MGTS OEIC INVESTMENT PERFORMANCE TABLE to 31st July 2019

OEIC	Cumulative Performance								Discrete Annual Performance		3 Year Ratios							
Outperformance	YTD	1 Month	3 Months	6 Months	1 Year	2 Year	3 Year	Since Launch 22/02/2016	2017	2018	Alpha	Beta	Sharpe Ratio	Downside Risk	Volatility	Max Loss	Max DD	Downside Capture
MGTS IBOSS 1 R Acc	7.73	1.85	3.00	5.98	3.46	5.70	11.41	15.01	4.52	-3.46	0.69	0.87	0.49	3.39	3.15	-2.31	-4.49	86.46
IA Benchmark	7.75	1.50	3.02	5.87	4.12	5.66	10.85	19.69	4.84	-3.35	0.00	1.00	0.39	3.41	3.21	-2.49	-3.85	100.00
MGTS IBOSS 2 R Acc	9.65	2.36	3.55	7.62	3.87	7.26	15.29	22.28	6.68	-4.34	0.71	0.84	0.63	4.77	4.36	-3.28	-6.01	83.28
IA Benchmark	10.23	2.10	3.16	7.34	3.88	7.01	15.87	26.89	7.16	-5.10	0.00	1.00	0.59	5.10	4.71	-3.61	-6.42	100.00
MGTS IBOSS 3 Blend	10.97	2.68	3.90	8.67	4.12	7.95	18.13	26.49	8.62	-5.29	0.72	0.82	0.69	5.61	5.22	-3.97	-7.00	84.55
IA Benchmark Blend	12.21	2.53	3.73	8.94	4.47	8.99	19.72	32.41	8.56	-5.60	0.00	1.00	0.68	6.08	5.72	-4.33	-7.73	100.00
MGTS IBOSS 4 R Acc	12.23	2.98	4.23	9.67	4.35	8.61	20.92	30.69	10.52	-6.18	0.77	0.80	0.73	6.48	6.05	-4.62	-7.93	80.33
IA Benchmark	14.23	2.97	4.29	10.55	5.06	10.97	23.67	38.12	9.98	-6.11	0.00	1.00	0.75	7.31	6.76	-5.05	-9.02	100.00
MGTS IBOSS 5 Blend	13.11	3.23	4.50	10.44	4.59	9.22	21.98	31.98	11.06	-6.57	0.64	0.85	0.72	6.96	6.52	-4.99	-8.51	88.89
IA Benchmark Blend	14.11	3.00	4.24	10.33	4.72	10.59	24.21	39.38	10.59	-6.41	0.00	1.00	0.75	7.54	6.95	-5.05	-9.18	100.00
MGTS IBOSS 6 R Acc	13.99	3.48	4.77	11.22	4.83	9.83	23.04	33.26	11.61	-6.95	0.53	0.88	0.72	7.43	6.99	-5.36	-9.08	92.12
IA Benchmark	13.99	3.03	4.18	10.11	4.39	10.20	24.74	40.64	11.21	-6.72	0.00	1.00	0.75	7.74	7.15	-5.06	-9.34	100.00

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

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

SUMMARY

All the OEICs outperformed their benchmarks in July, which was pleasing given that the strongest sector returns came from the most overpriced assets. Our increased allocation to gold benefitted our overall global equity allocation, a position that contributed significantly to overall returns. The gap between growth and value is standing at a record but, as ever, in these situations both sides see the world very differently. Growth fans provide numerous reasons why things will continue, and value managers assure you that their time will come but are at a loathe putting a timescale on it.

As is the case so often these days, every single IA sector made positive returns, essentially meaning that the more beta the better. Of course, we would load up on beta too if we thought this was going to continue indefinitely, but it won't. In keeping with our value managers, we can't put a timescale on fundamentals reasserting themselves either. We know we keep hammering the currency issue but in Dollar terms the multi asset sector lost between 0.9% and 2.4%, so beware any signs of positive Brexit news.

Gold remains supported by plunging bond yields and the growing fear that the central banks have not only opened Pandora's box but somehow misplaced the lid, especially the ECB. With no real ammunition to fight either the existing economic slowdown or certainly not any further deterioration, we feel our gold holding (at the IBOSS limit of 4) remains sensible. New whacky ideas about modern monetary theory have proliferated investor thinking and the continued discussion surrounding it have, in our opinion, increased systemic risk.

