

HC KLEINWORT HAMBROS MULTI ASSET BALANCED FUND

Market commentary

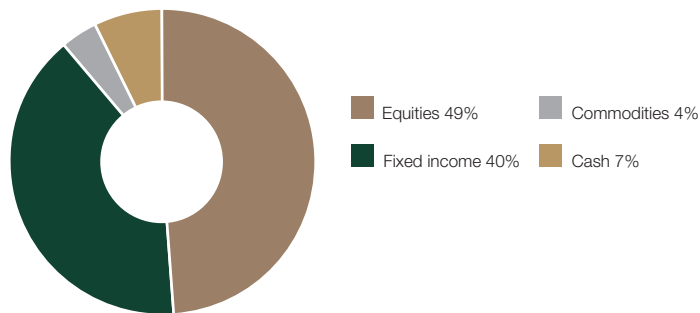
World equity markets fell heavily in March, with most in negative momentum. The US market is getting closer to it, with only emerging markets still firmly in positive momentum. At the start of March we reduced our equity exposure, but have made no further changes at this stage.

The Fed raised rates by 25bps as widely expected causing bonds to sell off, though the curve flattened further due to technical issues. Later in the month government bonds rallied as investors sort safety from falling equity markets.

In the UK progress on the the post-Brexit transitional deal is taking shape, but lower trend growth is still a predicted outcome. The MPC is still likely to raise rates in May and November as it normalises monetary policy ahead of these expectations. The BoE would hope to deliver something similar next year.

The fund's decline was driven by its equity exposure, though fixed income was a modest positive contributor; the Gold allocation lost value as well. Equity markets across the board declined in March. The UK market suffered the least with the US market declining the most in sterling terms. In fixed income government bonds added value with the credit exposure broadly flat.

Asset allocation



Source for all data: Kleinwort Hambros (as at 31-Mar-18). Calculation basis: Sterling, bid to bid, total return. All returns in Sterling unless stated otherwise. Fund returns are actual returns after all fees and expenses are deducted. Actual weighting and investment allocations are subject to change on an ongoing basis and may not be exactly as shown. Investors should understand the different asset classes which make up the strategy as they have different risk characteristics.

Fund details

Benchmark

Morningstar GBP Moderate Allocation Category

Fund classes

Income and Accumulation

Fund size as at 31 March 2018

£28.4 million

Base currency

Sterling

Price listing

FT

Bloomberg ticker

Income units – CFENBAI LN
Accumulation units – CFENBAA LN

Domicile

UK

Launch date

16 July 2006

Pricing frequency

Daily

Structure

FCA Authorised Non-UCITs scheme

Dividend distribution dates

31 May

Investment Manager

SG Kleinwort Hambros Bank Limited

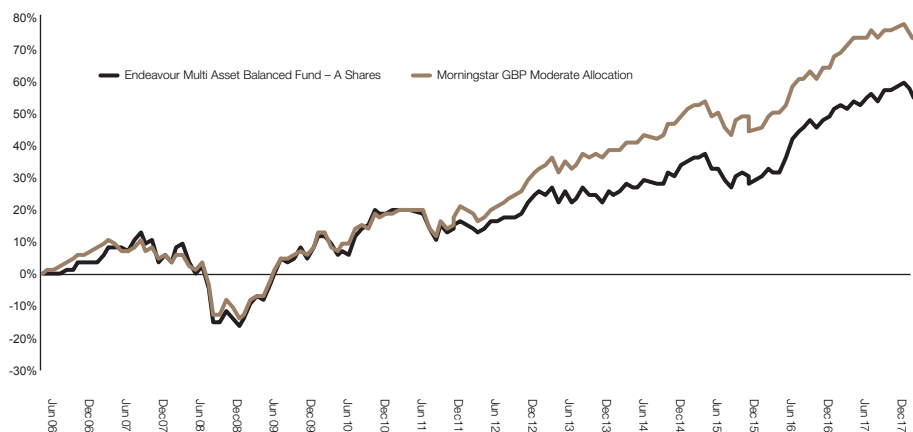
Authorised Corporate Director

Host Capital Limited

Auditor

Grant Thornton

Half-yearly cumulative performance (month-end prices)



