

02/04/2020

A number of the equity investments in the fund are exposed to trade, economic activity and emerging market dynamics. We view these businesses as attractive investments. In February and March we added nine new investments to the fund, many of which are similarly exposed. We have deployed capital in this manner because it is where we perceive the best investment opportunities exist.

The fund is 75% invested compared to 48% at the end of December.

Significant new investments in the fund include:

- European Airports - Aena S.M.E, S.A., and Flughafen Zurich AG;
- Fedex Corporation;
- Qube Holdings Limited;
- Linde plc;
- Tower Limited; and
- Portland General Electric Company.

We expect the fund will hold each of these investments for a number of years.

We are disappointed with the results we have delivered over the quarter and this is compounded to a degree by the underwhelming performance of the fund over the prior few years. We are pleased though that we have increased the fund's invested position and to an extent broadened its holdings.

Our negative performance over the quarter was caused by a couple of factors. We own a number of mid to smaller cap investments that are also trade exposed. These investments were impacted by the general market downturn. The two key outliers that further impacted the fund's results were the investments in Topps Tiles Plc and Schlumberger Limited. Topps Tiles issued a profit warning in February and on March 23rd, consistent with the UK Government directive, temporarily closed its store operations. Schlumberger was negatively impacted by the dynamics in the oil market.

We do not have a particular view regarding what markets will do over the short term. Each of the new investments mentioned above (with the exception of Tower) are businesses that for various reasons we have previously identified as businesses that we would like to own longer term. We have been waiting for what we consider to be attractive opportunities to invest in them.

In addition to the equity investments, the fund continues to hold an option position shorting the Yen against the USD. At the end of the quarter the value of this position was 1.5%. The options appreciated during the quarter due to the increased volatility across markets and asset classes. The options are currently out of the money and unless the Yen weakens materially (8%+) against the USD they will expire worthless.

Please do not hesitate to contact us if you would like to discuss our activities in detail.

Miles, Nigel and Toby.

Returns (to 31/03/2020)	Fund
Since inception* (annualised)	6.6%
Since inception* (cumulative)	89.1%
Rolling 5 year (annualised)	-0.8%
Rolling 3 year (annualised)	-1.1%
Rolling 1 year	-14.0%
Standard deviation	9.5%

Financial Yr	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
July		1.14%	-1.95%	-3.06%	2.03%	1.98%	0.45%	-1.62%	-1.57%	4.99%	-0.35%
August		-0.33%	-0.32%	0.45%	1.42%	-0.39%	-1.39%	-0.18%	1.21%	1.50%	-1.64%
September		0.60%	-2.18%	1.89%	0.52%	4.18%	-1.19%	1.34%	3.04%	-4.26%	1.23%
October		2.12%	0.83%	1.30%	1.43%	2.53%	0.27%	-0.21%	0.56%	-1.60%	0.51%
November		0.47%	-1.22%	-2.46%	3.97%	11.10%	0.60%	4.50%	2.73%	-0.54%	1.36%
December		-0.24%	0.27%	6.93%	1.13%	3.00%	-3.07%	2.46%	0.06%	-3.05%	-0.02%
January		0.31%	0.84%	9.92%	-0.54%	0.97%	-1.77%	-5.16%	1.32%	2.20%	1.93%
February		1.78%	0.02%	2.69%	-0.81%	1.57%	1.77%	-0.59%	-1.66%	3.91%	-7.52%
March		1.06%	5.59%	-0.44%	-1.45%	-0.04%	-0.84%	1.21%	-0.52%	0.53%	-9.67%
April	*0.04%	-1.94%	1.62%	4.45%	0.08%	0.32%	1.72%	1.34%	1.27%	2.11%	
May	-0.78%	1.01%	-0.37%	8.63%	1.29%	0.47%	4.12%	1.84%	-0.23%	-3.64%	
June	-0.76%	-0.70%	-2.58%	1.68%	0.02%	-2.61%	-0.79%	0.37%	-1.21%	1.56%	
Financial Yr	-1.49%	5.33%	0.29%	36.06%	9.33%	24.95%	-0.31%	5.10%	4.97%	3.28%	
Calendar Yr		-3.10%	10.12%	43.95%	22.40%	-3.70%	10.76%	4.89%	-4.23%	7.82%	

* Inception date: 15/04/2010. Past Performance is not a reliable indicator of future performance and no guarantee of future returns is implied.

