

**SYNTHETIC RISK REWARD INDICATOR**



Equity and property investments are volatile by nature and subject to potential capital loss. For credit and income instruments, while unlikely, capital loss may also occur due to an event like the default of an issuer.

**GENERAL INFORMATION**

**PERFORMANCE INDICATOR:** 3 month LIBID over a minimum 3 years

**APPROPRIATE TERM:** Minimum 3 years

**PEER GROUP:** Morningstar Global Bonds

**INVESTMENT MANAGER:** Nedgroup Investments (IOM) Limited; licensed by the Isle of Man Financial Services Authority.

An Isle of Man based fund manager providing investment management services to assets in excess of USD 3.8bn. Licensed by the Isle of Man Financial Services Authority.

**FUND LEGAL STRUCTURE:** Irish OEIC UCITS IV

**INCEPTION DATE:** 26 January 2012

**MARKET VALUE:** GBP 38.3m

**PRICES (as at 31 March 2021)**

**GBP CLASS A:** GBP 12.27

**USD CLASS A:** USD 12.5371

**MANAGEMENT FEE CLASS A:** 1.25% p.a.

**ON-GOING CHARGES (as at 31 March 2021)<sup>2</sup>**

**Class A:** 1.94%

**MINIMUM INVESTMENT CLASS A**

GBP 1,000 / USD 1,500

**DEALING**

Daily

**NOTICE PERIODS**

Subscriptions: Noon T-1

Redemptions: Noon T-1

**SETTLEMENT PERIODS**

Subscriptions: T+2

Redemptions: T+3

**DISTRIBUTION YIELD OF DISTRIBUTING CLASS**

GBP Class A Dist: 3.26%

Based on last four quarterly distributions as a percentage of current share price. Last dividend 31 March 2021

**ISIN / SEDOL**

CLASS A Acc GBP: IE00B5LK1C25 / B5LK1C2

CLASS A Acc USD: IE00B4Q8PM21 / B4Q8PM2

**MINIMUM DISCLOSURE DOCUMENT**

Please note: Differences may exist due to rounding

**FUND OBJECTIVE**

The Income MultiFund aims to provide a lower risk, lower volatility investment option over the medium to longer-term.

The Sub-Fund is actively managed and is not managed in reference to any benchmark. It is managed by reference to a performance target which is to outperform USD 3 month LIBID over a minimum three years.

**SUITABILITY & RISK AND REWARD**

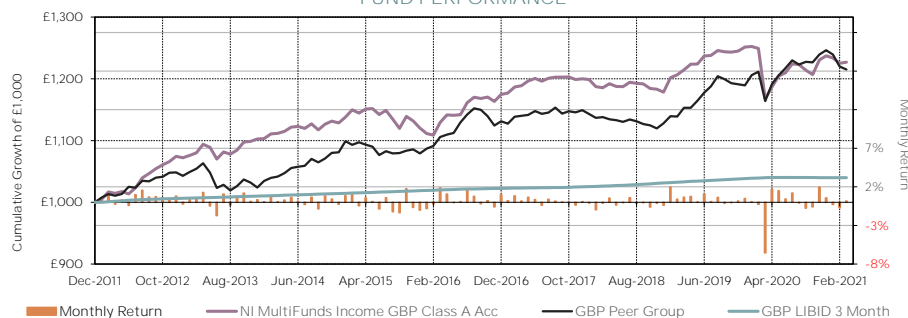
The Income MultiFund is suitable for clients with an investment time horizon of a minimum 3 years. Investing in the fund involves a risk to capital in order to achieve the desired return.

In order to achieve the investment objective, the portfolio is principally fixed income focused but allows for 20% allocation to other asset classes. The principal aims are income generation and capital protection and the strategy has flexibility to invest across the full spectrum of global bond markets. The accumulating share class will roll up dividend payments within the fund and does not produce a regular income payment.

Portfolio construction provides exposure to active fixed income managers, who are expected to outperform their defined benchmarks. Blending actively managed fixed income funds together in this way creates a competitively priced investment solution.

