

Charity Multi-Asset Fund

30th September 2017

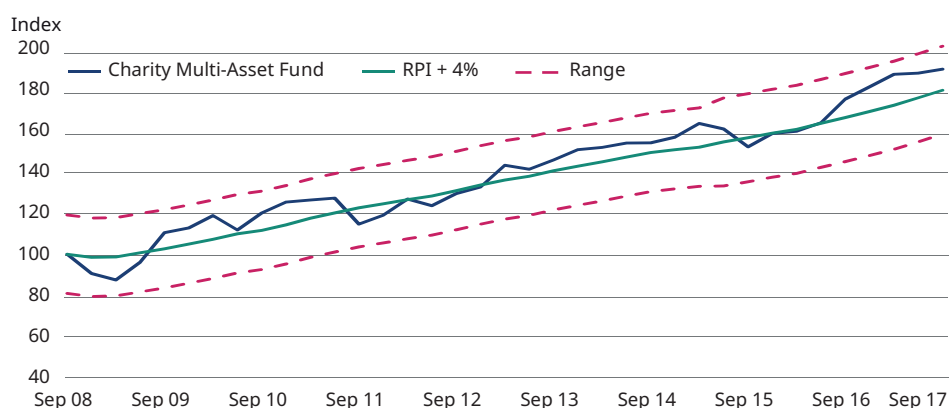
Investment objective

The Charity Multi-Asset Fund aims to at least maintain the real value of capital whilst generating a sustainable and reliable distribution through investment in collective investment schemes as well as directly held transferable securities, derivatives, cash, deposits and money market instruments.

Fund characteristics

The Charity Multi-Asset Fund allows all sizes of charity access to our multi-asset investment expertise. The Fund uses sophisticated analysis aiming to maximise risk adjusted returns and reduce the reliance on equity markets. Over the long term we would expect the Fund to deliver a total return in excess of RPI plus 4%. The Fund is expected to generate equity like returns with reduced volatility and is based on the Cazenove Charities Unconstrained Strategy.

Long term performance



Performance data

	5 years % p.a.	3 years % p.a.	1 Oct 2016 – 30 Sept 2017	1 Oct 2015 – 30 Sept 2016	1 Oct 2014 – 30 Sept 2015	1 Oct 2013 – 30 Sept 2014	1 Oct 2012 – 30 Sept 2013
Charity Multi-Asset Fund	+7.9%	+7.2%	+8.3%	+15.2%	-1.3%	+5.7%	+12.7%
RPI plus 4%	+6.6%	+6.3%	+8.0%	+6.1%	+4.8%	+6.3%	+7.3%

Past performance is not a guide to future performance. The value of an investment and the income from it may go down as well as up and investors may not get back the amount originally invested. Exchange rates may cause the value of overseas investments and the income from them to rise or fall. Investment in emerging markets and alternative asset classes (private equity and hedge funds) involves a high degree of risk of loss as the investments are less liquid and more volatile. Investment in private equity can be highly speculative, whilst hedge funds may be highly leveraged and as a result small changes in the price of contracts may result in unquantifiable losses.

