NEDGROUP INVESTMENTS

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# NEDGROUP INVESTMENTS MULTIFUNDS PLC

Quarterly Review
Quarter 4 2023

**Marketing Communication**

This report is prepared by Nedgroup Investments (IOM) Limited the Investment Manager of Nedgroup Investments MultiFunds Plc.

The purpose of the report is to provide unitholders in the Nedgroup Investments MultiFunds and their advisers, with a review of the funds' performance since inception. The report is structured as follows:

## PART ONE: MARKET REVIEW

This section provides a market review, which looks at the performance of global asset classes over the last quarter, and puts this into perspective relative to longer-term performance. The aim of this review is to provide a context in which the performance of Nedgroup Investments MultiFunds can be assessed.

## PART TWO: NEDGROUP INVESTMENTS MULTIFUNDS' PERFORMANCE

This section provides an overview of the performance of the Nedgroup Investments MultiFunds since its launch on 19 August 2011 under the UCITS IV structure. The Income MultiFund was launched on 26 January 2012.

## PART THREE: MARKET OUTLOOK

In this section we highlight our current views on the market over the medium term and how these views are implemented within the MultiFunds.

## PART FOUR: UNDERLYING PORTFOLIO MANAGER PERFORMANCE

This section shows the performance of the underlying managers.

## PART FIVE: FUND FOCUS

In this section we highlight a fund held in the MultiFunds.

# PART ONE:  MARKET REVIEW

## Performance over period to 29 December 2023

Past performance does not predict future returns

| Asset Class | Indicator | 3 months | 1 year | 3 years | 5 years | 10 years |
|---|---|---|---|---|---|---|
| Equities | MSCI All Country World Index | 11.0% | 22.2% | 5.7% | 11.7% | 5.2% |
| Property | FTSE EPRA/NA REIT Dev Property Index | 15.6% | 10.9% | 2.2% | 3.8% | 3.0% |
| Bonds | Bloomberg Barclays Global Aggregate Index | 6.0% | 7.1% | -2.1% | 1.4% | 1.6% |
| Cash | US 3-month deposits | 1.3% | 5.2% | 2.5% | 2.0% | 1.0% |
| Inflation | US CPI (one month in arrears) | 0.4% | 3.3% | 5.6% | 4.1% | 1.8% |

*All figures are in USD*
*Source Bloomberg, Nedgroup Investments*
*Returns for periods longer than 12 months are annualised.*

## Economic and market commentary

The fourth quarter of 2023 was virtually the mirror opposite of the prior quarter i.e., a poor start but a very good period for markets overall. This was primarily due to a big move lower in government bond yields during November and December, which came after the US 10-year government bond yield peaked at just over 5% in October, a level not seen since the 2008 Financial Crisis. As we have highlighted before, moves in bond yields impact most financial assets as investors attempt to value investments through present valuing future cash flow streams. And if the discount rate (government bond yield) moves lower the present value of those cashflows increases. As such markets generally like falling bond yields, especially if economic growth is also not slowing too much. There were several good reasons during the quarter for the sharp fall in bond yields. Firstly, continuing signs of falling inflation come from the US, Eurozone and even the UK, reducing near term concerns surrounding the potential stickiness of inflation (due to tight labour markets). Secondly, declining oil prices not only helped with the broader falling inflation picture but also the ‘soft landing’ growth outlook as high energy prices are essentially a tax on activity. Finally, and perhaps most importantly was the more ‘dovish’ central bank rhetoric coming from the US Federal Reserve, its language seemed to change (over the space of a few policy meetings) regarding interest rates, from ‘higher for longer’ to ‘higher for not much longer’. The market took this as signal to price in a significant number of rate cuts for 2024, whether all these cuts will occur is maybe asking too much. Nonetheless, it was very supportive for virtually all markets in the last few months of 2023.

Beyond inflation and interest rates, geopolitical risk also eased during the last few months of the final quarter. The Israel - Gaza conflict looked like being contained, whilst an awful loss of life, this reduced the risk of a much broader regional conflict; with both sides agreeing to a temporary truce combined with a release of hostages towards the end of November. Signs of easing US - China tensions were also witnessed in November with a meeting between US President Biden and Chinese President Xi Jinping at the Asia-Pacific Economic Cooperation Conference in San Francisco. The hope is that the more positive tone that came from this meeting (the first time the two have met in about a year) can translate into a reduction in uncertainty and a better economic relationship going forward.

How did all this translate to financial markets? Well overall it was a very good quarter for market returns. Global equities increased by +11.0%, with US equities (+11.8%) the best performing area, helped by the strong performance of technology stocks. Emerging Markets (+5.6%), and Europe ex UK (+5.6%) also performed well, whilst the UK (+2.3%) lagged due to its higher exposure to commodities (especially oil) which fell during the period. In terms of equity styles, growth stocks (+12.8%) outperformed value (+9.3%), and small-cap stocks (+12.1%) outperformed large caps, essentially because interest rate expectations declined. This was reflected in sector performance, with Information Technology (+17.6%) and Real Estate (+15.0%) the strongest two sectors, although Industrials (+13.4%) and Financials (+12.6%) were not far behind, whilst Energy (-2.7%) lagged significantly as oil prices fell.

Fixed income markets were also strong, in fact certain bond markets posted their best quarterly return in decades, with the global aggregate bond index rising +6.0% over the quarter. Looking at the detail, global government bonds (+5.3%) performed well but lagged riskier areas as the strong rally in equities helped spreads to tighten. This was seen in global investment grade credit (+7.5%), global high yield (+6.7%), and especially global emerging market debt (+9.3%).

In the real assets space, both global real estate (+15.6%) and global infrastructure (+11.2%) performed very strongly, reflecting their sensitivity to falling interest rate expectations. Commodities displayed mixed performance in the quarter. While the broad index was negative (-4.6%), there was significant divergence within the index. Crude Oil (-17.5%) fell back further due to higher-than-expected inventories, lower demand outlook and declining geopolitical risk, whereas Gold (+11.4%) rallied on the back of the market's expectation for steeper cuts by central banks and a weaker US dollar.

## PART TWO: MULTIFUNDS' PERFORMANCE

All performance figures are as at 29 December 2023

Past performance is not indicative of future performance and does not predict future return.

