



# Ravenscroft Investment Fund Offshore Global Income Fund

**INVESTMENT MANAGERS: RAVENSCROFT INVESTMENT MANAGEMENT LIMITED**

## ASSET CLASS WEIGHTINGS



### % Equities

**28** Global Equity Income

### % Bonds

**33** Corporate Bonds

**14** High Yield Bonds

**11** Emerging Market Bonds

**9** Cash & Equivalents

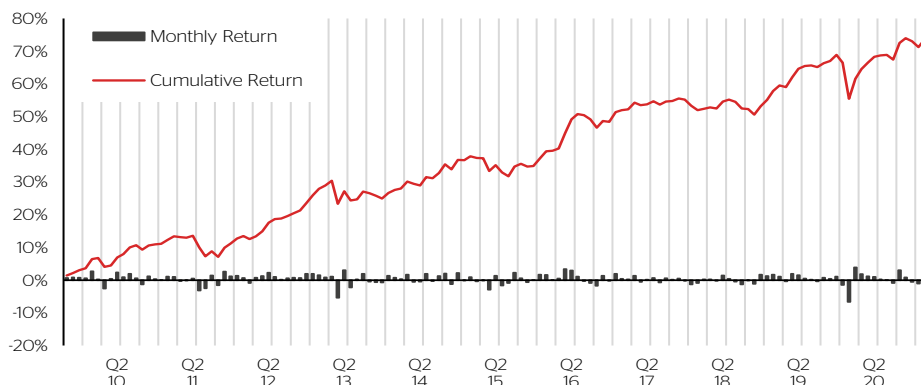
**5** Government Bonds

## FUND AIMS AND OBJECTIVES

The Global Income Fund's objective is to provide investors with an income yield that competes with prevailing cash rates while delivering some capital growth. This income stream can be re-invested to provide a cautious approach to capital growth. The fund invests in a global portfolio of bonds and dividend paying equities with an emphasis on quality and value.

Ravenscroft Global Income is a sub-fund of the Ravenscroft Investment Fund Offshore; an open-ended, multi-class Unit Trust authorised as a Class B Scheme by the Guernsey Financial Services Commission.

## PERFORMANCE CHART



## FUND SIZE: £92.5M

Past performance is not a reliable indicator of future results.

## FUND MANAGER COMMENTARY

The first quarter of 2021 has been a tough period for bond markets. The Democrats eventually won marginal control of the senate in January, vaccine programmes picked up pace and economic numbers surprised on the upside. Markets have increasingly focused on the prospect of a stronger recovery backed by significant levels of government spending (aka fiscal stimulus). This drove the interest rate ("yield") on the 10 year US government bond up from 0.93% at the year end to 1.73% at the end of the quarter. As bond prices move in the opposite direction to their yields and most bond markets are impacted by moves in the US Treasury bond, this caused widespread drops in bond prices across the world. Thankfully bonds are far from a single market that moves in perfect unison and this created winners and losers depending on how investors were positioned. As a team we have been thinking about the risk of rising bond yields for several years now and while we don't think that income focused investors can

avoid bonds, we do think that these risks can be managed. We are pleased that the Income Fund has defended your money well over the first three months of the year.

We have long argued that cautious investors should run a suitably sized allocation to equity. This is because, while equity adds capital volatility to a portfolio in the short term, there are times when bond investors will be very happy to own some equity. This quarter was a classic example of this. Over the period when global corporate bonds fell some 3.3% all of our equity funds posted positive returns and the star performer Fidelity Global Dividend, aided by some currency hedging, rose 6.8%. Even within our bond allocation, we on average beat the bond index over the quarter although there were winners and losers within that. However, the only material laggard was Stratton Street's NFA global bond fund which fell some 4.8% due to its focus on longer dated US dollar denominated bonds. While

this was painful over the period the Fund has an unusual approach and in the long run we remain very confident in its ability to deliver returns. This is illustrated by longer term numbers for the Fund which has posted 15.6% over the last three years even after the recent sell-off.

