

February 2017

		Fund			S&P500 Index	
		<i>Performance</i>	<i>Inception to Date</i>		<i>Performance</i>	<i>Inception to Date</i>
2005		+14.01%	+14.01%		+4.78%	+4.78%
2006		+16.91%	+33.29%		+13.62%	+19.05%
2007		+4.06%	+38.70%		+3.53%	+23.25%
2008		-47.99%	-27.86%		-38.49%	-24.18%
2009		+42.74%	+2.97%		+23.45%	-6.40%
2010		+24.94%	+28.65%		+12.78%	+5.57%
2011		+1.79%	+30.96%		0.00%	+5.56%
2012		+24.17%	+62.61%		+13.41%	+19.71%
2013		+42.96%	+132.46%		+29.60%	+55.15%
2014		+3.92%	+141.59%		+11.39%	+72.82%
2015		-2.10%	+136.51%		-0.73%	+71.56%
2016		+31.95%	+212.07%		+9.54%	+87.93%
	<i>MTD</i>	<i>YTD</i>	<i>ITD</i>	<i>MTD</i>	<i>YTD</i>	<i>ITD</i>
Jan 2017	-1.42%	-1.42%	+207.46%	+1.79%	+1.79%	+91.29%
Feb 2017	+1.63%	+0.13%	+212.48%	+3.72%	+5.57%	+98.40%

In February, the S&P500 rose by 3.72% and the Fund rose by 1.63%. We continue to mark time after our post-Election surge in common with the smaller and cyclical indices. We were never going to keep up in a month where the best two indices were the Dow-Jones and the NASDAQ100 and we have to ask whether they are just catching up or we have reverted to the paradigm of 2014 and 2015? Our problem is that a range of indices are, like us, within 1% of their peak on December 9th, yet these same indices remain the best performers post-2015 and post-Election.

There's no doubt there's been a sea change. For a reality check, I read some newspapers and magazines from a year ago and they do indeed speak of another world, of different goals and forgotten heroes. Orwell, reviewing Mein Kampf in March 1940, wrote "Human beings don't only want comfort, safety, short working hours, hygiene, birth control, and common sense; they also, at least intermittently, want struggle, and self-sacrifice, not to mention drums, flags, and loyalty parades." 77 years later this is again mainstream and this time is the length of the modern lifespan-adjusted Kondratiev cycle. Previously we had, for instance, Cameron's measure of Gross National Happiness. It's not that Cameron was wrong, but the cycle moves on, as Orwell knew with his 'intermittently'.

If this is a long cycle turning, we can be tolerant we are on the right track through a few months adjusting to sharp gains and the market re-examining the past. The recent wobbles have been related to whether Trump has the savoir-faire to enact. He is, however, pushing on an open door, which is why the small stocks surge whenever he speaks, even though there is no detail.

Risk Warnings and Other Important Information

This document is issued by De Lisle Partners LLP, registered in England No.OC310994, authorized and regulated by the Financial Conduct Authority. The registered office of Valu-Trac Investment Management Ltd is Suite 150-153, 2nd Floor Temple Chambers, Temple Avenue, London, EC4Y 0DA, Head Office at Mains of Orton, Orton, Fochabers, Moray, Scotland IV32 7QE.

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

This document should not be construed as investment advice or an offer to invest in the Fund. Nor should its content be interpreted as investment or tax advice for which you should consult your independent financial adviser and/or accountant. The information and opinion it contains have been compiled or arrived at from sources believed to be reliable at the time and are given in good faith, but no representation is made as to their accuracy, completeness or correctness. Any opinion expressed in this document represents the views of De Lisle Partners at the time of preparation, but is subject to change. For professional use only.

The value of an investment and the income from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested. Past performance should not be viewed as a guide to future performance. Please read the Prospectus before making an investment.