March 2021 Factsheet

**FUND PERFORMANCE<sup>1</sup>**



Class A GBP monthly returns and cumulative growth of £1,000

**DISCRETE YEAR PERFORMANCE % CHANGE NET OF FEES<sup>1</sup>**

SINCE FUND INCEPTION	FUND GBP	GBP PEER GROUP	3 Month GBP LIBID	FUND USD	USD PEER GROUP	3 Month USD LIBID
2020	-1.1%	4.8%	0.2%	0.1%	5.0%	0.5%
2019	6.2%	5.8%	0.7%	7.8%	7.0%	2.2%
2018	-1.8%	-1.9%	0.6%	-0.5%	0.2%	2.2%
2017	2.2%	1.6%	0.2%	3.1%	3.5%	1.2%
2016	4.9%	4.8%	0.4%	5.0%	2.2%	0.6%
2015	-0.7%	-0.2%	0.5%	-1.2%	-0.2%	0.2%

**CUMULATIVE AND ANNUALISED PERFORMANCE % CHANGE NET OF FEES<sup>1</sup>**

SINCE FUND INCEPTION	FUND GBP	GBP PEER GROUP	3 Month GBP LIBID	FUND USD	USD PEER GROUP	3 Month USD LIBID
1 Month	0.2%	-0.4%	0.0%	0.2%	-0.2%	0.0%
6 Months	1.1%	-1.0%	0.0%	1.2%	-0.2%	0.0%
1 Year	5.1%	4.4%	0.0%	5.4%	4.6%	0.1%
3 Years Ann	1.1%	2.2%	0.4%	2.5%	3.5%	1.5%
5 Years Ann	1.7%	1.9%	0.4%	2.7%	2.8%	1.3%
YTD	-0.8%	-2.5%	0.0%	-0.8%	-1.6%	0.0%
Since inception *	2.2%	2.1%	0.4%	2.5%	2.5%	0.8%
Lowest 1 yr return	-3.9%			-4.0%		
Highest 1 yr return	7.5%			7.8%		

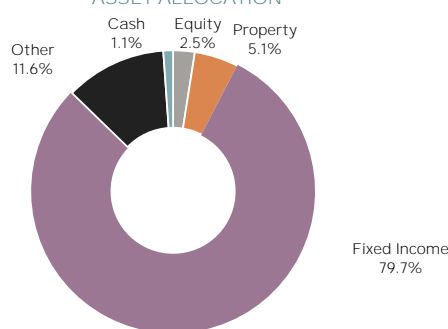
Class A performance net of fees as of 31 March 2021. \* Since inception annualised.

GBP Peer Group is Morningstar Global Bonds – GBP Hedged. USD Peer Group is Morningstar Global Bonds – USD Hedged. Both are net of fees. Past performance is not a guide to future returns.

**RISK MEASURE<sup>3</sup>**

SINCE FUND INCEPTION	FUND GBP	FUND USD
Annualised volatility	3.3%	3.2%
Sharpe ratio (annualised)	0.54	0.54
Lowest monthly return	-6.5%	-5.8%
Maximum drawdown	-6.8%	-5.9%
Months to recover	-	-

**ASSET ALLOCATION<sup>3</sup>**



1) The annualised total return is the average return earned by an investment each year over a given time period. Performance is calculated for the portfolio and individual investment performance may differ as a result of initial fees, the actual investment, the actual investment date, the date of any reinvestment and dividend withholding tax. Data source Nedgroup Investments (IOM) Limited.

2) The on-going fee is a measure of the actual expenses incurred in the management of the Classes of the Sub-Fund. The on-going fee shown is expressed as a percentage of the monthly average value of the portfolio calculated over a 12-month period as at the date shown. The current on-going fee cannot be used as an indication of future on-going fees. A higher on-going fee does not necessarily imply a poor return, nor does a low on-going fee imply a good return.

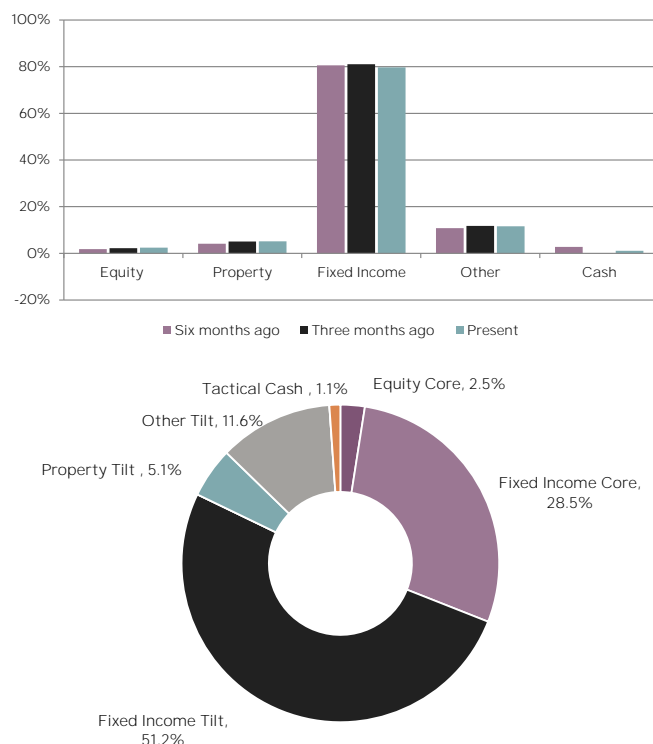
3) Source: Underlying managers, Nedgroup Investments (IOM) Limited. Data point 26 February 2021

