

NEDGROUP INVESTMENTS INCOME MULTIFUND - ACCUMULATING

March 2019

Class C



INTERNATIONAL RANGE

RISK RATING



Equity and property investments are volatile by nature and subject to potential 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.

BENCHMARK: 3 month LIBID over 3 to 5 years

PEER GROUP: Morningstar Global Bonds

FUND LEGAL STRUCTURE: Irish OEIC UCITS IV

INVESTMENT MANAGER:

Nedgroup Investments (IOM) Limited; licensed by the Isle of Man Financial Services Authority.

APPROPRIATE TERM: Minimum 3 - 5 years

MARKET VALUE: £43.3m

CURRENCIES AVAILABLE AND PRICES:

GBP Class C: £11.7274

USD Class C: \$11.3105

Value and prices as at 29 March 2019

INCEPTION DATES:

Fund: 19 August 2011

Sub-fund: 26 January 2012

GBP Class: 8 April 2013

USD Class: 16 October 2015

MINIMUM INVESTMENTS:

Class C: £1,000 / \$1,500

FEES AND CHARGES (VAT incl)

Management fee Class C: 0.40% p.a

ON-GOING CHARGES (as at 29 Mar 2019)²

Class C: 1.15%

DEALING: Daily

NOTICE PERIODS:

Subscriptions: Noon T-1

Redemptions: Noon T-1

SETTLEMENT PERIODS:

Subscriptions: T+2

Redemptions: T+3

DISTRIBUTION YIELD OF DISTRIBUTING CLASS:

GBP Class C Dist: 4.3%

Based on last four quarterly distributions as a percentage of current share price. Last dividend 29 Mar 2019

ISIN / SEDOL:

Class C Acc GBP: IE00B9BBC647 / B9BBC64

Class C Acc USD: IE00B9CNVR36 / B9CNVR3

CONTACT US

Tel +44 (0) 1624 645150

Fax +44 (0) 1624 670630

Website www.nedgroupinvestments.com

Email helpdesk@nedgroupinvestments.com

MINIMUM DISCLOSURE DOCUMENT

Please note: Differences may exist due to rounding

FUND OBJECTIVE

The Income MultiFund aims to provide a low risk, low volatility investment option over the medium to longer-term.

It is anticipated that the Income MultiFund will achieve a return in excess of 3-month LIBID in the currency of the relevant share class over a rolling 3 to 5 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 multi-layered process to facilitate disciplined decision-making and risk management.

The Income MultiFund is suitable for clients with an investment time horizon of 3 to 5 years. Investing in the fund involves a risk to capital in order to achieve the desired return.

FUND PERFORMANCE ¹

PERIOD	GBP	GBP PEER GROUP	3 MONTH GBP LIBID	USD	USD PEER GROUP	3 MONTH USD LIBID
	%	%	%	%	%	%
3 Months	3.3%	2.2%	0.2%	3.7%	2.6%	0.6%
6 Months	2.3%	2.3%	0.4%	3.1%	3.4%	1.3%
1 Year	3.3%	1.3%	0.7%	4.8%	3.0%	2.4%
3 Years Ann	3.3%	1.4%	0.4%	4.3%	2.2%	1.5%
YTD	3.3%	2.2%	0.2%	3.7%	2.6%	0.6%
2018	-0.9%	-1.9%	0.6%	0.4%	0.2%	2.2%
2017	3.0%	1.6%	0.2%	3.9%	3.5%	1.2%
2016	5.8%	4.8%	0.4%	5.9%	2.2%	0.6%
2015	-0.1%	-0.2%	0.5%	-1.2%	-0.7%	0.1%
2014	3.0%	5.6%	0.4%	n/a	n/a	n/a
Lowest 1 yr return	-3.0%			0.4%		
Highest 1 yr return	8.0%			8.2%		
Since inception *	2.7%	1.5%	0.4%	3.6%	2.3%	1.4%

Class C performance net of fees . * Since inception annualised.

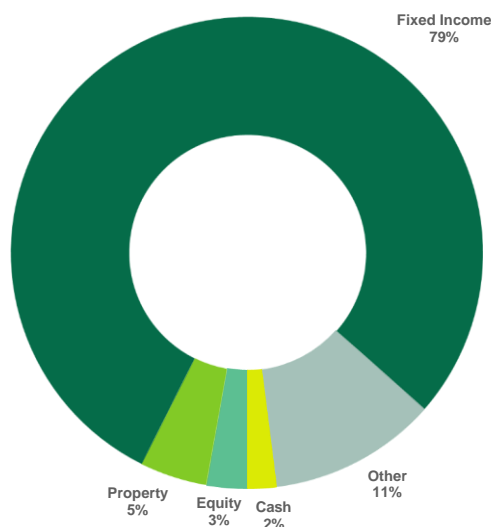
GBP Peer Group is Morningstar Global Bonds – GBP Hedged. USD Peer Group is Morningstar Global Bonds – USD Hedged. * Since inception annualised.

