



# HC Charteris Strategic Bond Fund

## Fund's Strategy

The Fund has been specifically designed for a period of rising interest rates and will be focused on capital preservation in a market where there is much asymmetric risk that lies within it.

## Investment Process

The Fund Managers combine top-down thematic strategy with bottom-up stock selection. They employ technical analysis extensively to help time investment decisions.

This strategy is different to rival bond funds because few have the flexibility to have such a high weighting to Floating Rate Notes (Redeemable and Perpetual) to help battle rising interest rates.

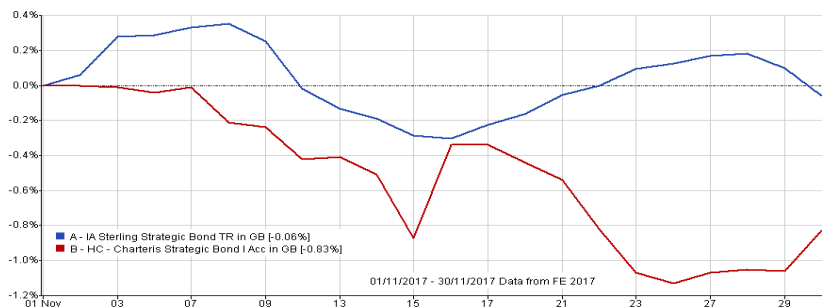
## Fund Manager's Comments

The four largest holdings are all short dated conventional gilts to combat significant volatility in the fixed income markets. We have purchased both redeemable and perpetual floating rate notes for the Fund as the US and UK are both looking to raise current interest rate levels.

The Fund was down -0.83% versus the IA Strategic Bond benchmark of -0.06% for the month. The differential performance was -0.77% on a total return basis.

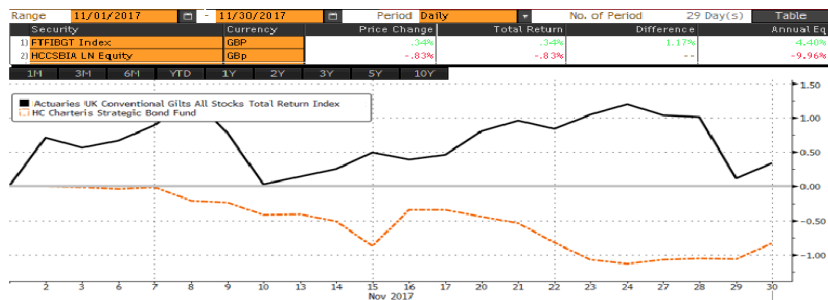
## Performance of Fund

(Source Financial Express, 01.11.17 - 30.11.17)



## Performance vs. Gilt Market Index

(Source Bloomberg, 01.11.17 - 30.11.17)



## Cumulative Performance

(Source Financial Express, 30.11.17)

|                                     | 01/11/17 - 30/11/17 |
|-------------------------------------|---------------------|
| Charteris Strategic Bond - Inst Acc | -0.83 %             |
| IA Strategic Bond Sector            | -0.06 %             |
| Quartile                            | 4th                 |

## Key Points

- UK ICVC
- Able to hold inside SIPPs, SSAS and (N)ISAs
- All Assets held within the portfolio are liquid and tradable in the secondary market
- Aims to provide a competitive yield to existing conventional bond funds
- Potential for Capital gains as perpetual FRNs offset potential losses in the UK Government Gilts
- Experienced Fixed Income Management Team

## Investment Team

### Ian Williams - Chartered FCSI, Chartered Wealth Manager

Ian Williams has spent the past 35 years trading equities, commodities and G7 government bonds, covering sales, research, market making and proprietary trading. He was a member of the London Stock Exchange for many years before joining Chase Manhattan Bank (now JP Morgan). He then worked for Dresdner Kleinwort Benson and Guinness Mahon (now Investec) before Charteris. Ian is a Chartered Fellow of the Chartered Securities Institute.



### Terry Farrow - Chartered MCSI, ACIB, APFS, CFP

Terry Farrow has over 40 years experience in Investment markets. Terry has spent 25 years predominately trading equities. Prior to that, Terry was employed at Barclays Bank & Standard Chartered Bank trading Bonds, Foreign Exchange and a range of derivatives. He was also head trader of the FRN book at Standard Chartered. Terry has a G70 Investment Portfolio Management qualification amongst other professional qualifications that he has achieved.





