

MGTS OEIC INVESTMENT PERFORMANCE TABLE to 31st August 2019

| OEIC | Cumulative Performance | | | | | | | | Discrete Annual Performance | | 3 Year Ratios | | | | | | | |
|-----------------------|------------------------|---------|----------|----------|--------|--------|--------|----------------------------|-----------------------------|-------|---------------|------|--------------|---------------|------------|----------|--------|------------------|
| | 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 |
| Outperformance | | | | | | | | | | | | | | | | | | |
| MGTS IBOSS 1 R Acc | 7.28 | -0.42 | 2.82 | 4.75 | 3.02 | 4.49 | 9.58 | 14.53 | 4.52 | -3.46 | 0.42 | 0.88 | 0.37 | 3.43 | 3.10 | -2.31 | -4.49 | 90.39 |
| IA Benchmark | 7.77 | 0.03 | 3.09 | 5.36 | 4.17 | 4.86 | 9.21 | 19.71 | 4.84 | -3.35 | 0.00 | 1.00 | 0.35 | 3.43 | 3.11 | -2.49 | -3.85 | 100.00 |
| MGTS IBOSS 2 R Acc | 8.23 | -1.29 | 3.07 | 5.19 | 2.57 | 4.87 | 12.44 | 20.70 | 6.68 | -4.34 | 0.55 | 0.85 | 0.49 | 4.89 | 4.32 | -3.28 | -6.01 | 85.03 |
| IA Benchmark | 9.17 | -0.96 | 3.20 | 5.30 | 2.95 | 5.16 | 12.77 | 25.68 | 7.16 | -5.10 | 0.00 | 1.00 | 0.48 | 5.21 | 4.62 | -3.61 | -6.42 | 100.00 |
| MGTS IBOSS 3 Blend | 9.04 | -1.74 | 3.25 | 5.60 | 2.38 | 4.94 | 14.43 | 24.29 | 8.62 | -5.29 | 0.46 | 0.83 | 0.53 | 5.76 | 5.18 | -3.97 | -7.00 | 86.26 |
| IA Benchmark Blend | 10.63 | -1.41 | 3.60 | 6.16 | 2.90 | 6.48 | 15.97 | 30.54 | 8.56 | -5.60 | 0.00 | 1.00 | 0.56 | 6.23 | 5.65 | -4.33 | -7.73 | 100.00 |
| MGTS IBOSS 4 R Acc | 9.82 | -2.15 | 3.43 | 5.98 | 2.21 | 5.00 | 16.37 | 27.88 | 10.52 | -6.18 | 0.42 | 0.80 | 0.56 | 6.67 | 6.01 | -4.62 | -7.93 | 82.16 |
| IA Benchmark | 12.10 | -1.87 | 3.99 | 7.00 | 2.83 | 7.78 | 19.23 | 35.55 | 9.98 | -6.11 | 0.00 | 1.00 | 0.62 | 7.50 | 6.70 | -5.05 | -9.02 | 100.00 |
| MGTS IBOSS 5 Blend | 10.37 | -2.42 | 3.52 | 6.32 | 2.17 | 5.24 | 17.10 | 28.78 | 11.06 | -6.57 | 0.24 | 0.85 | 0.55 | 7.18 | 6.51 | -4.99 | -8.51 | 90.85 |
| IA Benchmark Blend | 11.89 | -1.95 | 4.01 | 6.69 | 2.43 | 7.26 | 19.77 | 36.67 | 10.59 | -6.41 | 0.00 | 1.00 | 0.63 | 7.74 | 6.88 | -5.05 | -9.18 | 100.00 |
| MGTS IBOSS 6 R Acc | 10.91 | -2.69 | 3.61 | 6.65 | 2.12 | 5.48 | 17.83 | 29.67 | 11.61 | -6.95 | 0.08 | 0.89 | 0.55 | 7.68 | 7.01 | -5.36 | -9.08 | 94.40 |
| IA Benchmark | 11.67 | -2.04 | 4.03 | 6.36 | 2.02 | 6.73 | 20.30 | 37.79 | 11.21 | -6.72 | 0.00 | 1.00 | 0.64 | 7.94 | 7.09 | -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
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NB. MGTS IBOSS Figures are calculated on a Total Return basis - Total return shows the total return of the instrument