PORTFOLIO ANALYSIS

FULL PORTFOLIO HOLDINGS

Equity		2.5%
iShares UK Dividend UCITS ETF	Core	2.5%
Property		5.1%
Target Healthcare REIT	Tilt	2.1%
BMO Commercial Property Trust	Tilt	1.8%
Impact Healthcare REIT	Tilt	1.2%
Fixed Income		79.7%
Muzinich Short Duration High Yield	Tilt	19.5%
AXA US Short Duration High Yield	Tilt	19.1%
iShares \$ Treasury Bond 1-3YR UCITS ETF	Tilt	12.6%
Vanguard US Government Bond Index Fund	Core	11.0%
Wellington Global Credit Plus	Core	9.3%
PIMCO Global IG Credit	Core	8.3%
Alternative		11.6%
Greencoat UK Wind	Tilt	1.7%
GCP Asset Backed Income Fund	Tilt	1.7%
Hipgnosis Songs Ordinary Shares	Tilt	1.6%
Greencoat Renewables	Tilt	1.5%
John Laing Environmental Assets Group	Tilt	1.2%
The Renewables Infrastructure Group	Tilt	1.2%
3i Infrastructure Plc	Tilt	1.0%
KKV Secured Loan Fund C Shares	Tilt	0.9%
Round Hill Music Royalty Fund	Tilt	0.6%
Cash		1.1%
Cash	Tilt/Tactical	1.1%
Total		100.0%

CHANGES IN ASSET ALLOCATION BY STRATEGY



FIXED INCOME COMPONENT <sup>4</sup>

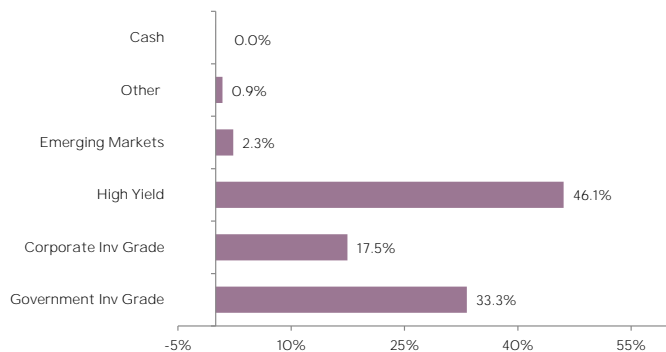
CREDIT RATING

AAA	18.7%
AA	16.9%
A	6.3%
BBB	10.5%
< BBB	47.5%
TOTAL	100.0%

MATURITY

< 3 year	36.0%
3-5 years	31.6%
5-10 years	22.7%
> 10 years	9.8%
TOTAL	100.0%

CATEGORY ALLOCATION



YIELD

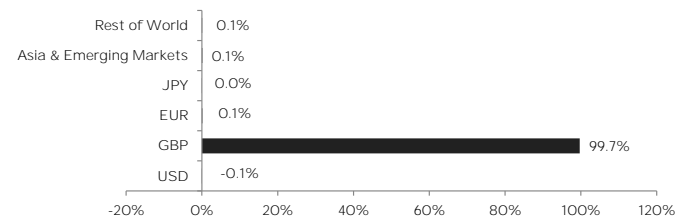
Effective Yield	2.7%
Average Weighted Maturity (in years)	5.2
Average Modified Duration (in years)	4.2

REGIONAL ALLOCATION <sup>4</sup>

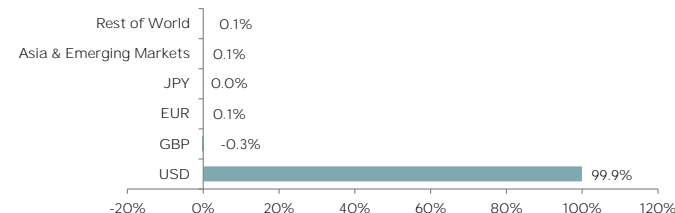
USA	69.9%
UK	21.7%
Europe ex UK	3.5%
Emerging Markets	2.7%
Rest of the World	1.7%
Asia Pacific ex Japan	0.3%
Japan	0.2%
TOTAL	100.0%

