



**INTERNATIONAL RANGE**

**RISK RATING**



Equity and property investments are volatile by nature and subject to potential capital loss. For credit and income instruments, while unlikely, capital loss may also occur due to an event like the default of an issuer. The portfolio may be subject to currency fluctuations due to its international exposure.

**GENERAL INFORMATION**

**BENCHMARK:**

3 month LIBID +3% to 5% over 5 to 7 years

**PEER GROUP:**

Morningstar Aggressive Allocation USD

**FUND LEGAL STRUCTURE:**

Irish OEIC UCITS IV

**INVESTMENT MANAGER:**

Nedgroup Investments (IOM) Limited; licensed by the Isle of Man Financial Services Authority to provide collective investment scheme services

**APPROPRIATE TERM:**

Minimum 5 - 7 years

**MARKET VALUE:**

£145.3m

**CURRENCIES AVAILABLE AND PRICES**

**GBP Class C:** £14.1647

**USD Class C:** \$11.5798

Value and prices as at 29 September 2017

**INCEPTION DATE:**

**Fund:** 19 August 2011

**GBP Class:** 6 March 2013

**USD Class:** 30 December 2013

**MINIMUM INVESTMENTS:**

**Class C:** £1,000 / \$1,500

**FEES AND CHARGES (VAT incl)**

Management fee Class C: 0.50% p.a

**ON-GOING CHARGES (as at 31 July 2017)<sup>2</sup>**

Class C: 1.27%

**DEALING:**

Daily

**NOTICE PERIODS:**

Subscriptions: Noon T-1

Redemptions: Noon T-1

**SETTLEMENT PERIODS:**

Subscriptions: T+2

Redemptions: T+5

**ISIN / SEDOL:**

**Class C GBP:** IE00B8NXWC79 / B8NXWC7

**Class C USD:** IE00B7FH6954 / B7FH695

**CONTACT US**

Tel +44 (0) 1624 645150

Fax +44 (0) 1624 670630

Website [www.nedgroupinvestments.com](http://www.nedgroupinvestments.com)

Email [helpdesk@nedgroupinvestments.com](mailto:helpdesk@nedgroupinvestments.com)

**MINIMUM DISCLOSURE DOCUMENT**

Please note: Differences may exist due to rounding

**FUND OBJECTIVE**

The Growth MultiFund aims to provide high levels of growth with moderate to high levels of risk and volatility over the medium to longer-term.

It is anticipated that the Growth MultiFund will achieve a return of 3-month LIBID + 3% to 5% in the currency of the relevant share class over a rolling 5 to 7 year period.

In order to achieve the investment objective, the portfolio invests across a range of asset classes within a strategic and tactical asset allocation framework designed to maximise diversification benefits. An absolute and relative valuation-based approach underpins this framework, resulting in a multilayered process to facilitate disciplined decision-making and risk management.

The Growth MultiFund is suitable for clients with an investment time horizon of 5 to 7 years. Investing in the fund involves a risk to capital in order to achieve the desired return.

**FUND PERFORMANCE <sup>1</sup>**

PERIOD	GBP	GBP PEER GROUP	USD LIBID 3 MONTH		USD	USD PEER GROUP	GBP LIBID 3 MONTH	
	%	%	+3%	+5%	%	%	+3%	+5%
3 Months	1.4%	1.5%	0.8%	1.3%	3.4%	3.3%	1.0%	1.5%
6 Months	3.4%	2.5%	1.6%	2.6%	7.7%	6.5%	2.1%	3.0%
1 Year	11.7%	8.9%	3.2%	5.2%	14.3%	11.4%	4.0%	6.0%
3 Years	9.0%	7.5%	3.4%	5.4%	n/a	n/a	n/a	n/a
5 Years	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Year to date	8.3%	6.4%	2.4%	3.9%	13.8%	11.8%	3.1%	4.6%
2016	15.0%	13.5%	3.4%	5.4%	4.6%	3.3%	3.6%	5.6%
2015	0.4%	0.6%	3.5%	5.4%	-2.6%	-2.4%	3.2%	5.2%
2014	9.2%	5.0%	3.5%	5.4%	n/a	n/a	n/a	n/a
Lowest 1 yr return	-5.6%				-10.8%			
Highest 1 yr return	22.6%				17.2%			
Since inception *	7.9%	6.3%	3.4%	5.4%	5.5%	4.3%	3.6%	5.6%

