

HC KB ENDEAVOUR MULTI ASSET BALANCED FUND – A CLASS

Market commentary

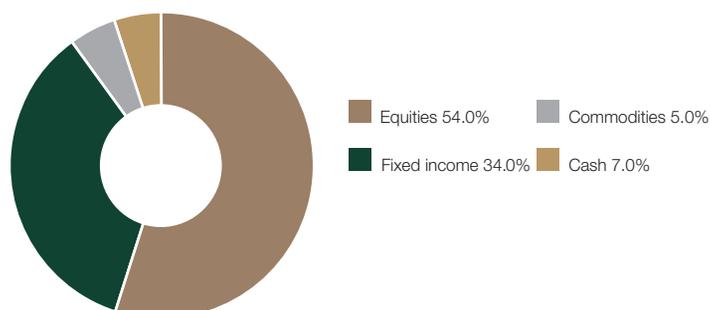
September is likely to be marked as the global turning point in monetary policy. The Federal Reserve will start to unwind QE from October and is likely to raise rates again in December. The Bank of England looks likely to lift rates in November.

Bond yields rose as these events unfolded. The US 10-year treasury moved up 15bp to 2.30% across the month, whilst in the UK there has been close to a 35bp increase in the 10-year gilt yield to c.1.35%. Continued strength in a number of UK data points coupled with the MPC commentary, moved the GBP/USD rate up 5% during the month, with a similar move against the euro.

Oil has tracked higher in September as a result of strong demand, driven by synchronised global growth, OPEC supply cuts and declining US rig count.

The fund's fixed income, and equity allocations all delivered negative returns, though the commodity exposure added value. In fixed income, government bonds were the principle cause of the weakness as yields rose over the month, though our short duration call did mitigate some of the losses. All equity exposures, with the exception of the UK, lost value as sterling strengthened over the month.

Asset allocation



Source for all data: Kleinwort Benson. 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.

Fund details

Benchmark

Morningstar GBP Moderate Allocation Category

Fund classes

Income and Accumulation

Fund size as at 30 September 2017

£25.2 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

Kleinwort Benson Bank Limited

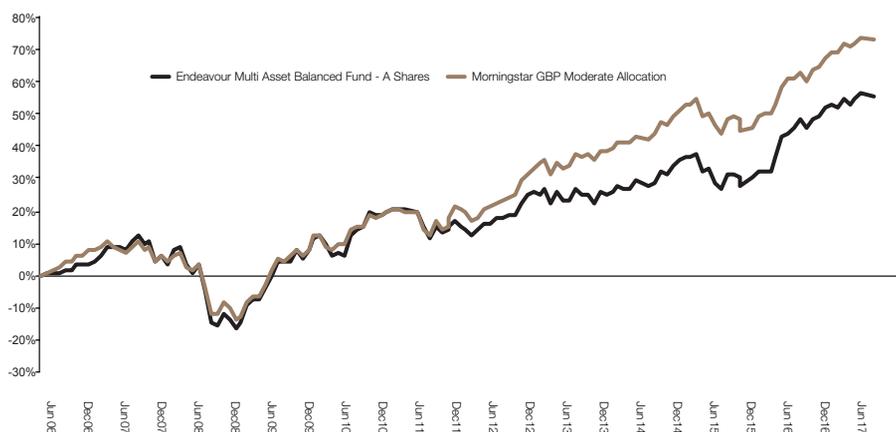
Authorised Corporate Director

Host Capital Limited

Auditor

Grant Thornton

Monthly cumulative performance (month-end prices)



Single year fund performance (5 years ending September)

Sep 12 – Sep 13	Sep 13 – Sep 14	Sep 14 – Sep 15	Sep 15 – Sep 16	Sep 16 – Sep 17
4.7%	4.0%	-0.9%	14.4%	6.1%

Fund performance to 30 September 2017(%)

Since launch*	5 years*	4 years*	3 years*	2 years*	1 year*	6 months*	3 months*	1 month*
54.0	31.1	25.2	20.3	21.3	6.1	0.9	0.6	-1.2

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				3.8*

* 2017 – Year To Date

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Descriptive stats from launch date to 30 Sep 2017

	Endeavour Multi Asset Balanced A	Morningstar GBP Moderate Allocation Category	MSCI AC World Net TR (GBP)
Annualised rate of return (ROR)	3.9%	4.8%	8.9%
Annualised volatility	8.3%	7.2%	13.7%
Sharpe ratio	0.3	0.4	0.7
Percent of positive months	63.0%	67.4%	63.7%
Maximum drawdown	-25.7%	-21.5%	-34.7%
Best month (%)	6.0%	4.6%	9.4%
Worst month (%)	-10.5%	-8.9%	-11.6%

Fees and charges

Multi Asset Balanced Fund – A			
Initial charge*	7.00%	Ongoing charges figure**	2.33%***
Performance fee	0.00%	Exit Penalty	0.00%

*May be waived for clients of Kleinwort Benson. **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 Kleinwort Benson managed funds. ***Calculated as at 31-Mar-2017. This amount may fluctuate according to fund size and underlying holdings.

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Host Capital is Authorised Corporate Director to the fund, FCA reference number 429093. Host Capital is not part of the Kleinwort Benson Group. Telephone 0207 290 9490.

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