



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.

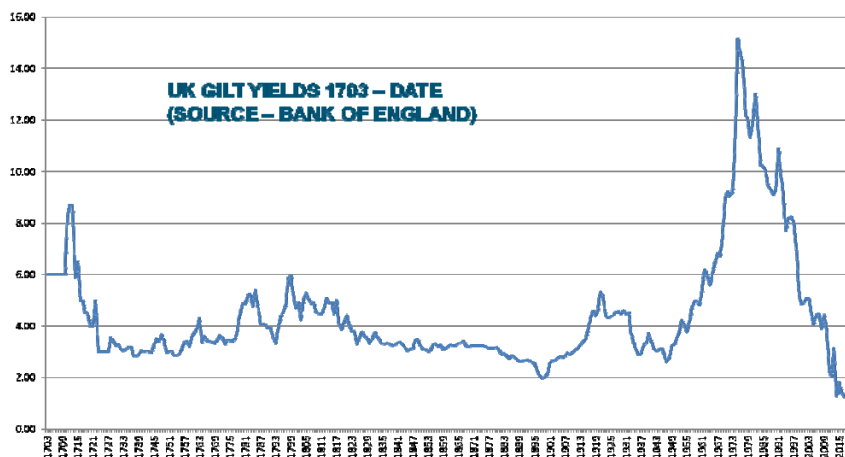
Fund Manager's Comments

There was no re-positioning of any holdings inside the portfolio for this quarter even though the high yielding utility equities have had a negative impact on performance in this quarter.

The Fund was down -1.89% versus the IA Strategic Bond benchmark of +0.35%. The differential performance was -2.24% on a total return basis. Despite this, we note that the fund was far more stable than the 50 year UK conventional Gilt whose price was down -6.11% for the quarter.

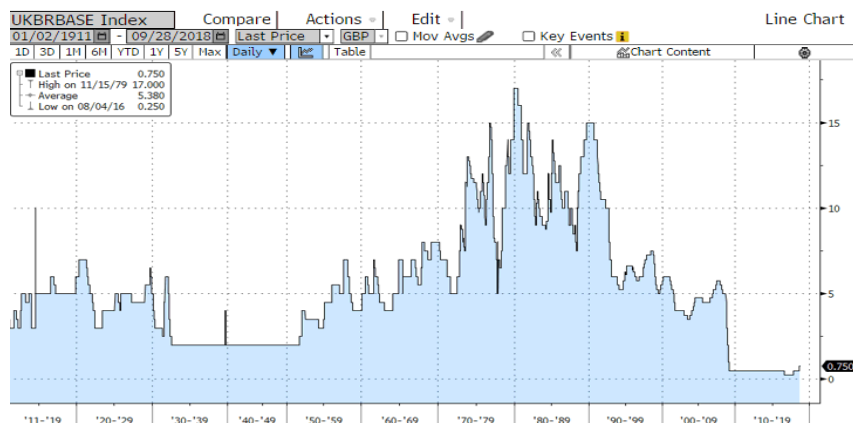
Historic UK Gilt Yields 1703 - 2017

(Source: The Bank of England)



UK Base Rate 1911 - 2018

(Source Bloomberg, 02.01.11 - 28.09.18)



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, EFP

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.

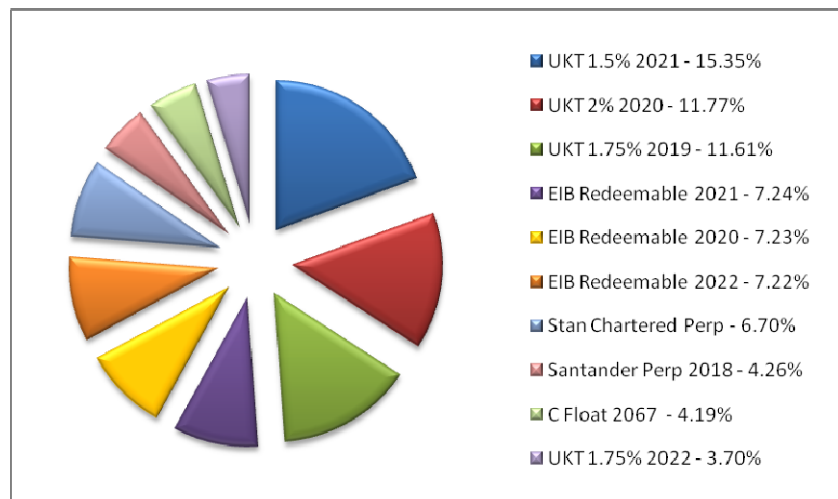




CHARTERIS
TREASURY PORTFOLIO
MANAGERS LIMITED

Top 10 Holdings

(Source Apex, as at 28.09.18)



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 15th Feb 18)
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: LP68496393
ISIN: GB00BD9GLM88
MEXID: HTJNC
Citicode / FE Code: O64I

Institutional Income

Bloomberg: HCCSBII LN EQUITY
Thomson Reuters: LP68496394
ISIN: GB00BD9GLN95
MEXID: HTJNE
Citicode / FE Code: O64J

A Accumulation

Bloomberg: HCCSBAA LN EQUITY
Thomson Reuters: LP68495134
ISIN: GB00BD9GRC01
MEXID: HTJTA
Citicode / FE Code: O64G

A Income

Bloomberg: HCCSBAI LN EQUITY
Thomson Reuters: LP68496392
ISIN: GB00BD9GLL71
MEXID: HTJNB
Citicode / FE Code: O64H

Client Services (for all dealing requests/enquiries)

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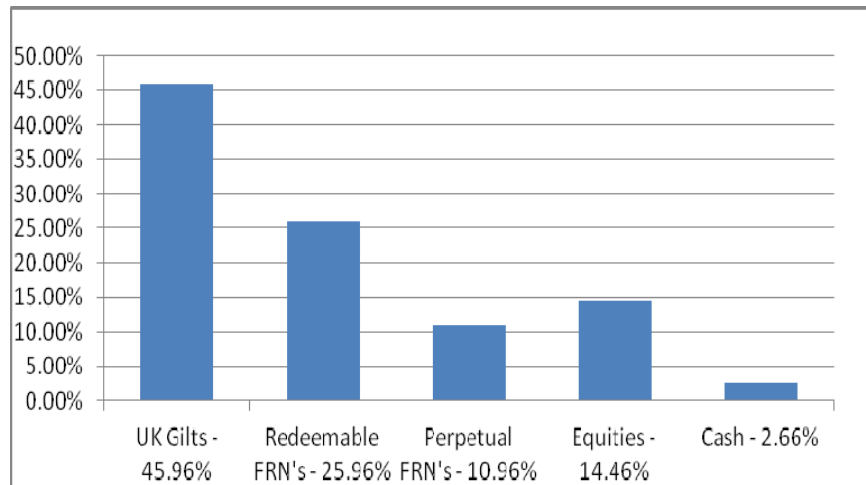
Investment Manager

Charteris Treasury Portfolio Managers
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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, 28.09.18)



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 or Charteris at www.charteris.co.uk.