

### 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 5bn. Licensed by the Isle of Man Financial Services Authority.

FUND LEGAL STRUCTURE: Irish OEIC UCITS IV

INCEPTION DATE: 26 January 2012

SUB-FUND: 26 JANUARY 2012

GBP CLASS: 19 November 2013

USD CLASS: n/a

MARKET VALUE: GBP 39.6m

PRICES (as at 31 August 2021)

GBP CLASS C: GBP 9.0937

USD CLASS C: USD 10

MANAGEMENT FEE CLASS C: 0.40% p.a.

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

Class C: 1.11%

MINIMUM INVESTMENT CLASS C

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 C: 3.16%

Based on last four quarterly distributions as a percentage of current share price. Last dividend 30 June 2021

ISIN / SEDOL

CLASS C Dist GBP: IE00B9CLX269 / B9CLX26

CLASS C Dist USD: IE00B9CS1S96 / B9CS1S9

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

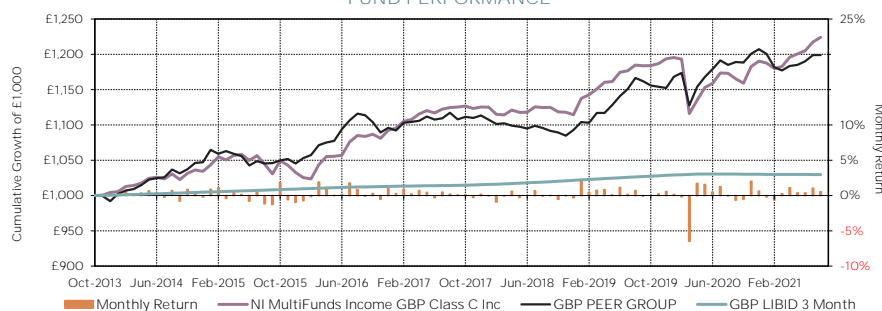
The Income MultiFund is suitable for clients with an investment time horizon of a minimum 3 years. Investing in the fund involves a risk to capital in order to achieve the desired return.

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.

### August 2021 Factsheet

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



Class C 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	-0.3%	4.8%	0.2%	n/a	n/a	n/a
2019	7.1%	5.4%	0.7%	n/a	n/a	n/a
2018	-0.9%	-1.9%	0.6%	n/a	n/a	n/a
2017	3.0%	1.6%	0.2%	n/a	n/a	n/a
2016	5.8%	4.8%	0.4%	n/a	n/a	n/a
2015	-0.1%	-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	0.5%	0.0%	0.0%	n/a	n/a	n/a
6 Months	3.7%	1.5%	0.0%	n/a	n/a	n/a
1 Year	4.3%	1.2%	-0.1%	n/a	n/a	n/a
3 Years Ann	2.9%	3.1%	0.3%	n/a	n/a	n/a
5 Years Ann	2.4%	1.4%	0.3%	n/a	n/a	n/a
YTD	2.8%	-0.7%	0.0%	n/a	n/a	n/a
Since inception *	2.6%	2.4%	0.4%	n/a	n/a	n/a
Lowest 1 yr return	-3.0%					
Highest 1 yr return	8.0%					

Class C performance net of fees as of 31 August 2021. \* Since inception annualised.

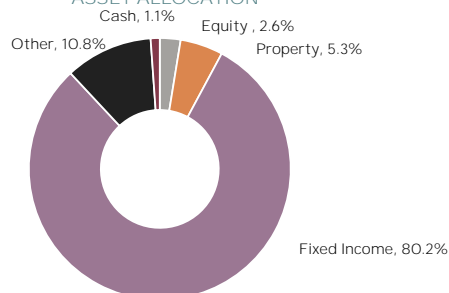
GBP Peer Group is Morningstar Global Bonds – GBP Hedged. USD Peer Group is Morningstar Global Bonds – USD Hedged. Both are net of fees. Past performance is not a guide to future returns.

### RISK MEASURE<sup>3</sup>

SINCE FUND INCEPTION	FUND GBP	FUND USD
Annualised volatility	3.4%	n/a
Sharpe ratio (annualised)	0.65	n/a
Lowest monthly return	-6.5%	n/a
Maximum drawdown	-6.6%	n/a
Months to recover	-	n/a

Risk measures based on the simulated Class C performance net of fees and assuming reinvestment of dividends since 26 January 2012 to date.

### ASSET ALLOCATION<sup>3</sup>



<sup>1</sup> 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.

<sup>2</sup> 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.