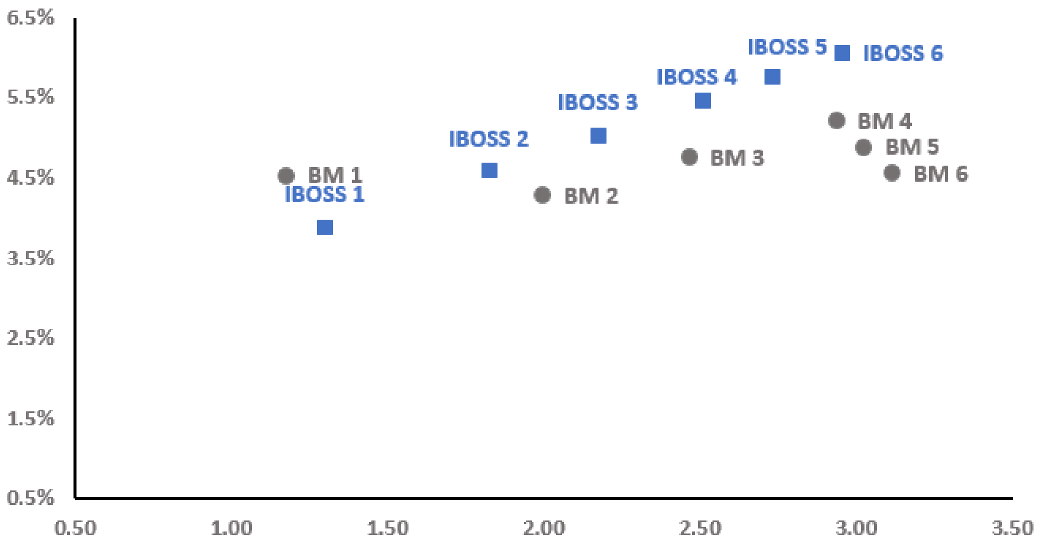
Our small underweight to the US was a negative factor this month. We are paid to make judgements on risk and all that happened in July was that very high-tech valuations (amongst others) got even higher. This was whilst the economic backdrop deteriorated, the Fed looks like the proverbial rabbit in the headlights and Trump escalated his trade war with China and brought some new countries in for good measure.

OEIC PERFORMANCE

Performance against Volatility vs Benchmarks

30/09/2018 - 31/07/2019

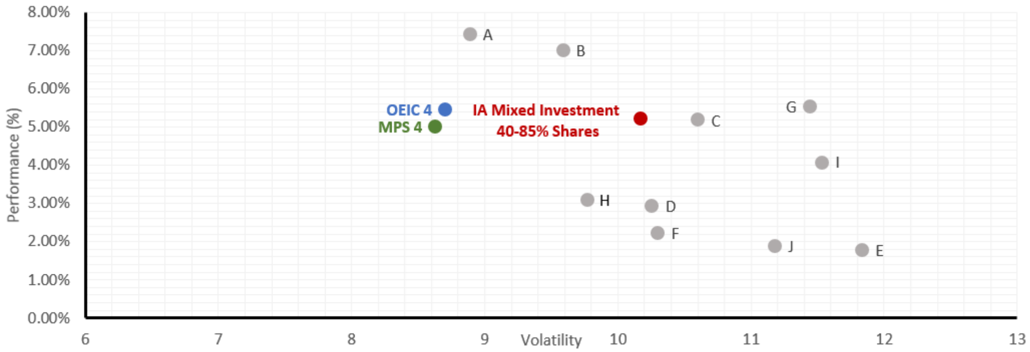
(IBOSS 3 is a 50% blend of IBOSS 1&2/IBOSS 5 is a 50% blend of IBOSS 4&6)



Performance against Volatility vs Peers

30/09/2018 – 31/07/2019

(IBOSS 3 is a 50% blend of IBOSS 1&2/IBOSS 5 is a 50% blend of IBOSS 4&6)



Key	Name	Performance	Annualised Volatility
	MPS 4	5.01%	8.63
	OEIC 4	5.46%	8.70
	IA Mixed Investment 40-85% Shares	5.21%	10.18
A	Vanguard LifeStrategy 60%	7.44%	8.89
B	Jupiter Merlin Balanced Portfolio	7.01%	9.59
C	Royal London Governed 4	5.18%	10.60
D	Janus henderson Multi-Managed A	2.92%	10.26
E	7IM Moderately Adventurous	1.78%	11.84
F	Standard Life Myfolio MM IV	2.23%	10.30
G	Standard Life Myfolio Market IV	5.54%	11.44
H	Premier Multi Asset Growth and Income	3.10%	9.77
I	Tatton Blended Active	4.08%	11.54
J	Quilter Investors - Cirilium Moderate Portfolio	1.88%	11.18

We remain concerned about relative valuations in every asset class and for the same reasons listed numerous times before. As we have seen in the first couple of days of August, it only takes a Trump tweet or a bafflingly incoherent comment from a central banker (usually Powell) to put the skids under this market. In conclusion, and we know this won't come as any surprise, we remain relatively defensively positioned. This will be the case until either respective sector valuations come off their historical highs or the economic backdrop for the various regions improves. It is also worth reiterating that there remains a danger being out of this market too, despite the high valuations. Many powerful people have become very rich in the last decade and they don't want these markets to fall. We doubt any stone will be left unturned between various politicians, central bankers and organisations such as the IMF, to extend this record-breaking economic cycle.

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.

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.

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