The performance presented is Class C performance net of fees. \* Since inception annualised

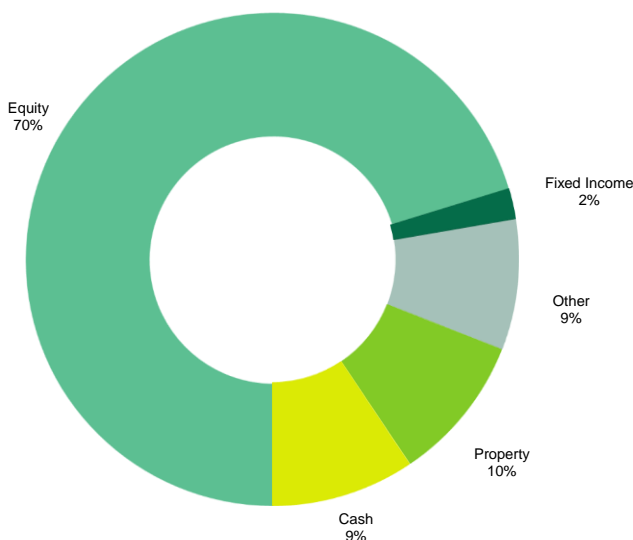
USD peer group is the Morningstar Aggressive Allocation USD. For the GBP peer group data, the same competitor universe and returns are used as for the USD data, although a 45% hedge to sterling is applied, as per the fund's GBP share class.

**RISK MEASURE**

SINCE FUND INCEPTION	FUND GBP	FUND USD
Annualised volatility	7.7%	9.5%
Sharpe ratio (annualised)	0.98	0.66
Lowest monthly return	-4.5%	-7.7%

Risk measures based on the simulated Class C performance net of fees since 19 August 2011 to date.

**PORTFOLIO STRUCTURE**



<sup>1</sup> The annualised total return is the average return earned by an investment each year over a given time period. Performance is calculated for the portfolio and individual investment performance may differ as a result of initial fees, the actual investment, the actual investment date, the date of any reinvestment and dividend withholding tax. Data source Nedgroup Investments (IOM) Limited.

<sup>2</sup> The on-going fee is a measure of the actual expenses incurred in the management of the Classes of the Sub-Fund. The on-going fee shown is expressed as a percentage of the monthly average value of the portfolio calculated over a 12-month period as at the date shown. The current on-going fee cannot be used as an indication of future on-going fees. A higher on-going fee does not necessarily imply a poor return, nor does a low on-going fee imply a good return.

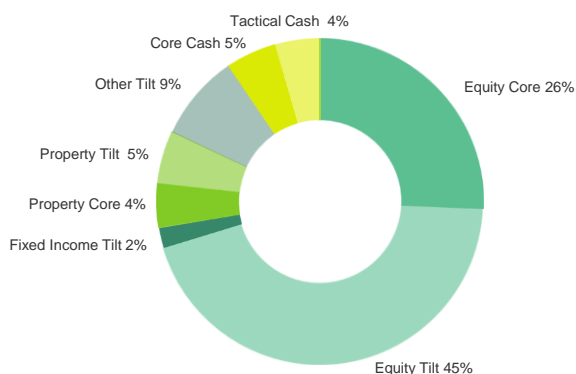
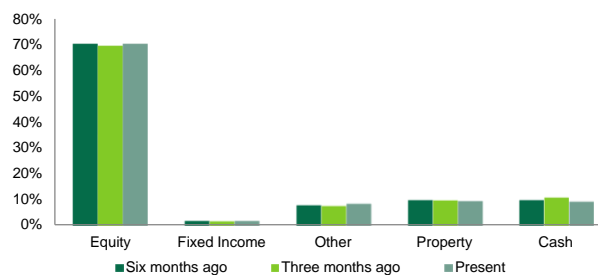


