

Multi Asset Balanced Fund

AUGUST 2014

CURRENT VIEWS

The fund was up 0.35% and outperformed the sector average IMA Mixed Investment 20-60% Shares, (up 0.19%) over the month. The main reasons for this were the long duration positioning and our alternatives strategies. We remain positioned away from consensus.

The main positive contributors came from holdings in SQN Asset Finance Income, Neuberger Berman Private Equity and Prusik Asian Equity Income Fund.

Key negative contributors came from holdings in Brevan Howard Credit Catalysts, Blackrock European Dynamic Fund and Schroder European Alpha Income Fund.

Geopolitical risk resurfaced as Malaysian Airlines flight MH17 was shot down by rebels over the Ukraine. The situation in Gaza has considerably worsened and we wonder if investors are too sanguine over the potential for a resurgence of ISIS led violence in the Middle East.

Surprisingly, until the last days of the month, most markets shrugged off the huge losses at one of Portugal's largest banks and Argentina's debt default.

Brent crude oil retreated from \$112 to end the month just above \$106, whilst gold fell from \$1328 to end the month around \$1283.

Most equity markets were relatively calm until the very last day of the month when we witnessed strong falls. Asia and emerging markets were particularly strong markets, whilst European equity markets struggled badly. MSCI World was up 1.13%, whilst MSCI Emerging Markets and MSCI Asia ex Japan posted gains of 5.76% and 4.47% respectively. MSCI Europe ex UK was the worst performing regional index with a fall of 2.3% as deflationary concerns mounted and tougher Russian sanctions looked likely.

US bond yields rallied for most of the month but fell back near month-end on news of strong Q2 US real GDP. The ten-year US Treasury ended almost flat, yielding close to 2.56%, whilst the ten-year gilt yield finished around 2.6%. US credit markets performed well and the Barclays US Aggregate Index was up 1% over the month. JPM Emerging Market Bond Global was up 1.14% over the month, but high yield bonds in most developed countries came under pressure.

The continuing debate over inflation and interest rate policy and the strength of the US economic recovery acts as the main driver for asset class pricing. We believe most central banks will pursue accommodative policies as they face subpar economic recoveries with little inflation.

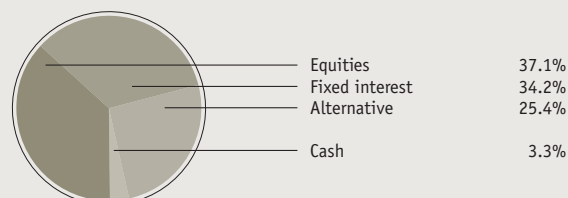
The disconnect in market pricing for bonds and equities has extended even further and leaves us nervous of a reconciliation to the downside for equities. However, we reiterate our belief that any corrections are likely to be relatively modest in nature. We remain committed to protecting against significant corrections but expect modestly positive returns for the year.

Source: Morningstar, unless otherwise stated

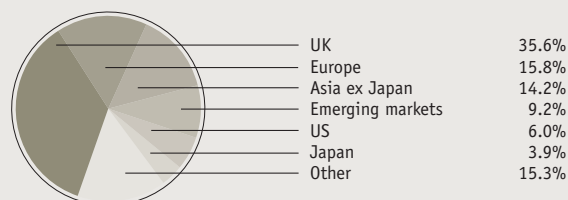
KEY POINTS

- The investment objective of the fund is to achieve long-term capital growth and income by investing across a balanced global portfolio of assets.
- Investment management responsibility for the fund has been resumed by Mark Harris since 1st July 2013.
- With effect from 1 October 2013 the Global Multi-Strategy Fund was renamed the Multi Asset Balanced Fund. The MultiManager Income Fund was merged into the Multi Asset Balanced Fund on the same date.
- Sector: IMA Mixed Investment 20-60% Shares

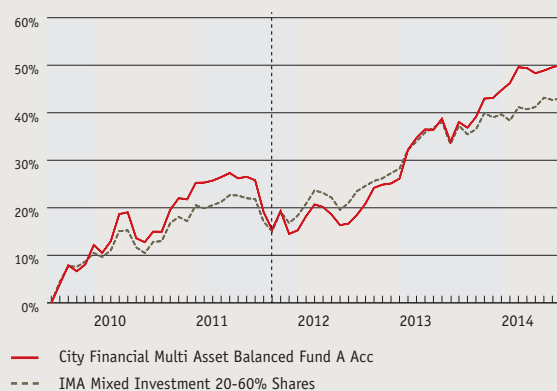
ASSET ALLOCATION



EQUITIES BY REGION (exposure as % of equities)



PERFORMANCE VS IMA MIXED INVESTMENT 20-60% SHARES SECTOR



	Year-to-date	Calendar year				
		2013	2012	2011	2010	2009
Fund (%)	3.68	14.75	9.45	-7.90	11.83	21.92
Sector (%)	2.38	9.21	8.69	-1.62	9.08	16.32
Quartile	1	1	2	4	1	1

Note: Mark Harris resumed managing the fund in July 2013.

ENQUIRIES

We will be delighted to help you with your client service questions.

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There are a number of different ways of contacting us, all of which aim to provide you with the most efficient service possible.

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Fund performance vs IMA Mixed Investment 20-60% Shares sector excludes the effect of initial charge and assumes any income reinvested net of UK tax.

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HOLDINGS

BH Credit Catalysts
Third Point Offshore Investors
Prusik Asian Equity Income
Royal London UK Equity Income
Chenavari Capital Solutions
Treligga plc Ardevora UK Income
CATCo Reinsurance Opportunities
City Financial UK Opportunities
Neuberger Berman Private Equity
SQN Asset Finance

ASSET CLASS

Alternative
Alternative
Equity
Equity
Fixed interest
Equity
Alternative
Equity
Alternative
Alternative

FINANCIAL INFORMATION

NAV Class A:	Acc: 124.86p	Inc: 117.78p
NAV Class I:	Acc: 125.47p	Inc: 123.75p
NAV Class R:	Acc: 109.15p	Inc: 109.13p
Total net assets	£27.2m	

FUND FACTS

ISIN – Class A Acc	GB00B28CC613
ISIN – Class A Inc	GB00B28CCB60
ISIN – Class I Acc	GB00B84XK441
ISIN – Class I Inc	GB00B89R1H14
ISIN – Class R Acc	GB00BF2H6830
ISIN – Class R Inc	GB00BF2H6723
Distribution	Semi-annual 31 May and 30 November
Dealing and valuation frequency	Daily
Accounting year-end	30 September
Settlement	T+4
EU savings directive	In scope
Currency	GBP
Ongoing charge figures(%)	Cl A: 2.27, Cl I: 1.36, Cl R: 1.52
Minimum initial investment	Cl A, Cl R: £10,000 Cl I: £1,000,000
Initial charge	0% (all share classes)
ISA wrapper	Yes
Savings plan	Yes
ISA transfer	Yes
Sector	IMA Mixed Investment 20-60% Shares
Depository	BNY Mellon Trust & Depository (UK) Limited
Registrar	Capita Financial Administrators

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