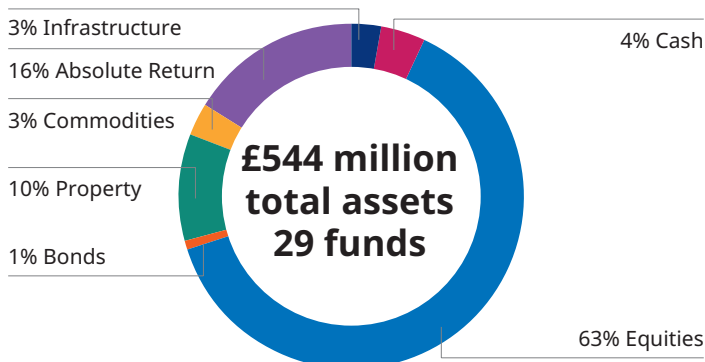


Tom Montagu-Pollock Fund Manager
Kate Rogers Fund Manager

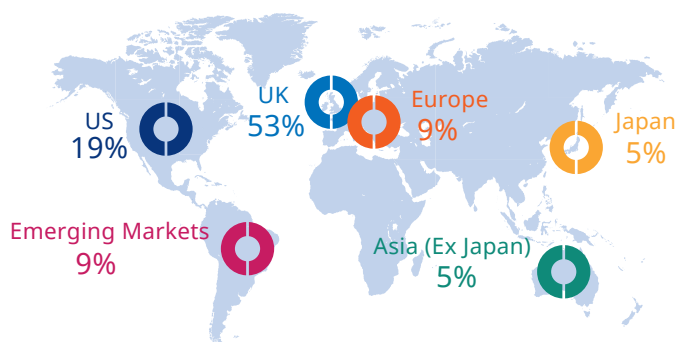
Key information

Fund size	£543.7 million
Units available	Distribution & Accumulation
Valuation and dealing	Daily 4 pm
Minimum investment	£1,000
Target yield	4% (smoothed over the previous 3 years)
Distribution dates	31 st Aug, 30 th Nov, 28 th Feb, 31 st May
Annual management charge	0.65%
Launch date	29 th June 2007
SEDOL Number	B1XK8W1 (Distribution Units) B1XK8S7 (Accumulation Units)

Asset mix

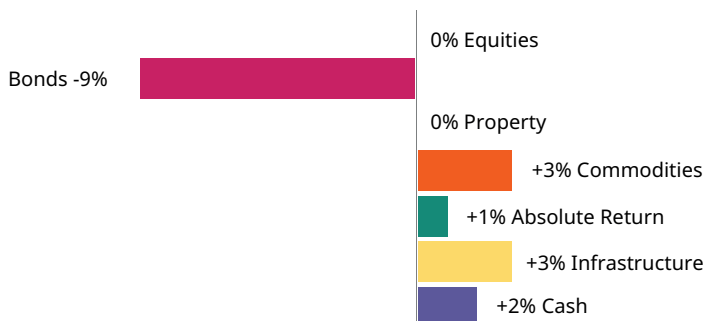


Equity exposure by region



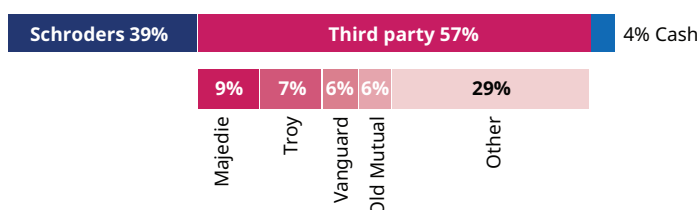
Map for illustrative purposes only.

Active positions



Shows asset allocation over or under the fund's long term strategy, with positive active positions reflecting a favourable view on the asset class and vice versa.

Fund providers



The Fund deducts costs and expenses incurred by the Board, Trustee and Manager in carrying out their duties to the property of the Fund in addition to the Trustee and Manager annual fees and as a result the growth in the capital sum will be constrained.

Portfolio commentary

Over the last five years the Charity Multi-Asset Fund has generated returns of 7.9% per annum net of fees, well ahead of the target return of inflation plus 4% which has returned 6.6% per annum. Over the last 12 months the Fund has kept pace with an increasing target return as inflation has picked up, generating 8% over the period.

Global economic forecasts continue to be edged upwards as the synchronised upswing in global growth continues. The weak spot is the UK, where slower real income growth and Brexit uncertainty have caused a modest slowdown in growth. We have a preference for exposure to overseas earnings within the Fund. The US has gained momentum during 2017, although not to the extent some anticipated at the start of the year. Meanwhile, the Eurozone, having lagged the rest of the developed world, has seen a notable improvement during 2017 and looks set to record the best annual gain in GDP since 2010. We have increased exposure to European equities over the quarter through the Jupiter European Special Situations Fund and Schroder European Alpha Income Fund. Emerging markets has also been a beneficiary of improving economic activity and our holding in the Schroder Emerging Market Fund is up 20% in 2017.

Positive economic growth and strong corporate earnings are supportive for equity markets. Sentiment is upbeat, although it is a concern when consensus is as unanimous as it is today, with commentators and investors universally positive on equities and negative on government bonds. This does temper our enthusiasm for being overweight in equities – our positioning is more neutral, noting that few markets are cheap on traditional valuation metrics. We agree with the negative view on bonds, where we maintain our long-held underweight position. We continue to value diversifiers in portfolios, whether income-generating assets such as property and infrastructure, or risk-reducing assets such as absolute return. These help to protect the Fund against geopolitical or economic risks that could upset the current calm and low volatility in investment markets.

For further information, please contact
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