## TOTAL PORTFOLIO ANALYSIS

### FULL PORTFOLIO LISTING

EQUITY		70.4%
Vanguard Global Stock Index	Core	19.7%
Vanguard Emerging Markets Stock	Core	5.9%
Nedgroup Global Equity Fund	Tilt	11.5%
Dodge & Cox Global Stock Fund	Tilt	10.5%
TOBAM Anti-Benchmark World Equity	Tilt	8.3%
Morgan Stanley Global Brands	Tilt	5.4%
Coronation Global Emerging Markets	Tilt	4.4%
Allianz Global Small Cap Equity	Tilt	4.5%
PROPERTY		9.6%
Nedgroup Global Property Fund	Core	4.4%
F&C Commercial Property Trust	Tilt	2.9%
Impact Healthcare REIT	Tilt	1.5%
Standard Life Investment Property Income	Tilt	0.8%
FIXED INCOME		2.0%
Franklin Templeton Global Total Return Fund	Tilt	2.0%
OTHER		8.6%
SQN Asset Finance Income Fund C Shares	Tilt	2.3%
Greencoat UK Wind	Tilt	2.1%
John Laing Environmental Assets Group	Tilt	1.1%
3i Infrastructure Plc	Tilt	1.0%
Greencoat Renewables	Tilt	1.0%
GCP Asset Backed Income Fund	Tilt	1.0%
CASH		9.4%
BlackRock Institutional USD Liquidity Fund / Cash	Core	5.0%
	Tilt/Tactical	4.4%
TOTAL		100.0%

### CHANGES IN ASSET ALLOCATION BY STRATEGY



## EQUITY COMPONENT <sup>3</sup>

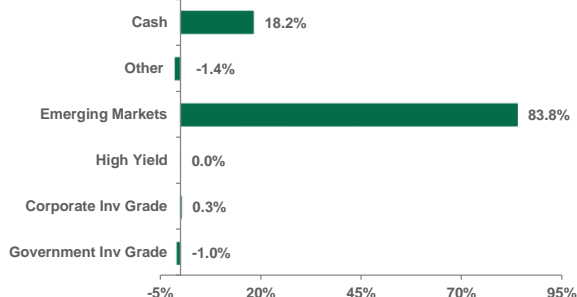
TOP TEN UNDERLYING HOLDINGS		
Microsoft	1.7%	
Comcast	1.3%	
Alphabet	1.3%	
Charter Communications	1.1%	
Baidu	1.1%	
Naspers	1.1%	
American Express	0.9%	
UnitedHealth Group	0.9%	
Safran	0.8%	
Airbus	0.8%	
TOTAL		11.0%

COUNTRY ALLOCATION		
USA	47.4%	
Europe ex-UK	15.3%	
UK	7.7%	
Emerging Markets	16.1%	
Pacific ex-Japan	2.9%	
Japan	5.2%	
Canada	2.2%	
Cash	3.4%	
TOTAL		100.0%

SECTOR ALLOCATION		
Information Technology	17.3%	
Consumer Discretionary	15.6%	
Financials	15.1%	
Health Care	13.1%	
Consumer Staples	11.0%	
Industrials	10.8%	
Materials	4.0%	
Energy	3.6%	
Real Estate	2.1%	
Telecommunication Services	2.1%	
Utilities	2.0%	
Cash	3.4%	
TOTAL		100.0%

## FIXED INCOME COMPONENT <sup>3</sup>

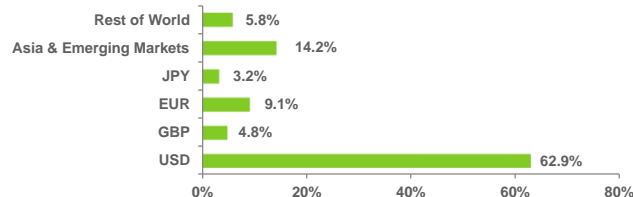
### CATEGORY ALLOCATION



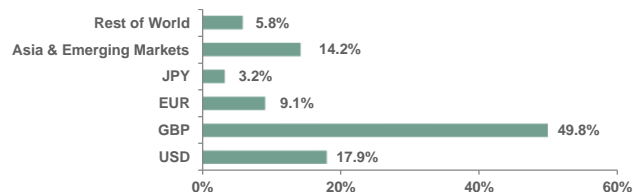
YIELD	
Yield To Maturity	7.9%
Average Weighted Maturity (in years)	3.5
Average Modified Duration (in years)	0.1

## CURRENCY EXPOSURE <sup>3</sup>

### USD SHARE CLASS



### GBP SHARE CLASS <sup>4</sup>



3) Source: Underlying managers. Data point 31 August 2017  
Data point for underlying fund information on a look-through basis is one month in arrears.  
4) For the sterling Hedged share class a 45% hedge to sterling is applied

