

Optimal Multi Asset Defensive fund

March 2020



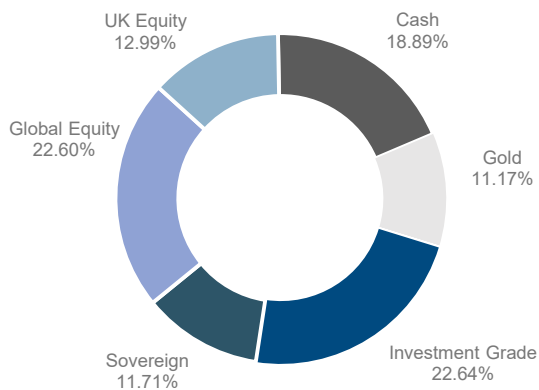
Class A (GBP)



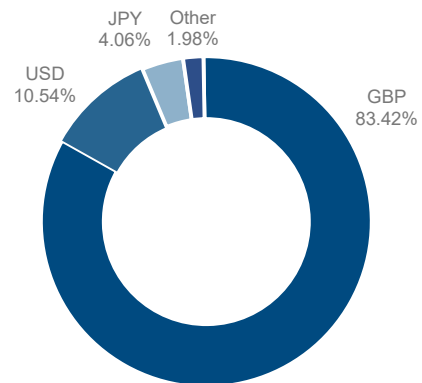
Investment Objective & Strategy

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 significantly lower levels of volatility than that experienced in broader equity markets.

Asset Allocation



Currency Exposure



Top 10 Equity Holdings

- 01 Lyxor JPX Nikkei 400 UCITS GBP
- 02 Xtrackers FTSE 100 Short Daily Swap
- 03 RWC Enhanced Income
- 04 Alliance Trust
- 05 iShares MSCI World
- 06 Xtrackers S&P 500 Inverse Daily Swap
- 07 LF Morant Wright Japan
- 08 Aberdeen Asian Income
- 09 Edinburgh Investment Trust
- 10 Land Securities

Top 5 Fixed Income Holdings

- 01 iShares UK Gilts 0-5 Year
- 02 iShares Ultrashort Bond
- 03 Barclays 0-5 Year Corporate Bond
- 04 iShares 1-5 Year Corporate Bond
- 05 Muzinich Enhanced Short Yield

Average duration: 2.26 years

Concentration of top 10 holdings: 46.95%

All data as at: March 31st 2020
Source: MitonOptimal UK Limited

Monthly Commentary

In March we published a note titled 'We cannot direct the wind, but we can adjust the sails'. Granted, this sentiment holds true for fund managers at any stage in the market cycle but it has certainly never felt more pertinent than it does today.

By definition, active managers have the capacity to act, and indeed react, when the facts change, moving the pieces around the board to secure the best outcomes for our clients. As the saying goes, this is chess - not checkers.

We've remained active throughout the month with the main objective of adding selectively to our equity book. We have collected some investment trusts on very notable discounts to their net asset values, targeting a blend of global beta and technology. On the latter, we believe the world will accelerate its fascination and adoption of technology post Covid-19 and as such, are positioning ourselves to align with this sentiment.

We continue to stay underweight the US equity market, a decision driven by valuation, but increasingly so, better value elsewhere rather than anything too extreme in the US. We have also avoided long duration fixed income as we believe the inflationary forces will be at work, pushing yields up at the longer end, whilst equally so, undermining the quality of the issuance. We have also not added to anything too exotic, by way of Asia or Emerging Markets, as the valuations in the UK and Japan already offer tremendous upside, therefore we have decided against adopting any undue currency risks. As QE comes back on line, we are mindful to shore up our defences with a currency that cannot be debased so have moved to top up our Gold Bullion exposures, the majority of which is hedged back into GBP.

Above all, we remain committed to what brought us to the dance, our investment process, allowing us to cut through the noise, focus on the fundamentals and let the data drive our conviction, as opposed to our emotions.

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 Defensive	-7.27	-6.32	-6.04	-7.89	-1.93	-1.82
BoE Base Rate	0.15	0.34	0.72	1.74	2.60	2.70
IA 0-35 Mixed Sector	-8.09	-7.65	-3.02	-0.89	5.93	8.52
UK Consumer Price Index	0.09	0.09	1.50	5.95	8.93	9.37

Risk Analysis (Since launch)

	Downside Risk	Max Gain	Max Loss	Volatility
Optimal MA Defensive	4.01	5.55	-7.27	3.36
IA 0-35 Mixed Sector	6.06	9.44	-8.65	4.96

Source: FE Analytics as at March 31st 2020. Past performance is not a guide to future returns.

Key Facts

Fund Name	Optimal Multi Asset Defensive	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	BRJL4K0 / IE00BRJL4K01	Auditor	Grant Thornton International Ltd
AMC	0.75%	Valuation Point	Daily 23:00
OCF	1.51%	Cut-off	Daily 15:00
MOUK Contact Number	+44 (0) 1225 632 250	MOUK Contact Email	support@mitonoptimal.co.uk

Disclaimer

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