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Fund Objective

The Newscap Global Multi-Asset Conservative Fund is a cautious portfolio which aims to provide investors with more stable returns than portfolios with a greater focus on growth. Investment exposure will typically include a mix of the following asset classes: cash, near cash, fixed income instruments, UK equities, international equities, property and commodities. Given its low to moderate risk positioning, the fund will typically have a greater bias towards cash instruments, fixed income and assets that show a lower correlation to the overall portfolio, than higher risk funds with a greater focus on equities. Within its equity holdings, the bias will typically be to larger cap developed equities. The fund holds both collective investment instruments and individual direct investments in equities and bonds.

Manager's Commentary

Over the course of the month, the Newscap Global Multi-Asset Conservative Fund fell by 0.99% versus the IA OE Mixed Investment 0-35% Shares Index which was down 0.25% and the FTSE UK Private Investor Conservative Index which was ahead 0.09%.

Macro commentary

In the UK, wage growth slowed to 2.8% in the 3 months to April down from 2.9% in the prior month, albeit remaining above core inflation at 2.5%. Meanwhile, the Bank of England (BOE) reiterated its comments on the impact of the cold snap on Q1 GDP (0.1%), indicating that things would improve in Q2 and paving the way for an August rate rise to 0.75%. The Monetary Policy Committee (MPC) now stands at 6 against a rate rise and 3 for. The pace and size of rises remains hinged on Q2 recovery, but the consensus suggests that rates will top out at 1.5% over the nearer term rather than the previously speculated 2%.

By way of contrast, the European Central Bank (ECB) sees rates staying at 0% until summer 2019 at the earliest albeit bond purchases are still expected to end this year.

The US trade battle with the RoW continued at a pace with Trump threatening a further 10% charge on an additional \$200bn of Chinese imports and 20% on European car manufacturers. However, with tax cuts now assisting the bottom line and growth on course for an annualised 4.5%, the Federal Reserve System (FED) is continuing to march forward with rate increases. Indeed, the Fed increased its target rate by 0.25% to a range of 1.75-2.00% at this month's meeting with indications that there will be a further 2 rate rises still to come this year and a further 3 in 2019. That would get the forecast rate range to 3.00-3.25% by end of next year.

Japan's economy contracted by 0.6% in Q1 putting an end to 8 consecutive quarters of growth. Whilst this puts them one quarter away from technical recession, the consensus is for a rebound in growth in Q2. Indeed, monthly consumer spending numbers since April have already indicated a turnaround is occurring. Meanwhile, core Consumer Price Index (CPI) increased by just 0.7% in May, unchanged from April. Consequently, monetary tightening still seems some time away.

Performance



Share Class A Acc GBP from 28/11/2016 to 30/06/2018
Fund data as at 30 June 2018
Source: Newscap Capital Group

Returns (%)

	Class A GBP	Class B GBP	Class E GBP
1 Month	-0.99%	-0.99%	-0.96%
6 Month	-1.85%	-1.87%	-1.70%
YTD	-1.85%	-1.87%	-1.70%
Since Inception	-0.33%	-0.36%	-0.43%
1 Year	-0.17%	-0.20%	-
3 Year	-	-	-
5 Year	-	-	-

Share Class A Acc GBP ; Fund data as at 30 June 2018; since 28/11/2016.
Data prior to 28/11/2016 unavailable;
Source: Newscap Capital Group

Rolling Annual Returns - year end 30/06

	2018	2017	2016	2015	2014
Class A	-0.17%	-	-	-	-

Share Class A Acc GBP; Fund data as at 30 June 2018;
Daily data used for calculations; Figures are net of fees;
Source: Newscap Capital Group

Calendar Year Performance

	2017	2016	2015	2014
Class A	0.75%	n/a	n/a	n/a

Share Class A Acc GBP; Fund data as at 30 June 2018;
Daily data used for calculations; Figures are net of fees;
Source: Newscap Capital Group

Top 10 Holdings

Holding	Size
iShares GBP Ultrashort Bond UCITS ETF	11.95%
BNY Mellon Global Shortdated High Yield Bond Fund	8.18%
LT Miton Cautious Fund	7.97%
L&G Manaed Monthly Income Fund	7.47%
L&G Short Dated Sterling Corporate Bond Fund	6.83%
Jupiter Absolute Return Fund	6.16%
iShares Edge Momentum Factor ETF	5.95%
Royal London Sterling Extra Yield Bond Fund	5.56%
iShares Automation & Robotics ETF	3.98%
Newscap Diversified Growth Fund	3.52%
Total	67.56%

In the rest of Asia Pacific, the US-North Korea summit heralded a potentially huge positive impact for the region led by denuclearisation and improved trading conditions. However, with global trade war rhetoric increasing, the Thomson Reuters/Insead Asian Business Sentiment Index, which surveys firms' six-month outlook, fell to 74 in the second quarter of this year, from a seven-year high of 79 in the previous quarter. While a reading above 50 indicates a positive outlook, this is the first time the number has dropped since September last year.