## INVESTMENT MANAGER COMMENTARY

## MARKET COMMENTARY

Nedgroup Investments (IOM) Ltd  
Investment Manager and Distributor

Whilst economic news flow continued to be relatively encouraging through September, political events were more mixed, with the United States and North Korea continuing to trade threats and insults over the latter's nuclear missile program. In Europe, Merkel won the German general election, but was seriously wounded by a sharp decline in support for her CDU party and by the SPD's decision to withdraw from her coalition. As a result, Merkel has been forced to try and forge a more tenuous and weaker alliance with the Greens and the FDP. On other issues, the Brexit talks reached an impasse, but were then rebooted by a speech from Theresa May in which she offered a more conciliatory tone and some important concessions. However, whilst the speech was enough to get the two sides talking again, the EU and the UK still appear to be very far apart on a number of key issues. Central bank talk was mostly focused on how improving global economic activity is likely to prompt a gradual policy shift towards a less accommodative stance. As a result, interest rate expectations shifted higher, and most analysts concluded that the Bank of England will likely raise rates in November, with the Federal Reserve following suit in December. On a related topic, the Federal Reserve also outlined plans to start reducing its bond holdings, whilst the European Central Bank hinted at its intent to further scale back its quantitative easing program.

The MSCI All Country World Index fell -1.9%, measured in sterling terms. Among the major countries and regions, Europe ex UK (-0.6%) and the UK (-0.5%) held up the best, whilst Asia ex Japan (-3.9%) and the Emerging Markets (-4.1%) were the weakest. Cyclical outperformed defensives, with Energy (+4.1%) being the strongest sector as it was boosted by a rising oil price, whilst the more bond sensitive areas, such as Utilities (-5.9%), Consumer Staples (-4.6%) and Real Estate (-4.2%) were the biggest fallers. Finally, in terms of style, Value (-1.4%) fared better than Growth (-2.3%), whilst Smaller Companies (-0.3%) outperformed Larger Companies (-1.9%).

The shift in interest rate expectations saw government bonds perform poorly, although a narrowing of credit spreads helped riskier sub-sectors. Over the month, the JP Morgan Global Government Bond Index fell -0.8% whilst the Merrill Lynch Global Investment Grade Corporate bond Index slipped -0.4%. However, lower quality credit bucked the trend with the Merrill Lynch Global High Yield Index rising +0.7% and the JP Morgan Emerging Market Bond Index coming in flat over the period (all returns in hedged to sterling terms).

The Bloomberg Commodity Index fell -3.9%, with considerable divergence across the sub-sectors. Crude Oil (+3.8%) rose in response to news of rising demand and falling inventories, whilst Gold (-6.4%), Industrial Metals (-7.4%) and Agriculture (-3.7%) all declined when measured in sterling terms.

On the foreign exchange markets, the pound rose strongly against most currencies as economic data surprised on the upside and the Governor of the Bank of England warned that a UK rate rise was imminent. As examples, the pound gained +3.6% versus the dollar, +4.5% against the Euro and +8.1% relative to the South African rand.

Notes: All monthly data is quoted in sterling terms unless otherwise stated.

## PORTFOLIO COMMENTARY

The Nedgroup Investments Growth MultiFund declined in value by -1.2% during September.

Within equities, the best performing funds were Allianz Global Small Cap Equity (+2.6%) and Dodge & Cox Global Stock Fund (+1.2%). Allianz's performance reflected the strong rally in small cap stocks, whilst the strength of Energy and Financials supported Dodge & Cox, given the fund's tilts to these areas. At the other end of the spectrum, Nedgroup Global Equity (-1.8%) was negatively impacted by stock specific news, whilst Morgan Stanley Global Brands (-2.0%) also lagged due to its bias towards Consumer Staples, which failed to keep up with the outperforming cyclical sectors over the month.

