

MGTS IDAD Refined Growth Fund Factsheet – December 2022



Investment Objective

The objective of the MGTS IDAD Refined Growth Sub-fund (the “Refined Growth Fund” or the “Fund”) is to provide capital growth over any five-year period. The Fund uses structured products to deliver reliable and consistent returns for portfolio managers allocating to alternatives.

Investment Manager Commentary

There were no great surprises from the major central banks last month as we learnt that the fight against inflation must continue to be the main priority and that interest rates would have to be raised, even if in certain countries like the UK, that it might lead to recession. J Powell at the FED was again at pains to explain that tightening will continue in 2023 and that the projected course of interest rates should be adjusted upwards. The IDAD Refined Growth fund recorded a fall of -1.15% over the month, not all together surprising given the drop in many indices over the month.

The jury is still out on 2023, whether we will witness a hard landing for the global economy or more of a soft landing, or gentle recession. On one hand we still have strong job numbers and a robust consumer in the US, but on the other, an energy led cost of living squeeze in the UK and US. China is somewhat of a wild card as the recent relaxation of the zero covid policy should be good news, but the rapid spread of the virus is leading to a contraction in economic activity in the short term.

Our belief is that the significant monetary tightening of the last 18 months will drag most of the western economies into recession. Whilst painful to endure short term, much of this has already been discounted by investors and it will mean that later in the year, the central banks will be able to pause monetary tightening and create a much more benign environment for financial assets. For the long-term investor, valuations are considerably more attractive than 12 months ago. It may be too early to turn positive on equities as earnings forecasts continue to fall, but once we are able to quantify the extent and see beyond the current downturn, it will be time to position the portfolio more aggressively. Regardless over the next 12 months, we remain optimistic of positive returns for bonds and latterly equities, which should see many of our structure notes mature successfully this year.

Key Facts

Authorised Corporate Director (ACD)	Margetts Fund Management Ltd
Investment Manager	IDAD Limited
Portfolio Managers	Tom McGrath Clive Moore
IA Sector	Flexible Investment
ISIN	GB00BN7JHC19 (Class A) GB00BN7JHD26 (Class R)
Launch Date	September 2021
Launch Price	100.00p
Vehicle Type	UK OEIC
Price (NAV)	90.58p (Class A) 89.56p (Class R)
OCF*	0.95% (Class A) 1.85% (Class R)
Dealing Cut Off	10.30 am
Valuation Point	12 noon
Min Investment	£50,000
Base Currency	GBP

*Total Ongoing Charges are estimated at launch

Performance

IA (Investment Association) Flexible Investment is used as the comparator. This is considered appropriate for investors to use when comparing performance as the strategy results in the Fund meeting the definition of this sector.

2021	2022												YTD 2022
Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
1.45%	-3.77%	-3.51%	2.36%	-1.84%	-0.68%	-5.42%	2.74%	-0.55%	-7.51%	4.61%	5.80%	-1.15%	-9.30%



■ A - IA Flexible Investment GTR in GB [-8.57%]
■ B - MGTS - IDAD Refined Growth A Acc in GB [-9.42%]

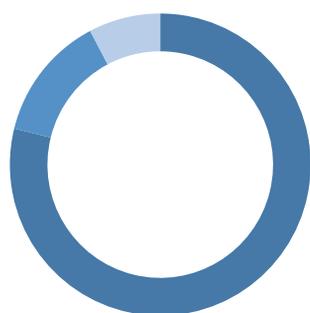
Past performance is not a guide to future performance

Source Data: Financial Express

06/09/2021 - 30/12/2022 Data from FE fundinfo 2023

MGTS IDAD Refined Growth Fund

Sector Allocation



- Core Holdings (78.83%)
- Tactical Holdings (13.45%)
- Cash Holdings (7.72%)

