

**SHINING A LIGHT ON THE.....**  
**Atlantic House Fund Management Defined Returns Fund**

**AT A GLANCE**

<b>Investment Objective</b>	
The investment objective of the Fund is to generate capital growth over the medium to longer term.	

<b>Inception Date</b>	4 <sup>th</sup> November 2013
<b>Fund Factsheet Link</b>	<a href="https://www.morningstar.co.uk/uk/funds/snapshot/snapshot.aspx?id=F00000T120">https://www.morningstar.co.uk/uk/funds/snapshot/snapshot.aspx?id=F00000T120</a>

<b>Management</b>	
<b>Manager Name</b>	<b>Start Date</b>
Tom May and Dr Russ Bubleby	4 <sup>th</sup> November 2013

**FUND PERFORMANCE**

Performance from 1<sup>st</sup> January 2016 to 31 January 2022:

	2016	2017	2018	2019	2020	2021	2022
<b>Atlantic House Defined Returns Fund</b>	11.80%	10.25%	-1.99%	16.98%	-0.14%	12.18%	-0.89%
<b>MSCI World</b>	28.24%	11.80%	-3.04%	22.74%	12.32%	22.94%	-4.39%

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

	1 year	3 years	5 years	Since launch
<b>Atlantic House Defined Returns Fund</b>	13.30%	22.99%	39.52%	70.54%
<b>MSCI World</b>	19.27%	55.30%	74.66%	163.94%

*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	Active Share	Upside Capture Ratio	Downside Capture Ratio	Batting Average	Beta	Alpha	Equity Style
-	-	-	-	-	-	-	-

<b>Volatility Measurements</b>	
<b>3-Yr Std Dev (volatility)</b>	12.09%
<b>3-Yr Mean Return (average)</b>	7.14%

## LWM Consultants Ltd

Top 5 Holdings		
United Kingdom of Great Britain and Northern Ireland 0.15113%	-	20.10%
United Kingdom of Great Britain and Northern Ireland 7.72772%	-	19.69%
United Kingdom of Great Britain and Northern Ireland 2.01105%	-	16.64%
United Kingdom of Great Britain and Northern Ireland 0.16099%	-	11.07%
United Kingdom of Great Britain and Northern Ireland 0.13977%	-	7.63%

### UPDATE....

It is worth remembering what the fund aims to do and how it is structured, and it is this that enables the managers to model potential outcomes:

*“The fund aims to achieve an annualised return of between 7-8%, over the medium to long term, in anything but the bleakest of markets. We indicated in the last review that the concept of the fund is simple. It is a series of structured products which “kick out” (pay out) and this over time delivers the positive return. The managers explained that they do the messy stuff and investors get the return.*

*Breaking it down further (and this is where we would recommend anyone considering this seeks financial advice), the managers use a series of autocalls (structured products). They structure their own product by using options directly and holding gilts as collateral. This means they cut the banks out of the loop and achieve the potentially higher return they are targeting.*

*It is important to stress that the return is not guaranteed..... “*

In 2020 the volatility on the fund saw, at one point, the fund being down around 35%. The predictability of returns meant that on different scenarios they could map out the returns for the coming months, and by the end of the year the returns were flat.

Despite this volatility in 2020 the fund has returned just slightly below 7% p.a. since launch, which is on the low end of the target return profile.

In summary, the latest update with the manager was really to confirm that nothing has changed. The fund provides a degree of predictability, but moves in volatility can and do impact the performance in the short term. However, since launch it has been able to deliver nearly 7% a year, providing an alternative source of returns within a portfolio of assets.

*The source of information in this note has been provided by Atlantic House and is correct as at January 2022. 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.*