



# LIBERO CAUTIOUS FUND - 'B' SHARE CLASS

## FACTSHEET

MARCH 2019

QUILTER CHEVIOT

### OBJECTIVE

The Cautious Fund aims to preserve capital in the long term through holdings in fixed interest and cash instruments such as Treasury bonds, corporate bonds and index-linked gilts. The managers also aim to produce medium-term growth by investing some of the fund in equities, mainly FTSE 100 companies, and in other assets.



LIBERO CAUTIOUS FUND - 'B' SHARE CLASS

Source: Financial Express 28 February 2019. Performance is shown as net of management fees with all income reinvested. Past performance is not a guarantee of future results.

### INVESTMENT PARTNERS

You can also invest in this fund via one of our wide range of Investment Partners.



Cumulative performance (%) to 28 February 2019	YTD	1yr	3yr	5yr	Since Inception
LIBERO CAUTIOUS FUND - 'B' SHARE CLASS	1.63	-0.08	9.64	15.08	35.42
IA Mixed Investment 0-35% Shares	2.29	0.23	12.73	16.98	32.50
Bank Of England Base Rate	0.12	0.64	1.34	2.35	3.97

  

Discrete performance (%) to 28 February each year	2019	2018	2017	2016	2015
LIBERO CAUTIOUS FUND - 'B' SHARE CLASS	-0.08	-0.34	10.10	-0.37	5.35
IA Mixed Investment 0-35% Shares	0.23	1.77	10.52	-2.28	6.19
Bank Of England Base Rate	0.64	0.33	0.36	0.50	0.50

\* Source: Financial Express 28/02/2019. Past performance is not a guide to future performance and future returns are not guaranteed.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2014	-0.89	2.13	-1.07	0.98	0.97	-0.87	-0.19	1.56	-1.44	0.49	2.33	0.09	4.08
2015	2.65	-0.18	0.83	-0.37	0.74	-3.10	1.04	-1.21	-0.09	1.04	0.84	-1.39	0.66
2016	0.66	0.75	0.83	-0.46	0.83	3.66	3.09	3.00	-1.00	-1.93	-0.69	1.55	10.62
2017	-0.68	1.63	0.25	0.17	1.26	-1.32	0.25	0.75	-1.08	0.59	-0.33	1.09	2.55
2018	-0.83	-1.09	-0.17	1.18	1.17	-0.17	-0.08	-0.50	-0.42	-1.09	-0.59	-1.02	-3.56
2019	1.29	0.34	-	-	-	-	-	-	-	-	-	-	1.63

\* Source: Financial Express 28/02/2019. Past performance is not a guide to future performance and future returns are not guaranteed.

### ASSET ALLOCATION

	%
Fixed Interest	78.40
Equity	20.70
Cash	0.90

### ASSET CLASS/GEOGRAPHICAL ALLOCATION

As at 28 February 2019



### TOP 10 HOLDINGS

	%
2% Gilt 2020	17.10
1.5% Gilt 2021	11.50
iShares Corporate Bond 1-5yr ETF	8.40
4.25% Gilt 2027	7.90
2% Gilt 2025	7.30
2.25% Gilt 2023	7.30
M&G Optimal Income	5.90
0.125% Index-linked 2019	4.00
0.125% Index-linked 2024	3.00
Pimco Global Investment Grade Credit Fund	2.10
<b>Total Top 10</b>	<b>74.50%</b>

**IMPORTANT:** The value of investments and the income from them can go down as well as up. You may not recover what you invest.



## FUND DATA - 'B' SHARE CLASS

Launch Date	04 January 2011
Launch Price	100.00p
Current Price	118.30p Acc, 111.90p Inc
Fund Size	£8,794,220.58
ISAs/SIPPs/SSASs/Offshore Bonds	Eligible
Base Currency	GBP
Minimum Lump Sum Investment	£1,000
Minimum Regular Savings	£100 a month
Dealing Schedule	Daily at 12:00pm

Historic Yield	0.53%
Annual Management Charge	0.85%
Initial Fee	0.00%
Ongoing Charges*	1.58%
Ex Dividend Dates	1 January & 1 July
Dividend Pay Dates	30 April & 31 October
Sedol Number	B4PX539 Acc, B4RLNB5 Inc

\* This includes the Annual Management Charge

This clean share class is the Retail Distribution Class (RDR) and is commission free.

## MARKET COMMENTARY

February was another good month for equity markets and as a result Cautious built on the gain reported last month with a return of +0.34%.

The dominant issue during the month was confirmation from the US Federal Reserve that further interest rate rises were unlikely because of the slowdown in global economic activity that has become apparent in recent months. In the UK, Brexit uncertainty continued with the possibility of a delay beyond the 29<sup>th</sup> March deadline seemingly possible. Company results announced were generally in line with expectations.

The investments in UK equities performed well with AstraZeneca, Halma and 3i Group producing particularly good returns. After the good return delivered during the latter part of last year fixed interest investments slipped back, but the combination of good quality corporate bonds and shorter dated gilts limited the downside.

Quality and liquidity are the cornerstones of the Cautious portfolio. This structure limited the downside during the latter part of last year leaving the fund in a good position to benefit as investment conditions have improved.

## INVESTMENT THEMES

### Lloyds

Lloyds delivered another set of resilient results in February and announced a larger than expected share buyback. Lloyds continues to protect net interest margins despite competitive pressure and is ahead of plan on cutting costs. The shares trade on a price to tangible book of 1.1x, which is a small premium to the sector but does not adequately reflect Lloyds' strong profitability. While there are concerns with regard to a slowdown of the UK economy and the uncertainty relating to Brexit, there are no signs of this in Lloyds' figures with loans losses remaining low supported by record employment figures.

**References to specific securities are not recommendations to buy or sell those securities.**

## FUND MANAGERS



### David Miller - Fund Manager

A Cambridge science graduate, David has managed money since 1980. He joined the company in 2007 as an investment manager. He writes regular notes including a weekly Diary of a Fund Manager about a wide variety of investment topics and is quoted in national and international publications. In addition, David is the fund manager of Libero Cautious which won the 2013 City of London Wealth Management Award for best performing fund and, this year, the Diary of a Fund Manager won the Award for Outstanding Achievement. David is a Chartered FCSI of the Chartered Institute for Securities & Investment.



### Karl Williamson, CFA - Fund Manager

Karl graduated from LSE with a BSc in economics in 2002. He started his career in Amsterdam with market maker Mako Global Derivatives before moving back to London to make markets in various equity and fixed income products. In 2008 Karl moved to Quilter Cheviot, where he manages portfolios on behalf of individuals, trusts and charities. He is a Member of the Chartered Securities Institute (MCSI).

## HOW TO INVEST

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## CONTACT DETAILS

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