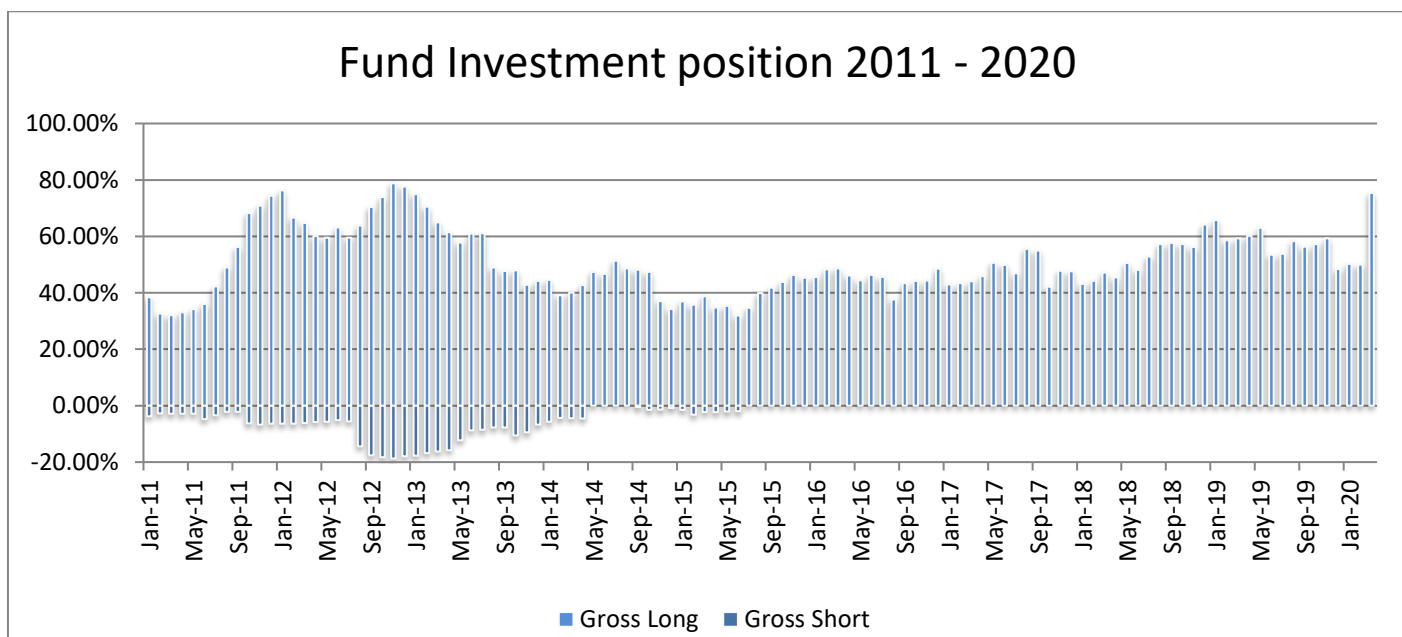
- The fund's daily unit price and distribution details can be downloaded via this [link](#).

	Long (%)	Short (%)	Currency (%)
Australia	4	0	42
United States/Canada*	17	0	14
UK/Europe*	48	0	39
Japan	3	0	3
New Zealand	3	0	3
Total	75	0	100
Derivatives (annual cost)	3		