### Growth MultiFund

| PERIOD | FUND USD % | Performance Indicator USD LIBID 3 month +4% | FUND GBP % | Performance Indicator GBP LIBID 3 month +4% |
|---|---|---|---|---|
| 3 months | 8.1% | 2.3% | 5.4% | 2.3% |
| 1 year | 12.2% | 9.4% | 8.4% | 9.1% |
| 3 years (annualised) | 2.6% | 6.6% | 3.5% | 6.3% |
| 10 years (annualised) | 4.7% | 5.5% | 5.8% | 5.0% |
| Since inception* (annualised) | 5.3% | 5.2% | 5.8% | 4.9% |

### Balanced MultiFund

| PERIOD | FUND USD % | Performance Indicator USD LIBID 3 month +2% | FUND GBP % | Performance Indicator GBP LIBID 3 month +2% |
|---|---|---|---|---|
| 3 months | 7.1% | 1.8% | 5.4% | 1.8% |
| 1 year | 7.7% | 7.3% | 5.1% | 7.0% |
| 3 years (annualised) | 0.5% | 4.5% | 0.9% | 4.3% |
| 10 years (annualised) | 2.8% | 3.5% | 3.1% | 3.0% |
| Since inception* (annualised) | 3.2% | 3.2% | 3.3% | 2.9% |

### Income MultiFund Accumulating

| PERIOD | FUND USD % | Performance Indicator USD LIBID 3 month | FUND GBP % | Performance Indicator GBP LIBID 3 month |
|---|---|---|---|---|
| 3 months | 5.7% | 1.3% | 5.6% | 1.3% |
| 1 year | 3.2% | 5.2% | 2.6% | 4.9% |
| 3 years (annualised) | -1.0% | 2.5% | -1.4% | 2.3% |
| 10 years (annualised) | - | - | 1.3% | 1.0% |
| Since inception* (annualised) | 2.3% | 1.2% | 2.0% | 0.8% |

C Class performance with returns prior their inception dates backfilled using class A returns adjusted for fees.

*Inception dates: NIM Growth USD C: 30/12/2014, NIM Growth GBP C: 06/03/2013,
NIM Balanced USD C: 08/11/2013, NIM Balanced GBP C: 06/03/2013
NIM Income USD C Acc: 01/09/2015, NIM Income GBP C Acc: 08/04/2013

Inception date for NIM Growth and Balanced USD A is 19 August 2011 (Valuation date 18 August 2011) / for NIM Income USD A Acc is 12 April 2012
Inception date for NIM Growth and Balanced GBP A is 19 August 2011 (Valuation date 18 August 2011) / for NIM Income GBP A Acc is 26 January 2012

*Source Bloomberg, Nedgroup Investments*

# PORTFOLIO REVIEW AND CHANGES

## Growth

The fourth quarter of 2023 proved to be a very strong one for investors and saw the Nedgroup Investments Growth MultiFund return +8.1% in the US Dollar share class, and +5.4% in the GBP share class. The difference representing dollar weakness over the period.

The risk on environment meant that all of our equity managers generated a positive return during the final quarter. Our quality focused managers were amongst the top performers with Fundsmith Equity Fund (+10.3%), Nedgroup Global Equity Fund (+9.7%) and Morgan Stanley Global Brands (+8.9%) all up strongly. Despite ending the quarter bottom of the pack, Dodge & Cox Global Stock Fund (+7.7%) was also able to generate a more than respectable return, however, it was held back slightly by the funds overweight to the energy sector, which fell due to weaker oil prices.

Fixed income markets also finished the year strongly, with falling yields dominating the narrative. In the government bond space, the short duration (lower interest rate sensitivity) iShares $ Treasury Bond 1-3YR UCITS ETF advanced well with a gain of +2.5%, but its longer-duration counterpart (higher interest rate sensitivity), iShares $ Treasury Bond 7-10YR ETF (+6.3%), saw more of the gains. Within credit, the short-duration funds also lagged slightly, with the Lord Abbett Short Duration Income Fund (+3.0%) underperforming the PIMCO Global IG Credit (+7.5%).

Our real asset holdings were equally impressive over the quarter. Within property, the Nedgroup Global Property Fund surpassed returns seen within equity markets, rising by just over 16%. Returns from our care home holdings, Target Healthcare REIT (+15.9%) and Impact Healthcare REIT (+10.7%) were also very strong. Our infrastructure holdings also impressed, with the more traditional exposures via ATLAS Global Infrastructure (+11.6%) and 3i Infrastructure (+7.5%) benefiting from the broader market rally. Equally, our renewable holdings were buoyed by prevailing sentiment with Greencoat UK Wind (+9.9%), Greencoat Renewables (+5.8%), JLEN (+4.9%) and The Renewable Infrastructure Group (+8.6%) in positive territory. Finally, our investment in gold, via the WisdomTree Core Physical Gold ETC (+11.4%), was supported by falling yields and the weaker US Dollar.

The alternatives were more varied than the other asset classes, but on the whole accretive to overall performance. Private equity managed to deliver positive returns over the quarter, however there was a large degree of disparity between our holdings with Oakley Capital investments (+10.3%) up strongly and Princess Private Equity (+0.8%) marginally higher. Battery storage was also well bid, with Gore Street Energy Storage and Gresham House Energy Storage up +14.7% and +5.2% respectively. However, SDCL Energy Efficiency Income Trust (-0.9%) was negative over the quarter, despite an improvement in sentiment which saw the fund up +8.8% in December. Unfortunately, music royalties struggled, with Hipgnosis (-10.2%) on the decline. There has understandably been a lot of coverage on Hipgnosis of late, given that shareholders decided to vote against continuation of the fund in October last year. Since this vote we have been pleased to see that fundamental changes have been made, which included replacing key members of the board with individuals that we believe will act in the best interest of shareholders. The trust is currently undergoing a board-led strategic review, and although there is a chance of further negative headlines (as is often the case when there are tensions between board and management), we are confident that the underlying assets held by the trust are of good quality and underpinned by multiple structural tailwinds. This, in time, will dominate the short-term negative sentiment directed towards the trust and generate value for shareholders over the long term. Finally, it's important to remember that Hipgnosis is a small holding of what is a very well diversified portfolio, and although recent news surrounding the trust has been disappointing, the impact on overall performance is marginal.

Throughout the fourth quarter we made some adjustments to the portfolio. In October, we rebalanced some of our positions back to target to ensure alignment with our long-term investment goals. In addition, we increased our exposure to the iShares Core UK Gilts due to attractive valuations and in anticipation of slower growth in the UK. No major trades were made in

November however we did make some adjustments in December. The major change was to add a "Bull Steepener" to portfolios, in anticipation of central bank rate cuts in 2024. This trade essentially involved reducing our cash allocation and investing in the iShares $ Treasury Bond 1-3yr ETF. Such a trade should perform well if central banks reduce rates, due to the fact that the iShares $ Treasury Bond 1-3yr ETF will experience a degree of capital appreciation, whereas cash would not. Finally, we also rebalanced the portfolio in December to ensure that the underlying holdings were aligned to their target weights.

