

EF FACET Cautious Discretionary Portfolio Fund

Information in this factsheet is at the last valuation point in June 2018 (except where indicated).

June 2018

Investment Aims

The investment objective of the Fund is to provide a total return with an emphasis on providing capital appreciation. The portfolio will be actively managed and investments will be made on a multi asset basis with a portfolio of transferable securities (including investment trusts), collective investment schemes, deposits, money market instruments, derivatives and other alternative investments such as structured products, commodity and property funds. The investment manager has the absolute discretion to weight the portfolio towards any investment type or geographical and economic sector, including cash, at any time, provided such investment is compatible with the investment objective and policy of the Fund as a whole.

Benchmark

Consumer Price Index +2%

Fund Commentary

The name of the fund was changed in April 2018 to EF FACET Cautious Discretionary Portfolio Fund in order to reflect the full change of management to FACET Fund Management. The fund continues to be managed in-line with the stated investment philosophy of FACET that strategic asset allocation is paramount to a well diversified portfolio, with underlying investment choice providing the outperformance.

While the trend for the US stock market is still up for the year, some profit taking was evident in June against a backdrop of a strengthening US dollar. This continued trend was unsurprising since unemployment, at 3.8%, is the lowest since 1969 and this, combined with a good corporate earnings season and generally good news on the economy, gave the Federal Reserve justification to raise interest rates in June by 0.25% to 2.0%. Neither the Bank of England nor the ECB followed suit. In the UK, the exporter-dominated FTSE 100 was a notable beneficiary of Sterling weakening against the US dollar but in the effect in the eurozone was less obvious due to concerns over the impact of Italian politics on Euro-denominated government bonds and the Euro itself. While the stronger US dollar generally gave a boost to the major developed markets, it had the opposite effect on some emerging markets with sizeable US dollar debt, as has often been the case during periods of dollar strength. On the whole, June presented some opportunities to take profits on a quarter which has been strong both for the economy and stock markets. The fund rose 1.26% in June.

Fund Manager-FACET

FACET have been helping clients with their investments since 1985. Specialising in providing discretionary management services they currently run 4 in-house model portfolios. Historically FACET's model portfolios have consistently outperformed numerous established benchmarks and comparable indices.

Fund Information (B share Class)

Fund Size	£22.3m
Launch Date	09.05.11*
IA Sector	Unclassified
OCF	1.71%
AMC	0.75%
Initial/Exit Charge	Nil
Min. Investment	£1,000 lump sum
Domicile	UK
Legal Structure	OEIC (NURS)
Eligible for ISA	Yes
Income Allocation	30 November
Sedol Codes	B Acc. B3Q4TW1 B Inc. B687BC3

Contact Details

Issued by FACET Ltd, which is authorised and regulated by the Financial Conduct Authority. FRN: 131372.

Further Information can be obtained from:

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Registered in England No 01931757

*FACET were appointed as Fund Adviser on the 28/11/2016 and as Manager on 10/02/2017

Elite CAM Cautious Discretionary Fund Performance since launch



■ A - UK Consumer Price + 2% TR in GB [29.89%]
■ B - EF - FACET Cautious Discretionary Portfolio B Acc in GB [26.95%]

09/05/2011 - 31/05/2018 Data from FE 2018

Source: Financial Express 09.05.2011 to 29.06.2018

Total Return, Bid to Bid, Tax UK Net. Past performance is not a reliable indicator of future results.

Introducing FACET

FACET's Investment Philosophy

The FACET investment philosophy is very much a 'top-down' approach and they firmly believe that asset sector allocation will provide the majority of the performance with the underlying investment choice providing the critical alpha over their peers. They aim to utilise collectives for the majority of the asset allocation, with direct investments, mainly bonds, being bought as and when appropriate opportunities arise.

Key Portfolio Managers

John Richard Mitchell

John has over 40 year's experience in the financial services industry. The primary focus for the last 15 years has been in the fixed income market. While he was employed as the risk manager for Credit Suisse Securities, he was involved in many areas, including risk control of bond trading, setting and controlling the VaR limits on the trading book and monitoring trades to ensure clients received best execution. When at Royal London Asset Management, he was involved in starting their first geared fund, set up the management of the risk control, and agreeing these with the trustee in order to get the sign off for the fund to go live. This fund held both bonds and equities together with written traded option to enhance the income on the equity holding. Involved in the set-up of Newland Financial as compliance director of both the stockbroking/Wealth Management arm and the fund managers. The fund managers had a specialist resources fund, the broker had a corporate finance department that brought mainly resources companies to the market.

Chris Fernyhough

Chris has been in the markets for almost 15 years now, 10 of which have been as a Wealth Manager, specialising in building multi-asset discretionary portfolios for High Net Worth and Corporate clients. These have consisted of both direct bond and equity exposure, as well as the use of collectives. Chris has worked for places such as WH Ireland, where he assisted in the set up and running of the Bristol office, and Newland Financial, where he set up their Wealth Management arm. Chris then moved to Beaufort Securities to assist in the set up of their stockbroking and Wealth Management arm. For the past four years, Chris has been the Managing Director of FACET who run bespoke discretionary money as well as model portfolios. He holds a distinction in the PCIAM exam and is a Chartered Wealth Manager as well as holding Chartered FCSI status with the CISI.

Christian Holland

Christian has over 25 years of experience in investment management. He managed Japanese equity funds for 16 years, initially with Provident Mutual but also with Cavendish Asset Management. He has also managed private client funds with Seymour Pierce. At UBS Wealth Management he looked after multi asset portfolios for IFAs and continued to do so at TAM Asset Management managing funds and developing new products in ethical portfolios. Christian has been on investment committees with Citywire and has been featured in the media with appearances on TV and radio.

Alex Young

Alex has been in Financial Services with FACET for 20 years. He is a qualified IFA as well as holding IMC, a certificate in Discretionary Investment Management, a certificate in Securities Advice and Dealing and a diploma in Technical Analysis. He is currently also studying for Investment Advice Diploma with the CISI. Alex has a very broad range of knowledge regarding multi asset model portfolios and his expertise in Volatility analysis is exceptional. Alex specialises in Technical Analysis and brings a chart based point of view to the Investment Management Committee.

IMPORTANT INFORMATION

FACET is an acronym of Financial Advisors to Consultants Engineers & Technologists. This document has been produced for information only and represents the views of the investment manager at the time of writing. It should not be construed as Investment Advice. No investment decisions should be made without first seeking advice. The Elite CAM Balanced Discretionary Portfolio fund is managed by FACET Ltd, which is authorised and regulated by the Financial Conduct Authority. WAY Fund Managers Limited is the Authorised Corporate Director and is authorised and regulated by the Financial Conduct Authority. Full details of the Elite CAM Balanced Discretionary Portfolio fund, including risk warnings, are published in the Way Fund Managers Limited. Before making an investment you should ensure that you have read and understood the relevant Key Investor Information document.

RISK WARNINGS

The Elite CAM Cautious Discretionary Portfolio fund is subject to normal stock market fluctuations and other risks inherent in such investments. The value of your clients' investment and the income derived from it can go down as well as up, and your client may not get back the money that they invested. Investments in overseas equities may be effected by changes in exchange rates, which could cause the value of your clients investment to increase or diminish. Your client should regard their investment as medium to long term. Past performance is not a guide to future performance. Every effort is taken to ensure the accuracy of this data, but no warranties are given.