CURRENCY EXPOSURE <sup>4</sup>

GBP SHARE CLASS



USD SHARE CLASS



<sup>4</sup> Source: Underlying managers, Nedgroup Investments (IOM) Limited. Data point 26 February 2021 (including portfolio cash)  
Data point for underlying fund information on a look-through basis is one month in arrears.

March 2021

## MARKET COMMENTARY

March, as with the quarter as a whole, posted strong returns for risk assets. Equity markets continued their rise, albeit with some notable sector rotation along the way, with the S&P500 reaching new highs and settling above the historic 4,000 level. All this was against a backdrop of rising COVID rates in large parts of Europe, India and South America and fears of further restrictions. But the overarching COVID narrative remained focused on the vaccine rollout that continued to build momentum, with both the US and UK leading the way and shedding a tantalising light on the potential for a vaccine led recovery.

And recovery was at the forefront with indicators pointing towards a sharp uptick in global economic activity, the US in particular showing signs of a pronounced recovery with payroll numbers towards the end of the month surprising on the upside. This continues a trend of falling unemployment and rising production.

Bond markets continued to show signs of weakness at the longer end albeit without quite the same pronounced shift in yields that we saw earlier in the quarter. Our favoured area of short duration high yield managed to protect against much of the weakness.

Finally, it was little surprise to see the US dollar gaining slightly on the month, a reflection of investor expectations around hikes from the Federal Reserve to counter the inflationary effect of fiscal stimulus. Whether the Fed are accommodating of a 'hot' economy during the recovery phase remains to be seen, but the strength in the US dollar reversed a weakening trend seen during 2020.

(Notes: All monthly data is quoted in sterling terms unless otherwise stated).

## PORTFOLIO COMMENTARY

The Nedgroup Investments Income MultiFund rose by +0.2% in March.

Within fixed income, our bias towards shorter maturity bonds helped to generate positive returns and protect capital in a rising interest rate environment. The short maturity high yield exposures, Muzinich Short Duration High Yield (+0.5%) and AXA US Short Duration High Yield (+0.5%), were the best performing fixed income funds. However, the position in short duration US Treasuries, via iShares \$ Treasury Bond 1-3 Years ETF (+0.1%), also protected capital as bond yields rose. Rising longer term yields, nonetheless, negatively impacted our more traditional longer maturity bond holdings in Wellington Global Credit Plus (-0.1%), PIMCO Global Investment Grade Credit (-0.6%), and Vanguard US Government Bond Index Fund (-1.5%).

In other asset classes, our more cyclically exposed high dividend paying UK stocks position in the iShares UK Dividend ETF (+7.1%) advanced strongly over the month. The UK care home REITs, Impact Healthcare (+4.1%) and Target Healthcare (+1.4%), also performed well. However, the COVID-19 restrictions in the UK continued to weigh on our more traditional commercial property exposure, BMO Commercial Property Trust (+0.2%).

Another capital raise meant that most of our renewable energy holdings lagged other asset classes over the period. The Renewables Infrastructure Group (-5.1%) announced a discounted capital raise which weighed on similar holdings such as: Greencoat Renewables (-0.9%) and JLEN Environmental Assets Group (-0.3%). Greencoat UK Wind (+0.9%) was in fact the only renewable energy exposure in positive territory over the month. 3i Infrastructure (+1.9%), our infrastructure holding, followed broader equity markets higher. Whilst the two asset-backed lending exposures were mixed, GCP Asset Backed Income (+0.9%) continued to move higher, KKV Secured Loan Fund C-Shares (-2.4%) gave up a bit of ground after a very strong February. Finally, our two exposures to song copyrights were also mixed. Hipgnosis Songs Fund (+10.1%) rallied strongly after improved revenue disclosure helped to waylay some investor concerns about the lack of information. In comparison, Round Hill Music Royalty Fund (-2.1%) struggled during March, in part due to a delay in acquiring a share in a specific song catalogue.

# NEDGROUP INVESTMENTS MULTIFUNDS PLC

## INCOME MULTIFUND



In terms of portfolio activity, we did not make any material strategy changes over the month.