## Balanced

The fourth quarter of 2023 proved to be a very strong one for investors and saw the Nedgroup Investments Balanced MultiFund return +7.1% in the US Dollar share class, and +5.4% in the GBP share class. The difference representing dollar weakness over the period.

The risk on environment meant that all of our equity managers generated a positive return during the final quarter. Our quality focused managers were amongst the top performers with Fundsmith Equity Fund (+10.3%), Nedgroup Global Equity Fund (+9.7%) and Morgan Stanley Global Brands (+8.9%) all up strongly. Despite ending the quarter bottom of the pack, Dodge & Cox Global Stock Fund (+7.7%) was also able to generate a more than respectable return, however, it was held back slightly by the funds overweight to the energy sector, which fell due to weaker oil prices.

Fixed income markets also finished the year strongly, with falling yields dominating the narrative. In the government bond space, the short duration (lower interest rate sensitivity) iShares $ Treasury Bond 1-3YR UCITS ETF advanced well with a gain of +2.5%, but its longer-duration counterpart (higher interest rate sensitivity), iShares $ Treasury Bond 7-10YR ETF (+6.3%), saw more of the gains. It was the iShares Core UK Gilts UCITS ETF (+8.3%), however, that was our top performer within fixed income, with UK yields falling further than in other regions on the back of lower-than-expected inflation numbers and underlying recessionary fears. Within credit, the short-duration funds also lagged slightly, with the PIMCO Low Duration Global IG Credit (+4.4%) and the Lord Abbett Short Duration Income Fund (+3.0%) underperforming the PIMCO Global IG Credit (+7.5%).

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## Income

The fourth quarter of 2023 proved to be a very strong one for investors and saw the Nedgroup Investments Income MultiFund return +5.6% in the GBP Share class and +5.7% in the US Dollar share class.

Fixed income markets also finished the year strongly, with falling yields dominating the narrative. In the government bond space, the short duration (lower interest rate sensitivity) iShares $ Treasury Bond 1-3YR UCITS ETF advanced well with a gain of +2.5%, but its longer-duration counterpart (higher interest rate sensitivity), iShares $ Treasury Bond 7-10YR ETF (+6.3%), saw more of the gains. It was the iShares Core UK Gilts UCITS ETF (+8.3%), however, that was our top performer within fixed income, with UK yields falling further than in other regions on the back of lower-than-expected inflation numbers and underlying recessionary fears. Within credit, the short-duration funds also lagged slightly, with the PIMCO Low Duration Global IG Credit (+4.4%) and the Lord Abbett Short Duration Income Fund (+3.0%) underperforming the PIMCO Global IG Credit (+7.5%) and Wellington Global Credit Plus (7.9%).

Given the risk on environment, equities markets performed well with our allocation to the iShares FTSE UK Dividend Plus (+12.0%) up double digits in the final quarter.

Our real asset holdings were equally impressive over the quarter. Within property, returns from our care home holdings, Target Healthcare REIT (+15.9%) and Impact Healthcare REIT (+10.7%) were very strong. Furthermore, our infrastructure holdings also impressed, with the more traditional exposures via ATLAS Global Infrastructure (+11.6%) and 3i Infrastructure (+7.5%) benefiting from the broader market rally. Equally, our renewable holdings were buoyed by prevailing sentiment with Greencoat UK Wind (+9.9%), Greencoat Renewables (+5.8%), JLEN (+4.9%) and The Renewable Infrastructure Group (+8.6%) in positive territory. Finally, our investment in gold, via the WisdomTree Core Physical Gold ETC (+11.4%), was supported by falling yields and the weaker US Dollar.

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No major trades were made in October or November however we did make an adjustment in December by adding a "Bull Steepener" to portfolios, in anticipation of central bank rate cuts in 2024. This trade essentially involved reducing our longer duration bond exposures and investing in the iShares $ Treasury Bond 1-3yr ETF. Such a trade should perform well if central banks reduce rates and longer-term yield remain stable or rise, due to the fact that the iShares $ Treasury Bond 1-3yr ETF will experience a degree of capital appreciation.

## PART THREE: MARKET OUTLOOK

- **Geopolitical landscape** to continue to dominate discourse and risk positioning.
    - Despite recent signs of improvement, the **unease between China and the US** (and other Western countries) regarding several areas (technology, Taiwan, and Russia), will likely encourage near- or re-shoring of businesses due to the heightened level of uncertainty to supply chains.
    - Risk of **continued market disruption from the Russia-Ukraine** likely to last beyond just military action. Whilst still low, the risk of significant global disruption linked to the Russia-Ukraine crisis remains real. The potential for an escalation beyond economic sanctions should not be fully discounted. Issues likely to extend well into 2024 and beyond with the potential for widening involvement from the West a higher probability.
    - The recent **Israel – Hamas war** is both tragic and very complex, the hope is that diplomacy works to prevent a wider Middle East conflict and a humanitarian crisis in Gaza. The risk case is that it becomes protracted and broadens out to include more countries such as the US and Iran (but also Saudia Arabia, Lebanon, and Syria). An escalation of the conflict like this would be damaging for economies worldwide, mainly via a higher oil price.
    - On top of the above, a **considerable number of elections around the world** are scheduled to take place in 2024 (more than 50 countries), including the US, India, South Africa, and the UK.
- **Market volatility** likely to remain elevated and above near-term historic levels.
- **Economic growth will slow below long-term trends**. We anticipate this to be particularly pronounced in developed economies where high inflation reduces real wages, and **tightening monetary policy** slows aggregate demand. We believe the cumulative effect of interest rate increases will start to have an impact on the real economy (as already seen within the banking sector), leading to further tightening in financial conditions. **Slowing activity levels in China**, after an initial reopening jump in Q1 last year, will also weigh on global growth. However, if this slump in activity continues it will likely spur more significant Chinese government stimulus / support.

- **Inflation has peaked but may take some time to get to central bank targets**, expectations are for a normalisation of broader supply / demand metrics over the period and for labour markets to settle, with unemployment to rise albeit slowly and below prior peaks. Improving base effects (year-on-year changes) especially for energy and food prices should help headline inflation fall, however, relatively tight labour markets and higher wage increases may mean core inflation (which excludes energy and food) remains high relative to history.
- **Our base case anticipates central bank policy rates will decline in 2024**. However, with tight labour markets risking second-round effects from higher wage increases, they are likely to remain **higher for longer**.
- This will weigh on economic activity and prevent most central banks from engineering a 'soft landing'. However, we do expect **central banks to cut rates in the second half of 2024** as inflation and growth slows.