Source: IDAD Ltd 30.12.2022

Top 10 Holdings

Top 10 Holdings	%
BNP FTSE-SPX Classic Autocall October 2021	6.70%
BBVA Triple Index Classic Autocall	6.48%
Natixis Triple Index Memory Income Autocall	6.38%
Morgan Triple Index Classic Autocall	5.03%
Goldman Sachs Classic Autocall	4.78%
SocGen Triple Index Classic AutocallJJP	4.73%
MedioBanca Dual Index Classic Autocall	4.66%
Barclays 85-65 Memory Income Autocall	4.63%
Marex Pharma Classic Autocall	4.43%
RBC FTSE 100 3 Year Classic Autocall	4.39%

Source: IDAD Ltd 30.12.2022

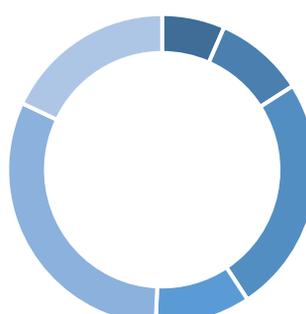
Market Exposure (Delta)



- Asia (ex Japan) (6.09%)
- Australia (8.72%)
- Europe (ex UK) (22.95%)
- Japan (9.25%)
- North America (29.08%)
- UK (16.67%)

Delta

Source: FVC 30.12.2022



- Asia (ex Japan) (6.56%)
- Australia (9.40%)
- Europe (ex UK) (24.75%)
- Japan (9.97%)
- North America (31.35%)
- UK (17.97%)

Delta as percentage of total, excludes cash
Source: FVC 30.12.2022

Share Class Information

Name	ISIN	Minimum Initial Investment	Minimum Regular Investment	Initial Charge	AMC	*Ongoing Charges
MGTS IDAD Refined Growth Fund A Acc	GB00BN7JHC19	£50,000	£100	0%	0.60%	0.95%
MGTS IDAD Refined Growth Fund R Acc	GB00BN7JHD26	£50,000	£100	5%	1.50%	1.85%

*Total Ongoing Charges are estimated at launch

Investment Strategy

The investment policy of the Refined Growth Fund is to provide capital growth over any five-year period. The Fund builds on the benefits of using structured product solutions to deliver more reliable and consistent returns for portfolio managers allocating assets to alternatives. By leveraging IDAD's extensive relationships with more than 30 investment-grade issuers, the Fund is able to enhance returns using diversified counterparty credit risk. Introducing traditional investment management skills and experience adds further value and contributes significantly to returns.

Core Holdings

The Fund has a core allocation to index-linked products providing broadly-diversified developed markets exposure. Products will be designed to deliver capital growth even if the underlying equity markets are flat or even fall slightly. These holdings represent around 80% of assets.

Tactical Holdings

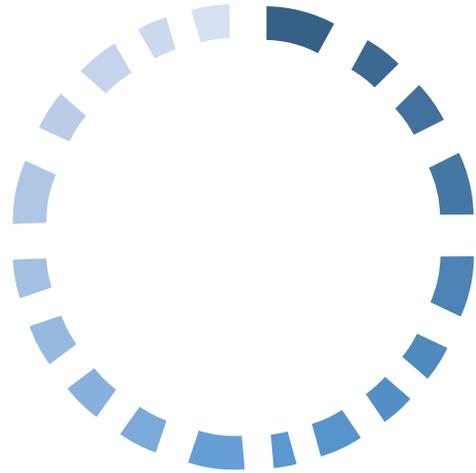
A satellite allocation representing up to 20% of assets that are designed to produce higher returns by investing in products linked to a wider range of underlying instruments, such as less-developed equity market indices, sectoral indices, stocks and commodities. This part of the portfolio may become very defensive during periods when the managers are concerned regarding market direction.

Liquidity & exposure management

The Fund may also invest in ETFs to manage liquidity and geographic exposures.

