



WAY Absolute Return Fund

February 2019

Investment Aims

The Fund aims to achieve capital appreciation in the form of a positive absolute return for investors in all market conditions on a 12-month basis. The Fund will focus on investment in a variety of alternative strategies with a low correlation to other asset classes. The fund will retain the flexibility to invest directly in warrants, bonds, government and public securities, money market instruments, cash and deposits that can best take advantage of economic opportunities worldwide. The fund has a flexible mandate allowing it to invest only in those assets it deems attractive at any particular time.

Fund Commentary

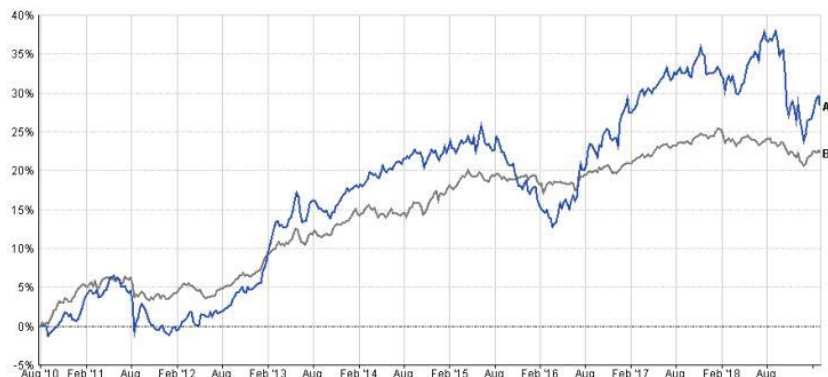
The positive sentiment evident in January carried on into February with the US S&P 500 and UK's FTSE 100 recording gains of 1.03% and 1.51% respectively. Similarly, the dominant reason appeared to be a sense of relief over a calming of US-China trade negotiations. However, further support came from economic data indicating both consumers and corporate sentiment bounced back from the US government shutdown in January. A slight fall in headline inflation and dovish comments from the Federal Reserve put a lid on further interest rate rises and this, in turn, was good for Emerging Markets. As the US fourth-quarter corporate earnings season drew to a close, 70% of companies had beat expectations but the more important future guidance was a little more cautious. Nevertheless, US company earnings growing at 13% is roughly double their European counterparts. The German stalled in Q4 and manufacturing fell across the eurozone. However, it is the lingering political conflicts, mainly Spain and Italy, which continues to put off international investors. It was a similar story in the UK where Brexit uncertainty looks to be going to the wire at the end of March. In such a fast changing political environment, both Sterling and FTSE are unusually prone to short-term trading and less so to the economic fundamentals which remain remarkably good.

Cumulative Performance (GBX)

	1 M	3 M	1 Y	5 Y	Since Launch
Fund	0.54%	0.54%	-2.97%	8.15%	28.33%
Sector	-0.16%	0.37%	-1.45%	6.11%	22.34%

Source: Financial Express FE Analytics to 28.02.2019 in GBP. Sector is Targeted Absolute Return.

WAY Absolute Return Fund Performance



■ A - WAY - Absolute Return Portfolio E Acc in GB [28.33%]
 ■ B - UT Targeted Absolute Return TR in GB [22.34%]

30/07/2010 - 28/02/2019 Data from FE 2019

Source: Financial Express FE Analytics 30.07.10 to 28.02.2019

Key Facts

Fund Size (31.08.17)	£10.4m
Launch Date	30.07.10
IA Sector	Targeted Absolute Return
TER	1.37%
AMC	0.85%
Min. Investment sum	£100pm/£1,000 lump
Yield	Est. 0%
Accounting Date	31 March
Distribution Date	31 May
ISIN Code Z Share Class	Acc. GB00BDBVS204 Inc. GB00BDBVS428
Administrator	Apex Fund Services (UK) Limited
Custodian	The Northern Trust Company, London
Depository	Northern Trust Global Services SE
Auditors	Deloitte LLP
Solicitors	Burgess Salmon LLP
ACD	WAY Fund Managers Limited

Contact Details

Issued by FACET Ltd, which is authorised and regulated by the Financial Conduct Authority.

