MGTS OEIC INVESTMENT PERFORMANCE TABLE to 28th February 2019

OEIC	Cumulative Performance							Discrete Annual Performance		Since Launch Ratios						
Outperformance	YTD	1 Month	3 Months	6 Months	1 Year	2 Year	Since Launch 22/02/2016	2017	2018	Alpha	Beta	Sharpe Ratio	Downside Risk	Volatility	Max Loss	Max DD
MGTS IBOSS 1 R Acc	2.42	0.76	0.95	-1.65	-0.34	1.89	9.34	4.52	-3.46	0.11	0.72	0.37	3.47	3.22	-2.31	-4.49
IA Benchmark	2.29	0.51	1.19	-1.13	0.23	2.00	13.63	4.84	-3.35	0.00	1.00	0.68	3.43	3.41	-2.49	-3.85
MGTS IBOSS 2 R Acc	2.89	0.99	0.92	-2.50	-0.89	2.80	14.74	6.68	-4.34	0.16	0.79	0.65	4.89	4.41	-3.28	-6.01
IA Benchmark	3.65	0.97	1.08	-2.25	-0.22	3.22	19.32	7.16	-5.10	0.00	1.00	0.81	5.29	4.96	-3.61	-6.42
MGTS IBOSS 3 Blend	3.26	1.12	0.96	-3.04	-1.37	3.42	17.70	8.62	-5.29	0.27	0.78	0.71	5.82	5.33	-3.97	-7.00
IA Benchmark Blend	4.21	1.18	0.87	-3.07	-0.15	4.24	22.96	8.56	-5.60	0.00	1.00	0.84	6.35	5.99	-4.33	-7.73
MGTS IBOSS 4 R Acc	3.62	1.25	1.00	-3.56	-1.81	4.02	20.66	10.52	-6.18	0.45	0.77	0.75	6.76	6.24	-4.62	-7.93
IA Benchmark	4.77	1.40	0.66	-3.90	-0.10	5.26	26.68	9.98	-6.11	0.00	1.00	0.87	7.64	7.05	-5.05	-9.02
MGTS IBOSS 5 Blend	3.81	1.36	0.87	-3.90	-2.07	4.14	21.13	11.06	-6.57	0.01	0.81	0.72	7.33	6.72	-4.99	-8.51
IA Benchmark Blend	4.86	1.40	0.63	-4.01	-0.62	5.34	28.08	10.59	-6.41	0.00	1.00	0.89	7.85	7.29	-5.05	-9.18
MGTS IBOSS 6 R Acc	4.00	1.48	0.74	-4.24	-2.32	4.25	21.59	11.61	-6.95	-0.41	0.85	0.70	7.91	7.24	-5.36	-9.08
IA Benchmark	4.95	1.39	0.61	-4.12	-1.15	5.43	29.49	11.21	-6.72	0.00	1.00	0.91	8.02	7.54	-5.06	-9.34

Fund	*Benchmark*
MGTS IBOSS 1	**IA Mixed Investment 0%-35% Shares**
MGTS IBOSS 2	**IA Mixed Investment 20%-60% Shares**
MGTS IBOSS 3 Blend	**50% IA Mixed Investment 20%-60% Shares/50% IA Mixed Investment 40%-85% Shares**
MGTS IBOSS 4	**IA Mixed Investment 40%-85% Shares**
MGTS IBOSS 5 Blend	**50% IA Mixed Investment 40%-85% Shares/50% IA Flexible Investment**
MGTS IBOSS 6	**IA Flexible Investment**

Source of Data: FE ANALYTICS BE BETTER INFORMED

NB. MGTS IBOSS Figures are calculated on a Total Return basis - Total return shows the total return of the instrument

