

May 2018

		<b>Fund</b>			<b>S&amp;P500 Index</b>	
		<i>Performance</i>	<i>Inception to Date</i>		<i>Performance</i>	<i>Inception to Date</i>
<b>2005</b>		<b>+14.01%</b>	<b>+14.01%</b>		<b>+4.78%</b>	<b>+4.78%</b>
<b>2006</b>		<b>+16.91%</b>	<b>+33.29%</b>		<b>+13.62%</b>	<b>+19.05%</b>
<b>2007</b>		<b>+4.06%</b>	<b>+38.70%</b>		<b>+3.53%</b>	<b>+23.25%</b>
<b>2008</b>		<b>-47.99%</b>	<b>-27.86%</b>		<b>-38.49%</b>	<b>-24.18%</b>
<b>2009</b>		<b>+42.74%</b>	<b>+2.97%</b>		<b>+23.45%</b>	<b>-6.40%</b>
<b>2010</b>		<b>+24.94%</b>	<b>+28.65%</b>		<b>+12.78%</b>	<b>+5.57%</b>
<b>2011</b>		<b>+1.79%</b>	<b>+30.96%</b>		<b>0.00%</b>	<b>+5.56%</b>
<b>2012</b>		<b>+24.17%</b>	<b>+62.61%</b>		<b>+13.41%</b>	<b>+19.71%</b>
<b>2013</b>		<b>+42.96%</b>	<b>+132.46%</b>		<b>+29.60%</b>	<b>+55.15%</b>
<b>2014</b>		<b>+3.92%</b>	<b>+141.59%</b>		<b>+11.39%</b>	<b>+72.82%</b>
<b>2015</b>		<b>-2.10%</b>	<b>+136.51%</b>		<b>-0.73%</b>	<b>+71.56%</b>
<b>2016</b>		<b>+31.95%</b>	<b>+212.07%</b>		<b>+9.54%</b>	<b>+87.93%</b>

	<i>MTD</i>	<i>YTD</i>	<i>ITD</i>	<i>MTD</i>	<i>YTD</i>	<i>ITD</i>
<b>2017</b>	<b>-2.99%</b>	<b>+13.43%</b>	<b>+254.00%</b>	<b>+0.98%</b>	<b>+19.42%</b>	<b>+124.42%</b>
<b>Jan 2018</b>	<b>+0.09%</b>	<b>+0.09%</b>	<b>+254.32%</b>	<b>+5.62%</b>	<b>+5.62%</b>	<b>+137.03%</b>
<b>Feb 2018</b>	<b>-3.81%</b>	<b>-3.72%</b>	<b>+240.81%</b>	<b>-3.89%</b>	<b>+1.50%</b>	<b>+127.80%</b>
<b>Mar 2018</b>	<b>+1.82%</b>	<b>-1.97%</b>	<b>+247.02%</b>	<b>-2.69%</b>	<b>-1.22%</b>	<b>+121.67%</b>
<b>Apr 2018</b>	<b>+1.21%</b>	<b>-0.79%</b>	<b>+251.21%</b>	<b>+0.27%</b>	<b>-0.96%</b>	<b>+122.28%</b>
<b>May 2018</b>	<b>+3.28%</b>	<b>+2.47%</b>	<b>+262.74%</b>	<b>+2.16%</b>	<b>+1.18%</b>	<b>+127.08%</b>

In May, the Fund rose by 3.28% and the S&P500 rose by 2.16% as domestic stocks picked up. This should be a happy report: four consecutive months of beating the S&P500 and finally properly ahead for the year. Sterling holders have also moved to a new high, taking out the high of last November. However, we are still failing to gain traction and our heavy weighting in low beta financials led us to underperform smaller indices on the month and now on the year by several percent.

We are generally a low beta fund and so we are always at risk of lagging in a strong up month but the recent surge in some small stocks leaves us behind because, again, the valuation parameters of what is moving are surprisingly extreme. We know we live in a time of rapid change but anything new is embraced, so that old measures that limited valuations, in particular the price/sales ratio and the price/earnings ratio, seem less important.

Our banks are improving with some new highs but many remain little changed on the year. This month, banking requirements were lessened on mid-size banks with assets exceeding \$10 billion. This makes our small banks more attractive as they become more feasible to acquire and we wait on in hope.

This is a strongly momentum-driven market and although trade issues and the strong dollar have shifted focus from large cap to domestics, the belief in new stories for the new world remains unabated and we have to be alert not to be left behind.

#### **Risk Warnings and Other Important Information**

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The Fund qualifies as an Undertaking for Collective Investment in Transferable Securities (UCITSIII).

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