



KEY FACTS

FUND SIZE	NAV (As of 28 May 2017)	LAUNCH	AMC (Annual management charge)	TER (Total expense ratio, estimated)	ISIN	SEDOL	BLOOMBERG CODE
£98,404,800	102.10%	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

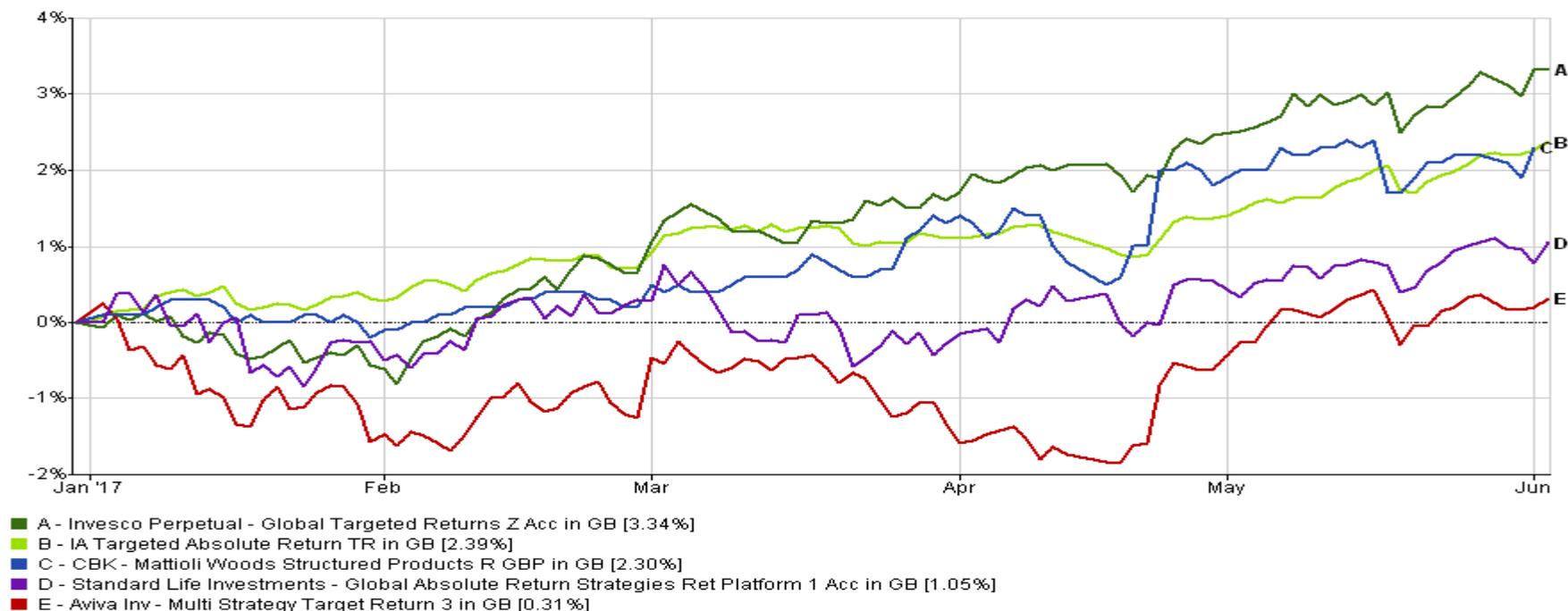
The fund has invested in two structured products this month, and fully unwound one of the existing structured products. Market conditions continue to be challenging, but there has been a slight increase in volatility in the last month which helps the pricing of new structured products. Both new structured products can terminate after nine months and quarterly thereafter, and the first is linked to the performance of the leading European equity index and a leading US equity index. The advisers believe these two indices will have a neutral to slightly positive performance over the short term, and this structured product pays a return of 2.04% per quarter if both indices are above 82% of their start level. The second new structured product is similar, but is linked to the leading European equity index and a leading Swedish equity index. The return is 2.09% per quarter provided both indices are above 82.5% of their start levels. We have fully encashed our European banks outperforming the European equity index benchmark pay off this month, locking in a gain of 3.55% on a position that the fund held for just 10 weeks.

MONTHLY REVIEW

In the UK, all focus is now on the result of the UK election. Some polls are suggesting the election could result in a hung parliament which could cause sterling to fall to \$1.20 – a level not seen since the mid 1980s. Europe appears to have entered into a consolidation phase after an increase of 20% in the benchmark index over the last 6 months, with many commentators saying the majority of European equities are fully valued at current levels. In the US, equity markets continue to rise, with economic good news outweighing any actions or words from President Trump.

HOW IS THE FUND PERFORMING RELATIVE TO ITS BENCHMARKS?

The objective of the Mattioli Woods Structured Products Fund is to generate medium to long term growth by investing in a diversified portfolio of structured products that provide a positive return in anything but extremely negative market conditions. This type of return is similar to the return targeted by absolute return funds. Absolute return investing aims to provide a positive return over time, regardless of the prevailing market conditions. Even when markets are falling, an absolute return fund still has the potential to make money, so the fund's benchmark for performance could be seen as other absolute return funds. The diagram below shows the year to date performance of the fund compared to some of the largest absolute return funds.



30/12/2016 - 02/06/2017 Data from FE 2017



Mattioli Woods plc
WEALTH MANAGEMENT & EMPLOYEE BENEFITS

Disclaimer: A Key Investor Information Document, Supplementary Information Document and an English language prospectus for the Structured Product Fund are available via the fund website or on request, and potential investors should consult these documents before purchasing shares in the fund. The value of investments and the income from them can fall as well as rise and investors may not get back the full amount invested. Past performance is not a guide to the future. Any investment decisions should be taken with advice, given appropriate knowledge of the investor's circumstances. This financial promotion is intended for UK residents only and is communicated by Mattioli Woods plc, which is authorised and regulated by the Financial Conduct Authority. The information above is based on Mattioli Woods' current expectations and is subject to change without notice.

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. The longest maturity for any structured product the fund holds is seven years. The shorter the average maturity the sooner the fund will receive the original amount invested plus a return; therefore, as a rough guide, the lower the average maturity the better. This month, the average maturity has reduced from 2.81 years to 2.36 years. The shortest maturity of any structured product in the fund is 1.79 years and the longest 4.66 years.

MONTHLY NAV AND YTD PERFORMANCE FIGURES

Date	31 Jan	28 Feb	28 Mar	28 Apr	28 May	30 Jun	31 Jul	31 Aug	30 Sep	31 Oct	30 Nov	31 Dec	YTD
2016											1.00	1.0001	+0.01%
2017	1.0011	1.0022	1.011	1.0200	1.0210								+1.98%

SCENARIO ANALYSIS

The analysis below is an estimate of what would happen to the price of the fund if all the indices to which the fund has exposure via its structured products moved overnight by the amounts shown in the 'market move' column. This analysis is made subject to a number of assumptions regarding the various inputs required and cannot be seen as an accurate prediction of how the price of the fund will move.

Market move (As at 29 May 2017)	-20%	-10%	+10%
Immediate change in fund price	-10.94%	-3.85%	0.72%

