

MI Diversified Strategy Fund

Monthly factsheet

September 2020

Investment objective & strategy

The investment objective of the MI Diversified Strategy Fund is to achieve long term capital growth. The Fund intends to meet its objectives through exposure to a combination of equities, fixed interest and structured products. The majority of the Fund's exposure will be to equities. It may also have exposure to property. With the exception of structured products, this exposure will be through investment in OEICs, Unit Trusts, Investment Trusts, Exchange Traded Funds and other collective investment schemes across several management groups. It may also invest in equities from the world's major markets, bonds and other transferable securities. The Fund has no specific limits on exposures to any asset class, geographic area, industry or economic sectors.

Monthly update

The Fund returned -0.82% during the month, behind the IA Flexible Investment sector average return of -0.37%.

Equity markets were generally weaker during the month on a local currency basis, with the exception of Japan. There was also a rotation of the leadership which we have seen for most of 2020, with the UK and Europe outperforming the US. Within UK fixed income high yield credit was negative whilst investment grade meanwhile posted a positive return, although they trailed gilts.

Despite weaker returns from equity markets there were some positive returns posted by underlying fund holdings. Returns from Japanese funds were particularly strong, with Baillie Gifford Japanese Smaller Companies, for example, returning double digits. Despite positive returns within the asset class fixed income holdings struggled to keep pace, in particular strategic bond fund holdings. The position in a silver ETC was detrimental to Fund performance as the precious metal gave back some of its previous gains, with real yields in US Treasuries moving less negative.

The Fund remains underweight its neutral allocation to equities. Tail risks remain, such as the potential for further lockdowns caused by the increase of COVID-19 cases which we are seeing across Europe, and the negative impact that this could have on economies. The US election will soon be upon us, the US are yet to agree an extended fiscal package and last but not least Brexit talks are yet to reach a positive outcome. We can't forget however the supportive role which central banks, on a global scale, are playing. For this reason we are reluctant to reduce exposure to equities further. Their actions also continues to support our overweight position to fixed income, with central bankers appearing keen to keep yields low and ensure there is sufficient liquidity in credit markets.

5 year performance

to 30 September 2020



*Source: FE Analytics, C share class, total return, bid-bid.

*Class C units are only available to clients of Lowes Financial Management

The strategy was originally launched on the 12th April 2010.

This fund was transferred to a UK domiciled UCITS ICVC on the 6th May 2015.

The investment philosophy and strategy of the fund remains the same.

All performance figures in this fact sheet are for the C unit class

Past performance is not a guide to the future

Key facts

| | |
|-----------------------------|--|
| Investment manager | Lowes Investment Management |
| Fund type | UK domiciled UCITS IV ICVC |
| Fund Size at 30/09/2020 | £35,567,420.53 |
| Unit NAV at 30/09/2020 | C Acc* : £1.3024 C Inc* : £1.2663 B Inc : £1.2490 |
| Liquidity | Daily |
| Pricing | 12:00pm |
| Performance comparator | IA Flexible Investment Sector Average |
| Minimum subscription amount | Lump sum: £1,000 Top up: £100 |
| Annual management charge | Class B: 0.40% Class C: 0.15% |
| OCF: | Class B: 1.28% Class C: 1.03% |
| ISIN | Class B (Acc): GB00BVVQ7G83 Class B (Inc): GB00BVVQ7H90 Class C (Acc)*: GB00BVVQ7J15 Class C (Inc)*: GB00BVVQ7K20 |
| XD Date | 02-Apr |
| Payment Date | 31-Jul |

Available platforms

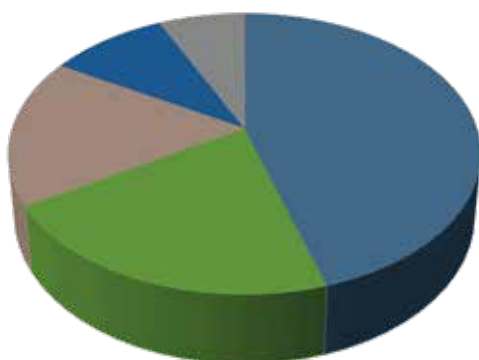
| | | | |
|--|---------------|----------|-----------|
| Aegon | Aegon ARC | Aviva | James Hay |
| Old Mutual | Standard Life | Transact | Zurich |
| Also available through full-service stockbrokers | | | |