**12mth Asset Class Assumptions**

- Investors will be rewarded for taking risk, but patience and diversification will be required given elevated uncertainty, volatility levels, and current headwinds.
- Equities will only marginally outperform fixed income (but it is finely balanced), with an expectation of single digit returns over the course of the next 12 months. Whilst slowing economic growth will drag on near term corporate earnings, declining inflation combined with the prospect of cuts in central bank policy rates towards the latter part of the period will support equities and risk assets in general.
- Within equities we favour quality segments of the market with the expectation that these areas will withstand any potential recessionary pressures whilst also benefitting from an inflationary improvement.
- Our core view has shifted to become more favourable on US markets over Europe given the escalation in Ukraine impacting European markets.
- Emerging markets will swing back in to favour later in the period, especially once interest rates peak and there is a weaker outlook for the US dollar.
- Fixed income markets will only slightly underperform equities over a 12-month period. We anticipate high positive returns in fixed income as yields decline on the back of slowing economic growth slows (concerns around recession) and falling inflation, with markets starting to price in interest rate cuts towards the end of the period.
- Our view has strengthened on developed government debt as well as investment grade corporate credit. With a more challenging economic environment default rates could come under pressure for the sub-investment grade segment of the market.
- Real assets will provide positive returns and an attractive income stream (where available) over the coming 12 months. Real Assets are expected to outperform fixed income markets over the period. Benefitting from in some cases inflation-linked cash flows and declining discount rates.
- Selective commercial property segments and the broader infrastructure sectors will benefit from underlying structural tailwinds.
- Property and infrastructure to provide some insulation to portfolios against elevated inflation. However, we currently favour infrastructure given the slower outlook for economic activity.
- Renewable energy to offer some insulation from inflationary pressure given the linkage to energy prices. Selective Alternative Strategies to provide positive diversification to portfolios and the potential for attractive income streams.

# PART FOUR: UNDERLYING PORTFOLIO MANAGER PERFORMANCE

The Nedgroup Investments MultiFunds' investment philosophy is one that seeks to invest in specialist underlying portfolio managers who are most appropriate for the achievement of each risk profiled MultiFunds' investment objective. A combination of externally appointed fund managers is used. The table below shows the performance of the underlying managers used within the Growth, Balanced and Income MultiFunds as at the 29th December 2023.

Past performance is not indicative of future performance and does not predict future return.

| | Month to Date | 3 Months | 6 Months | Year to Date | 1 Year | 3 Years Ann | 5 Years Ann | 7 Years Ann |
|---|---|---|---|---|---|---|---|---|
| **Global Funds - USD** | | | | | | | | |
| Fundsmith Equity Fund | 4.70% | 10.31% | 4.04% | 18.67% | 18.67% | 3.51% | 12.08% | 12.50% |
| Relative to MSCI ACWI | -0.10% | -0.73% | -3.22% | -3.54% | -3.54% | -2.23% | 0.36% | 2.46% |
| Realitive to MSCI ACWI Quality | -0.11% | -2.21% | -5.41% | -13.78% | -13.78% | -3.74% | -3.70% | -1.32% |
| Morgan Stanley Global Brands | 3.66% | 8.94% | 4.31% | 16.53% | 16.53% | 5.64% | 11.44% | 11.36% |
| Relative to MSCI ACWI | -1.14% | -2.09% | -2.95% | -5.67% | -5.67% | -0.11% | -0.28% | 1.31% |
| Realitive to MSCI ACWI Quality | -1.16% | -3.58% | -5.14% | -15.92% | -15.92% | -1.61% | -4.34% | -2.46% |
| Nedgroup Global Equity Fund | 4.82% | 9.32% | 5.65% | 22.08% | 22.08% | 3.99% | 10.43% | 9.79% |
| Relative to MSCI ACWI | 0.02% | -1.71% | -1.60% | -0.12% | -0.12% | -1.75% | -1.29% | -0.26% |
| Realitive to MSCI ACWI Quality | 0.00% | -3.20% | -3.80% | -10.36% | -10.36% | -3.26% | -5.36% | -4.03% |
| Dodge & Cox Global Stock Fund | 5.53% | 7.72% | 8.21% | 20.06% | 20.06% | 10.57% | 11.98% | 9.27% |
| Relative to MSCI ACWI | 0.73% | -3.31% | 0.95% | -2.14% | -2.14% | 4.82% | 0.26% | -0.77% |
| Realitive to MSCI ACWI Value | 0.11% | -1.59% | 0.64% | 7.47% | 7.47% | 2.50% | 2.96% | 1.89% |
| TT Emerging Markets Equity Fund | 3.46% | 8.58% | 1.02% | 5.82% | 5.82% | -8.43% | 2.61% | 4.19% |
| Relative to MSCI ACWI | -1.35% | -2.45% | -6.23% | -16.38% | -16.38% | -14.18% | -9.11% | -5.85% |
| Relative to MSCI Emerging Market | -0.45% | 0.72% | -3.69% | -4.00% | -4.00% | -3.36% | -1.07% | -0.79% |
| **Regional Funds - USD** | | | | | | | | |
| iShares Edge MSCI World Value | 5.49% | 7.92% | 7.77% | 19.53% | 19.53% | 9.00% | 8.07% | 6.49% |
| Relative to MSCI ACWI | 0.68% | -3.12% | 0.52% | -2.67% | -2.67% | 3.26% | -3.65% | -3.55% |
| Relative to MSCI World Value Enhanced | 0.25% | -0.25% | 0.02% | 0.22% | 0.22% | 0.13% | -0.01% | 0.03% |
| iShares Core S&P 500 ETF | 5.39% | 11.37% | 8.55% | 26.74% | 26.74% | 10.04% | 15.40% | 13.00% |
| Relative to MSCI ACWI | 0.59% | 0.34% | 1.30% | 4.54% | 4.54% | 4.29% | 3.68% | 2.95% |
| Relative to S&P 500 Index | 0.88% | -0.18% | 0.77% | 1.07% | 1.07% | 0.56% | 0.30% | 0.19% |
| SPDR S&P 400 US Mid Cap ETF | 9.86% | 11.75% | 7.95% | 17.15% | 17.15% | 7.91% | 12.25% | 8.79% |
| Relative to MSCI ACWI | 5.06% | 0.72% | 0.69% | -5.05% | -5.05% | 2.16% | 0.53% | -1.25% |
| Relative to S&P 400 Index | 1.21% | 0.23% | 1.24% | 1.31% | 1.31% | 0.31% | 0.17% | -0.06% |
| iShares EURO STOXX Mid ETF | 5.86% | 11.49% | 4.29% | 13.89% | 13.89% | -0.28% | 6.17% | 6.18% |
| Relative to MSCI ACWI | 1.06% | 0.46% | -2.97% | -8.31% | -8.31% | -6.03% | -5.55% | -3.87% |
| Relative to EURO STOXX Mid Index | 0.43% | 0.50% | 0.35% | 0.06% | 0.06% | 0.10% | 0.26% | 0.19% |
| iShares FTSE UK Dividend Plus | 6.23% | 11.95% | 10.35% | 11.56% | 11.56% | 6.37% | 4.72% | 2.57% |
| Relative to MSCI ACWI | 1.43% | 0.91% | 3.10% | -10.64% | -10.64% | 0.62% | -7.00% | -7.47% |
| Relative to FTSE UK Dividend Index | -0.01% | -0.17% | -0.63% | -1.18% | -1.18% | -0.57% | -0.87% | -0.68% |
| iShares FTSE 100 ETF | 4.91% | 6.75% | 5.07% | 13.64% | 13.64% | 7.49% | 6.71% | 5.56% |
| Relative to MSCI ACWI | 0.10% | -4.28% | -2.18% | -8.56% | -8.56% | 1.74% | -5.01% | -4.48% |
| Relative to FTSE 100 Index | -0.12% | -0.22% | 0.36% | 0.15% | 0.15% | -0.09% | -0.02% | 0.01% |
| iShares FTSE 250 ETF | 9.27% | 13.33% | 8.82% | 13.65% | 13.65% | -1.28% | 4.62% | 3.99% |
| Relative to MSCI ACWI | 4.47% | 2.30% | 1.56% | -8.56% | -8.56% | -7.03% | -7.09% | -6.06% |
| Relative to FTSE 250 Index | -0.16% | -0.20% | -0.27% | -0.33% | -0.33% | -0.45% | -0.52% | -0.45% |
| iShares Core MSCI Japan IMI ETF | 4.31% | 7.88% | 5.80% | 19.34% | 19.34% | 0.07% | 6.42% | 5.70% |
| Relative to MSCI ACWI | -0.50% | -3.16% | -1.46% | -2.86% | -2.86% | -5.68% | -5.30% | -4.34% |
| Relative to MSI Japan IMI Index | -0.22% | -0.18% | -0.89% | 0.38% | 0.38% | -0.32% | -0.05% | -0.09% |