FRN:131372

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WAY Absolute Return Fund

Performance (%)

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	YTD
2019	2.39	0.54											3.12
2018	-0.42	-0.11	-1.88	1.31	1.90	1.08	0.98	0.30	-1.70	-5.84	-0.28	-2.51	-6.28
2017	-0.22	1.37	0.79	0.18	1.04	0.15	0.28	0.21	-0.31	1.98	-1.76	0.22	3.99
2016	-1.83	-0.58	-1.23	1.82	-0.18	2.55	1.76	2.2	0.02	1.67	-0.89	3.11	8.5
2015	1.49	-0.69	1.08	-0.46	1.11	-1.2	-0.11	-0.58	-1.97	-1.14	-0.09	-0.63	-3.22
2014	0.59	0.38	0.69	0.25	0.37	0.72	0.24	0.39	0.42	-0.65	0.67	-0.59	3.54
2013	4.03	2.81	-0.17	0.98	2.46	-2.7	2.34	-0.87	-0.77	0.94	1.39	0.51	11.32
2012	-0.03	1.55	0.46	-1.27	1.38	0.52	0.12	0.7	1.44	0.2	0.4	0.67	6.27
2011	2.45	0.32	-0.2	1.62	0.28	-0.45	-1.07	-2.05	-0.35	-1.39	-0.58	-0.4	-1.9
2010	-	-	-	-	-	-	-	-1.2	1.01	1.57	-0.2	0.08	1.25

Source: Financial Express FE Analytics to 28.02.2019

Performance by Calendar Year (GBP)

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Fund	3.12%	-6.28%	3.99%	8.50%	-3.22%	3.54%	11.32%	6.27%	-1.90%	1.25%
Sector	1.20%	-2.75%	2.97%	1.06%	2.41%	2.85%	6.26%	3.41%	-1.26%	4.18%

Source: Financial Express FE Analytics to 28.02.2019

Top 10 holdings

Ethika Sustainable Impact Fund GBP Class B	17.49%
European Investment Grade 6.5% UNS BDS 31/03/2023.	12.69%
CARPE VALOREM 7% BDS 12/05/21.	11.45%
iShares MSCI World Minimum Volatility	6.55%
iShares Dow Jones Industrial Average UCITS ETF Acc	6.49%
Man International ICVC - CONTIN EUROPE-C-ACC	6.25%
Merian Investment Funds Series I - UK Mid Cap	5.72%
Schroder US Mid Cap Fund - Z ACC	4.74%
Diversified Gas & Oil PLC	4.43%
ISHARES CORE FTSE 100	3.89%

Key Portfolio Managers

John Richard Mitchell - John has a career spanning over 40 years in both equities and bonds managing risk at Credit Suisse and Royal London where he also created their first geared fund. John was also involved in the founding of Newland Financial where he was the compliance director.

Chris Fernyhough - Chris has over 15 years experience managing multi-asset portfolios. Prior to becoming Managing Director of FACET, Chris worked at WH Ireland establishing their Bristol office. He also worked at Newland in the wealth management division. He holds a distinction in the PCIAM exam and is a Chartered Wealth Manager as well as holding Chartered FCSI status with the CISI.

IMPORTANT INFORMATION

This document has been produced for information only and represents the views of the investment manager at the time of writing. It should not be construed as Investment Advice. No investment decisions should be made without first seeking advice. Full details of the WAY Absolute Return Fund, including risk warnings, are published in the WAY Fund Managers Limited Prospectus.

RISK WARNINGS

The Absolute Return Fund, is subject to normal stock market fluctuations and other risks inherent in such investments. The value of your clients investment and the income derived from it can go down as well as up, and your client may not get back the money that they invested. Investments in overseas equities may be effected by changes in exchange rates, which could cause the value of your clients investment to increase or diminish. Your client should regard their investment as medium to long term. Past performance is not a guide to future performance. Every effort is taken to ensure the accuracy of this data, but no warranties are given.