



WAY Absolute Return Fund

May 2018

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

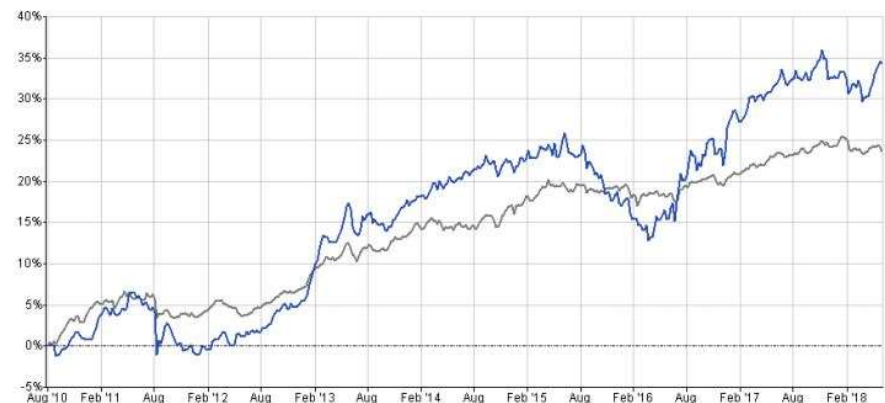
Markets were again distracted by trade policy, mainly import tariffs, emanating from Washington and the chaotic aftermath of the Italian elections as the coalition's candidate for finance minister was rejected by the Italian President. Amid the confusion, eurozone bonds came under selling pressure, pushing up yields across the currency block. The US dollar was a natural beneficiary of the resulting market volatility and it gained against all major currencies. Stronger than expected first-quarter US corporate earnings helped further, as did data showing the US economy powering along on the back of lower taxes, rising manufacturing and a strong consumer confidence survey. US corporate profits grew 24% year-on-year. The exporter-heavy FTSE100, which typically benefits from Sterling weakness against the US dollar, was the best performing developed market. UK wages rose to gains in real terms but as the rate of inflation growth slowed, The Bank of England voted 7-2 in favour of keeping interest rates on hold. The fund rose 1.9% in May.

Cumulative Performance (GBX)

	1 M	3 M	1 Y	5 Y	Since Launch
Fund	1.90%	1.60%	1.94%	15.23%	34.37%
Sector	-0.45%	-0.30%	0.48%	10.53%	23.78%

Source: WM Capital Management Ltd to 31.05.2018 in GBP. Sector is Targeted Absolute Return.

WAY Absolute Return Fund Performance



■ A - WAY - Absolute Return Portfolio E Acc in GB [34.37%]
 ■ B - UT Targeted Absolute Return TR in GB [23.78%]

30/07/2010 - 31/05/2018 Data from FE 2018

Source: Financial Express 30.07.10 to 31.05.2018

Key Facts

Fund Size (31.08.17)	£12.42m
Launch Date	30.07.10
IA Sector	Targeted Absolute Return
TER	1.37%
AMC	0.85%
Min. Investment sum	£100pm/£1,000 lump sum
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	State Street Trustees Limited
Depository	State Street Trustees Limited
Auditors	Grant Thornton UK LLP
Solicitors	Burgess Salmon LLP
ACD	Fund Partners

Contact Details

Issued by FACET Ltd, which is authorised and regulated by the Financial Conduct Authority.
 FRN:131372
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Registered in England No 07042526



WAY Absolute Return Fund

Performance (%)

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	YTD
2018	-0.42	-0.11	-1.88	1.31	1.90								1.19
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: WM Capital Management Ltd to 31.05.2018

Performance by Calendar Year (GBX)

	2018	2017	2016	2015	2014	2013	2012	2011	2010
Fund	1.19%	3.99%	8.50%	-3.22%	3.54%	11.32%	6.27%	-1.90%	1.25%
Sector	0.83%	2.97%	1.06%	2.41%	2.85%	6.26%	3.41%	-1.26%	4.18%

Source: WM Capital Management Ltd to 31.05.2018

Key Portfolio Managers

John Richard Mitchell

John has over 40 year's experience in the financial services industry. While he was employed as the risk manager for Credit Suisse Securities, he was involved in many areas, including risk control of bond trading, setting and controlling the VaR limits on the trading book and monitoring trades to ensure clients received best execution. When at Royal London Asset Management, he was involved in starting their first geared fund, set up the management of the risk control, and agreeing these with the trustee in order to get the sign off for the fund to go live. This fund held both bonds and equities together with written traded option to enhance the income on the equity holding. Involved in the set-up of Newland Financial as compliance director of both the stockbroking/Wealth Management arm and the fund managers. The fund managers had a specialist resources fund, the broker had a corporate finance department that brought mainly resources companies to the market.

Chris Fernyhough

Chris has been in the markets for almost 15 years now, 10 of which have been as a Wealth Manager, specialising in building multi-asset discretionary portfolios for High Net Worth and Corporate clients. These have consisted of both direct bond and equity exposure, as well as the use of collectives. Chris has worked for places such as WH Ireland, where he assisted in the set up and running of the Bristol office, and Newland Financial, where he set up their Wealth Management arm. Chris then moved to Beaufort Securities to assist in the set up of their stockbroking and Wealth Management arm. For the past three years, Chris has been the Managing Director of FACET who run bespoke discretionary money as well as model portfolios. He holds a distinction in the PCIAM exam and is a Chartered Wealth Manager as well as holding Chartered FCSI status with the CISI.

Principal Holdings

Ethika Sustainable Impact Fund GBP Class B
European Investment Grade 6.5% UNS BDS 31/03/2023
CARPE VALOREM 7% BDS 12/05/21.
Man International ICVC - CONTIN EUROPE-C-ACC
Old Mutual Investment Funds Series I - UK Mid Cap
IShares MSCI World Minimum Volatility
IShares Dow Jones Industrial Average UCITS ETF Acc
Diversified Gas & Oil PLC
Schroder US Mid Cap Fund - Z ACC
CFP SDL UK Buffettology Fund

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.