NEDGROUP INVESTMENTS

| | Month to Date | 3 Months | 6 Months | Year to Date | 1 Year | 3 Years Ann | 5 Years Ann | 7 Years Ann |
|---|---|---|---|---|---|---|---|---|
| **US High Yield - USD** | | | | | | | | |
| AXA US Short Duration High Yield | 2.08% | 4.41% | 5.34% | 9.48% | 9.48% | 2.41% | 3.55% | 3.23% |
| Relative to Bloomberg Barclays Global Aggregate Index | -1.11% | -1.58% | 1.28% | 2.33% | 2.33% | 4.52% | 2.15% | 1.55% |
| Relative to ICE BofA 1-3yr BB US High Yield | 0.46% | 0.40% | 0.24% | 0.63% | 0.63% | -0.48% | -0.99% | -0.71% |
| Muzinich Short Duration High Yield | 1.84% | 3.27% | 4.36% | 8.78% | 8.78% | 2.24% | 3.54% | 3.09% |
| Relative to Bloomberg Barclays Global Aggregate Index | -1.36% | -2.72% | 0.30% | 1.63% | 1.63% | 4.35% | 2.14% | 1.41% |
| Relative to ICE BofA 1-3yr BB US High Yield | 0.22% | -0.74% | -0.74% | -0.07% | -0.07% | -0.65% | -1.00% | -0.85% |
| **Global Investment Grade - USD** | | | | | | | | |
| PIMCO Low Duration Global IG Credit | 2.08% | 4.43% | 5.05% | 7.16% | 7.16% | 0.25% | 2.02% | 2.02% |
| Relative to Bloomberg Barclays Global Aggregate Index | -1.12% | -1.56% | 0.99% | 0.02% | 0.02% | 2.36% | 0.63% | 0.34% |
| Relative to Bloomberg Barclays Global Aggregate Credit 1-5 Years Index | 0.24% | 0.49% | 0.26% | 0.34% | 0.34% | 0.14% | -0.12% | -0.12% |
| Lord Abbett Short Duration Income Fund | 1.45% | 3.03% | 3.98% | 5.45% | 5.45% | 0.72% | 2.08% | - |
| Relative to Bloomberg Barclays Global Aggregate Index | -1.75% | -2.96% | -0.08% | -1.70% | -1.70% | 2.83% | 0.69% | |
| Relative to Bloomberg Barclays Global Aggregate Credit 1-5 Years Index | -0.39% | -0.91% | -0.81% | -1.38% | -1.38% | 0.61% | -0.06% | |
| PIMCO Global IG Credit | 3.83% | 7.51% | 5.66% | 9.30% | 9.30% | -3.08% | 1.65% | 1.97% |
| Relative to Bloomberg Barclays Global Aggregate Index | 0.63% | 1.52% | 1.60% | 2.15% | 2.15% | -0.97% | 0.26% | 0.29% |
| Relative to Bloomberg Barclays Global Aggregate Credit Index | 0.09% | 0.25% | 0.14% | 0.62% | 0.62% | -0.46% | -0.51% | -0.26% |
| Wellington Global Credit Plus | 3.85% | 7.85% | 5.59% | 8.12% | 8.12% | -2.95% | 2.46% | 2.48% |
| Relative to Bloomberg Barclays Global Aggregate Index | 0.65% | 1.86% | 1.53% | 0.97% | 0.97% | -0.84% | 1.06% | 0.80% |
| Relative to Bloomberg Barclays Global Aggregate Credit Index | 0.11% | 0.60% | 0.07% | -0.56% | -0.56% | -0.33% | 0.29% | 0.25% |
| **US Government Bonds - USD** | | | | | | | | |
| iShares $ Treasury Bond 1-3YR UCITS ETF | 1.03% | 2.49% | 3.23% | 4.15% | 4.15% | -0.13% | 1.25% | - |
| Relative to Bloomberg Barclays Global Aggregate Index | -2.17% | -3.50% | -0.83% | -3.00% | -3.00% | 1.98% | -0.15% | |
| Relative to ICE BofA 1-3 Year US Treasury Index | -0.08% | 0.00% | 0.00% | -0.10% | -0.10% | -0.09% | -0.04% | |
| iShares $ Treasury Bond 7-10yr ETF | 3.69% | 6.33% | 1.75% | 3.51% | 3.51% | -5.13% | 0.42% | 0.76% |
| Relative to Bloomberg Barclays Global Aggregate Index | 0.50% | 0.34% | -2.31% | -3.64% | -3.64% | -3.02% | -0.97% | -0.92% |
| Relative to ICE BofA 7-10 Year US Treasury Index | -0.14% | -0.05% | 0.05% | 0.16% | 0.16% | 0.00% | 0.07% | 0.02% |
| Vanguard US Government Bond Index Fund | 3.24% | 5.51% | 2.30% | 4.05% | 4.05% | -3.87% | 0.37% | 0.67% |
| Relative to Bloomberg Barclays Global Aggregate Index | 0.04% | -0.47% | -1.76% | -3.09% | -3.09% | -1.75% | -1.02% | -1.01% |
| Relative to Bloomberg Barclays US Government Float Adjusted Bond Index | -0.09% | -0.10% | -0.16% | -0.03% | -0.03% | -0.12% | -0.19% | -0.18% |
| iShares $ TIPS UCITS ETF | 2.49% | 4.34% | 1.83% | 3.71% | 3.71% | -1.33% | 2.99% | 2.39% |
| Relative to Bloomberg Barclays Global Aggregate Index | -0.70% | -1.65% | -2.23% | -3.43% | -3.43% | 0.78% | 1.59% | 0.71% |
| Relative to Bloomberg US Govt Inflation-Linked Index | -0.25% | -0.41% | 0.02% | -0.13% | -0.13% | -0.05% | -0.15% | -0.10% |
| iShares Core UK Gilts UCITS ETF | 5.39% | 8.30% | 7.52% | 4.75% | 4.75% | - | - | - |
| Relative to Bloomberg Barclays Global Aggregate Index | 2.19% | 2.31% | 3.46% | -2.39% | -2.39% | | | |