RISK MEASURE

SINCE FUND INCEPTION	FUND GBP	FUND USD
Annualised Volatility	2.6%	2.4%
Sharpe Ratio (annualised)	0.9	1.2
Lowest Monthly Return	-1.7%	-1.0%

Risk measure based on the simulated Class C performance net of fees since 26 January 2012 for GBP and 12 April 2012 for USD share class to date.

PORTFOLIO STRUCTURE



1) 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.

2) 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.

NEDGROUP INVESTMENTS INCOME MULTIFUND - ACCUMULATING

March 2019

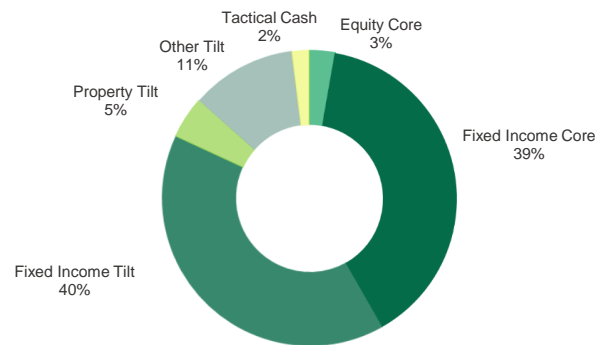


TOTAL PORTFOLIO ANALYSIS

FULL PORTFOLIO LISTING

EQUITY INCOME		2.8%
iShares UK FTSE Dividend Plus Fund	Core	2.8%
EQUITY PROPERTY		4.6%
Target Healthcare REIT	Tilt	1.9%
F&C Commercial Property Trust	Tilt	1.7%
Impact Healthcare REIT	Tilt	1.0%
FIXED INCOME		79.1%
Muzinich Short Duration High Yield	Tilt	16.9%
AXA US Short Duration High Yield	Tilt	15.4%
Vanguard US Government Bond Index Fund	Core	14.8%
PIMCO Global IG Credit	Core	12.3%
Wellington Global Credit Plus	Core	11.9%
Franklin Templeton Global Total Return	Tilt	7.9%
OTHER		11.5%
John Laing Environmental Assets Group	Tilt	2.4%
SQN Asset Finance Income Fund C Shares	Tilt	2.1%
Greencoat UK Wind	Tilt	2.0%
GCP Asset Backed Income Fund	Tilt	1.5%
Greencoat Renewables	Tilt	1.4%
The Renewables Infrastructure Group	Tilt	1.0%
3i Infrastructure Plc	Tilt	1.0%
CASH		2.0%
Cash	Tilt/Tactical	2.0%
TOTAL		100.0%

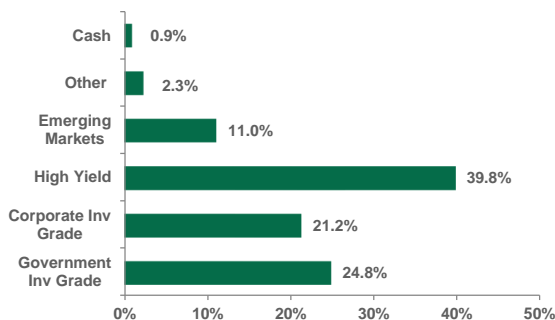
CHANGES IN ASSET ALLOCATION BY STRATEGY



FIXED INCOME COMPONENT ³

CREDIT RATING	
AAA	27.0%
AA	4.0%
A	10.3%
BBB	15.1%
< BBB	43.6%
TOTAL	100.0%
MATURITY	
< 3 year	36.7%
3-5 years	32.7%
5-10 years	21.7%
> 10 years	8.8%
TOTAL	100.0%

SECTOR ALLOCATION



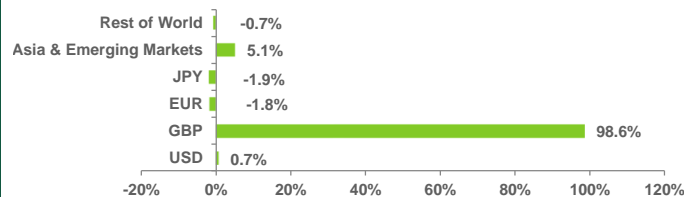
PORTFOLIO YIELD	
Effective Yield	4.7%
Average Weighted Maturity (in years)	5.2
Average Modified Duration (in years)	3.6

REGIONAL ALLOCATION ³

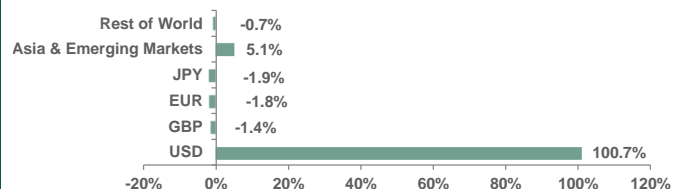
USA	60.0%
UK	23.9%
Europe ex UK	5.2%
Emerging Markets	8.7%
Rest of the World	1.8%
Asia Pacific ex Japan	0.4%
Japan	0.0%
TOTAL	100.0%

CURRENCY EXPOSURE ³

GBP SHARE CLASS



USD SHARE CLASS



³ Source: Underlying managers. Data point 28 February 2019 (including portfolio cash)
Data point for underlying fund information on a look-through basis is one month in arrears.

