



QUILTER CHEVIOT

# LIBERO BALANCED FUND

## FACTSHEET

DECEMBER 2018

### OBJECTIVE

The Libero Balanced Fund aims to produce a balance between income and capital growth through a balanced investment strategy by investing in a well diversified spread of equities, bonds, and collective funds from each asset class and/or geographical sector. We have an active approach to stock-picking in UK and overseas markets. Where we feel that it would be more appropriate to access a particular asset class or geographical region through a collective fund, our independence allows us to select the best performing collective funds in the market place, without any affiliation to, or over-reliance on, one single investment house.



Source: Financial Express 30 November 2018. 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 30 November 2018	YTD	1yr	3yr	5yr	Since Inception
LIBERO BALANCED FUND	-3.18	-1.77	19.07	29.05	55.50
IA Mixed Investment 40-85% Shares	-2.28	-1.02	20.89	31.49	55.08
Bank Of England Base Rate	0.54	0.58	1.28	2.29	3.66

Discrete performance (%) to 30 November each year	2018	2017	2016	2015	2014
LIBERO BALANCED FUND	-1.77	10.01	10.18	3.16	5.06
IA Mixed Investment 40-85% Shares	-1.02	11.34	9.69	2.56	6.05
Bank Of England Base Rate	0.58	0.27	0.42	0.50	0.50

\*'B' clean share class is the Retail Distribution Class (RDR) and is commission free  
\*Fund Data as at 30 November 2018

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2013	5.53	2.01	2.21	0.17	2.77	-4.27	4.60	-1.88	0.80	3.80	-0.45	1.11	17.21
2014	-3.09	3.66	-1.39	0.50	1.57	-0.73	-0.08	1.64	-1.53	-0.08	3.60	-0.32	3.58
2015	2.69	1.93	0.76	0.30	1.20	-3.63	0.92	-3.58	-2.05	4.67	0.54	-0.77	2.69
2016	-3.32	1.36	1.97	0.54	-0.15	2.15	5.65	2.21	0.63	1.11	-1.37	2.50	13.81
2017	0.47	2.43	0.86	-0.39	2.43	-0.96	0.39	1.16	-1.08	2.19	-0.31	1.45	8.88
2018	0.56	-1.92	-2.84	3.57	2.38	-0.25	0.98	-0.18	-0.91	-4.24	-0.13	-	-3.18

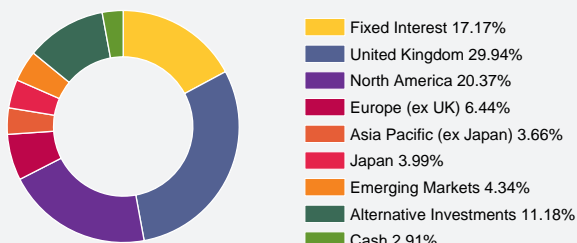
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\*Fund Data as at 30 November 2018

### ASSET ALLOCATION

	%
Fixed Interest	17.17
Equity	68.74
Alternative Investments	11.18
Cash	2.91

### ASSET CLASS/GEOGRAPHICAL ALLOCATION

As at 30 November 2018



### TOP 10 HOLDINGS

	%
HSBC ETFS S&P 500	10.20
Vulcan Global Value Equity Fund	4.20
Iridian US Equity Fund	3.60
J O Hambro Continental European Fund	3.30
Henderson European Select Opp Fund	3.20
SPDR Barclays US Treasury Bond ETF	3.00
Lazard Emerging Markets Fund	3.00
M&G Optimal Income Fund	2.80
Royal London Sterling Credit Fund	2.80
ETFS Metal Securities	2.50
<b>Total Top 10</b>	<b>38.60%</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

Launch Date	31 March 2011
Launch Price	100.00p
Current Price	155.40p Acc, 135.60p Inc
Fund Size	£37,586,446.88
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	1.90%
Annual Management Charge	1.00%
Initial Fee	0.00%
Ongoing Charges*	1.50%
Ex Dividend Dates	1 January & 1 July
Dividend Pay Dates	30 April & 31 October
Sedol Number	B4S5LT0 Acc, B4PR843 Inc

\* This includes the Annual Management Charge. 'B' clean share class is the Retail Distribution Class (RDR) and is commission free  
\*Fund Data as at 30 November 2108

## MARKET COMMENTARY

During November, slowing global growth, uncertainty over the impact of US trade tariffs and normalisation of monetary conditions contributed to continued financial market volatility. However, equity markets drew some comfort late in the month after President Trump announced a temporary tariff reprieve to allow for trade discussions to reconvene and the US Federal Reserve Chairman signalled the range of interest rate estimates were just below the neutral rate.