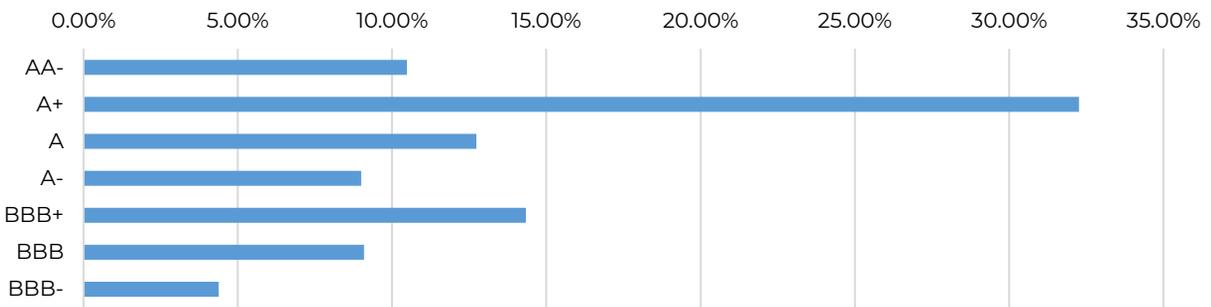
Credit Analysis

- Banco Bilbao Vizcaya Argentaria, S.A. (7.38%)
- Banque Internationale à Luxembourg S.A. (4.28%)
- Barclays Bank PLC (4.63%)
- BNP Paribas (6.70%)
- Citigroup Global Markets Limited (6.53%)
- Crédit Agricole Corporate and Investment Bank (4.01%)
- EFG International AG, Zurich, Switzerland (3.82%)
- Goldman Sachs International, London, GB. (4.78%)
- Investec Bank plc (2.70%)
- JPMorgan Chase Bank, N.A. (6.09%)
- Leonteq Securities AG (4.38%)
- Marex Financial (4.43%)
- Mediobanca – Banca di Credito Finanziario S.p.A. (4.66%)
- Morgan Stanley (4.29%)
- Natixis (6.79%)
- Royal Bank of Canada (4.39%)
- Société Générale (4.73%)
- UBS AG, London Branch (3.44%)
- UniCredit Bank AG (4.25%)



Source: IDAD 30.12.2022

Fitch Rating*



Source: IDAD 30.12.2022

Portfolio Analysis

*If no Fitch rating is available, an S&P or Moody's rating may be substituted

Average cover to capital loss is the notional-weighted average distance to knock-in (capital-at-risk) barriers, expressed as a percentage of barrier level. Average cover to capital gain is the notional-weighted average distance to autocall or coupon barriers as a percentage of barrier level. A positive percentage indicates that, on average, market levels are above barrier levels.

Average cover to capital gain: -14.46%
Average cover to capital loss: 31.03%

Performance Scenario Analysis

This table is designed to demonstrate future performance of the Fund in different performance scenarios and is based on the current underlying assets held (the structured product underlyings, ETFs and cash). Actual performance will depend on actual market conditions and will also be affected by the changing make up of the portfolio over time.

Move in the Underlying Assets	-20%	-10%	0%	10%	20%
Over 3 months	-19.44%	-8.15%	2.25%	9.27%	13.59%
Over 1 year	-17.19%	-4.84%	6.28%	13.62%	19.23%
Over 2 years	-14.36%	-1.11%	11.14%	19.46%	25.15%
Over 3 years	-9.85%	1.77%	13.55%	22.29%	31.04%
Over 4 years	-4.00%	3.36%	13.90%	23.99%	28.78%

MGTS IDAD Refined Growth Fund

IMPORTANT INFORMATION

This document has been produced for information only and represents the views of IDAD Limited at the time of writing. It should not be construed as Investment Advice. No investment decisions should be made without first seeking advice. Full details of the MGTS/IDAD Funds, including risk warnings, are published in the MGTS/ IDAD Funds Prospectus. Margetts Fund Management Limited is the Authorised Corporate Director of The Funds and is authorised and regulated by the Financial Conduct Authority FRN 208565.

RISK WARNINGS

The MGTS/IDAD Funds are subject to normal stock market fluctuations and other risks inherent in such investments. The value of your investment and the income derived from it can go down as well as up, and you may not get back the money that you have invested. Investments in overseas equities may be affected by changes in exchange rates, which could cause the value of your investment to increase or diminish. Capital appreciation in the early years will be adversely affected by Initial Charges, so you should regard your investment as medium to long term. Past performance is not a guide to future performance. Every effort is taken to ensure the accuracy of this data, but no warranties are given.

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