

Fund Overview

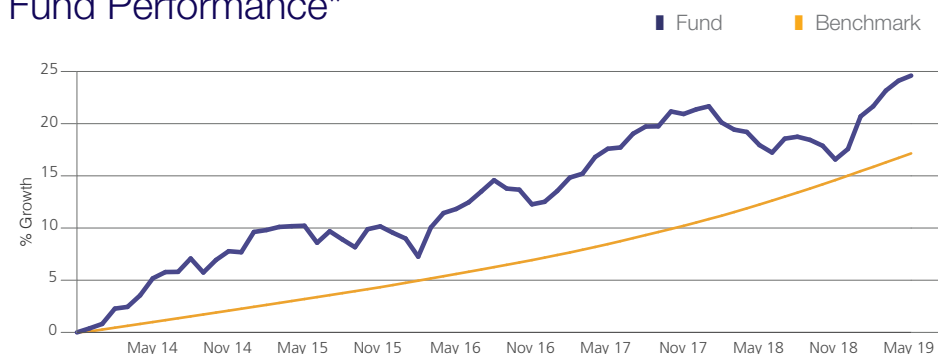
The investment objective of the Fund is to seek to provide absolute growth through investments in a full range of global fixed income securities including government bonds and corporate bonds with the aim of producing balanced investment returns with a moderate level of volatility (below 8% over a business cycle).

Market & Portfolio Commentary

Government bonds were the star performers in May, buoyed principally by President Trump's tweet early in the month on applying 25% tariffs to \$200bn of Chinese goods, and the subsequent tariff threat to Mexico linked to border control. The 10yr US Treasury bond yield ended the month at 2.2% (down 0.30% on the month), a level last seen over 18 months ago. The shorter end of the UST curve started to price in sizeable cuts to the Fed Funds rate by year end, reflecting the markets' fear of much slower US growth profile as we enter 2020. Other sovereign bond markets also fared well, with 10-year Bunds ending at a new historic low of -0.20% and the 10-year gilt yield falling to a 2 1/2 year low of 0.89% - a move very largely driven by an increasing likelihood of a hard Brexit after the resignation by PM May. The negative reaction by equity markets took its toll on corporate credit yield spreads, with the spread widening leading to US High Yield falling 1.2% on month.

The Fund was up 0.40% in May. The strategy put in place in early 2019 has worked well so far this year. This involved increasing overall exposure to high-grade credit (including governments) as well as extending the Fund's duration to capture what is likely to be a period of slowly falling bond yields. This is based on our growing conviction for slower economic growth, partly through natural forces at play (into our 10th year of uninterrupted growth in the US), along with the negative pressures emanating from US-Sino trade talks. Poor economic data out of Europe may exacerbate this process. This approach has generated positive returns despite the difficult environment for some of the Fund's credit exposure, with the 76% exposure to governments and high grade credit delivering strong returns.

Fund Performance\*



Monthly Returns (%) USD\*

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2016	-0.50	-1.60	2.61	1.26	0.35	0.58	0.93	0.95	-0.70	-0.10	-1.23	0.22	2.71
2017	0.92	1.13	0.32	1.39	0.68	0.10	1.12	0.58	0.02	1.19	-0.20	0.37	7.87
2018	0.24	-1.28	-0.57	-0.19	-1.06	-0.61	1.14	0.16	-0.25	-0.48	-1.11	0.86	-3.13
2019	2.65	0.81	1.23	0.77	0.40	-	-	-	-	-	-	-	5.98

Discrete Annual Performance (%)\*

	31.05.18 31.05.19	31.05.17 31.05.18	31.05.16 31.05.17	31.05.15 31.05.16	31.05.14 31.05.15
Fund	5.64	0.30	5.16	1.45	4.79
Benchmark	4.36	3.50	2.71	2.33	2.18

Fund Highlights (%)\*

	1 mth	3 mths	6 mths	Year to Date	Since Launch	Best Month	Worst Month
Fund	0.40	2.41	6.89	5.98	24.60	2.65	-1.60
Benchmark	0.37	1.11	2.23	1.85	17.15	-	-

\*Source: RBC. Fund performance relates to Class X USD and is net of fees with dividends reinvested. Discrete annual performance is based on data since inception.