NEDGROUP INVESTMENTS

| | Month to Date | 3 Months | 6 Months | Year to Date | 1 Year | 3 Years Ann | 5 Years Ann | 7 Years Ann |
|---|---|---|---|---|---|---|---|---|
| **Real Estate - Indirect - USD** | | | | | | | | |
| Nedgroup Global Property Fund | 7.51% | 14.78% | 7.55% | 8.38% | 8.38% | 0.40% | 3.71% | 3.37% |
| Relative to 50% MSCI ACWI + 50% Bloomberg Barclays Global Aggregate | 3.51% | 6.27% | 1.85% | -6.22% | -6.22% | -1.60% | -3.13% | |
| Relative to FTSE EPRA/NAREIT Developed Dividend Index | -2.46% | -0.56% | -0.99% | -0.48% | -0.48% | -0.73% | 1.04% | |
| iShares Developed Markets Property Yield ETF | 10.84% | 15.73% | 9.72% | 9.38% | 9.38% | 1.39% | 2.71% | 2.66% |
| Relative to 50% MSCI ACWI + 50% Bloomberg Barclays Global Aggregate | 6.83% | 7.21% | 4.02% | -5.22% | -5.22% | -0.61% | -4.13% | -3.45% |
| Relative to FTSE EPRA/NAREIT Developed Dividend Index | 0.86% | 0.39% | 1.18% | 0.52% | 0.52% | 0.26% | 0.04% | 0.16% |
| **Real Estate - Direct - GBP** | | | | | | | | |
| BMO Commercial Property Trust | 9.08% | 8.92% | 13.65% | -12.54% | -12.54% | 2.09% | -5.74% | -4.22% |
| Relative to 50% MSCI ACWI + 50% Bloomberg Barclays Global Aggregate | 5.46% | 2.85% | 8.27% | -23.42% | -23.42% | -0.74% | -12.10% | -9.57% |
| Relative to FTSE EPRA/NAREIT UK Index | -0.70% | -9.78% | -6.35% | -22.38% | -22.38% | 3.62% | -6.49% | -4.29% |
| Impact Healthcare REIT | 9.74% | 10.66% | 4.07% | -7.77% | -7.77% | -0.10% | 3.37% | - |
| Relative to 50% MSCI ACWI + 50% Bloomberg Barclays Global Aggregate | 6.12% | 4.59% | -1.31% | -18.65% | -18.65% | -2.93% | -2.99% | |
| Relative to FTSE EPRA/NAREIT UK Index | -0.04% | -8.05% | -15.93% | -17.62% | -17.62% | 1.44% | 2.63% | |
| Target Healthcare REIT | 5.87% | 15.85% | 24.65% | 16.01% | 16.01% | -2.70% | 1.79% | 2.33% |
| Relative to 50% MSCI ACWI + 50% Bloomberg Barclays Global Aggregate | 2.25% | 9.77% | 19.27% | 5.13% | 5.13% | -5.53% | -4.56% | -3.02% |
| Relative to FTSE EPRA/NAREIT UK Index | -3.92% | -2.86% | 4.65% | 6.17% | 6.17% | -1.16% | 1.05% | 2.26% |
| Empiric Student Property | 3.83% | 6.96% | 14.77% | 17.01% | 17.01% | 11.64% | 3.79% | 2.36% |
| Relative to 50% MSCI ACWI + 50% Bloomberg Barclays Global Aggregate | 0.21% | 0.89% | 9.39% | 6.12% | 6.12% | 8.81% | -2.56% | -2.99% |
| Relative to FTSE EPRA/NAREIT UK Index | -5.96% | -11.74% | -5.23% | 7.16% | 7.16% | 13.18% | 3.05% | 2.28% |
| **Renewables - GBP** | | | | | | | | |
| Greencoat UK Wind | 5.29% | 9.88% | 8.28% | 5.41% | 5.41% | 9.82% | 9.27% | 9.01% |
| Relative to 50% MSCI ACWI + 50% Bloomberg Barclays Global Aggregate | 1.67% | 3.81% | 2.89% | -5.47% | -5.47% | 6.99% | 2.92% | 3.66% |
| Relative to GBP LIBID 3 Month + 4% | 4.58% | 7.63% | 3.69% | -3.64% | -3.64% | 3.48% | 3.70% | 3.76% |
| Greencoat Renewables | 3.62% | 5.78% | 3.39% | -8.59% | -8.59% | -0.91% | 3.83% | - |
| Relative to 50% MSCI ACWI + 50% Bloomberg Barclays Global Aggregate | 0.00% | -0.29% | -2.00% | -19.47% | -19.47% | -3.74% | -2.52% | |
| Relative to GBP LIBID 3 Month + 4% | 2.92% | 3.53% | -1.20% | -17.64% | -17.64% | -7.25% | -1.74% | |
| John Laing Environmental Assets Group | 7.95% | 4.85% | -0.39% | -9.35% | -9.35% | 2.48% | 5.54% | 5.57% |
| Relative to 50% MSCI ACWI + 50% Bloomberg Barclays Global Aggregate | 4.33% | -1.22% | -5.77% | -20.23% | -20.23% | -0.35% | -0.81% | 0.22% |
| Relative to GBP LIBID 3 Month + 4% | 7.24% | 2.60% | -4.98% | -18.40% | -18.40% | -3.86% | -0.03% | 0.32% |
| The Renewable Infrastructure Group | 4.01% | 8.59% | 2.43% | -7.07% | -7.07% | 1.74% | 5.76% | 6.35% |
| Relative to 50% MSCI ACWI + 50% Bloomberg Barclays Global Aggregate | 0.39% | 2.52% | -2.95% | -17.95% | -17.95% | -1.09% | -0.60% | 1.00% |
| Relative to GBP LIBID 3 Month + 4% | 3.31% | 6.34% | -2.16% | -16.12% | -16.12% | -4.60% | 0.19% | 1.10% |
| **Indirect Infrastructure - USD Unhedged** | | | | | | | | |
| ATLAS Global Infrastructure | 5.11% | 11.59% | 0.05% | 11.33% | 11.33% | 5.20% | 8.68% | - |
| Relative to 50% MSCI ACWI + 50% Bloomberg Barclays Global Aggregate | 1.10% | 3.08% | -5.65% | -3.27% | -3.27% | 3.20% | 1.84% | |
| Relative to FTSE Global Core Infrastructure | 1.08% | 0.44% | -2.08% | 10.65% | 10.65% | 1.94% | 2.35% | |
| **Direct Infrastructure - GBP** | | | | | | | | |
| 3i Infrastructure | -1.54% | 7.51% | 4.59% | -0.22% | -0.22% | 4.87% | 7.93% | 10.98% |
| Relative to 50% MSCI ACWI + 50% Bloomberg Barclays Global Aggregate | -5.16% | 1.44% | -0.79% | -11.10% | -11.10% | 2.05% | 1.58% | 5.63% |
| Relative to FTSE Global Core Infrastructure | -4.40% | 1.20% | 2.84% | 4.34% | 4.34% | -0.72% | 1.63% | 5.03% |
| **Commodities - USD** | | | | | | | | |
| WisdomTree Core Physical Gold ETC | 1.36% | 11.42% | 7.76% | 13.47% | 13.47% | 2.83% | - | - |
| Relative to 50% MSCI ACWI + 50% Bloomberg Barclays Global Aggregate | -2.64% | 2.91% | 2.05% | -1.13% | -1.13% | | | |
| Relative to LBMA Gold Price | -0.75% | 0.31% | -0.93% | -1.12% | -1.12% | | | |