**CHARTERIS**  
TREASURY PORTFOLIO  
MANAGERS LIMITED

## Top 10 Holdings

Source Apex, as at 30.11.17



- UKT 2% 2020 - 11.87%
- UKT 1.5% 2021 - 11.75%
- UKT 1.75% 2019 - 11.67%
- UKT 1.25% 2018 - 11.55%
- EIB Redeemable 2020 - 7.2%
- EIB Redeemable 2021 - 7.2%
- EIB Redeemable 2022 - 7.16%
- StanChartered Perp 2017 - 6.65%
- Santander Perp 2018 - 4.29%
- British Land - 2.15%

## Fund Details

Fund Size: £3.5m  
Fund Launch Date: 1 November 2017  
IA Sector: Strategic Bond  
Minimum investment: £1,000 (Retail and Institutional)  
Initial Charge: 5% (retail) / 0% (institutional)  
AMC: 1.3% (retail) / 0.8% (institutional)  
OCF: 2.20% (retail) / 1.70% (institutional) (as at 21st Sept 17)  
Dividend payment date: 31st May (annual) & 30th Nov (Interim)  
Authorised Corporate Director: Host Capital Ltd  
Depositary: Citibank International PLC  
Administrator: Apex Fund Services Ltd  
Transfer Agent: Investor Administration Solutions Ltd  
Auditor: Grant Thornton UK LLP

## Fund Codes

### Institutional Accumulation

Bloomberg: HCCSBIA LN EQUITY  
Thomson Reuters: TBC  
ISIN: GBO0BD9GLM88  
SEDOL: BD9GLM8

### Institutional Income

Bloomberg: HCCSBII LN EQUITY  
Thomson Reuters: TBC  
ISIN: GBO0BD9GLN95  
SEDOL: BD9GLN9

### A Accumulation

Bloomberg: HCCSBAA LN EQUITY  
Thomson Reuters: TBC  
ISIN: GBO0BD9GRC01  
SEDOL: BD9GRC0

### A Income

Bloomberg: HCCSBAI LN EQUITY  
Thomson Reuters: TBC  
ISIN: GBO0BD9GLL71  
SEDOL: BD9GLL7

## Client Services (for all dealing requests/enquiries)

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Email: customerservice@investoras.co.uk

## Investment Manager

Charteris Treasury Portfolio Managers  
8/9 Lovat Lane, London, EC3R 8DW  
Fund Manager: Ian Williams  
Telephone: 020 7220 9780  
Email: iw@charteris.co.uk  
www.charteris.co.uk

Authorised and regulated by the Financial Conduct Authority

## Sector Allocation

Source Bloomberg, 30.11.17



- UK Gilts - 47.05%
- Redeemable FRN's - 21.69%
- Perpetual FRN's - 10.67%
- Equities - 15.79%
- Cash - 4.8%

## Important Information

Past performance should not be as guide to future performance. All performance information is based on the Institutional Accumulation class unless stated otherwise. The value of this investment and the income from it can go down as well as up, it may be affected by exchange rate variations, and you may not get back the amount invested. The outlook expressed in this factsheet represents the views of the Investment Manager at the time of preparation and should not be interpreted as investment advice. The asset split detailed within the factsheet are correct as at reporting period and are subject to change, whilst operating within the objectives of the Fund. This document should be read in conjunction with the Fund's Key Investor Information document (KIID), which will exclusively form the basis of any application and the Fund's prospectus. A comprehensive list of risk factors is detailed in the KIID and the Principal Prospectus and an investment should not be contemplated until the risks are fully considered and understood. Current tax levels and reliefs will depend on your individual circumstances and details are also contained in the Key features (including the KIID and Principal Prospectus). If you are unsure of the suitability of this investment, please contact your Financial Adviser. This factsheet is issued by Charteris Treasury Portfolio Managers Ltd. The KIID and Prospectus are available from the ACD Host Capital Ltd at [www.hostcapital.com](http://www.hostcapital.com) or Charteris at [www.charteris.co.uk](http://www.charteris.co.uk).