Note: All returns are quoted on a hedged to sterling basis

#### Investment Manager and Distributor

Nedgroup Investments (IOM) Limited (reg no 57917C) the Investment Manager and Distributor of the Fund, is licensed by the Isle of Man Financial Services Authority.

Nedgroup Investment Advisors (UK) Limited (reg no 2627187) is authorised and regulated by the Financial Conduct Authority.

#### The Depository

Citi Depository Services Ireland DAC  
1 North Wall Quay, Dublin 1, Ireland.

#### Performance

Funds are generally medium to long-term investments. The value of your investment may go down as well as up. International investments may be subject to currency fluctuations due to exchange rate movements. Past performance is not necessarily a guide to future performance. Nedgroup Investments does not guarantee the performance of your investment and even if forecasts about the expected future performance are included you will carry the investment and market risk, which includes the possibility of losing capital and not getting back the value of the original investment.

#### Pricing

The Sub-Funds of Nedgroup Investments MultiFunds are valued using the prices of underlying funds prevailing at 11pm Irish time the business day before the price date. Prices are published on the Nedgroup Investments website.

#### Fees

Fees are outlined in the relevant Sub-Fund Supplement available from the Nedgroup Investments website.

#### Nedbank Private Wealth

Nedbank Private Wealth is an Authorised Financial Services Provider in South Africa

#### Nedbank Private Wealth Limited

Exchange rate changes may affect the value of investments. Nedbank Private Wealth is a registered trade name of Nedbank Private Wealth Limited. The parent of Nedbank Private Wealth Limited is Nedbank Group Limited, which is incorporated in South Africa and is regulated by the South African Reserve Bank. The latest audited report and accounts, and details of the credit rating are available at [www.nedbankprivatewealth.com](http://www.nedbankprivatewealth.com). Nedbank Private Wealth Limited is licensed by the Isle of Man Financial Services Authority and is a participant in the Isle of Man Depositors' Compensation Scheme as set out in the Compensation of Depositors Regulations 2010. For full details, please see [www.iomfsa.im](http://www.iomfsa.im). Registered office: St Mary's Court 20 Hill Street Douglas Isle of Man. The Jersey branch is regulated by the Jersey Financial Services Commission and is a participant in the Jersey Banking Depositor Compensation Scheme. See [www.gov.je/dcs](http://www.gov.je/dcs) for full details of the Scheme and banking groups covered. The London branch is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Registration No: 313189. Your eligible deposits with Nedbank Private Wealth Limited, London branch, are protected up to a total of £85,000 by the Financial Services Compensation Scheme, the UK's deposit guarantee scheme. Any deposits you hold above the £85,000 limit are unlikely to be covered. Please ask for further information or visit [www.fscs.org.uk](http://www.fscs.org.uk). The UAE representative office in Dubai is licensed by the Central Bank of UAE. Licence No: 13/191/2013. Representation in South Africa is through Nedbank Limited. Registered in South Africa with Registration No 1951/000009/06, an authorised financial services and registered credit provider (NCRCP16)

#### Nedgroup Investments MultiFunds Plc (the Fund) – disclaimer

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The Fund and certain of its Sub-Funds are recognised in accordance with Section 264 of the Financial Services and Markets Act 2000. UK investors should read the Appendix for UK Investors in conjunction with the Fund's Prospectus which are available from the Investment Manager or facilities agent. [www.nedgroupinvestments.com](http://www.nedgroupinvestments.com)

The Fund has been recognised under paragraph 1 of Schedule 4 to the Collective Investment Schemes Act 2008 of the Isle of Man. Isle of Man investors are not protected by statutory compensation arrangements in respect of the Fund.

The Prospectus of the Fund, the Supplements of its Sub-Funds and the KIIDs are available from the Investment Manager and Distributor or from its website [www.nedgroupinvestments.com](http://www.nedgroupinvestments.com)

The value of shares can fall as well as rise. Investors may not get back the value of their original investment.

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#### Nedgroup Investments International contact details

Tel: +44 (0)1624 645150

Tel: 0800 999 160 (toll free from South Africa only)

Fax: +44(0) 1624 670630

Email: [helpdesk@nedgroupinvestments.com](mailto:helpdesk@nedgroupinvestments.com)

Website: [www.nedgroupinvestments.com](http://www.nedgroupinvestments.com)

Address: First Floor, St Mary's Court, 20 Hill Street, Douglas, Isle of Man, IM1 1EU British Isles