SUMMARY

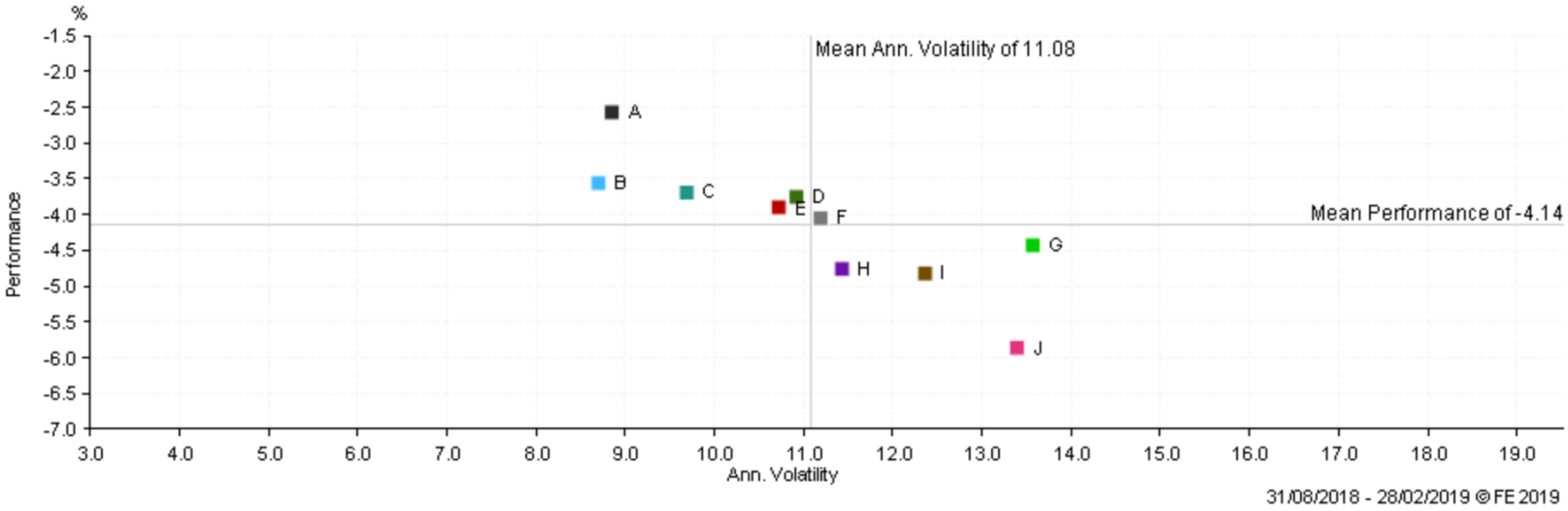
From a performance perspective, clients made between 0.76% and 1.48% in absolute terms in February at a fund level. This built on the positive numbers in January as markets rebounded and climbed up the other side of the 'V' shaped sell-off and subsequent correction. In relative terms the OEICs were basically in line with the benchmarks.

Our overall slight underweight to equities was offset by a strong showing in UK equities where we retain our overweight on a valuation basis. Year-to-date we remain overall circa 1% (except for OEIC 1) under benchmark, which is to be expected given our equity stance and for the reasons given in our macro overview. Over the last six months - which captures both sides of the 'V' - we remain basically as per the respective benchmarks. In our latest changes to the investment makeup we have made a small change to asset allocation by increasing UK equities via SVM UK Growth and slightly reducing cash in OEIC 6. Again, this reflects our belief in underweighting the most expensive markets and looking for better long-term opportunities, and this change is being made without trying to call the Brexit outcome. For the whole life of the OEICs risk assets have remained at relatively elevated levels and we will continue to try and dampen down the volatility and be aware of drawdowns. Some of the best performing funds in recent times have been passive with high weightings to the US, but as active long-term investors we will still feel it is prudent to be aware of relative value.

Our positioning overall remains premised on deteriorating global economic data whilst acknowledging that central banks will likely continue their monetary wizardry. They can still propel markets higher from here or act as a backstop to reassure the world equity markets if there are falls. A point evidenced by the actions of Chairman Powell and his total about turn in language over Q4 2018 to Q1 2019. As many a politician has learnt, it's easy to say what should happen when you are on the side-lines but once you actually have to make decisions and live by them, the world can look very different.

6 MONTH SCATTER RISK/RETURN OEIC 4 & SECTOR

Pricing Spread: Bid-Bid • **Currency:** Pounds Sterling



Key	Name	Performance	Annualised Volatility
A	Vanguard - LifeStrategy 60% Equity A Acc in GB	-2.57	8.85
B	MGTS - IBOSS 4 R TR in GB	-3.56	8.70
C	Jupiter - Merlin Balanced Portfolio Acc in GB	-3.69	9.69
D	Royal London - Governed Portfolio 4 Pn - Jan 09 (J8HY) TR in GB	-3.75	10.92
E	IA Mixed Investment 40-85% Shares TR in GB	-3.90	10.72
F	Janus Henderson - Multi-Manager Managed A Inc TR in GB	-4.05	11.19
G	7IM - Moderately Adventurous C Acc in GB	-4.43	13.57
H	Standard Life MyFolio MM IV TR in GB	-4.76	11.43
I	Quilter Investors - Cirilium Moderate Portfolio R Acc GBP in GB	-4.82	12.36
J	Architas MA - Active Progressive R Acc in GB	-5.86	13.39

RATIO DEFINITIONS

Alpha

Alpha is a measure of a fund's over- or under-performance by comparison to its benchmark. It represents the return of the fund when the benchmark is assumed to have a return of zero, and thus indicates the extra value that the manager's activities have contributed: if the Alpha is 5, the fund has outperformed its benchmark by 5% and the greater the Alpha, the greater the out performance.

