

### 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 40m

### PRICES (as at 44377)

GBP CLASS A: GBP 8.4633  
USD CLASS A: USD 10.1865

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

**ON-GOING CHARGES (as at 44377):**  
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

### DIVIDEND DATES

End March, June, September and December

### DISTRIBUTION YIELD OF DISTRIBUTING CLASS

GBP Class A: 3.26%  
Based on last four quarterly distributions as a percentage of current share price. Last dividend 44377

### ISIN / SEDOL

CLASS A Dist GBP: IE00B5NHP748 / B5NHP74  
CLASS A Dist USD: IE00B4TCZL03 / B4TCZL0

### 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

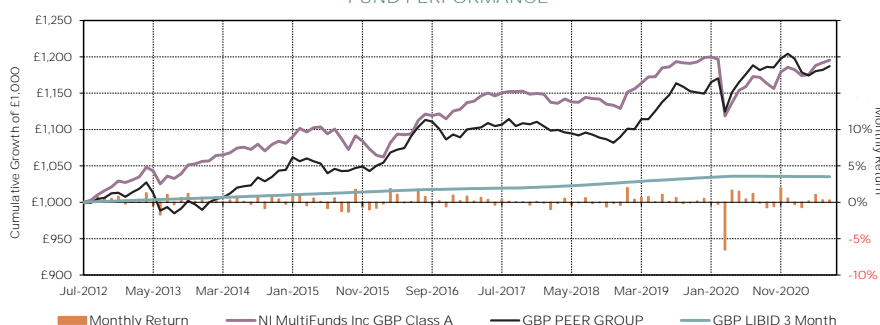
The Income MultiFund is suitable for clients with an investment time horizon of a minimum 3 years. Investing in the fund involves a risk to capital in order to achieve the desired return.

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 income share class will pay dividends on a quarterly basis on the last business day in March, June, September and December.

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.

### June 2021 Factsheet

### FUND PERFORMANCE<sup>1</sup>



Class A GBP monthly returns and cumulative growth of £1,000. The figures in the chart above assume reinvestment of dividends.

### 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%	n/a	n/a	n/a
2019	6.2%	5.4%	0.7%	n/a	n/a	n/a
2018	-1.8%	-1.9%	0.6%	n/a	n/a	n/a
2017	2.2%	1.6%	0.2%	n/a	n/a	n/a
2016	4.9%	4.8%	0.4%	n/a	n/a	n/a
2015	-0.7%	-0.2%	0.5%	n/a	n/a	n/a

### 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	0.3%	0.4%	0.0%	n/a	n/a	n/a
6 Months	0.8%	-1.4%	0.0%	n/a	n/a	n/a
1 Year	3.1%	0.9%	-0.1%	n/a	n/a	n/a
3 Years Ann	1.7%	2.8%	0.4%	n/a	n/a	n/a
5 Years Ann	1.8%	1.7%	0.4%	n/a	n/a	n/a
YTD	0.8%	-1.4%	0.0%	n/a	n/a	n/a
Since inception *	2.0%	1.2%	0.3%	n/a	n/a	n/a
Lowest 1 yr return	-3.9%					
Highest 1 yr return	7.0%					

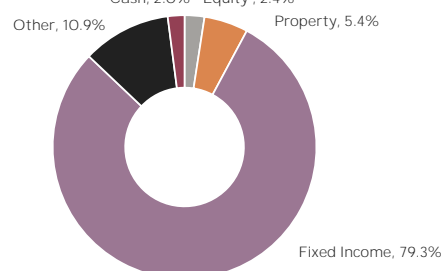
Class A performance net of fees as of 30 June 2021. \* Since inception annualised.

