

**Investment Objective**

The Fund aims to deliver a level of return over rolling three year periods equivalent to cash (as measured by 6 month LIBOR) plus 5% per annum, before fees and charges. There is no guarantee that a positive return will be achieved over this, or any period, and capital is at risk. The annualised volatility for the Fund is expected to be 7% per annum irrespective of general equity and bond market conditions.

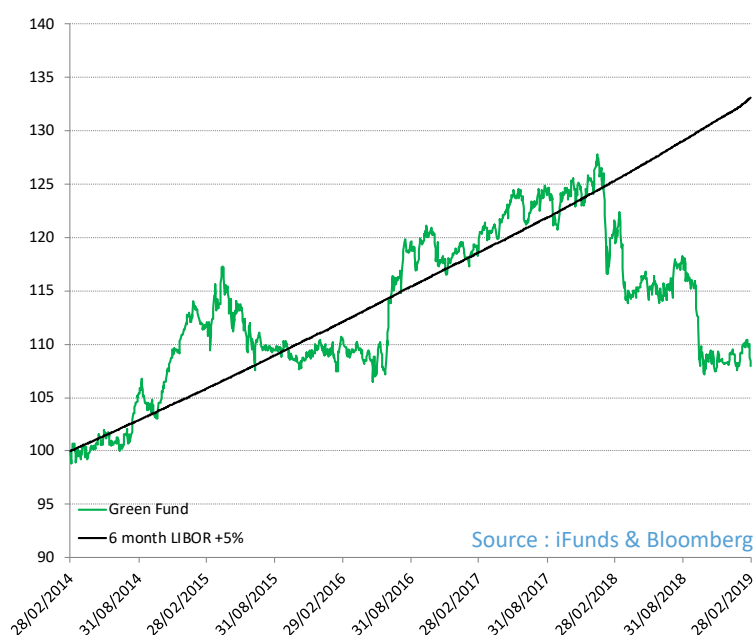
**Investment Policy**

The Fund will seek to achieve its investment objective primarily through investment in exchange traded funds, transferable securities, and other regulated collective investment schemes. This may include schemes or funds managed by the ACD and/or an associate. The Fund may also invest directly in money market instruments, warrants, deposits, cash and near cash. There is no particular emphasis on any geographical area or industry or economic sector. The Fund is permitted to use derivatives but solely for the purposes of Efficient Portfolio Management (including hedging).

**Fund Information**

VT iFunds Absolute Return Green Fund	
Bloomberg Code (Acc Share Class)	THGREAA LN
Launch Date	27 May 2011
ISA Eligible	Yes
UCITS Scheme	Yes
IA Sector	Absolute Return
Benchmark	6 month LIBOR + 5%
Initial Charge	0.00%
Ongoing fund Charges (OCF)*	1.69%
Minimum Investment	£5,000
Fund Size	£7.1m
Investment Adviser	iFunds
ACD	Valu-Trac (VT)

\* The OCF is inclusive of a 0.58% management fee and the charges of the underlying holdings.

**Five Years Cumulative Net Performance to 28th February 2019****Performance Summary**

Past performance is not a guide to future performance. On 10/11/2016 the Fund switched from a Non-UCITS Retail Scheme (NURS) to a UCITS scheme. Prior to 10/11/2016 the only additional investment power used under NURS was to allow up to 35% of the fund value to be invested in a single instrument. Under UCITS rules the maximum investment is 20%. As the fund invests solely in index tracking ETFs & ETCs, this new restriction would not have impacted materially on past performance as the fund would simply have invested in two separate index tracking funds had the new limit applied.

**Performance Table**

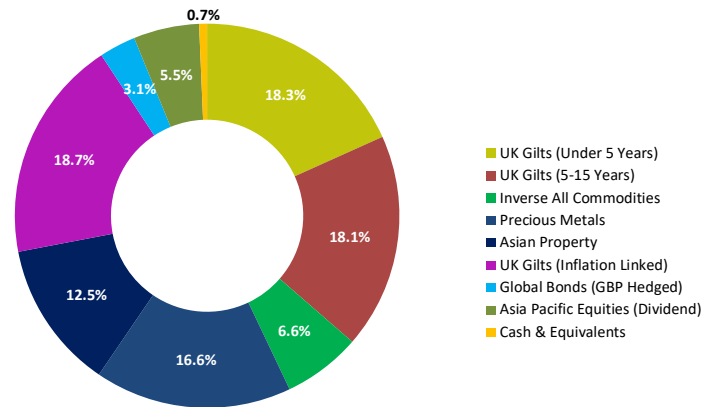
Performance to 28/02/19	1 month to 28/02/19	6 months to 28/02/19	1 year to 28/02/19	3 years to 28/02/19	5 years to 28/02/19
VT iFunds Absolute Return Green Fund (net)	-1.1%	-7.7%	-11.0%	-0.8% p.a.	1.5% p.a.
Benchmark (6 month LIBOR + 5%) (gross)	0.5%	3.0%	5.9%	5.7% p.a.	5.7% p.a.
Year on Year Performance	Year to 28/02/19	Year to 28/02/18	Year to 28/02/17	Year to 28/02/16	Year to 28/02/15
VT iFunds Absolute Return Green Fund (net)	-11.0%	1.8%	7.9%	-1.0%	11.6%
Benchmark (6 month LIBOR + 5%) (gross)	5.9%	5.5%	5.6%	5.7%	5.7%
Risk	1 year volatility	3 year volatility	5 year volatility	Max 30 day loss	Maximum drawdown
VT iFunds Absolute Return Green Fund (net)	7.7%	7.1% p.a.	6.6% p.a.	-8.8%	-16.2%