| | Month to Date | 3 Months | 6 Months | Year to Date | 1 Year | 3 Years Ann | 5 Years Ann | 7 Years Ann |
|---|---|---|---|---|---|---|---|---|
| **Asset backed lending - GBP** | | | | | | | | |
| GCP Asset Backed Income Fund | 10.04% | 9.71% | 9.93% | -14.17% | -14.17% | -3.40% | -2.17% | 0.29% |
| Relative to 50% MSCI ACWI + 50% Bloomberg Barclays Global Aggregate In | 6.42% | 3.64% | 4.55% | -25.05% | -25.05% | -6.23% | -8.53% | |
| Relative to GBP LIBID 3 Month + 4% | 9.34% | 7.46% | 5.34% | -23.22% | -23.22% | -9.75% | -7.74% | |
| SFL Realisation Fund - C Shares | -2.05% | -15.75% | -10.47% | 27.22% | 27.22% | 78.32% | 19.75% | 17.04% |
| Relative to 50% MSCI ACWI + 50% Bloomberg Barclays Global Aggregate In | -5.66% | -21.82% | -15.85% | 16.34% | 16.34% | 75.49% | 13.40% | |
| Relative to GBP LIBID 3 Month + 4% | -2.75% | -18.00% | -15.06% | 18.17% | 18.17% | 71.98% | 14.18% | |
| **Song Royalties - GBP** | | | | | | | | |
| Hipgnosis Songs Fund | 8.75% | -10.23% | -9.78% | -13.86% | -13.86% | -12.83% | -3.65% | - |
| Relative to 50% MSCI ACWI + 50% Bloomberg Barclays Global Aggregate In | 5.13% | -16.30% | -15.16% | -24.74% | -24.74% | -15.65% | -10.01% | |
| Relative to GBP LIBID 3 Month + 4% | 8.05% | -12.48% | -14.37% | -22.91% | -22.91% | -19.17% | -9.23% | |
| **Private Equity - GBP** | | | | | | | | |
| Oakley Capital Investments | 10.15% | 10.28% | 12.97% | 18.96% | 18.96% | 21.32% | 25.12% | 19.03% |
| Relative to 50% MSCI ACWI + 50% Bloomberg Barclays Global Aggregate In | 6.53% | 4.21% | 7.58% | 8.08% | 8.08% | 18.49% | 18.77% | 13.68% |
| Relative to GBP LIBID 3 Month + 4% | 9.45% | 8.03% | 8.38% | 9.91% | 9.91% | 14.98% | 19.55% | 13.78% |
| Princess Private Equity | -1.21% | 0.83% | 4.73% | 29.41% | 29.41% | 0.00% | 8.99% | 8.42% |
| Relative to 50% MSCI ACWI + 50% Bloomberg Barclays Global Aggregate In | -4.83% | -5.24% | -0.66% | 18.53% | 18.53% | -2.83% | 2.63% | 3.07% |
| Relative to GBP LIBID 3 Month + 4% | -1.91% | -1.42% | 0.14% | 20.36% | 20.36% | -6.34% | 3.42% | 3.17% |
| **Energy Efficiency - GBP** | | | | | | | | |
| SDCL Energy Efficiency Income Trust | 8.76% | -0.94% | -8.36% | -27.05% | -27.05% | -9.80% | -3.26% | - |
| Relative to 50% MSCI ACWI + 50% Bloomberg Barclays Global Aggregate In | 5.14% | -7.01% | -13.74% | -37.93% | -37.93% | -12.63% | | |
| Relative to GBP LIBID 3 Month + 4% | 8.06% | -3.19% | -12.95% | -36.10% | -36.10% | -16.14% | | |
| Gore Street Energy Storage Fund | 6.30% | 14.69% | -1.25% | -13.53% | -13.53% | 1.44% | 5.35% | - |
| Relative to 50% MSCI ACWI + 50% Bloomberg Barclays Global Aggregate In | 2.68% | 8.62% | -6.63% | -24.41% | -24.41% | -1.39% | -1.01% | |
| Relative to GBP LIBID 3 Month + 4% | 5.60% | 12.44% | -5.84% | -22.58% | -22.58% | -4.90% | -0.23% | |
| Gresham House Energy Storage Fund | 2.49% | 5.18% | -22.17% | -28.67% | -28.67% | 4.41% | 6.35% | - |
| Relative to 50% MSCI ACWI + 50% Bloomberg Barclays Global Aggregate In | -1.13% | -0.89% | -27.55% | -39.55% | -39.55% | 1.58% | -0.01% | |
| Relative to GBP LIBID 3 Month + 4% | 1.79% | 2.93% | -26.76% | -37.71% | -37.71% | -1.93% | 0.77% | |