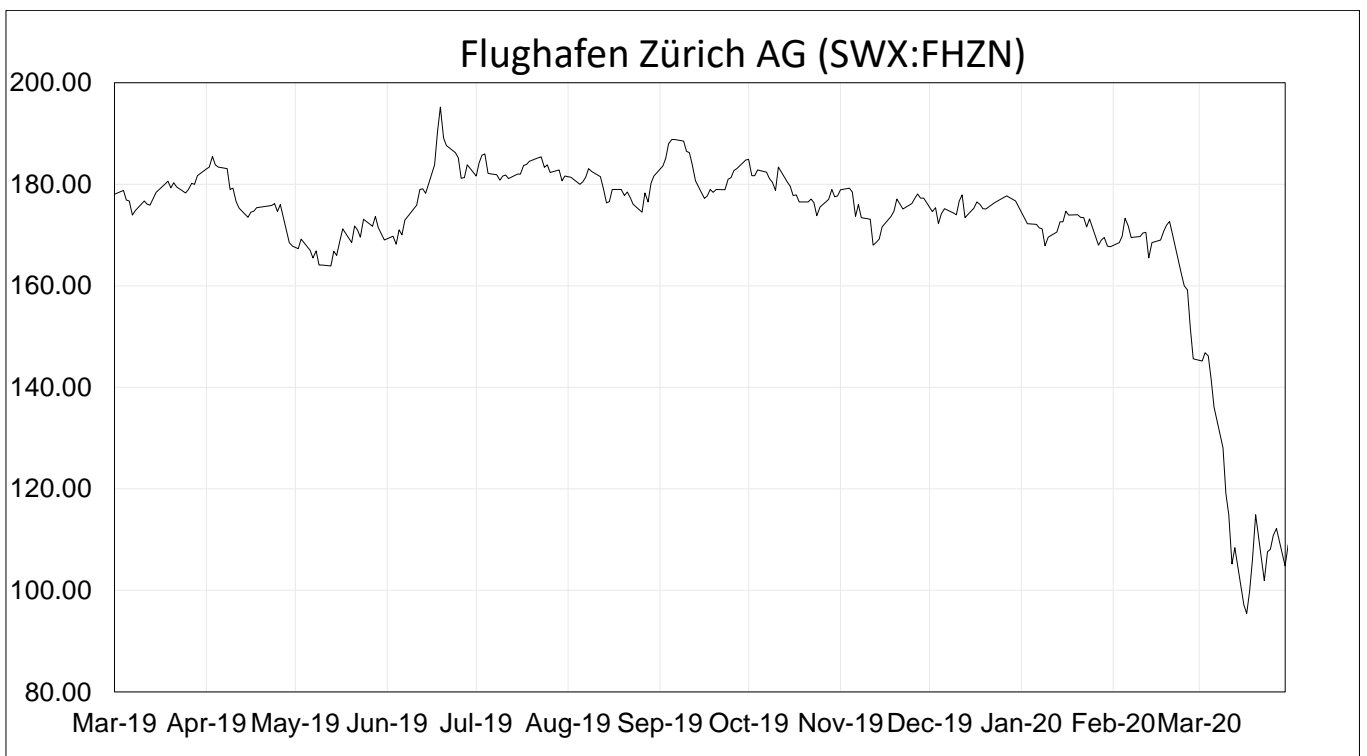
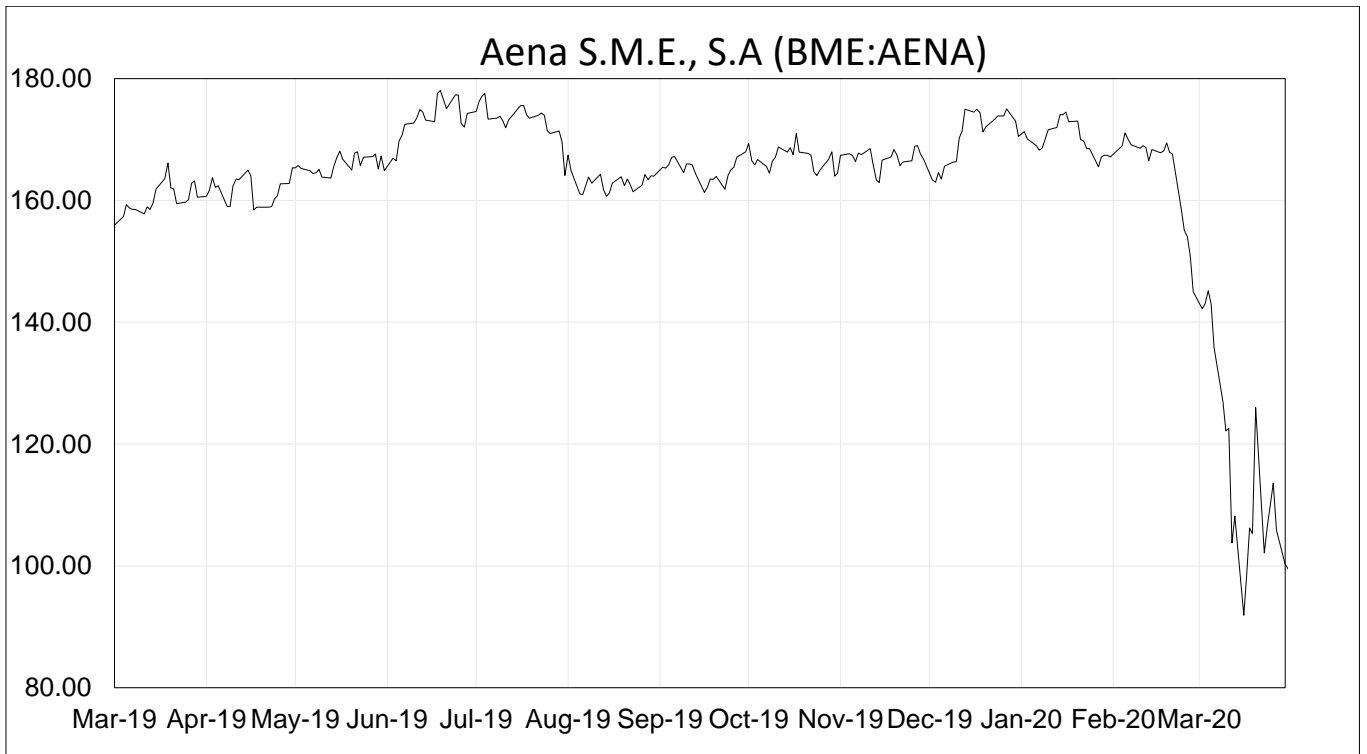
Notes: Data as at 31st March 2020. * UK/Euro & USD/CAD approximate only.