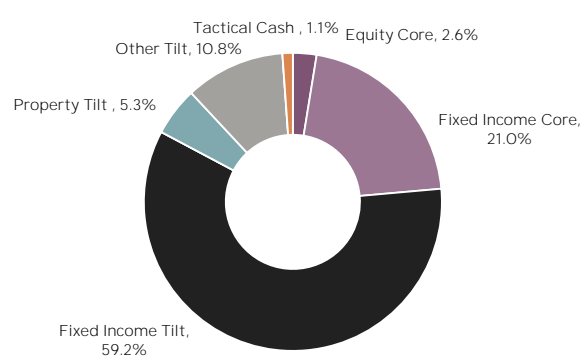
<sup>3</sup> Source: Underlying managers, Nedgroup Investments (IOM) Limited. Data point 30 July 2021

PORTFOLIO ANALYSIS

FULL PORTFOLIO HOLDINGS

Category	Asset	Strategy	Weight
Equity	iShares UK Dividend UCITS ETF	Core	2.6%
			2.6%
Property	BMO Commercial Property Trust	Tilt	2.5%
	Target Healthcare REIT	Tilt	1.7%
	Impact Healthcare REIT	Tilt	1.1%
Fixed Income	Muzinich Short Duration High Yield	Tilt	19.6%
	AXA US Short Duration High Yield	Tilt	19.1%
	PIMCO Low Duration Global IG Credit	Tilt	12.0%
	Wellington Global Credit Plus	Core	9.6%
	iShares \$ Treasury Bond 1-3YR UCITS ETF	Tilt	8.5%
	Vanguard US Government Bond Index Fund	Core	7.0%
	PIMCO Global IG Credit	Core	4.4%
Alternative	GCP Asset Backed Income Fund	Tilt	1.9%
	Hipgnosis Songs Ordinary Shares	Tilt	1.6%
	Greencoat UK Wind	Tilt	1.5%
	John Laing Environmental Assets Group	Tilt	1.2%
	The Renewables Infrastructure Group	Tilt	1.2%
	KKV Secured Loan Fund C Shares	Tilt	1.0%
	3i Infrastructure Plc	Tilt	1.0%
	Greencoat Renewables	Tilt	0.8%
	Round Hill Music Royalty Fund	Tilt	0.6%
	Cash		1.1%
	Cash	Tilt/Tactical	1.1%
<b>Total</b>			<b>100.0%</b>

CHANGES IN ASSET ALLOCATION BY STRATEGY



FIXED INCOME COMPONENT <sup>4</sup>

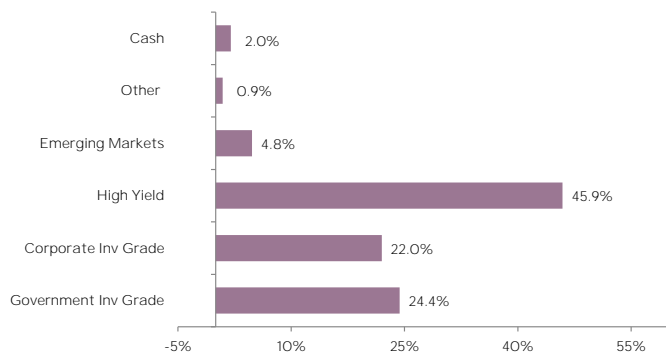
CREDIT RATING	
AAA	17.8%
AA	13.6%
A	8.6%
BBB	12.3%
< BBB	47.6%
<b>TOTAL</b>	<b>100.0%</b>

MATURITY	
< 3 year	33.6%
3-5 years	39.5%
5-10 years	18.2%
> 10 years	8.6%
<b>TOTAL</b>	<b>100.0%</b>

REGIONAL ALLOCATION <sup>4</sup>

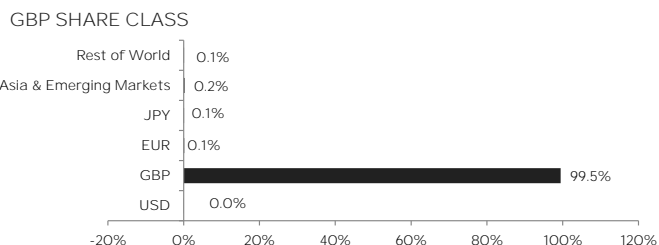
USA	66.5%
UK	19.4%
Europe ex UK	6.8%
Emerging Markets	4.5%
Rest of the World	2.0%
Asia Pacific ex Japan	0.3%
Japan	0.5%
<b>Total</b>	<b>100.0%</b>

