

# Optimal Multi Asset Opportunities fund

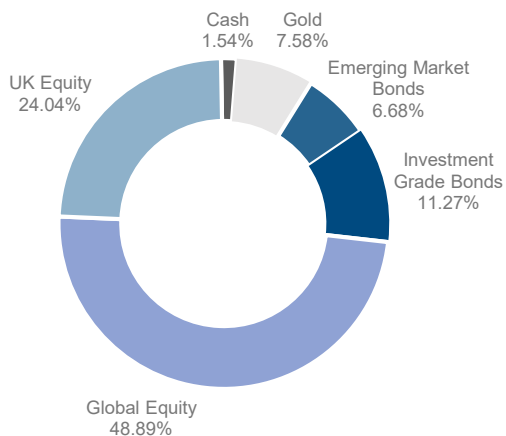
February 2020



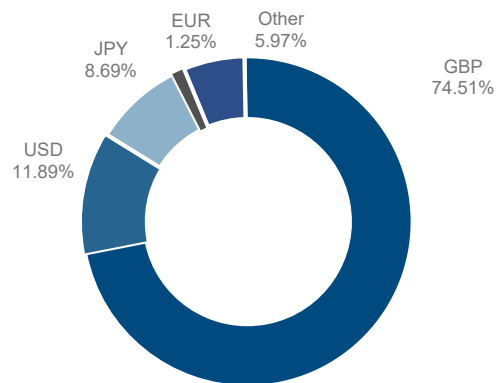
## Investment Objective & Strategy

The investment objective of the fund is to seek to deliver long-term capital growth. The fund will endeavour to achieve its investment objective by investing in a range of assets while seeking to achieve returns resulting in greater levels of volatility than that experienced in broader equity markets.

### Asset Allocation



### Currency Exposure



### Top 10 Equity Holdings

- 01 Alliance Trust
- 02 Edinburgh Investment Trust
- 03 Lyxor JPX Nikkei 400 UCITS GBP
- 04 iShares MSCI World
- 05 Land Securities
- 06 Polar Capital Global Healthcare Trust
- 07 iShares FTSE 250
- 08 Schroder Global Energy Transition
- 09 BlackRock Latin America Trust
- 10 Aberdeen Asian Income

### Top Fixed Income Holdings

- 01 Muzinich Emerging Markets Short Duration
- 02 iShares 1-5 Year Corporate Bond
- 03 Barclays 0-5 Year Corporate Bond

**Average duration: 2.43 years**

**Concentration of top 10 holdings: 50.14%**

All data as at: February 28<sup>th</sup> 2020  
Source: MitonOptimal UK Limited

## Monthly Commentary

In February the MSCI World Equity Index hit an all-time high but finished the month down 8.41%, as did the S&P 500, -8.23% and the FTSE All-Share, -8.87%, as a result of the outbreak of the Coronavirus. Core government 10 year bond yields fell by 35 basis points in the US and by 8 and 17 in the UK and Germany. Bond markets with embedded credit risk increased with 10 year Italian bond yields rising by 17 basis points and credit spreads in US BB and BBB markets widened by 107 and 23 basis points respectively. GBP came under pressure, as one might have expected given its 'risk off' characteristics, falling by 2.9%, 2.3% and 3.28% versus the USD, EUR and YEN. Oil fell by 13.4%.

While economic growth globally continued to surprise to the upside, particularly in developed regions, this became largely irrelevant for markets given the significant uncertainty caused by the virus. As mentioned in last month's fact sheet, markets were probably overdue a correction anyway and the recent crisis has created the perfect catalyst for a shake out. It is clear that uncertainty will prevail until it looks as though we have seen the peak in the contagion and markets do not like uncertainty. While the US Fed has been quick to respond to the crisis by cutting interest rates by 50 basis points, it remains unclear how this policy response can stabilise the probable negative impact the situation is having on economic activity. The question for us as investors is whether the inevitable downturn in the economy will see a sharp rebound on any resolution or whether growth has been permanently lost.

Our screening model suggests that global equities have now returned to levels where there is some good value. We have been adding to global and UK equities on a cautious basis viewing this as a good long term buying opportunity while recognising that there might be worse to come but that trying to pick the bottom is impossible. Markets have not been this oversold since the last sell off of this scale back in Q4 2018. We have enough powder being kept dry to drip feed into the markets on any further weakness.

## Fund Managers

**James Sullivan**  
Managing Director (UK)  
& Fund Manager



**Peter Geikie-Cobb**  
Director (UK)  
& Fund Manager



## Performance

	3m	6m	1yr	3yr	5yr	Since launch
Optimal MA Opportunities	-5.74	-0.23	-0.53	-0.92	16.08	17.46
BoE Base Rate	0.19	0.37	0.75	1.73	2.61	2.66
IA 40-85 Mixed Sector	-3.58	-2.03	4.63	9.32	24.06	28.72
UK Consumer Price Index	-0.28	-0.18	1.31	5.97	8.74	8.96

## Risk Analysis (Since launch)

	Downside Risk	Max Gain	Max Loss	Volatility
Optimal MA Opportunities	7.82	16.50	-8.25	6.41
IA 40-85 Mixed Sector	8.76	15.93	-5.80	7.42

Source: FE Analytics as at February 28<sup>th</sup> 2020. Past performance is not a guide to future returns.

## Key Facts

Fund Name	Optimal Multi Asset Opportunities	Investment Adviser	MitonOptimal UK Limited
UCITS Structure	Optimal Global Investment Funds Plc	Manager	Link Fund Manager Solutions (Ireland) Ltd
Launch Date	19-Jan-15	Administrator	Link Fund Administrators (Ireland) Ltd
Share Class	A (GBP) Acc	Depositary	The Bank of New York Mellon SA/NV
Sedol / ISIN	BRJL4X3 / IE00BRJL4X30	Auditor	Grant Thornton International Ltd
AMC	0.75%	Valuation Point	Daily 23:00
OCF	1.33%	Cut-off	Daily 15:00
MOUK Contact Number	+44 (0) 1225 632 250	MOUK Contact Email	support@mitonoptimal.co.uk

## Disclaimer

### Important Information

MitonOptimal UK Limited is part of the MitonOptimal group of companies and authorised and regulated by the Financial Conduct Authority. Registered in England and Wales No. 09138865 with its registered office at Royal Mead, Railway Place, Bath BA1 1SR. Past performance is not a guide to future returns. The value of investments and any income may fluctuate and investors may not get back the full amount invested. Prior to investing in a fund, please read our Key Investor Information Document, Prospectus and Supplement. If you are unsure whether to invest you should contact a financial adviser. For all other documents, please visit our website [www.mitonoptimal.com/uk](http://www.mitonoptimal.com/uk)