Single year fund performance (5 years ending March)

Mar 13 - Mar 14	Mar 14 - Mar 15	Mar 15 - Mar 16	Mar 16 - Mar 17	Mar 17 - Mar 18
-0.6%	9.0%	-2.7%	15.3%	0.3%

Fund performance to 31 March 2018 (%)

Since launch	5 years*	4 years*	3 years*	2 years*	1 year*	6 months*	3 months*	1 month*
53.1	21.8	22.6	12.5	15.6	0.3	-0.6	-3.4	-2.6

Monthly returns (%)

A Shares	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2006							0.6	0.3	-0.1	0.5	0.6	1.4	3.3
2007	0.3	-0.1	0.6	1.9	2.1	0.1	-0.1	-0.5	2.4	2.1	-2.9	0.9	6.9
2008	-5.7	2.0	-2.6	4.6	0.8	-5.2	-2.9	2.6	-7.4	-10.5	-0.3	3.9	-20.0
2009	-2.2	-3.1	2.5	6.0	2.3	-0.9	4.7	3.8	4.3	-0.2	0.4	3.1	22.1
2010	-2.5	3.0	3.2	0.4	-2.6	-3.2	1.3	-1.1	5.7	1.7	1.3	3.8	11.1
2011	-1.1	0.3	0.6	0.7	-0.1	-0.2	-0.7	-3.8	-3.1	3.3	-1.7	1.1	-4.7
2012	0.9	1.1	-1.1	-0.7	-1.5	1.1	2.1	0.4	0.6	0.0	0.6	0.4	3.9
2013	3.1	2.0	0.7	-0.5	1.3	-3.3	2.7	-2.4	0.1	3.0	-1.4	0.1	5.4
2014	-2.2	2.7	-0.6	0.5	1.8	-0.9	0.4	2.0	-1.3	0.4	2.7	-0.7	4.7
2015	2.5	1.0	0.4	0.0	1.1	-3.8	0.6	-3.3	-1.5	3.1	0.5	-0.7	-0.3
2016	-2.0	2.1	1.3	-0.2	-0.3	3.6	4.4	1.1	0.8	2.2	-1.7	1.8	13.6
2017	0.5	1.8	0.6	-0.6	1.6	-0.6	0.8	1.0	-1.2	2.2	-0.2	0.9	6.8
2018	0.4	-1.2	-2.6										-3.4*

* 2018 – Year To Date
Yearly figures compounded

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Descriptive stats from launch date to 31 March 2018

	Endeavour Multi Asset Balanced A	Morningstar GBP Moderate Allocation Category	MSCI AC World Net TR (GBP)
Annualised rate of return (ROR)	3.7%	4.5%	8.5%
Annualised volatility	8.2%	7.1%	13.5%
Sharpe ratio	0.3	0.4	0.6
Percent of positive months	62.4%	66.7%	63.8%
Maximum drawdown	-25.7%	-21.5%	-34.7%
Best month (%)	6.0%	4.6%	9.4%
Worst month (%)	-10.5%	-8.9%	-11.6%

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Fees and charges

Multi Asset Balanced Fund			
Initial charge*	7.00%	Ongoing charges figure**	2.31%***
Performance fee	0.00%	Exit Penalty	0.00%
<p>*May be waived for clients of SG Kleinwort Hambros. **This includes fund administration charges. The ongoing charge is reduced to 1.48% for the institutional share class when assets of over GBP 5 million are in SG Kleinwort Hambros managed funds. ***Calculated as at 31-Dec-2017. This amount may fluctuate according to fund size and underlying holdings.</p>			

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Marketing

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