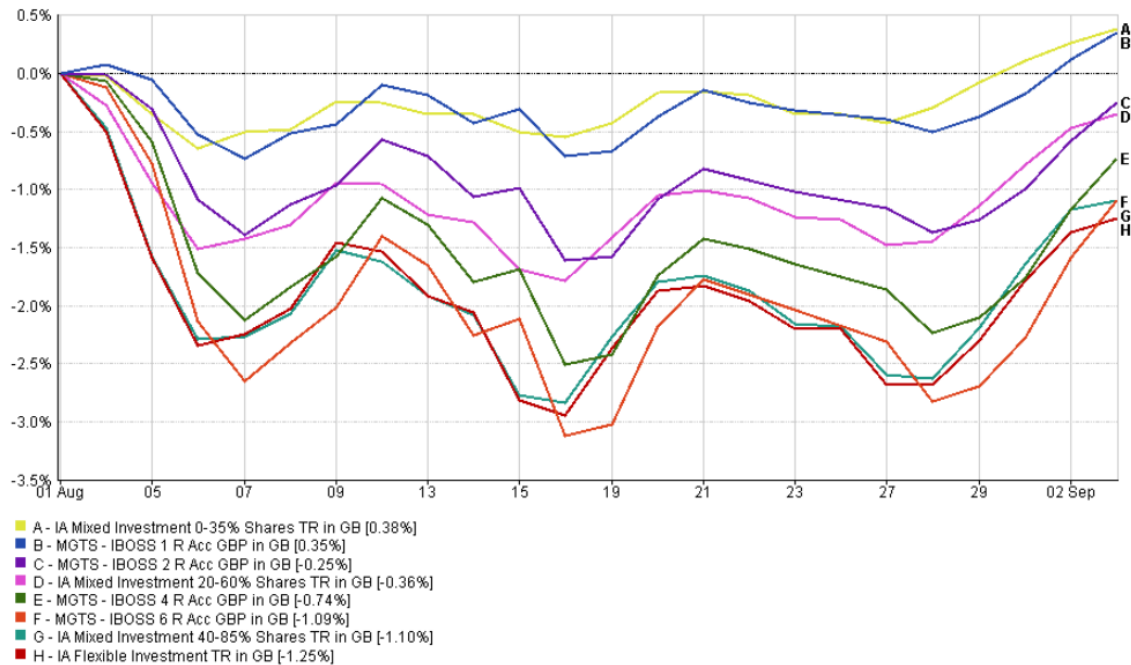
SUMMARY

We have had several comments from advisers and clients over the last few months about the value of investing in bonds given their very low yields. This is something we have discussed often within the team, and we have been asking similar questions to the fund managers we use in the fixed income space. Right now, the maxim 'don't fight the Fed' seems particularly apt and, in fact, it could be expanded to say 'don't fight the world's Central Banks'. The race to the bottom for interest rates and currency devaluations shows no sign of stopping any time soon. With this as the backdrop, we have maintained our investments in fixed income but over the last few months we have continued to shorten duration and increase credit quality. In August, the best performing IA Sectors were UK Gilts, followed by the rest of the fixed income sectors. The only poorly performing fixed income sector was emerging market debt and this is not a sector we have ever actively invested in. It may be a surprise to many how popular gilts are, given the backdrop of Brexit and already low yields, but markets don't care much for sentiment or political ideology.

With regard to portfolio performance, there was a small amount of relative underperformance which was due primarily to an equity and bond market rally on the last day of the month. As we have mentioned before, our OEIC range prices twenty-four hours after the respective benchmark. Over longer term periods this obviously matters less but over a month say a 0.5% swing in either direction can dictate the performance outcome. The chart captures just the first two days of September and provides an example of the timing difference. Taking this lag into account, the OEIC range was slightly ahead of the PMS/MPS portfolios and this was basically down to the extra physical gold holding.

OEIC Range Vs Sector

01/08/2019 - 03/09/2019



Over the month of August, the losses in the global equity markets were only partially offset by gains in the bond markets. The real winner was once again gold, which returned over 7.5%. We had increased our gold holding to 4% a few weeks ago and this helped the returns, as well as damping down intra month volatility. It's in these overall negative months that the benefits of any non-correlated assets come to the fore.

The biggest detractor to performance was our emerging market exposure but this was more than positively offset by our underweight to smaller companies' markets, all of which performed badly on both a relative and absolute basis. The worst performer was US Smaller Companies which returned -4.13%.

Overall, our performance remains robust, especially given we have been avoiding some of the most momentum driven markets and sectors. We will be running through our positioning and outlook in more detail at our investment days, which take place during October. You can be assured we will give as candid a view as possible on all of the themes affecting your client's investments.

RATIO DEFINITIONS

Alpha is a measure of a fund's performance compared to its benchmark. It represents a fund's return when the benchmark is assumed to have a return of zero, thus indicating the extra value that the manager's activities have contributed e.g. if the Alpha is 5, the fund has outperformed its benchmark by 5% and the greater the Alpha, the greater the out performance.

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. A Beta of 1.5, indicates the fund will rise or fall 1.5 points for every 1 point of benchmark movement. So, if Alpha indicates better/worse performance compared with the index, Beta shows higher/lower risk.

Downside Capture shows the fund's performance in a down market relative to the benchmark. A Downside Capture Ratio that is less than 100% demonstrates that when the market went down the fund caught only a fraction of the losses, and the lower the down capture the better.

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 measures 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 -1 , 1, with 0 indicating no correlation at all, -1 showing negative correlation 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. It is a key ratio, as other measures of a fund's performance - such as Alpha and Beta are calculated by reference to its benchmark. The weaker the R-Squared correlation, the more unsuitable the benchmark and the more unreliable these measures will be in assessing the fund.

Sharpe Ratio 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. The outcome is an indication of the amount of excess return generated per unit of risk and its useful, when comparing similar portfolios or instruments. There is no definition of a "good" or "bad" Sharpe ratio, except that a fund with a negative Sharpe would have been better off investing in risk-free government securities. The higher the Sharpe ratio the better: as the ratio increases, so does the risk-adjusted performance.

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.

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