INVESTMENT MANAGER COMMENTARY

MARKET COMMENTARY

Nedgroup Investments (IOM) Ltd
Investment Manager and Distributor

It might seem perverse to those who do not follow financial markets closely, but sometimes bad economic news can translate into good investor returns from risk assets. As recent economic data has come through much weaker than expected, the key central banks have dramatically shifted their guidance on future monetary policy towards a much more dovish stance. The immediate impact of this change was to drive interest rate expectations and bond yields lower, but the knock-on effect has been to encourage investors to re-engage with risk assets in a renewed hunt for yield.

Although the economic outlook has clearly deteriorated, arguably the political news flow has been improving. With the UK Parliament deadlocked over Brexit, the chances of an economically damaging hard Brexit have significantly diminished, with a long extension to Article 50 or the softest of Brexit options now looking much more likely outcomes. Elsewhere, the US-China trade talks also appear to be developing well, with both sides making positive statements about progress being made.

The sharp adjustment in interest rate expectations underpinned strong performance in the fixed income markets. Higher quality conventional bonds did particular well, with the JP Morgan Global Government Bond Index posting +1.8%, whilst the ICE Merrill Lynch Global Corporate Investment Grade Index did even better returning +2.1%. Other sectors made gains, with the ICE Merrill Lynch Global High Yield Index rising +0.9% and the JP Morgan Global Emerging Market Bond Index delivering +1.4% (all hedged to sterling).

Helped by a decline in the pound, equities advanced by +3.4% according to the MSCI AC World Index in sterling terms. All the major regions and markets posted gains, with Asia ex Japan (+3.9%) and the US (+3.9%) leading the way and Europe ex UK (+2.6%) and Japan (+2.7%) lagging. Most sectors also rose, with those that benefit from lower interest rates doing the best, and vice versa. As such, the strongest sectors were Real Estate (+7.3%), Consumer Staples (+6.2%) and Technology (+6.1%), whilst the weakest was financials (-0.3%). In terms of style, Growth (+4.5%) beat Value (+2.4%), whilst Larger Companies (+3.4%) outperformed Smaller Companies (+1.7%).

The pound generally slipped against most currencies, falling -0.4% versus the euro, -1.7% against the US dollar and -2.2% relative to the yen. However, it did make gains against some emerging market currencies, such as the Argentine peso (+8.9%), the Turkish lira (+2.4%), Brazilian real (+2.6%) and South African rand (+1.1%).

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

PORTFOLIO COMMENTARY

The Nedgroup Investments Income MultiFund increased by +0.7% during March.

Within fixed income, the portfolio's bias towards corporate credit was a headwind as credit, specifically sub-investment grade credit, underperformed government bonds. The decline in government bond yields meant that the Vanguard US Government Bond Index (+1.9%), Wellington Global Credit Plus (+1.9%), and PIMCO Global Investment Grade (+1.8%) were the best performing funds. The sub-investment grade funds, AXA US Short Duration High Yield (+0.5%) and Muzinich Short Duration High Yield (+0.3%), underperformed but still generated positive returns. Elsewhere, Franklin Templeton Global Total Return (-2.1%) generated a negative return, reflecting its exposure to emerging market local currency bonds which declined over the period.

In other asset classes, Nedgroup Global Property (+4.9%) was one of the best performing funds in the portfolio, as REITS were generally helped by falling government bond yields. Our exposure to UK commercial property exposure was more mixed. F&C Commercial Property (-2.1%) was weighed down by Brexit uncertainty, whereas the less cyclical UK Care homes, Target Healthcare (+0.0%) and Impact Healthcare (+0.9%), were positive during the month. John Laing Environmental Assets (+0.6%), 3i Infrastructure (+2.0%) and Greencoat UK Wind (+2.5%) were all positive, whilst Greencoat Renewables (-1.8%) declined. Finally, both asset-backed finance investments, SQN Asset Finance Income Fund C-Shares and GCP Asset Backed Income, returned +0.5% for the period.

In terms of portfolio activity, we established a new position in The Renewables Infrastructure Group (TRIG) via a capital raise. TRIG invests in renewables, with a particular focus on onshore wind and solar. Like our other investments in this area, we believe that TRIG will provide investors with a high level of reliable income, inflation protection, and low risk of any material loss of capital.

Note: All returns are quoted on a hedged to sterling 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

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

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

The value of shares can fall as well as rise. Investors may not get back the value of their original investment.

This document is of a general nature and intended for information purposes only. Whilst we have taken all reasonable steps to ensure that the information in this document is accurate and current on an ongoing basis, Nedgroup Investments shall accept no responsibility or liability for any inaccuracies, errors or omissions relating to the information and topics covered in this document. Income may fluctuate in accordance with market conditions and taxation arrangements.

Changes in exchange rates may have an adverse effect on the value price or income of the product.

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

Website: www.nedgroupinvestments.com

Address: First Floor, St Mary's Court, 20 Hill Street, Douglas, Isle of Man IM1 1EU, British Isles