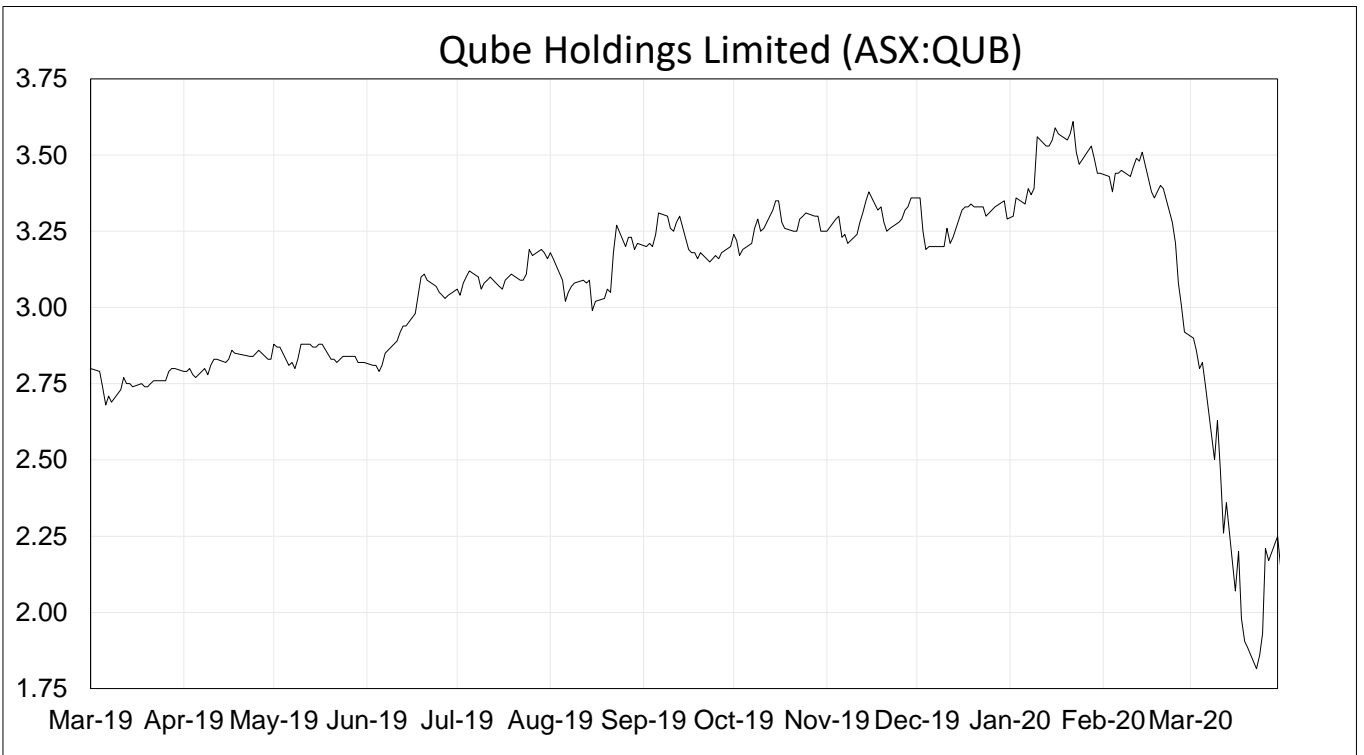
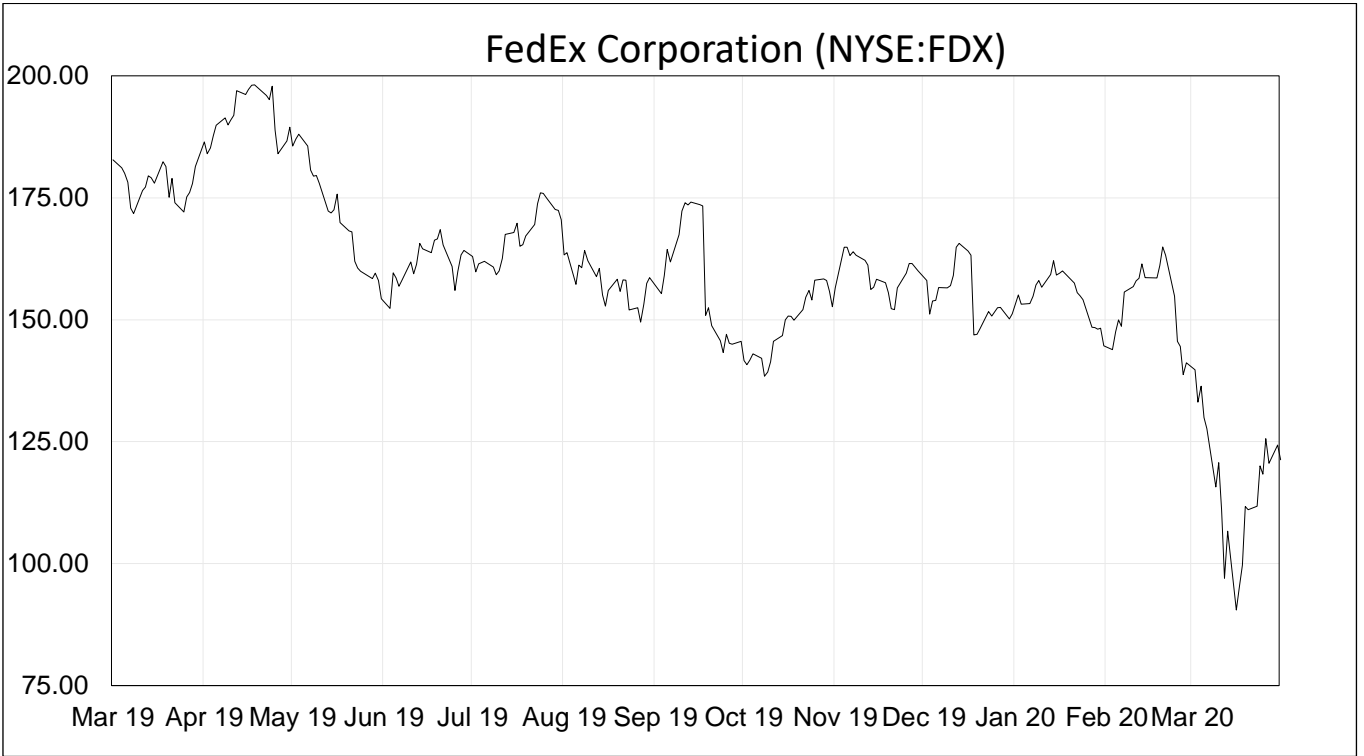
	Australia / NZ		USA / Canada		UK/Europe		Japan		Total	
	%	no/.	%	no/.	%	no/.	%	no/.	%	no/.
Tenet - Parcel Infrastructure			7	1					7	1
Fedex Corp			7	1						
Tenet - Paint / Coatings					10	3			10	3
Tikkurila					4	1				
STO SE					4	1				
Akzo Nobel NV					2	1				
Tenet - Oil Related			3	1					3	1
Schlumberger			3	1						
Tenet - Global Trade Related					2	1			2	1
Cargotec Oyj					2	1				
Tenet - European Container Terminals					10	1			10	1
Eurokai					10	1				
Tenet - Airports					10	3			10	3
Aena SME					4	1				
Flughafen Zurich AG					4	1				
Aeroports de Paris ADP					2	1				
Tenet - Electric Utilities			2	1	5	1			7	2
National Grid					5	1				
Portland General Electric Co			2	1						
Topps Tiles					3	1			3	1
Asics Corp							3	1	3	1
Kinder Morgan Inc			5	1					5	1
Ponsse OYJ					4	1			4	1
Tower Limited	3	1							3	1
Qube Holdings Ltd	4	1							4	1
Linde Plc					3	1			3	1
Gross long	7	2	17	4	48	12	3	1	75	19
Gross short										
Gross invested position	7	2	17	4	48	12	3	1	75	19
Derivatives (annual cost)									3	3

