Y Annualised	
Fund Volatility (%)	10.9
Index Volatility (%)	9.5
Sharpe Ratio	0.5
Information Ratio	-0.6
Tracking Error	7.7
Alpha (%)	-3.9
Beta	0.8
Active Share (% - Current)	65.9

FUND INFORMATION

Share class	ISIN	Minimum investment	AMC	INC/ACC	NAV	Historic yield (%)	Ongoing charge (%)
A GBP	IE00BIRMZK07	1,500 GBP	1.00%	INC	14.14	1.80%	1.31%

The benchmark was FTSE 100 TR from inception to 31st May 2013. From 1st June 2013 the benchmark for the Waverton UK Fund is FTSE Allshare TR.

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). Sources: Waverton, Morningstar.

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