MI Diversified Strategy Fund

Top ten holdings

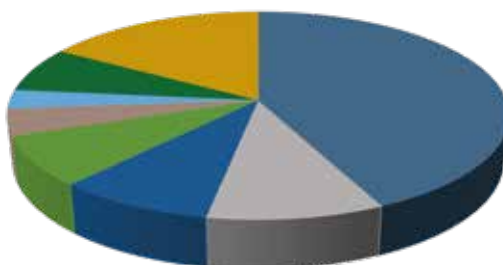
| | | | | | |
|---|--|-------|----|-----------------------------------|-------|
| 1 | L&G Short Dated Sterling Corporate Bond Index | 4.76% | 6 | Janus Henderson Strategic Bond | 3.71% |
| 2 | Nomura Global Dynamic Bond | 4.60% | 7 | JO Hambro CM Global Opportunities | 3.65% |
| 3 | GAM Star Credit Opportunities | 4.32% | 8 | MI TwentyFour Dynamic Bond | 3.57% |
| 4 | Janus Henderson UK Absolute Return | 3.87% | 9 | Artemis US Absolute Return | 3.54% |
| 5 | Carmignac Portfolio Long-Short European Equities | 3.78% | 10 | AHFM Defined Returns | 3.26% |

Asset allocation



| | |
|---------------------|--------|
| Equities | 45.29% |
| Fixed Interest | 20.95% |
| Alternatives | 17.14% |
| Structured Products | 9.61% |
| Cash | 7.02% |

Geographical weighting



| | |
|------------------|--------|
| UK | 42.93% |
| North America | 9.95% |
| Europe | 8.85% |
| Japan | 7.82% |
| Asia Pacific | 4.19% |
| Emerging Markets | 2.91% |
| Cash | 7.02% |
| International | 16.33% |

Discrete performance (%)

| From | To | Fund | Comparator |
|------------|------------|-------|------------|
| 30/09/2019 | 30/09/2020 | -0.66 | 0.93 |
| 30/09/2018 | 30/09/2019 | 1.06 | 3.24 |
| 30/09/2017 | 30/09/2018 | 6.93 | 5.37 |
| 30/09/2016 | 30/09/2017 | 11.62 | 10.53 |
| 30/09/2015 | 30/09/2016 | 18.56 | 16.45 |

Cumulative performance (%)

| | Fund | Comparator |
|----------|-------|------------|
| 6 months | 15.21 | 16.26 |
| 1 Year | -0.66 | 0.93 |
| 3 Years | 7.35 | 9.80 |
| 5 Years | 42.08 | 41.32 |

NB: Figures might not add up to 100% due to rounding

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Disclaimer

The contents of this document have been issued and approved by Lowes Investment Management Ltd.

The tax treatment of any investment in this fund will depend on the individual circumstances of each investor and the method of investing and may be subject to change in the future. The value of investments may go down as well as up and no return or return of original capital is guaranteed.

Past performance is not a guide to future performance. If you have any doubts as to the suitability of this investment for you then please talk to an appropriately qualified party.

The information contained within the document does not constitute advice, or an invitation to purchase shares. Any investment should be made on the basis of the information contained within the Prospectus, the Key Investor Information Document (KIID), and the Supplementary Information Document (SID), available from Maitland Institutional Services Limited.

Maitland Institutional Services Limited act as Authorised Corporate Director (ACD) of the fund and are authorised and regulated by the Financial Conduct Authority. They are registered in England No. 6252939. Registered Office: Hamilton Centre, Rodney Way, Chelmsford, Essex CM1 3BY.

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