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%	n/a
Sharpe ratio (annualised)	0.49	n/a
Lowest monthly return	-6.5%	n/a
Maximum drawdown	-6.8%	n/a
Months to recover	-	n/a

### 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 31 May 2021

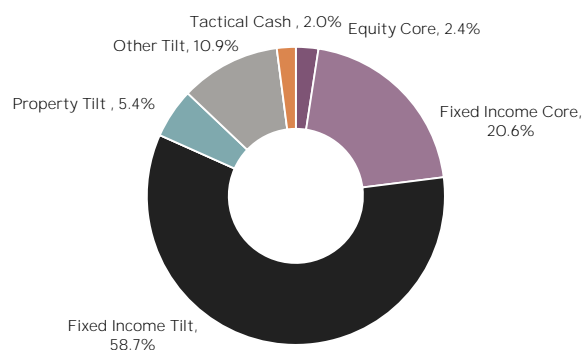
June 2021

**PORTFOLIO ANALYSIS**

FULL PORTFOLIO HOLDINGS

<b>Equity</b>		<b>2.4%</b>
iShares UK Dividend UCITS ETF	Core	2.4%
<b>Property</b>		<b>5.4%</b>
BMO Commercial Property Trust	Tilt	2.2%
Target Healthcare REIT	Tilt	2.1%
Impact Healthcare REIT	Tilt	1.1%
<b>Fixed Income</b>		<b>79.3%</b>
AXA US Short Duration High Yield	Tilt	19.2%
Muzinich Short Duration High Yield	Tilt	19.2%
PIMCO Low Duration Global IG Credit	Tilt	11.9%
Wellington Global Credit Plus	Core	9.4%
iShares \$ Treasury Bond 1-3YR UCITS ETF	Tilt	8.4%
Vanguard US Government Bond Index Fund	Core	6.9%
PIMCO Global IG Credit	Core	4.3%
<b>Alternative</b>		<b>10.9%</b>
GCP Asset Backed Income Fund	Tilt	1.9%
Greencoat UK Wind	Tilt	1.6%
Hipgnosis Songs Ordinary Shares	Tilt	1.5%
The Renewables Infrastructure Group	Tilt	1.2%
Greencoat Renewables	Tilt	1.1%
John Laing Environmental Assets Group	Tilt	1.1%
3i Infrastructure Plc	Tilt	1.0%
KKV Secured Loan Fund C Shares	Tilt	0.9%
Round Hill Music Royalty Fund	Tilt	0.6%
<b>Cash</b>		<b>2.0%</b>
Cash	Tilt/Tactical	2.0%
<b>Total</b>		<b>100.0%</b>

CHANGES IN ASSET ALLOCATION BY STRATEGY



FIXED INCOME COMPONENT <sup>4</sup>

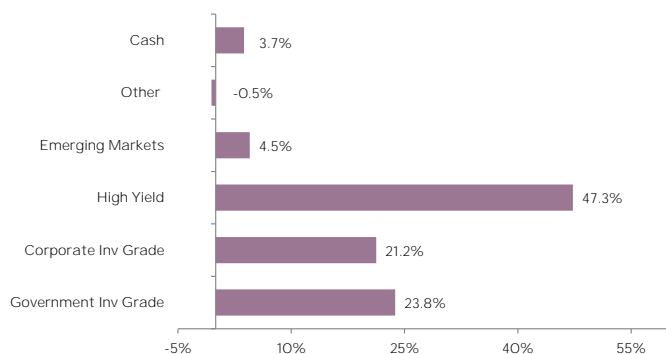
CREDIT RATING

AAA	17.0%
AA	13.0%
A	8.6%
BBB	12.5%
< BBB	48.8%
<b>TOTAL</b>	<b>100.0%</b>

MATURITY

< 3 year	35.4%
3-5 years	36.9%
5-10 years	18.8%
> 10 years	9.0%
<b>TOTAL</b>	<b>100.0%</b>

CATEGORY ALLOCATION



YIELD

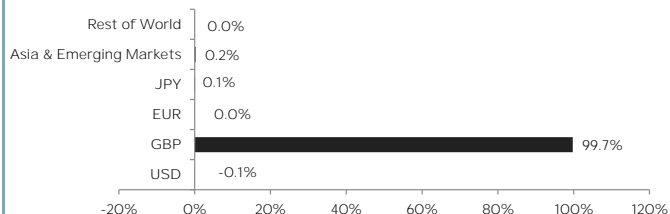
Effective Yield	2.6%
Average Weighted Maturity (in years)	3.4
Average Modified Duration (in years)	2.9