In Emerging Markets, the World Bank confirmed its estimate for growth in China at 6.5% this year. Indeed, latest data shows that the economy appears to be faring well with daily power output increasing by 12% in May (up 3.3% on the prior month). However, April retail data and business investment came in below expectations. This was in part offset by higher than expected industrial data. More importantly, however, the escalating trade war with the US could cost as much as 1% to Chinese GDP if all current tariffs are carried through. Meanwhile, India expanded at 7.7% in Q1 comfortably ahead of the 5.6% achieved a year ago and the 6.8% achieved in China in Q1.

Market and Fund Commentary

During the month, the best performing IA (Investment Association) sectors were North American, UK Smaller Companies and IA OE Property. By way of contrast, the worst performing IA sectors were China/ Greater China, Global Emerging Market and Asia Pacific Excluding Japan.

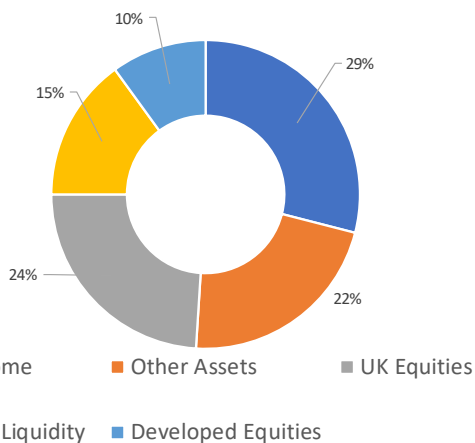
Against this backdrop, and in terms portfolio performance, the greatest contributions were derived from Slater Growth Fund, Daily Mail Group and ITV. Meanwhile, the main detractors to performance were iShares Automation and Robotics, Jupiter Absolute Return Fund and Old Mutual UK Mid Cap Fund.

On the direct investment side, we reduced single stock exposure by selling our positions in Royal Dutch Shell, Lloyds, National Grid, Severn Trent, Aggreko and Standard Chartered. We used the proceeds to add to the iShares Edge MSCI World Momentum Factor ETF.

Share Class Information

Share Class	Bloomberg Ticker	NAV	Inception Date
A Acc GBP	NF5ACGA ID Equity	99.67	28/11/2016
B Acc GBP	NF5ACGB ID Equity	99.64	28/11/2016
E Acc GBP	NF5ACEAID Equity	99.57	03/08/2017

Asset Allocation



Fund Details

Domicile	Dublin, Ireland
Legal Structure	ICVC
Investment Manager	Newscap Capital Group Ltd
Fund Launch Date (Share Class A Acc)	29-Nov-16
Currency	GBP
Liquidity	Daily
Administrator	CACEIS Ireland Limited
Depository	CACEIS Bank Luxembourg Dublin Branch
Auditor	PricewaterhouseCoopers (Ireland)
Legal Counsel	A&L Goodbody Solicitors
Codes	Bloomberg ticker ISIN
Class A Acc GBP	NF5ACGA ID IE00BYX95H33
Class B Acc GBP	NF5ACGB ID IE00BYX95K61
Class E Acc GBP	NF5ACEAID IE00BD5G3W67

Fees and Charges

Fee Type	A Acc GBP	B Acc GBP	E Acc GBP
Management Fee	0.50%	0.50%	0.35%**
OCF*	2.22%	2.20%	2.05%
Initial Charge	Up to 5%	0.00%	0.00%
Introducing Brokers Fee	0.25%	0.25%	0.00%
CDSC***	0.00%	Up to 5%	Up to 5%
Minimum Initial Investment	£500,000.00	£500,000.00	£500,000.00

*Ongoing Charges Figure as of 31/12/2017

** as of December 2017

***Contingent Deferred Sales Charge

(OCF is the basis upon which all share class figures have been calculated)

For full details on the charges and fees please refer to the fund supplement and KIID.

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