*Source Bloomberg, Nedgroup Investments*

# PART FIVE: FUND FOCUS

In this section of the report, we cover the underlying funds in slightly more detail in order to assist investors in gaining a better understanding of the underlying funds and the reasons we hold them. In this report we look at the iShares $ Treasury Bond 3-7yr UCITS ETF.

iShares $ Treasury Bond 3-7yr UCITS ETF

| | |
|---|---|
| **Morningstar Category:** | USD Government Bond |
| **Benchmark:** | ICE U.S. Treasury 3-7 Year Bond Index |
| **Domicile:** | Ireland |
| **Inception Date:** | 3rd June 2009 |
| **Regulatory Regime:** | UCITS |
| **Liquidity:** | Daily |
| **Currency:** | USD |
| **Situs:** | Non-UK Situs |
| **ESG Credentials:** | Blackrock is signed-up to the UN Principles for Responsible Investment |
| **EU SFDR Classification:** | Article 6 |
| **Fund Manager:** | Team managed |

| | |
|---|---|
| **Research Analyst:** | Madhushree Agarwal, Nedgroup Investment Advisors (UK) Ltd |
| **Email:** | magarwal@nedgroupinvestments.com |
| **Telephone Number:** | +44 (0) 20 7002 3492 |

**Key reasons for recommendation:**

- A low cost passive solution that provides efficient access to medium to longer-term US government bonds
- BlackRock Asset Management is a world leader in the provision of passive indexation strategies
- The fund has tracked its index very accurately, when costs and charges are taken into account

**Fund overview:**

The fund is designed to track the performance of the ICE U.S. Treasury 3-7 Year Bond Index through investing in the US government issued fixed income securities that make up the benchmark index. The fund offers exposure to US government bonds with a remaining maturity (i.e the time from issue until they become de for repayment) from 3 to 7 years and have a minimum amount outstanding of $300m at the time of inclusion. They will pay income according to a fixed rate of interest and will be investment grade. If the credit ratings of the FI securities are downgraded, the fund may continue to hold them until they cease to form part of the Index and it is practicable to sell them.

The fund uses optimising techniques to achieve a similar return to the benchmark index. These may include the strategic selection of certain securities that make up the index or other FI securities which provide similar performance to certain constituent securities.

Low-cost passive fixed income funds can be a very sensible choice for some investors providing efficient access to the largest asset class. Whilst index trackers will never be top performers, nor is it likely that they will ever be dismal performers.

This strategy takes no currency risk. In this note we have written up the fund domiciled in Ireland with a base currency of USD.

# Disclaimer

This is a marketing communication. Please refer to the prospectus, the key investor information documents (the **KIIDs /PRIIPS KIDs**) and the financial statements of Nedgroup Investments MultiFunds plc (the **Fund**) before making any final investment decisions.
These documents are available from Nedgroup Investments (IOM) Ltd (the **Investment Manager**) or via the website: www.nedgroupinvestments.com.

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The Fund is authorised and regulated in Ireland by the Central Bank of Ireland. The Fund is authorised as a UCITS pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 as amended and as may be amended, supplemented, or consolidated from time-to-time and any rules, guidance or notices made by the Central Bank which are applicable to the Fund. The Fund is domiciled in Ireland. Nedgroup Investment (IOM) Limited (reg no 57917C), the Investment Manager and Distributor of the Fund, is licensed by the Isle of Man Financial Services Authority. The Depositary of the Fund is Citi Depositary Services Ireland DAC, 1 North Wall Quay, Dublin 1, Ireland. The Administrator of the Fund is Citibank Europe plc, 1 North Wall Quay, Dublin 1, Ireland.

The sub-funds of the Fund (the **Sub-Funds**) are generally medium to long-term investments and the Investment Manager does not guarantee the performance of an investor's investment and even if forecasts about the expected future performance are included the investor will carry the investment and market risk, which includes the possibility of losing capital.

The views expressed herein are those of the Investment Manager/Sub-Investment Manager at the time and are subject to change. The price of shares may go down as well as up and the price will depend on fluctuations in financial markets outside of the control of the Investment Manager. Costs may increase or decrease as a result of currency and exchange rate fluctuations. If the currency of a Sub-Fund is different to the currency of the country in which the investor is resident, the return may increase or decrease as a result of currency fluctuations. Income may fluctuate in accordance with market conditions and taxation arrangements. As a result an investor may not get back the amount invested. Past performance is not indicative of future performance and does not predict future returns. The performance data does not take account of the commissions and costs incurred on the issue and redemption of shares. The Sub-Funds invest in portfolios of other collective investment schemes that levy their own charges, which could result in a higher fee structure. Fees are outlined in the relevant Sub-Fund supplement available from the Investment Manager's website.
The Sub-Funds are valued using the prices of underlying securities prevailing at 11pm Irish time the business day before the dealing date. Prices are published on the Investment Manager's website. A summary of investor rights can be obtained, free of charge at www.nedgroupinvestments.com.

**Distribution** : The prospectus, the supplements, the KIIDs/PRIIPS KIDs, constitution, country specific appendix as well as the annual and semi-annual reports may be obtained free of charge from the country representative and the Investment Manager. The Investment Manager may decide to terminate the arrangements made for the marketing of its collective investment undertakings in accordance with Art 93a of Directive 2009/65/EC and Art 32a of Directive 2011/61/EU.

**U.K:** Nedgroup Investment Advisors (UK) Limited (reg no 2627187), authorised and regulated by the Financial Conduct Authority, is the facilities agent. The Fund and certain of its sub-funds are recognised in accordance with Section 264 of the Financial Services and Markets Act 2000.
**Isle of Man**: The Fund has been recognised under para 1 sch 4 of the Collective Investments Schemes Act 2008 of the Isle of Man. Isle of Man investors are not protected by statutory compensation arrangements in respect of the Fund.