Fund performance is net of all fees and charges. Volatility has been calculated using the standard deviation of monthly returns. Max 30 day loss is the biggest loss over any rolling 30 day period since fund launch. Max drawdown is the biggest loss from peak to trough since fund launch. Data has been provided by iFunds Asset Management and other third party data providers. For full disclosures please see the bottom of page two.

## Top 5 Holdings

ETF / Fund	Weighting
iShares £ Index-Linked Gilts UCITS ETF	19%
iShares UK Gilts 0-5yr UCITS ETF	18%
iShares Core UK Gilts UCITS ETF	18%
iShares Asia Property Yield UCITS ETF	13%
iShares Physical Gold ETC	9%

## Fund Asset Allocation (as at 28/02/2019)



## Commentary

The fund fell by 1.1% during February compared to its cash plus benchmark of 0.5%. UK equities as measured by the FTSE All Share were up 2.3% and UK government bonds as measured by the FTSE Actuaries All Stocks Gilt index were down by 0.9%.

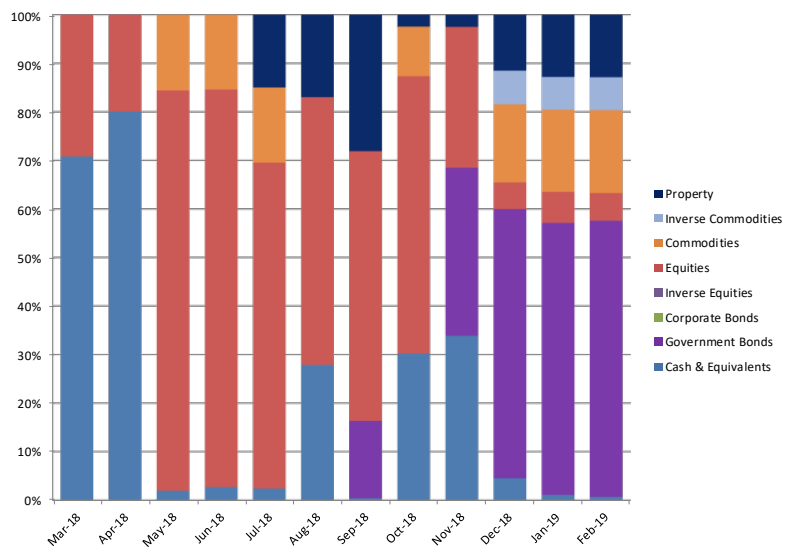
Despite the recent rally in a number of equity markets the fund remains defensively positioned. UK government bonds remain highly ranked by our momentum process on a risk adjusted basis as a large number of equity assets continue to be classified as risk off and are in a negative trend. With a number of equity markets starting to put in positive performance we have seen a number turn positive and start to rise up our relative strength table.

In terms of trading it was a relatively quiet month for the fund. Our allocation to Latin American equities, which had been the only equity position maintained following the October and December stock market falls, was liquated in favour of an allocation to Asian dividend equities. With Latin American equities aside, they are the first equity asset to turn positive having originally gone negative during the first equity sell off in October of last year.

The volatility of the pound continues to be a concern. During the first half the month it fell before rallying strongly on the back of developments regarding the UK's withdrawal from the EU. Towards the end of the month the Labour party appeared to move towards making a commitment to holding a second referendum whilst Theresa May announced that parliament would get a vote on extending article 50 should her deal and no deal be rejected. These moves have reduced the chances of a no deal, although as we have seen in recent years, expect the unexpected.

Overall, the fund remains cautious with a significant allocation to short dated UK government bonds and precious metals. That said, we are starting to see a number of equity assets return to a positive overall trend following the falls during quarter four of last year.

## Monthly Asset Allocation Changes



## Benefits of iFunds Absolute Return Funds

Our Absolute Return range of multi-asset funds aim to provide investors with positive returns above cash over rolling three year periods. Each fund seeks to maximise the level of return for a given level of risk whilst reducing drawdown. Overall our goal is to provide a more predictable and smoother outcome for all investors.

- Potential for positive returns regardless of market conditions.
- Consistent volatility profile.
- Risk based asset allocation.
- Truly flexible and dynamic asset allocation.
- Repeatable and proven investment process.

For more information please visit [www.ifunds.co.uk](http://www.ifunds.co.uk) or contact;  
**Stacey Ash** ; E : [stacey.ash@ifunds.co.uk](mailto:stacey.ash@ifunds.co.uk) : T : 01283 210977  
**Nigel Baynes** ; E : [nigel.baynes@ifunds.co.uk](mailto:nigel.baynes@ifunds.co.uk) : T : 024 7623 6265

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