A further aspect of Alpha emerges when it is taken in conjunction with Beta. Assuming that a strong R-Squared correlation exists, the Beta will show how volatile the fund is compared to its benchmark, and thus indicate how much extra risk the manager has taken on in order to get that high-Alpha performance. Negative Alpha in conjunction with 1+ Beta is an indication of poor performance: managers are subjecting funds to volatility that is higher than the benchmark, while achieving returns that are lower than the benchmark attained. So, if Alpha indicates better/worse performance compared with the index, Beta shows higher/lower risk.

Beta

Beta is a statistical estimate of a fund's volatility by comparison to that of its benchmark, i.e. how sensitive the fund is to movements in the section of the market that comprises the benchmark. A fund with a Beta close to 1 means that the fund will generally move in line with the benchmark. Higher than 1 and the fund is more volatile than the benchmark, so that with a Beta of 1.5, say, the fund will be expected to rise or fall 1.5 points for every 1 point of benchmark movement.

Downside Risk

Downside risk is a measurement which only considers negative returns. It is calculated as a downside deviation of returns below a specified Risk Free Rate. It represents an estimation of a security's potential to suffer a decline in price in negative market conditions. It could be considered as an estimate of the potential loss on any investment.

Maximum Drawdown

Represents the worst possible return over a period, e.g. buying at the maximum price over the period and selling at the worst.

Maximum Loss

Represents the worst running return over a period e.g. the longest running consecutive loss without making a gain

R-Squared

The R-Squared measure is an indication of how closely correlated a fund is to an index or a benchmark. It can be treated as a percentage, showing what proportion of a fund's movements can be attributed to those of the benchmark. Values for R-Squared range between 0 and 1, with 0 indicating no correlation at all, and 1, rarely, showing a perfect match. Values upwards of 0.7 suggest that the fund's behaviour is increasingly closely linked to its benchmark, whereas the relevance diminishes as R-Squared descends towards 0.5, and starts to disappear altogether below that.

R-Squared is a key ratio, in that other measures of a fund's performance - such as Alpha and Beta - will have been calculated by reference to its benchmark. The weaker the R-Squared correlation, the more unsuitable the benchmark is, and the more unreliable these measures will be in assessing the fund.

Sharpe Ratio

This is a commonly-used measure which calculates the level of a fund's return over and above the return of a notional risk-free investment, such as cash or Government bonds. The difference in returns is then divided by the fund's standard deviation - its volatility, or risk measurement. The resulting ratio is an indication of the amount of excess return generated per unit of risk.

Sharpe is useful, when comparing similar portfolios or instruments. There is no absolute definition of a "good" or "bad" Sharpe ratio, beyond the thought that a fund with a negative Sharpe would have been better off investing in risk-free government securities. But clearly the higher the Sharpe ratio the better: as the ratio increases, so does the risk-adjusted performance. In effect, when analysing similar investments, the one with the highest Sharpe has achieved more return while taking on no more risk than its fellows - or, conversely, has achieved a similar return with less risk.

Treynor Ratio

This is another risk-adjusted performance measure, similar in calculation and application to the Sharpe Ratio. The difference is that while Sharpe weighs a fund's returns against total risk (standard deviation, or volatility), Treynor looks at excess return for each unit of systemic risk (the volatility, inherent in the market that cannot be diversified). The Treynor calculation, then, takes the fund's excess return over a notional risk-free rate (what would be earned from, say, cash on deposit, or Government bonds), then divides it by the fund's Beta. A Treynor Ratio greater than 1 shows that the fund has produced more units of return than of risk. So, in basing on market risk alone, the ratio assumes that non-systemic risk is capable of being eliminated by diversification across a wide range of investments, and measures whether the systemic risk has been rewarded.

Also known as the Volatility to Reward ratio, Treynor is useful in comparing funds that invest in similar market sectors and achieve similar returns. Also, since it factors out the manager's ability from movements in the fund's sector. While not perfect, and not to be taken in isolation, the Treynor Ratio can be a pointer to the optimum risk- and sector-adjusted fund for a particular risk-aversion profile.

Volatility

Standard deviation is a statistical measurement which, when applied to an investment fund, expresses its volatility, or risk. It shows how widely a range of returns varied from the fund's average return over a particular period. Low volatility reduces the risk of buying into an investment in the upper range of its deviation cycle, then seeing its value head towards the lower extreme. For example, if a fund had an average return of 5%, and its volatility was 15, this would mean that the range of its returns over the period had swung between +20% and -10%. Another fund with the same average return and 5% volatility would return between 10% and nothing, but there would at least be no loss.

While volatility is specific to a fund's particular mix of investments, and comparison to other portfolios is difficult, clearly, for those that offer similar returns, the lower-volatility funds are preferable. There is no point in taking on higher risk than necessary in order to achieve the same reward.

IBOSS Asset Management

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