CATEGORY ALLOCATION

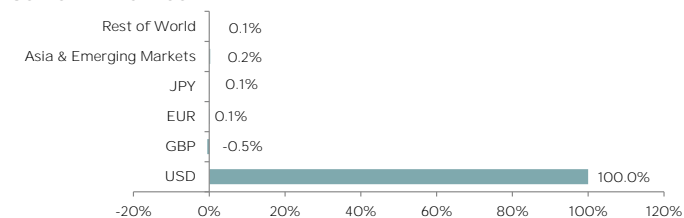


YIELD	
Effective Yield	2.8%
Average Weighted Maturity (in years)	4.1
Average Modified Duration (in years)	3.3

CURRENCY EXPOSURE <sup>4</sup>



USD SHARE CLASS



4) Source: Underlying managers, Nedgroup Investments (IOM) Limited. Data point 30 July 2021 (including portfolio cash)  
Data point for underlying fund information on a look-through basis is one month in arrears.

August 2021

## MARKET COMMENTARY

August proved to be a relatively quiet month, as it often can be, with many market participants enjoying time away from their desks, albeit mainly on staycations this year given travel restrictions. Lingering concerns regarding the spread of the Delta variant and further regulatory changes in China occasionally disrupted the calm. Sentiment was supported by positive employment data out of the United States at the start of the month and the dovish stance of Federal Reserve Chairman Powell at the annual central bank meeting at Jackson Hole towards the end of August.

In fact, Powell's speech at Jackson Hole (which was actually held remotely this year due to Covid-19 concerns) was the main focus of attention for markets during the month. The key highlights of Powell's speech were: 1) he thought tapering of Fed bond buying could begin this year as clear progress had been made in terms of employment, 2) he stressed that tapering was not a signal for interest rate increases, and 3) he warned that monetary policy should not respond to transitory inflation pressures; as any moves to tighten prematurely could needlessly slow hiring and keep inflation too low.

Global equity markets were overall positive (+2.6%), with emerging market equities (+2.3%) lagging developed markets only slightly. This could be seen as improvement on July, when concerns over regulatory changes in China dragged emerging market stocks down sharply. In terms of style, persistent concerns around the Delta variant meant growth stocks (+3.2%) outperformed the more value (+1.8%) orientated equities. This was also reflected in sector performance with Information Technology and Communication Services (stay at home stocks) among the best performing areas, whilst cyclical sectors such as Energy and Materials lagged.

Within fixed income markets, the general risk on environment meant that global high yield generated the best performance (+0.7%). In comparison, global government bonds generated negative returns, the slight increase in government yields over the month was mainly as a result of the increasing expectation that most major central banks around the world will soon be reducing the amount of bonds they buy.

In terms of real assets, property markets generated an equity-like return over the month with the global REITs index up +1.7% over the period. Commodities were mainly unchanged, the only exception was crude oil (-6.9%) which fell sharply on the back of concerns over slowing economic growth due to the Delta variant.

## PORTFOLIO COMMENTARY

The end of August saw the Income MultiFund close the month up around 0.5%, 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.

The drivers of returns were again broad based showing the benefits of diversification not only across but also within asset classes. Fixed income positions all contributed positive absolute returns on the month, with the exception of our relatively small exposure to US government bonds. Our overall bias towards short dated high yield corporate bonds was a tailwind for relative performance as the general risk on environment supported lower rated credit. Whilst investment grade credit was mainly flat, longer maturity US governments bonds posted a small negative return as yields rose during the month.

Elsewhere, there were a wide range of performances within our real asset and alternative strategy space, within property BMO Commercial Property was up around +7%, reflecting the continued recovery of commercial property valuations and the repurchase of shares by the company during the month. Whilst Target Healthcare declined around -4%, after it announced a capital raise for September at a discounted price. In fact, the announcement of another capital raise by The Renewables Infrastructure Group weighed on our renewable infrastructure holdings, with the exception of JLEN Environmental Assets Group. This highlights to a certain degree the fungibility of the different investment trusts in the renewable energy sector. In comparison, our more traditional infrastructure holding,

3i Infrastructure, posted a return of over 4%. It is also worth noting the performance of KKV Secured Loan Fund which jumped nearly 30%, after the return of further capital. Finally, our two positions in song royalty rights also generated solid returns during August, albeit more modest than KKV!

#### 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.

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#### 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

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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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Changes in exchange rates may have an adverse effect on the value price or income of the product

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