FP 8AM Multi-Strategy Portfolio II Fund (Retail) — 31 May 2017

	Volatility Range[1]	Typical Investor Profile	Peer Group (for illustrative comparison only)[2]	Distribution Technology Rating
Multi-Strategy Portfolio II	5.0 – 9.5	Cautious	Mixed Investment 20 – 60% Shares	DYNAMIC PLANNER PROFILED 4

INVESTMENT AIMS

The objective of the fund is to achieve long term Capital Growth (within defined volatility targets).

WHY INVEST?

- Provides a total portfolio management solution.
- A highly experienced management team headed by Richard Philbin.
- A risk controlled portfolio, managed within defined volatility bands.
- Widely diversified portfolio with a broad range of asset classes.
- Selecting only consistently consistent funds and managers.

PERFORMANCE (CLASS R)

	1m	3 m	6 m	1 yr	3 yr	YTD	Since Launch
Multi-Strategy Portfolio II	2.30%	3.18%	7.09%	11.94%	18.52%	4.95%	29.11%

Source: All performance data - Financial Express

KEY FACTS

Fund Manager	Richard Philbin
Fund Size	£16.88m
Launch Date/ Price	01.08.07/ 100p
Vehicle Type	UK OEIC
Initial charge	up to 5%
Price (NAV)	124.20p
Dealing Day & Time	Daily at 12 noon
Income Allocation	31st Aug, 28th Feb
Min Investment	£1,000
Base Currency	Sterling
Pricing Basis	Forward/Single Price
ISIN:	GB00B1Z8MN25 (Class R)

FUND COMMENTARY

The strong performance of the equity markets saw the asset allocation change over the month – equity allocations rose to 38.46% from 37.47% as at the end of April. Cash allocations fell a little to 10.79% (11.06%) and fixed income stood at 24.75% and other funds fell from 26.55% to 26.00%.
The Fund performed well compared to the peer group (IA Mixed Investment 20% to 60% shares) and registered a return comfortably in the first quartile of the competitors delivering 2.34%. This was achieved by strong absolute and relative returns from a number of holdings – from a number of geographical and asset classes - that have been in the portfolio for a long-time. Of special note would be Blackstone GSO Loan Financing, Invesco Perpetual Global Financial Capital, Tetragon, Odey Absolute Return and Fundsmith Equity.

Source: All performance data - Financial Express. All portfolio data 8AM Global LLP.

Richard Philbin took over as investment manager of Multi Strategy Portfolio II on the 1st September 2012.

He has managed portfolios for private clients as well as retail and institutional Fund of Funds portfolios for both F&C Investments and AXA, through their Architas brand, helping then to be some of the largest multi managers in the UK. He has been involved in managing multi asset funds since 1994.

PERFORMANCE

Source: Financial Express

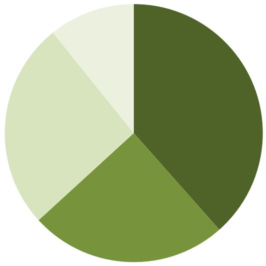
01/08/2007 - 31/05/2017 Data from FE 2017

[1]Ranges are measured using the Standard Deviation of the Fund's annualised returns over 1 year periods. [2]The IA's Mixed Investment sectors have strict guidelines as to how funds within those sectors should be managed. It is your Managers belief that an unconstrained approach may produce superior results, so he does not wish to be bound by those guidelines. We believe that the IA's managed sectors are a useful tool for comparing the performance of your fund to those with similar investment objectives, or its "peers".

PROGRESSIVE // DISCIPLINED // ADAPTIVE // ASSET MANAGEMENT

ASSET ALLOCATION

- Equity Funds (38.46%)
- Fixed Income (24.75%)
- Other (26.00%)
- Cash (10.79%)



Source: 8AM Global LLP

MULTI-STRATEGY PORTFOLIO II

Top Ten Holdings	Asset Class	%
CF Miton UK Multi Cap Inc	Equity Funds	9.55
Fundsmith Equity	Equity Funds	8.93
FP Crux European Special Situations	Equity Funds	8.10
Old Mutual Global Equity Abs Return	Other	7.64
Pimco Sterling Short Maturity	Cash	7.40
CC Japan Income and Growth Founder	Equity Funds	7.15
Jupiter Strategic Bond Fund	Fixed Income	6.52
Invesco Perpetual Global Financial Capital	Fixed Income	5.85
CF Odey Absolute Return	Other	5.57
Tetragon Financial Group	Other	4.89

Source: 8AM Global LLP

MARKET COMMENTARY

May was another month that produced relatively positive returns for those investors willing to have exposure to “risk” assets. Oil prices fell for sterling investors (as measured by the Bloomberg Brent Crude index) and the US Smaller Cap Indices (Russell 2000 Value and Russell 2000 Growth) lost 2.90% and 0.69% respectively. The Russell 2000 Value index has lost money for investors over 1, 3 and 6 months – the initial euphoria that engulfed the market off the back of tax reform promised in the Trump manifesto is starting to circle home. But, to be fair, over the past 12 months, the index has returned over 35% making it one of the best performing indices, so it could be argued that it is due a pull-back.

At the other end of the charts, the MSCI World Index registered a return of almost 2.50%, the Japanese TOPIX index added 3.41%. and the FTSE All Share Index a mightily impressive 4.36%.

The month was dominated by politics and terror. Again. Towards the end of the previous month, UK Prime Minister May called an election for June 8 and initial forecasts suggested a conservative white-wash. But, as the month progressed and non-attendance at political debates, gaffs and U-turns on manifesto pledges, the gulf in popularity was soon reduced and in fact one or two suggested the potential for a Labour win. We will find the result out in a week or so. Whatever the result, Brexit is still looming large.

From a “terror” point of view, a bomb was used to kill over 20 people exiting a pop-concert in Manchester. Although this didn’t affect the stock markets, it certainly did affect the populous and is likely to have knock-on effects to the wider economy as time progresses.

June will mark the 1st anniversary of the UK referendum vote and the subsequent collapse in the Pound against its major trading partners. This WILL bring with it higher inflation. Expect the 2nd half of the year to see significant numbers above the Bank of England target of 2%. But, correspondingly, do not expect to see interest rates rise to offset this as the Governor, Mark Carney, thinks this will not see a structural change, just a transitory effect. We will wait and see.

Even though markets have risen strongly this year, and by and large for several years, we can see risks rising and think capital markets will start to act more on fundamentals rather than all boats rising in the tide that we have witnessed off the back of Quantitative Easing.

*Source: All performance data Financial Express

CONTACT DETAILS

Issued by 8AM GLOBAL LLP, which is authorised and regulated by the Financial Conduct Authority (“FCA”). If you have any doubt as to whether the FP 8AM Investment Funds are suitable for you and you wish to receive advice, you should consult a financial advisor. Further Information can be obtained from:

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