



QUILTER CHEVIOT

# LIBERO CAUTIOUS FUND - 'B' SHARE CLASS

## FACTSHEET

MARCH 2020

### 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.



Source: Financial Express 29 February 2020. 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 29 February 2020	YTD	1yr	3yr	5yr	Since Inception
LIBERO CAUTIOUS FUND - 'B' SHARE CLASS	-1.62	2.71	2.27	12.19	39.09
IA Mixed Investment 0-35% Shares	-1.02	5.20	7.31	15.89	39.39
Bank Of England Base Rate	0.12	0.75	1.73	2.61	4.75

  

Discrete performance (%) to 29 February each year	2020	2019	2018	2017	2016
LIBERO CAUTIOUS FUND - 'B' SHARE CLASS	2.71	-0.08	-0.34	10.10	-0.37
IA Mixed Investment 0-35% Shares	5.20	0.23	1.77	10.52	-2.28
Bank Of England Base Rate	0.75	0.64	0.33	0.36	0.50

\* Source: Financial Express 29/02/2020. 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
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	1.10	0.67	0.00	0.91	1.15	-0.41	0.49	-0.49	0.57	0.32	6.10
2020	0.24	-1.86	-	-	-	-	-	-	-	-	-	-	-1.62

\* Source: Financial Express 29/02/2020. Past performance is not a guide to future performance and future returns are not guaranteed.

### ASSET ALLOCATION

	%
Fixed Interest	76.00
Equity	20.10
Cash	3.90

### ASSET CLASS/GEOGRAPHICAL ALLOCATION

As at 29 February 2020



### TOP 10 HOLDINGS

	%
1.5% Gilt 2021	15.50
4.25% Gilt 2027	11.10
2% Gilt 2025	10.20
2.25% Gilt 2023	9.10
iShares Corporate Bond 1-5yr ETF	9.00
M&G Optimal Income	8.00
2% Gilt 2020	4.60
Pimco Global Investment Grade Credit Fund	3.00
4.75% Treasury 2030	2.80
Royal Dutch Shell	1.00
<b>Total Top 10</b>	<b>74.30%</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	121.50p Acc, 114.50p Inc
Fund Size	£6,525,563.17
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	0.16%
Annual Management Charge	0.85%
Initial Fee	0.00%
Ongoing Charges*	1.50%
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

## MARKET COMMENTARY

Last month we noted that concerns about the coronavirus had started to weigh on confidence. Early in February there were hopes that the respiratory virus could be contained, and after China's central bank stimulus US equities reached all-time highs. However a growing rate of infections beyond China remained a concern and those fears were realised when coronavirus outbreak clusters were picked up in Italy, Iran and South Korea. Markets responded with a concerted flight to safety as major US and European indices entered correction territory, the benchmark US 10 year bond yield hit historical lows and the VIX Index (a measure of volatility) tripled within a week. Against this backdrop Cautious returned -1.86%

It is still too early to assess the scale of the impact that this virus will have on global economic growth but the OECD has suggested an escalation in the coronavirus outbreak could cut global economic growth in half and plunge several countries into recession this year. The sooner the virus is confidently contained, the quicker the recovery in economic activity will be, particularly given policy stimulus will no doubt be deployed to assist in that recovery.

The substantial commitment to British Government bonds continued to prove its worth, adding value as uncertainty increased. Uncertain times present opportunities and the defensive structure of Cautious with the emphasis on quality and liquidity provides the necessary flexibility to benefit from an ever changing environment.

## INVESTMENT THEMES

## National Grid

National Grid owns and operates gas and electricity networks in the UK and in north-eastern USA where it also has generation capacity. Virtually all of its businesses are subject to price controls leading to a stable income stream. It is currently investing heavily in upgrades to the ageing power networks in the UK which should increase future returns and carry less investment risk than power generation. In the US, the progress on improving returns is showing considerable improvement with key rate cases (local regulatory reviews) underway. The dividend is expected to rise at least in line with inflation until 2021.

**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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