REGIONAL ALLOCATION <sup>4</sup>

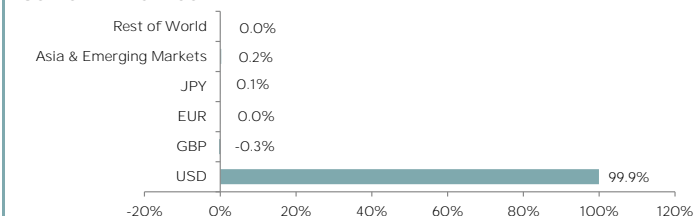
USA	65.9%
UK	20.5%
Europe ex UK	6.4%
Emerging Markets	4.2%
Rest of the World	2.1%
Asia Pacific ex Japan	0.3%
Japan	0.6%
<b>Total</b>	<b>100.0%</b>

CURRENCY EXPOSURE <sup>4</sup>

GBP SHARE CLASS



USD SHARE CLASS



4) Source: Underlying managers, Nedgroup Investments (IOM) Limited. Data point 31 May 2021 (including portfolio cash)  
Data point for underlying fund information on a look-through basis is one month in arrears.

June 2021

## MARKET COMMENTARY

The end of June marks the end of the second quarter and the half way point in the year. A good opportunity then to stop and digest what has been more than a hearty meals worth of news and activity during what can only be described as an atypical time in everyone's lives, not just that of the economy.

And once again COVID has been the main course, supplying daily newsflow and driving both market sentiment and policy response. The continued rollout of the global vaccination program has provided support to the argument for economic expansion and the unlocking of global trade, whilst concerns around inflation (not helped by a slightly muddled rhetoric from the Fed) and the resurgence of the Delta variant have only served to pour some water onto heated expectations. But on the whole it has been a good period for risk assets with global equity markets rising 2.1% on the month of June and closing the quarter 7.1% to the good. As has been our reading, the returns have been led by those markets best placed to benefit from an early lifting (corresponding to vaccination success) with the US up 8.8% on the quarter whilst emerging markets rose 'only' 3.8% over the same period.

Whilst the case for value as an equity style remains intact for the year, and looking ahead, the quarter saw a swing back to growth orientated stocks, up 10% to value's 5% with much of the differential seen during June. A stark reminder of the complexity of global markets currently.

Within fixed income markets returns have remained mostly negative for the year albeit with some areas demonstrating a degree of resilience during the quarter. This was in part due to the mixed messaging from the Fed and a confused outlook for rates and inflation over the medium term. Both Treasuries and Gilts rallied by close to 2% on the quarter but of particular note was the stronger performance of credit over the period, in particular high yield.

Turning briefly to 'real assets' and a reflection of the inflation story that has dominated market discussion of late, property markets appeared to rally well over the quarter with the global REIT index up more than 12% over the period. But it was commodities on the whole that caught the eye with Brent Crude up more than 24% during the quarter and Energy on the whole up 22%. Industrial Metals were up almost 10% on the quarter, matching the gains seen in the first quarter of the year. If sustained these gains (costs) will feed through to consumer pricing in due course.

## PORTFOLIO COMMENTARY

The end of June saw the Income MultiFund close the quarter up almost 2%, ahead of both peer group and longer term cash targets. This has built on the stronger relative and absolute performance seen on a year to date basis.

Fixed income positions, which make up the majority of exposure within the portfolio, contributed positive returns on the quarter and our preference for credit over duration helped offset a more constructive period for longer duration positions. We consolidated our thinking further here by reducing exposure to short duration treasuries in favour of short duration corporate bonds.

Exposure to real assets and alternative strategies have provided not only diversification but also real growth potential alongside an attractive income. In particular BMO Commercial Property which rose by almost 30% on the quarter as market sentiment turned in its favour. We have seen this position as a reflection of the unlocking of the UK domestic economy having suffered in 2020 with tenant hardship and forced closures. It is also worth noting the performance of GCP Asset Backed Income over the quarter, rising by almost 14% as discounts tightened and the market began to acknowledge management's strong, but conservative track record.

Elsewhere the relatively small position within equities has contributed to returns whilst also providing an attractive yield.

# NEDGROUP INVESTMENTS MULTIFUNDS PLC

## INCOME MULTIFUND



### 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 1951/00009/06, an authorised financial services and registered credit provider (NCRCP16)

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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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