



KEY FACTS

FUND SIZE (As of 30 November 2017)	NAV (As of 30 November 2017)	LAUNCH	AMC (Annual management charge)	TER (Total expense ratio, estimated)	ISIN	SEDOL	BLOOMBERG CODE
£147,363,200	102.6%	28 Nov 2016	0.75%	0.97%	LU1440702675	BD87QV6	CBKMWSP LX

WEBSITE | www.structuredproductsfund.com

INVESTMENT OBJECTIVE AND INVESTMENT SELECTION

The fund's objective is to return an average annual return of cash (3m GBP Libor) plus 6% over a rolling three-year period with a volatility lower than the leading benchmark equity indices. This return will be achieved by investing in a diversified portfolio of structured product pay-offs.

PORTFOLIO ACTIVITY

The fund was awarded “**Retail Investment Product of the Year**” by Risk.net on the 28 November. This award is given for a product that applies innovative and creative structuring to meet the investment and risk requirements of retail customers for insurance, savings and investment products.

The fund restructured one structured product, and added two new structured products in November. The restructured trade is linked to a leading European index and a leading US equity index. We extended the first autocall date on this structured product from February 2018 to May 2018 and reduced the coupon by 0.04% from 2.04% to 2% per quarter. All other details stayed the same.

The first new trade is linked to two leading US equity indices; one large cap, one mid cap. The rationale for this trade was driven by the advisers' view that both indices will trade within a range for the next two years. Both indices have risen strongly this year, and the advisers believe further upside will be limited from here, but any correction will result in a fall of less than 15% for both indices. Other technical considerations such as declining index correlation over the past year and high forwards and volatility increased the coupon for this

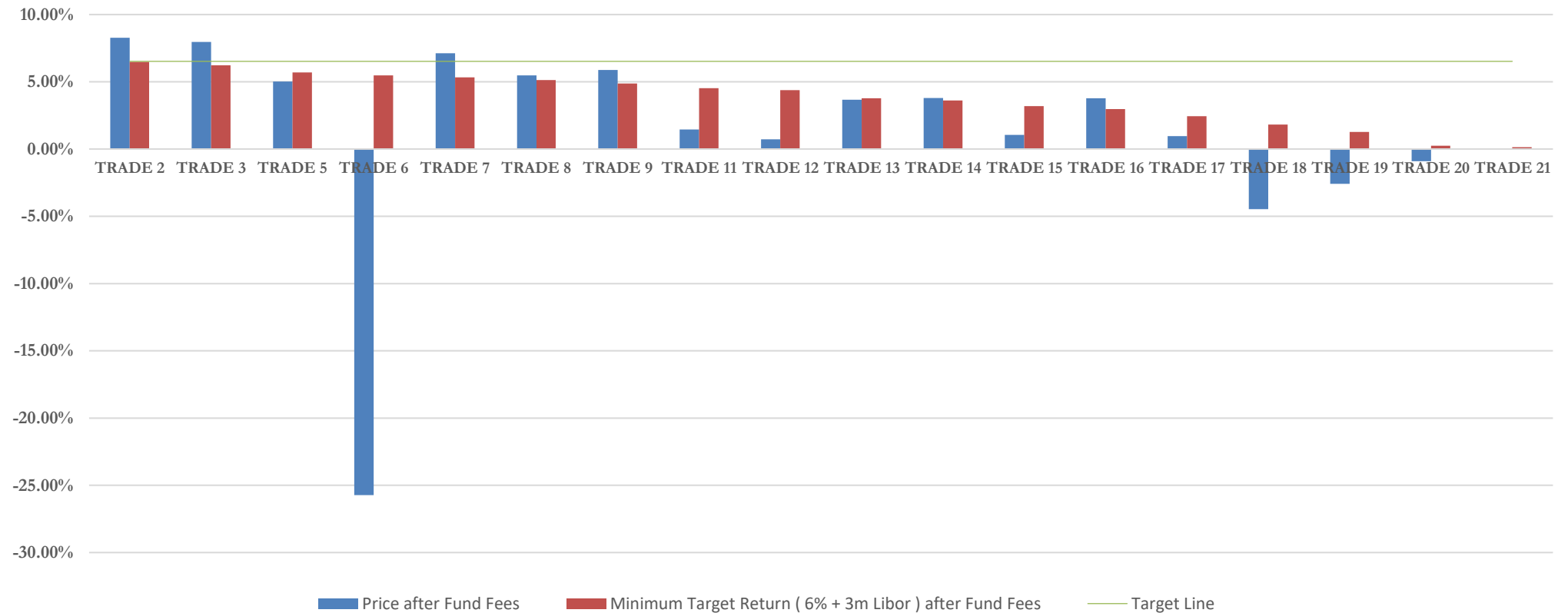
structured product. This structured product pays 2% quarterly multiplied by the proportion of days in the quarter both indices close in the range 85% to 115% of their starting levels. The full coupon will be paid if both indices close within this range for the whole quarter.

The final new trade is linked to a leading Japanese equity index and a European Banks Index. The rationale for this trade was driven by the advisers' view that both indices will remain at or slightly below their current levels in the short to medium term. This 6 year defensive autocall pays 11.7% p.a. and autocalls provided both indices are above their coupon barrier on the annual anniversary of the start of the trade. The coupon barrier after one year is the start level for each index, and this barrier declines by 3.75% by annum. The details of all the structured products the fund holds are available on our website.

The fall in the NAV this month was largely caused by the continued rise of the S&P500 and the Nikkei 225 indices. The advisers are expecting a fall in the S&P500 and a limited further rise in the Nikkei 225. The fund also holds a structured product linked to a European Banks index that may autocall in early December, and the fall in this index below its autocall level in November partly added to the decline in the NAV.

INDIVIDUAL STRUCTURED PRODUCT PERFORMANCES

Individual Structured Product Performance vs Target Return



Source – Mattioli Woods’ internal data. All prices quoted are gross of AUA and platform fees.

*3m Libor is the average interest rate at which a selection of banks in London are prepared to lend to one another with a maturity of 3 months.

The bar chart above shows the current indicative valuation of each individual structured product (the blue bar) versus the annualised target return (the red bar), and both are shown net of the estimated TER of 0.97%. The TER is also calculated on an annualised basis. Trade 1 was the first structured product the fund purchased on 5 December 2016, which was sold in November 2017 for an annualised return of 7.16% after the TER had been deducted. The blue bars show how each trade is currently performing relative to its annualised target return from the purchase date of each structured product. The newest structured product, trade 21, was executed on 27 November and should reach its target return on 27 November 2018.

WHAT IS THE AVERAGE MATURITY OF THE STRUCTURED PRODUCTS IN THE PORTFOLIO?

All the structured products held by the fund have autocall or early termination features. This simply means they can pay the original amount invested plus a return before the maximum maturity. All the structured products the fund holds have a maximum maturity of six years. The shorter the average maturity, the sooner the fund will receive back the original amount invested plus a return; therefore, as a rough guide, the lower the average maturity the better. The current average maturity of the structured products in the portfolio is 2.13 years, with the shortest maturity being 0.08 years and the longest 4 years.

MONTHLY NAV AND YTD PERFORMANCE FIGURES

Date	31 Jan	28 Feb	28 Mar	28 Apr	28 May	29 Jun	28 Jul	31 Aug	29 Sep	31 Oct	30 Nov	31 Dec	YTD
2016											1.000	1.0001	+0.01%
2017	1.0011	1.0022	1.011	1.0200	1.0210	1.018	1.028	1.033	1.037	1.036	1.026		+2.6%