



FP 8AM Tactical Growth Portfolio

31 May 2016

INVESTMENT AIMS

The aim of the Fund is to maximise the total rate of return on a rolling 12 month basis using a lower risk approach.

FUND MANAGER COMMENTARY

The noise in respect of Brexit and the US Federal Reserve's next interest rate move is obscuring an important feature of the investment landscape in our view. Based on our analysis, we believe both low risk (cash and government bonds) and high risk (equities) asset classes offer very low prospective returns compared to their history and are at risk of disappointing investors over the medium-term. Low expected returns may be more obvious in fixed income, as the 1.3% yield on 10 year UK gilts is now lower than at any time during the last 50 years. However a gilt is in fact a high yielding government bond in a global context; 10 year German bund yields (0.06%) are rapidly approaching zero while Swiss and Japan 10y bonds have been offering negative yields for some time.

In equities, assessing the medium-term expected return requires forming an expectation on dividend growth. For equities in aggregate, our studies suggest that growth rates of corporate revenues and by implication dividends, are likely to be significantly lower than in the past. Current consensus forecasts suggest revenue growth only in the low single digits for 2016 for across the US, UK and Europe. However in the US, UK and eurozone, the median price/sales ratio for non-financials remains close to the peak levels seen immediately prior to 2008. We believe this remains an unappetising period for equity investment in general and are therefore limiting exposure. Our equity investments are focused on the few sectors which may be volatile but trade close to trough valuation multiples and highly company-specific event-driven situations.

We have also been rotating away from equity exposure in recent months in favour of investments in high yield bonds which have benefited from both the recovery in the oil price and the introduction of the ECB's corporate bond purchasing program. We have been able to invest at levels which are likely to offer similar returns to equities but at substantially lower levels of volatility and fundamental risk. In terms of event-driven situations, there has been a notable slowdown in the volume of M&A activity during 2016 and we have struggled to find sufficiently attractive situations.

Tactical Growth returned -1.74% during the month. The portfolio remains cautiously positioned and remains ahead of the FTSE 100 by 1.6% year to date.

PERFORMANCE (CLASS A)

	1 m	3 m	6 m	1 yr	YTD	Since Launch
Tactical Growth	-1.74%	2.61%	2.18%	-4.27%	3.43%	17.79%

Source: Financial Express to 31.05.16



A - FP - 8AM Tactical Growth Portfolio A Inc TR in GB [9.54%]
Source: Financial Express

31/08/2012 - 31/05/2016 Data from FE 2016

KEY FACTS

Fund Manager	Alastair George
IA Sector	Specialist
Sedol Number	B9C65S1 (Class A)
ISIN	GB00B3KQYX95 (Class R)
Fund Size	£5.52m
Launch Date/ Price	02.02.09 at 100p
Vehicle Type	UK OEIC
Unit Type	Income
ISA Eligible?	Yes
Total Expense Ratio	1.98% (Class A)
Initial charge	up to 1% (Class A) up to 5% (Class R)
Price (NAV)	102.17p (Class A) 113.98p (Class R)
Dealing Day and Time	Daily at 12 noon
Year End	30th June
Income Allocation	31st Aug, 28th Feb
Minimum Investment	£1,000 (Class A)
Base Currency	Sterling
Pricing Basis	Forward/Single Price

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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WHY INVEST?

- Target return 7%# per annum (net of fees).
- Target volatility: 50% of the volatility of the FTSE 100 over any 12 month time period.
- Provides exposure to traditional value-based equity investment.
- Provides diversified exposure to a variety of hedge and absolute return strategies but crucially at a fraction of the cost.
- Unconstrained asset allocation allows increased flexibility (subject to Fund's investment powers).

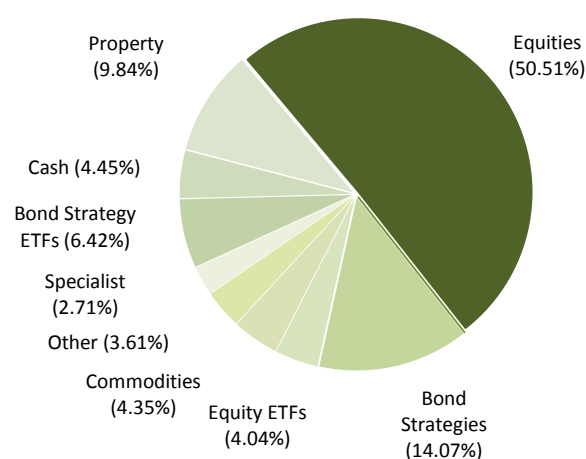
#Target return estimates should not be considered a reliable indicator of future performance.

TOP TEN HOLDINGS

Fund Name	Asset Class	%
CQS New City High Yield Fund	Bond Strategies	4.68
Ishares Global High Yield Corp Bond	Bond Strategies	4.56
Gold	Commodities	4.35
Vodafone Group PLC	Equities	3.79
Sequoia Economic Infra Income Fund	Bond Strategies	3.78
Primary Health Properties REIT	Equities	3.76
Go Ahead Group PLC	Equities	3.72
FCSLN 3 1/2 07/31/19 Corp	Other	3.61
Unilever PLC	Equities	3.44
NB Global Floating Rate Income	Bond Strategies	3.38

Source: 8AM GLOBAL LLP to 31.05.16

ASSET ALLOCATION



Source: 8AM GLOBAL LLP to 31.05.16

AVAILABILITY

The portfolio is available direct and via:

Aegon (International)	AJ Bell/SIPP Centre	Ascentric/Funds Direct
Aviva/Norwich Union	Axa Elevate	AXA IOM
Axa/Winterthur	Canada Life International	James Hay
L&G Intl	SEI	Merchant Investors
Novia	Nucleus	Prudential
RMB	Royal Skandia	Scottish Widows Intl
Skandia (SIS & SLAC)	Standard Life	Transact

IMPORTANT INFORMATION

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