Issued June 2019. All data as at 31 May 2019

Key facts about the Fund

— Average Rating	BBB+
— Average Duration	3.9 years
— Yield to Maturity	4.7%
— Total Number of Holdings	71

Fund Details

Fund Type	UCITS IV, Dublin domiciled
Launch Date	16 December 2013
Benchmark	1 Month US\$ LIBOR + 2%
Fund AuM	\$67.9m (all share classes)
Administrator	RBC Investor & Treasury Services

Dealing & Pricing

Pricing	Daily
Pricing Time	12 noon T+1 UK time
Dealing Frequency	Daily
Dealing Line	+ 353 1 440 6555
Fax	+ 353 1 613 0401
Email	Dublin_TA_Customer_Support@rbc.com

Potential Risk / Rewards



London & Capital Asset Management

Two Fitzroy Place  
8 Mortimer Street  
London  
W1T 3JJ  
T +44 (0)20 7396 3200  
F +44 (0)20 7396 3201  
E invest@londonandcapital.com  
www.londonandcapital.com

## Portfolio Breakdown

Issued June 2019. All data as at 31 May 2019

### Top Ten Holdings

Name	Coupon	Maturity/Call	%
US Treasury Note	2.00%	15/02/2025	6.0
Bundesrepub Deutschland	1.00%	15/08/2025	2.5
BHP Billiton Finance	6.25%	19/10/2020c	2.3
Reliance Industries	4.13%	28/01/2025	2.3
Ford Motor Credit Company	3.10%	04/05/2023	2.3
Bayer US Finance II	3.62%	15/12/2023	2.2
Microsoft	2.00%	08/08/2023	2.0
China Life Insurance	4.00%	03/07/2020c	1.9
Cooperatieve Rabobank	5.50%	29/06/2020c	1.9
Morgan Stanley	4.10%	22/05/2023	1.8
<b>Total</b>			<b>25.2</b>

### Currency Breakdown (%)

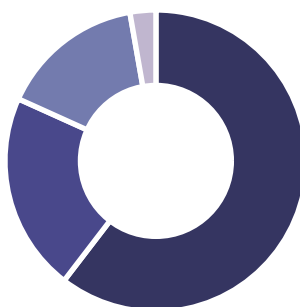
Currency	Gross	Net
USD	68.5	100.0
GBP	19.6	0.0
EUR	11.9	0.1
Other	0.0	0.0

### Credit Breakdown (%)

AAA	7.5
AA	16.3
A	12.3
BBB	42.6
HY	21.3
Unrated	0.0

### Sector Breakdown (%)

<b>Investment Grade</b>	<b>60.4</b>
Corporate	34.7
Financial	13.9
Emerging Markets	11.8
<b>High Yield</b>	<b>21.3</b>
Corporate	8.4
Financial	9.7
Emerging Markets	3.2
<b>Government &amp; Supranational</b>	<b>15.5</b>
<b>Cash</b>	<b>2.8</b>



Source: London & Capital and RBC Investor & Treasury Services.

## Awards



**AI - International Fund Awards 2016**  
Best Private Client Investment Team  
UK and Best Global Equity Fund



**Global Fund Awards 2015**  
Global Fixed Income Securities Fund of the Year



**Portfolio Adviser Wealth Manager Awards 2015**  
Best Balanced Portfolio Manager

## Share Class Details

Share Class	Initial Charge	AMC	ISIN	Bloomberg	SEDOL
Class X USD	0.00%	0.00%	IE00BDV0B733	LOGIBXU ID	BDV0B73
Class X GBP	0.00%	0.00%	IE00BDV0B519	LOGIBXG ID	BDV0B51
Class X EUR	0.00%	0.00%	IE00BYJR3K05	LOGIBXE ID	BYJR3K0
Class I USD	0.00%	1.00%	IE00BDV0B840	LOGBFIU ID	BDV0B84
Class I GBP	0.00%	1.00%	IE00BDV0B626	LOGBFIG ID	BDV0B62

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Gemini Investment Management Ltd is the appointed Global Distributor and is responsible for the oversight of all distribution arrangements for the sub-fund.

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