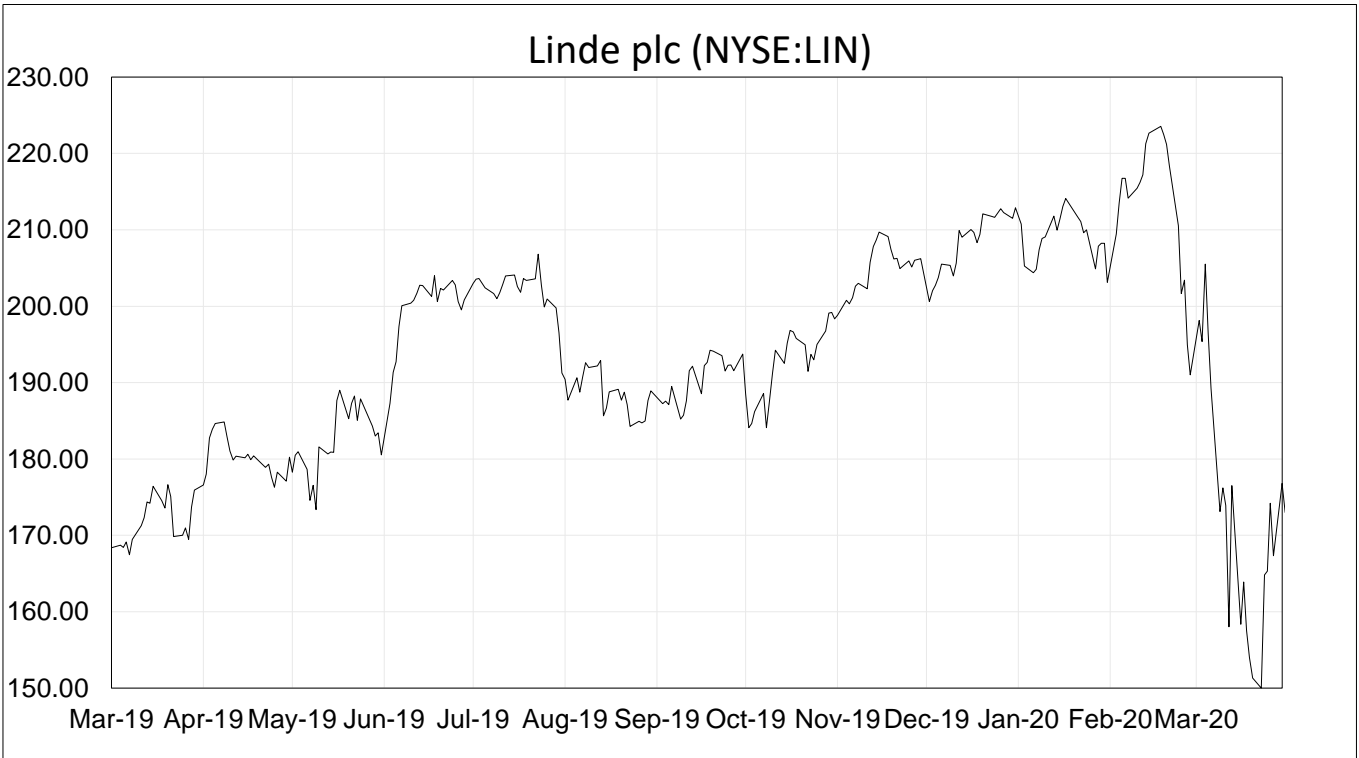
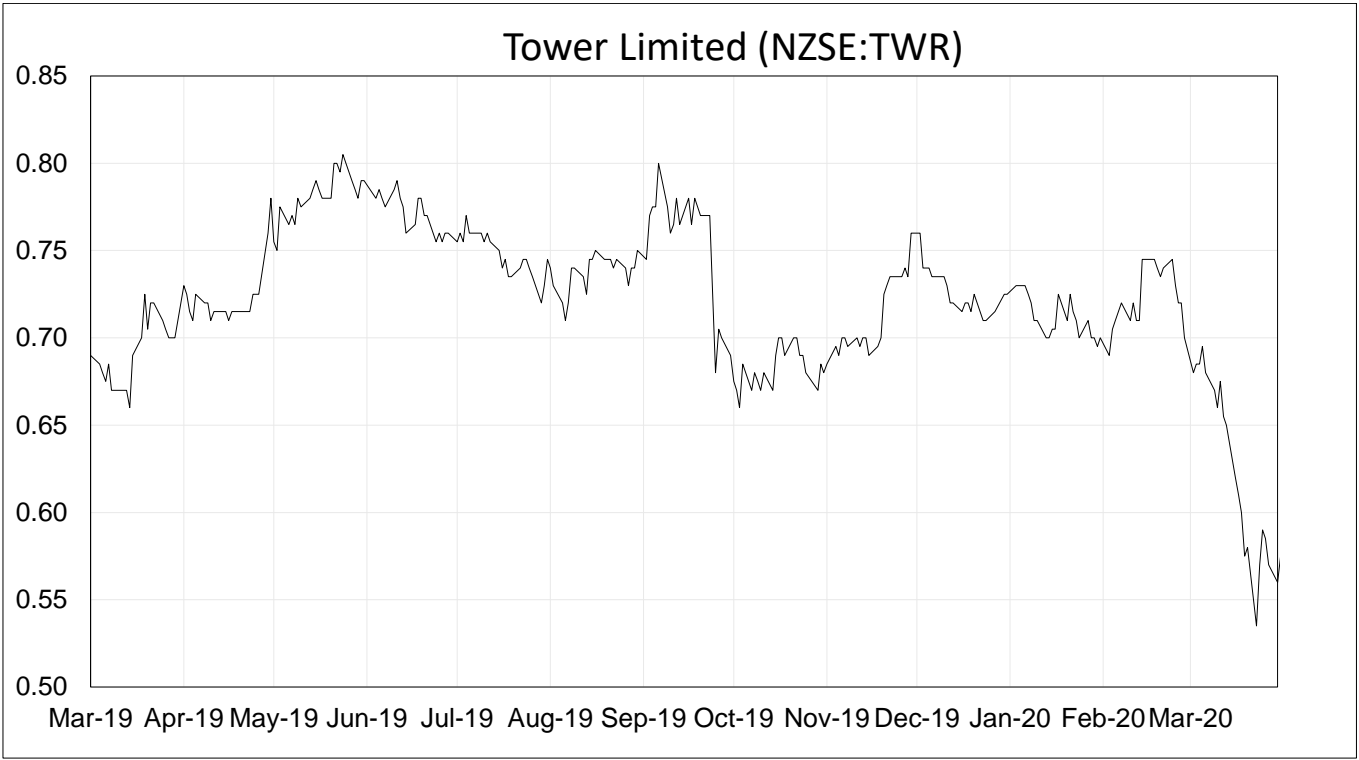
Notes: Totals may not add due to rounding. Data as at 31st March 2020



Appendix: Charts







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