In other asset classes, Franklin Templeton Global Total Return (+1.7%) benefited from a number of its developed market currency positions, which gained in value as the US dollar strengthened on expectation of a December rise in US interest rates. Rising government bond yields were a headwind for Nedgroup Global Property Fund (-4.4%), but exposure to UK commercial property was broadly positive, with Standard Life Property Income Trust (+1.7%) and Impact Healthcare (+0.5%) both rising, whilst F&C Commercial Property Trust (-0.5%) declined a little. Elsewhere, returns from infrastructure holdings were mixed, with Greencoat UK Wind (-1.2%) and 3i Infrastructure (-1.4%) both weaker, whilst Greencoat Renewables (+0.5%) and John Laing Environmental Assets (+1.6%) both rose. Finally, our allocation to asset-backed financing was positive, with SQN Asset Finance Income Fund (+2.2%) and GCP Asset Backed Income (+1.4%) both increasing in value. SQN was supported by news that the US International Trade Commission (ITC) had ruled in favour of Suniva (SQN's non-performing credit) on the case it brought regarding unfair foreign solar panel dumping. The ITC has until the middle of November to put a recommendation to President Trump that will probably call for protection for US solar cell manufacturers, most likely in the form of import tariffs on foreign panels. If Trump signs-off on these remedies, then Suniva's trading position should be restored, and the credit should start performing again.

In terms of portfolio activity, we decided to rebalance the risks within the equity portfolio by modestly increasing holdings that focus on more cyclical and better valued non-US and emerging markets (which we prefer to the richly priced US equity market), whilst reducing exposure to the more expensive stable earners.

Note: All returns are quoted on a partially hedged or hedged to GBP basis.

### Investment Manager and Distributor

Nedgroup Investments (IOM) Limited (reg no 57917C) the Investment Manager and Distributor of the Fund is licensed by the Isle of Man Financial Services Authority.

### The Depository

Citi Depository Services Ireland DAC  
1 North Wall Quay, Dublin 1, Ireland.

### Performance

Funds are generally medium to long-term investments. The value of your investment may go down as well as up. International investments may be subject to currency fluctuations due to exchange rate movements. Past performance is not necessarily a guide to future performance. Nedgroup Investments does not guarantee the performance of your investment and even if forecasts about the expected future performance are included you will carry the investment and market risk, which includes the possibility of losing capital.

### Pricing

The Sub-Funds of Nedgroup Investments MultiFunds are valued using the prices of underlying funds prevailing at 11pm Irish time the business day before the price date. Prices are published on the Nedgroup Investments website.

### Fees

Fees are outlined in the relevant Sub-Fund Supplement available from the Nedgroup Investments website.

### Nedgroup Investments MultiFunds Plc (the Fund) – disclaimer

Nedgroup Investments MultiFunds Plc (the Fund) is authorised and regulated in Ireland by the Central Bank of Ireland. The Fund is authorised as a UCITS pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (S.I. No. 352 of 2011) as amended from time-to-time.

This document is not intended for distribution to any person or entity who is a citizen or resident of any country or other jurisdiction where such distribution, publication, or use would be contrary to law or regulation.

The Fund and certain of its Sub-Funds are recognised in accordance with Section 264 of the Financial Services and Markets Act 2000. UK investors should read the Appendix for UK Investors in conjunction with the Fund's Prospectus which are available from the Investment Manager or facilities agent. [www.nedgroupinvestments.com](http://www.nedgroupinvestments.com)

Singapore investors should read the Appendix for Singapore Investors in conjunction with the Fund's Prospectus and Key Investor Information Document (KIID) which are available from the Investment Manager. [www.nedgroupinvestments.com](http://www.nedgroupinvestments.com)

The Fund has been recognised under paragraph 1 of Schedule 4 to the Collective Investment Schemes Act 2008 of the Isle of Man. Isle of Man investors are not protected by statutory compensation arrangements in respect of the Fund.

The Prospectus of the Fund, the Supplements of its Sub-Funds and the KIIDs are available from the Investment Manager and Distributor or from its website [www.nedgroupinvestments.com](http://www.nedgroupinvestments.com). The value of shares can fall as well as rise. Investors may not get back the value of their original investment.

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### Nedgroup Investments International contact details

Tel: +44 (0)1624 645150  
Tel: 0800 999 160 (toll free from South Africa only)  
Fax: +44(0) 1624 670630  
Email: [helpdesk@nedgroupinvestments.com](mailto:helpdesk@nedgroupinvestments.com)  
Website: [www.nedgroupinvestments.com](http://www.nedgroupinvestments.com)  
Address: 1<sup>st</sup> Floor, Samuel Harris House, St George's Street, Douglas, Isle of Man. IM1 1AJ. British Isles.