Trade tension and China's subsequent slowdown have triggered a sharp deterioration in EU export growth this year. This cyclical external environment – along with investment – matters for Europe as private spending makes up a smaller proportion of GDP than, for example, in the US or UK. In the US, we believe markets have become too pessimistic about growth prospects. US real GDP has accelerated this year as the result of a cyclical upturn in capital expenditure, increased employment fiscal boost and accommodative monetary policy. However, next year the fiscal boost will level off before becoming mildly negative in 2020. Meanwhile interest rates have been rising gently with another increase signalled for late December to 2.75%, which takes rates a step closer to the 3% neutral target but not sufficiently restrictive to stop growth, in our view.

The slowing global economic activity has been accompanied by downgrades to corporate earnings forecasts, notably in emerging markets but also in the US and UK. Predominately a scaling back of previous over optimistic forecasts, all industrial sectors have experienced some negative revisions especially technology and consumer discretionary. Profits are estimated to grow 8% across the developed world in 2019 following a 15% uplift this year. The prospective price earnings valuation falls from 15 times for the current year to 14 times next year, which is below the 20-year average

## INVESTMENT THEMES

## Marshall Wace Developed Europe Fund

Marshall Wace is a long-short hedge fund investing across major markets in Europe, including the UK. The investment team managing the fund seeks to harness the best investment ideas from a large group of contributing firms, including investment banks, research boutiques and local brokers. Its proprietary technology analyses each individual contributor's success rate by investment idea, sector and geographical region in order to identify the best long-short ideas. We like the team's long-term track record as well as the robust risk management and investment processes in place.

## The Veritas Asian Fund

The Veritas Asian fund combines long-term core investment ideas with a focus on dividend yields, with a short-term trading portfolio seeking to exploit market inefficiencies and earnings momentum. Positions will mostly be in large sized companies, though attractive opportunities in small and medium sized stocks may also be pursued. The portfolio will typically hold 60 to 80 companies from across the Asia Pacific region, including Australasia but excluding Japan. Given the manager's flexible investment approach, the fund may have a very different stock, sector and country profile to regional benchmark index, which means that performance could vary significantly at times.

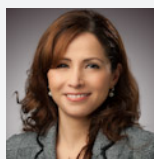
**References to specific securities are not recommendations to buy or sell those securities.**

## FUND MANAGERS



## Alan McIntosh - Chief Investment Strategist

Alan began his career as a fund manager in 1982 at Scottish Life, followed by Municipal Mutual and BZW Investment Management. He joined Credit Suisse Asset Management in 1994 as UK Market Strategist, before moving in 1999 to Laing & Cruickshank Investment Management, where he ran the Model Portfolios and was Senior Equity Strategist. Alan continued in this role at UBS Wealth Management following their acquisition of Laing & Cruickshank in 2004, and was appointed Executive Director. He joined Quilter Cheviot in 2006 as Chief Investment Strategist.



## Claudia Quiroz - Fund Manager

Claudia is the Lead Fund Manager of the Libero Balanced and the Climate Assets Funds. She also manages segregated portfolios on behalf of private clients, pensions and charities. Claudia holds an MBA from Cass Business School in London and joined Quilter Cheviot from Henderson Global Investors in 2009. She has over 18 years' of investment experience and is a Chartered member of the Chartered Institute for Securities & Investment. Claudia sits on the International Equities Stock Selection Committee at Quilter Cheviot.

## HOW TO INVEST

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## CONTACT DETAILS

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