

KW Enhanced Cash Fund Factsheet

March 2020



Manager Commentary

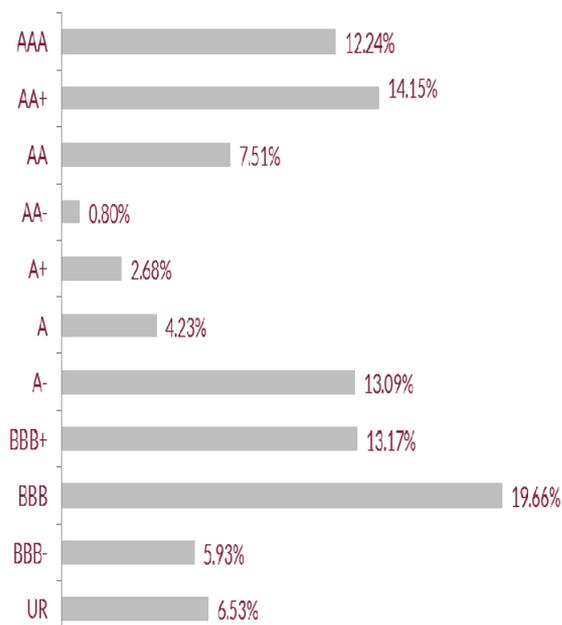
Short dated government bond yields have fallen sharply, especially in the US and UK, as interest rates were cut as Central Banks responded to the Covid-19 crisis. Governments have also been quick to respond as they have loosened fiscal policy in absolute massive fashion.

The major issue now is the lack of liquidity in the credit market. As after the 2008 crisis corporate bonds have taken a large hit as buyers step back from the market. This has resulted in a very sharp pull back in prices especially in the weaker credit and high yield markets. We think that trading levels will pick up again as we saw after the 2008 crisis and the current liquidity shortage is only a very temporary issue.

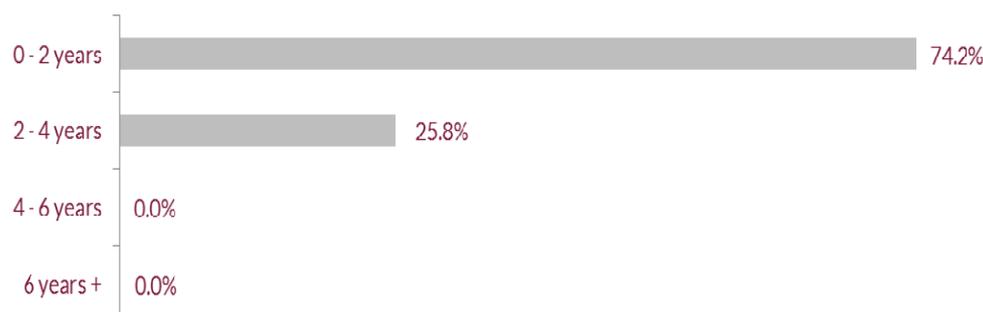
We have positioned the Fund into a very short duration position ahead of the crisis not because we believed anything like this would happen but because we felt that bonds were not worth holding before as the risk always looked too high for the reward. However, we do feel now, for the first time in many years, that currently there is some good value to be found as even the best quality paper has fallen too sharply. We think that investors have to look through the short term but very sharp and painful falls that we experienced in March and look at the current yields available in the market as a great opportunity.

Portfolio Analysis

Ratings Breakdown¹



Maturity Breakdown



Top 10 Holdings (%)*	
UKT BILL 0% 01/20	7.5%
UKT 1.5% 01/21	5.3%
GS 5.5% 10/21	4.5%
UKT BILL 0% 03/20	5.2%
DAIMLER 1.5% 8/21	4.5%
BALN 4.125% 6/22	5.5%
COVENTRY 5.875% 09/22	4.2%
SKY 2.875% 11/20	4.8%
VIRGIN MONEY 2.25% 4/20	2.25%
IBRD 5.4% 06/21	4.8%
Total	50.4%

Investment Aim

The aim of the Fund is to provide investors with a considerably higher return than the yield available on cash deposits, combined with a cautious approach to volatility of returns.

The investment objective is achieved through a conservatively managed portfolio of government, supra-national and corporate bonds together with liquid money market instruments.

No investments are made in sub investment grade bonds.

Fund Facts

Structure: UCITS, OEIC
 Dealing: Daily, 12 noon Dublin
 Launch date: 12 July 2010
 Fund Size: £15.2m as at 31 March 2020

Fund Price

A Acc GBP 1.072
 A Inc GBP 0.8448
 B Acc GBP 1.0708
 B Inc GBP 0.9117
 C Acc GBP 1.0205

Yield

GRY: 1.94
 Income Yield: 3.08
 Frequency: Semi-annual
 XD Date: Jan, Jul
 Dist. Date: Jan, Jul

Fund Charges

	Class A
Maximum Initial Charge:	1.00%
Annual Management Charge:	1.00%
Ongoing charge Acc Class:	1.97%
Ongoing charge Inc Class:	1.97%

	Class B
Maximum Initial Charge:	1.00%
Annual Management Charge:	0.25%
Ongoing charge Acc Class:	1.22%
Ongoing charge Inc Class:	1.22%

	Class C
Maximum Initial Charge:	0.25%
Annual Management Charge:	0.15%
Ongoing charge Acc Class:	1.12%

Minimum Investment

	Initial	Additional
Class A	£1,000	£100
Class B	£250,000	£1,000
Class C	£500,000	£50,000

¹Bonds rated by S&P, Moody's and Fitch

²Top ten holdings based on a total number of holdings of 29

*Minimum 30% of NAV has to be invested in government guaranteed bonds

Nigel Marsh, Fund Manager



Before joining European Wealth in May 2012, Nigel worked at EPIC Asset Management and before that, New Star Asset Management, where he was responsible for managing Institutional fixed interest and liquidity funds. Nigel has gained a wide range of experience and a strong track record for over 10 years in managing both sterling and multi-currency bond mandates from short term cash through to government, index-linked and corporate bonds. Previous to Nigel's experience in fund management he spent over 20 years working with various investment banks specialising in sterling fixed interest and cash products.