We introduced a new holding into the portfolio during the month - the KBI Global Sustainable Infrastructure Fund. It focuses on three core resources (water, food & clean energy) and has been running a core "natural resources" strategy for many years. We like the Fund because in addition to a core of utilities, you find exposure to mid and small cap companies, companies in the emerging markets, engineering firms, construction firms and others that firmly sit within our environmental solutions theme.

The value of the Fund may go down as well as up - you may get back less than you invested.

### 3 YEAR PERFORMANCE BREAKDOWN (Inception date: 1 October 2009)

	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	YTD
2019	1.66%	1.29%	1.72%	1.11%	-0.35%	1.93%	1.56%	0.52%	0.14%	-0.34%	0.73%	0.43%	10.88%
2020	1.10%	-1.42%	-6.62%	3.91%	1.85%	1.22%	1.03%	0.26%	0.11%	-0.87%	3.05%	0.85%	4.15%
2021	-0.52%	-1.07%	1.37%										-0.24%

Past performance is not a guide to future performance and may not be repeated.

Source: Ravenscroft Investment Management Limited, collated on 13/04/2021

### PERFORMANCE ANALYSIS

1 Year	11.63%
3 Year	14.17%
5 Year	24.50%
Inception	73.54%
Annual Compound Growth Rate	4.91%

All figures are based on the Fund's distribution class, inclusive of fees and assuming all dividends are reinvested

### 1 YEAR DIVIDEND HISTORY

Historic Yield 2.8%

Quarter 1 2020	DIST: £1.29	ACC: £1.44
Quarter 2 2020	DIST: £0.55	ACC: £0.62
Quarter 3 2020	DIST: £1.24	ACC: £1.40
Quarter 4 2020	DIST: £0.39	ACC: £0.44

Dividends are paid a calendar month after each quarter end. Please note that income levels are not guaranteed and can fluctuate.

### INCOME PORTFOLIO

FUND	WEIGHTING
<b>Corporate Bonds</b>	
PIMCO Global Investment Grade Credit	7.6%
Rathbone Ethical Bond	6.5%
TwentyFour Corporate Bond	11.6%
Vontobel Global Corporate Bond	7.9%
	<b>33.6%</b>
<b>Government Bonds</b>	
iShares USD TIPS	4.8%
	<b>4.8%</b>
<b>Emerging Market Bonds</b>	
Pictet Short Term Emerging Corporate Bond	7.2%
Stratton Street NFA Global Bond	3.7%
	<b>10.9%</b>
<b>High Yield Bonds</b>	
Candriam High Yield Bond	0.1%
Royal London Short Duration High Yield	5.2%
Schroder Strategic Credit	8.5%
	<b>13.8%</b>
<b>Global Equity Income</b>	
Fidelity Global Dividend	9.4%
Guinness Global Equity Income	8.8%
KBI Global Sustainable Infrastructure	4.0%
Ninety One Global Quality Equity Income	6.0%
	<b>28.2%</b>
<b>Cash &amp; Equivalents</b>	
Cash	3.2%
iShares UltraShort Bond	5.5%
	<b>8.7%</b>

### KEY POINTS

#### Dealing Frequency:

Daily (cut-off 5pm GMT one Business Day prior to Dealing Day)

#### Settlement Period:

T+4

#### Annual Management Fee:

0.75%

#### Minimum Investment:

£5,000.00

#### Sedol / ISIN:

DIST: B4KZSS6 / GGO0B4KZSS63

ACC: BF8HLS2 / GGO0BF8HLS29

#### Trustees:

BNP Paribas Securities Services S.C.A. Guernsey Branch

A copy of the Trust Instrument and Scheme Particulars can be obtained by contacting the Administrator:

Praxis Fund Services Limited

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For further information from the Manager, please use the below details:

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