

**SHINING A LIGHT ON THE.....
JOHCM UK Dynamic Fund**

AT A GLANCE

Investment Objective	
<p>The investment objective of the Fund is to achieve long-term capital growth. Investments will primarily be drawn from companies listed on either of the two primary markets of the London Stock Exchange: the main market and AIM. At least 75% of the Fund's assets will at all times be invested in equity securities of companies domiciled or exercising the predominant part of their economic activity in the United Kingdom. The Fund may on occasion utilize this position to invest a proportion of its assets in equities listed on a recognized exchange outside the UK. Investment will be made primarily in equity securities which are readily marketable, but investments will also be made in equity securities of smaller companies which can be more lightly traded. The portfolio is likely to be fairly concentrated with the Fund typically holding equity interests in between 35 and 50 different companies.</p>	

Inception Date	16 th June 2008
Fund Factsheet Link	http://www.morningstar.co.uk/uk/funds/snaps/hot/snapshot.aspx?id=F00000461H

Management	
Manager Name	Start Date
Alex Savvides	16 th June 2008

Investment Style Details	
Equity Style	
Market Capitalisation	% of Equity
Giant	34.76%
Large	16.25%
Medium	15.34%
Small	24.34%
Micro	9.32%

Top 10 Holdings		
Total number of holdings	44	
Assets in Top 10 Holdings	42.81%	
Name	Sector	% of Assets
BP PLC	Energy	5.77%
Royal Dutch Shell PLC B	Energy	5.51%
GlaxoSmithKline PLC	Healthcare	4.72%
3i Ord	-	4.31%
Lloyds Banking Group PLC	Financial Services	4.29%
Anglo American PLC	Basic Materials	3.83%
Barclays PLC	Financial Services	3.73%
HSBC Holdings PLC	Financial Services	3.63%
QinetiQ Group PLC	Industrials	3.51%
Electrocomponents PLC	Industrials	3.49%

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Volatility Measurements	
3-Yr Std Dev (volatility)	10.36%
3-Yr Mean Return (average)	11.46%

FUND PERFORMANCE

Performance from 1st January 2014 to 28th February 2019:

	2014	2015	2016	2017	2018	2019
JOHCM UK Dynamic Fund	2.89%	0.46%	21.71%	16.15%	-10.21%	6.66%
Vanguard FTSE UK All Share Index	1.41%	1.28%	16.58%	13.00%	-9.65%	7.04%

Performance over 12 months, 3 years, and 5 years:

	1 year	3 years	5 years
JOHCM UK Dynamic Fund	-1.45%	38.58%	33.24%
Vanguard FTSE UK All Share Index	1.52%	30.43%	28.31%

You should note that past performance is not a reliable indicator of future returns and the value of your investments can fall as well as rise. The total return reflects performance without sales charges or the effects of taxation, but is adjusted to reflect all on-going fund expenses and assumes reinvestment of dividends and capital gains. If adjusted for sales charges and the effects of taxation, the performance quoted would be reduced.

UPDATE....

When looking for an active fund in the All Share Index what we have tended to find is many of the good funds have a bias to mid-cap and are therefore not truly all cap. This fund is more of an all cap fund. The manager looks for opportunities across the market irrespective of size. Ultimately the manager is looking to outperform the index so that over time the compounding of smaller incremental increases will make a difference to long term performance.

The fund has a “value” bias. This is not the traditional “buy cheap and hope it will go up”. This is about identifying those companies that can turn around and grow in the future. It means that they recognise the need for change and have the potential to deliver on this.

If a company is structurally broken, then it cannot change, and they will not buy it. The view of the manager is that fear can be misplaced and that is where they can make money. A company that has fallen on hard times, can be unloved but with the right attitude can be a good long-term investment. They are happy to hold for 10 years plus.

The managers like periods of volatility as this often delivers opportunities but this fund is for the long-term patient investor. They don't always get it right, but they look to learn from mistakes to better the process.

The fund currently has about 30% of the fund focused on UK earners, 20% on those with a split of about 50/50 between UK and international and the balance in international earners. This provides some protection against big currency shifts, as happened with Brexit.

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In summary, this fund was set up by Alex in 2008 and he has delivered consistent outperformance. It does have a “value” bias but more on identifying those business which can turn things around. He is a long-term holder of assets, and investors should see this as something they are prepared to hold for 5 years plus. Although there might be funds in the index which out perform this, many of those have a significant bias to the small and mid-cap and are not true all-share funds. Any investors would then need to decide what they really want to invest in.

The source of information in this note has been provided by JOHCM and is correct as at March 2019. These are notes from meeting the fund manager or representative and should not be seen as a recommendation to purchase any fund mentioned. Any reference to shares is not a recommendation to buy or sell. Should you wish to make a decision based on these notes we cannot take responsibility for this and you should carry out your own research before making a decision. We would also recommend that you receive advice before following up on any decision.