Performance

March was undoubtedly a tough month for the Fund despite giving it as much protection as we could by being in the very short dated bonds. However with the yield on the Fund, at the time of writing, getting close to 2% we think that this underperformance will be made up very quickly.

Cumulative Performance (%)

	YTD	1m	3m	6m	1y	3y	5y	Since Launch
Fund – C Acc	-1.3	-1.5	-1.3	-1.3	-0.6	-1.1	0.0	2.1% since 26/3/2014
3m GBP LIBOR	0.2	0.1	0.2	0.4	0.8	2.0	3.1	3.1% since 26/3/2014

Discrete 12 month Performance (%)

	30.06.18 to 30.06.19	30.06.17 to 30.06.18	30.06.16 to 30.06.17	30.06.15 to 30.06.16	30.06.14 to 30.06.15	28.06.13 to 30.06.14	29.06.12 to 28.06.13	30.06.11 to 29.06.12	30.06.10 to 30.06.11
Enhanced Cash Fund A Acc Class (launched 12 July 2010) and C Class	0.3	-0.6	0.7	0.8	1.2	1.7	3.9	3.0	N/A
3m GBP LIBOR	0.8	0.4	0.4	0.6	0.6	0.5	0.6	1.0	N/A

Performance data is based on the C class from 30th June 2014.

Notes on performance

Source: Bloomberg.

Please note that all performance data is net of the annual management charges with income reinvested gross of UK tax, in GBP. The benchmark of 3m GBP LIBOR is used for illustrative purposes only.

Where performance data is based on A Acc GBP it is provided for indicative purposes. Significantly lower charges for the other share classes would positively impact Fund performance.

Where performance data is based on C Acc GBP it is provided for indicative purposes. Significantly higher charges for the other share classes would negatively impact Fund performance.

All performance shown is total return, mid to mid, excluding the effect of initial charge, income invested gross of UK tax, in GBP. The benchmark is used for illustrative purposes only. Past performance is not a reliable indicator of future performance.

On the 'Discrete 12 month Performance chart' we have used both the A & C Class performance figures. This is because there is insufficient data to report 5 years performance on the C Class. Where this information is unavailable the A Acc has been used instead.

Important Information

The KW Enhanced Cash Fund is a sub-fund of Elevation UCITS Fund (Ireland) ICAV an umbrella fund with segregated liability between sub-funds incorporated under the laws of Ireland and regulated by the Central Bank of Ireland. The Fund's shares are listed on the Irish Stock Exchange, the latest available Net Asset Value per Share prices are published on their website www.ise.ie. Past performance is not a reliable indicator to future performance. The value of investments and income from them, may go down as well as up as a result of market and currency fluctuations so you may get back less than the amount originally invested. Opinions expressed herein represent the views of KW Investment Management Limited at the time of preparation and are subject to change without notice. Any information obtained from external sources is believed to be reliable although we cannot guarantee accuracy or completeness. All data is as at the 31st October 2019 and has been sourced from KW Investment Management Limited and Bloomberg. The on-going charge is based on the last year's expenses for the year ending 2018 and may vary from year to year. It excludes the costs of buying or selling assets for the Fund (unless these assets are shares of another fund).

Investment Manager

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Link Fund Administrators (Ireland) Limited

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ISIN

A Acc Class	IE00BH488F99
A Inc Class	IE00BH488D75
B Acc Class	IE00B6492H14
B Inc Class	IE00BH488G07
C Acc Class	IE00BH488J38

Literature

The Company's constitutional documentation, prospectus, fund supplement and key investor information documents are available in English from the Kingswood Group website or from the administrator.

Issued by

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Tax Reports

The tax reports for the KW Enhanced Cash Fund, published in line with the UK offshore funds reporting regime, can be found www.kpmgreportingfunds.co.uk

You will need to register to view this information, however this service is free to all investors.



Kingswood, Kingswood Group and KW Institutional are trading names of KW Wealth Planning Limited (Companies House Number: 01265376) regulated by the Financial Conduct Authority (Firm Reference Number: 114694) and KW Investment Management Limited (Companies House Number: 06931664) regulated by the Financial Conduct Authority (Firm Reference Number: 506600) with a registered office at 13 Austin Friars London EC2N 2HE. KW Investment Management Limited is also regulated in South Africa by the Financial Sector Conduct Authority (Firm Reference Number: 46775). Both companies are wholly owned subsidiaries of Kingswood Holdings Limited which is incorporated in Guernsey (registered number: 42316) and has its registered office at Regency Court, Glatigny Esplanade, St Peter Port, Guernsey, GY1 1WW.