

**SHINING A LIGHT ON THE.....
Nomura Global Dynamic Bond Fund**

AT A GLANCE

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|--|
| Investment Objective |
| To provide a combination of income and growth through investing principally in debt securities with fixed or variable rates of income. |

| | |
|----------------------------|---|
| Inception Date | 30 th January 2015 |
| Fund Factsheet Link | http://www.morningstar.co.uk/uk/funds/snapshot/snapshot.aspx?id=F00000VB9B |

| | |
|---------------------|-------------------------------|
| Management | |
| Manager Name | Start Date |
| Richard Hodges | 30 th January 2015 |

FUND PERFORMANCE

Performance from 1st January 2016 to 30th November 2021:

| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|--|-------|-------|--------|--------|--------|--------|
| Nomura Global Dynamic Bond Fund | 6.51% | 5.95% | -1.37% | 15.18% | 10.64% | 0.37% |
| Bloomberg Global Aggregate TR Hdg GBP | 3.66% | 1.93% | 0.10% | 6.46% | 4.96% | -1.07% |

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

| | 1 year | 3 years | 5 years | Since launch |
|--|--------|---------|---------|--------------|
| Nomura Global Dynamic Bond Fund | 1.42% | 28.26% | 35.96% | 36.41% |
| Bloomberg Global Aggregate TR Hdg GBP | -0.83% | 11.94% | 12.98% | 16.62% |

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.

| Tracking Error | Upside Capture Ratio | Downside Capture Ratio | Batting Average | Beta | Alpha | Credit Quality |
|----------------|----------------------|------------------------|-----------------|------|-------|----------------|
| 6.40 | 144.05 | 24.63 | 69.44 | 1.17 | 4.48 | - |

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| Volatility Measurements | |
|----------------------------|-------|
| 3-Yr Std Dev (volatility) | 7.33% |
| 3-Yr Mean Return (average) | 8.65% |

| Credit Quality | |
|----------------|--------|
| AAA | 24.93% |
| AA | 0.68% |
| A | 2.52% |
| BBB | 8.31% |
| BB | 23.20% |
| B | 12.24% |
| Below B | 0.11% |
| Not Rated | 28.03% |

| Top 5 Holdings – 119 bond holdings, 227 other holdings | | |
|--|---|--------|
| United States Treasury Notes 0.125% | - | 14.18% |
| United States Treasury Notes 0.125% | - | 7.24% |
| United States Treasury Bills | - | 5.33% |
| United States Treasury Bills | - | 5.33% |
| United States Treasury Bonds 2% | - | 3.65% |

| Fixed Income | |
|--------------------|------|
| Effective Maturity | 4.77 |
| Effective Duration | - |

UPDATE....

This was the final update for the year. In a year when bond strategies have struggled to deliver positive numbers this has been slightly positive, and this has been due to the hedging overlays they have used. November was negative as there was a flight to safety with news of the new variant. As with everything Dickie says we need to look beyond the headlines and at the facts. As prices dropped in November they were adding to positions.

The positioning of the fund hasn't changed much. They have around 6% allocated to Russia which they expect to increase, 4.5% to South Africa, 14% in High Yield, 15% in CoCos and 37% in Treasuries / BOTS. In terms of high yield and CoCos, these are most on short call dates and maturities which will provide cash to the fund over the next couple of years.

In terms of financials, they expect flat yield curves, and this will be bad for earnings. They have been reducing exposure to financials and the exposure they have are those which are due to mature within the next couple of years.

They have been adding to emerging markets hard and local currency on the expectations of interest rate cuts.

In summary, this is an active go anywhere bond strategy. Dickie operates one of the best known strategies, and even at a time where he feels the opportunities within the credit market are less attractive, he continues to find pockets, whether in emerging markets or short date financials.

The source of information in this note has been provided by Nomura and is correct as of December 2021. 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.