**November 2018**

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| --- | --- | --- | --- | --- | --- | --- |
|   |   | **Fund**  |   |   | **S&P500** **Index**  |   |
|   |   | *Performance*  | *Inception to Date*  |   | *Performance*  | *Inception to Date*  |
| **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%**   |
|   | *MTD*   | *YTD*   | *ITD*   | *MTD*   | *YTD*   | *ITD*   |
| **2017** | **-2.99%** | **+13.43%** | **+254.00%** | **+0.98%** | **+19.42%** | **+124.42%** |
| **Jan 2018** | **+0.09%** | **+0.09%** | **+254.32%** | **+5.62%** | **+5.62%** | **+137.03%** |
| **Feb 2018** | **-3.81%** | **-3.72%** | **+240.81%** | **-3.89%** | **+1.50%** | **+127.80%** |
| **Mar 2018** | **+1.82%** | **-1.97%** | **+247.02%** | **-2.69%** | **-1.22%** | **+121.67%** |
| **Apr 2018** | **+1.21%** | **-0.79%** | **+251.21%** | **+0.27%** | **-0.96%** | **+122.28%** |
| **May 2018** | **+3.28%** | **+2.47%** | **+262.74%** | **+2.16%** | **+1.18%** | **+127.08%** |
| **Jun 2018** | **+1.38%** | **+3.89%** | **+267.76%** | **+0.48%** | **+1.67%** | **+128.18%** |
| **July 2018** | **+0.32%** | **+4.22%** | **+268.95%** | **+3.60%** | **+5.34%** | **+136.40%** |
| **Aug 2018** | **+1.68%** | **+5.98%** | **+275.16%** | **+3.03%** | **+8.52%** | **+143.55%** |
| **Sep 2018** | **-3.41%** | **+2.36%** | **+262.37%** | **+0.43%** | **+8.99%** | **+144.60%** |
| **Oct 2018** | **-10.96%** | **-8.86%** | **+222.64%** | **-6.60%** | **+1.43%** | **+127.62%** |
| **Nov 2018** | **-0.21%** | **-9.05%** | **+221.95%** | **+1.79%** | **+3.24%** | **+131.69%** |

In November, the Fund fell by 0.21% and the S&P500 rose by 1.79% as our overweight cyclical position continued to bottom out and base. We are now exhibiting quite a low volatility, even for us. We were ahead of the market until the last few days by virtue of being less down. There followed a rally in the large tech stocks which again left us behind, but we do at last seem to be finding a firmer footing.

There has been a sequence of falls in small stocks in the consumer discretionary and the industrial areas as the market has been discounting a recession. The arguments for this are based on monetary policy, trade tariffs, weakening housing and general overheating. While there is no sign of actual recession, the argument presumes that this cocktail of problems will make a recession inevitable at some point. We have not been positioned for recession, although current valuations go a long way towards discounting this possibility. We now have many stocks with low valuations they have not seen for years and thus our bottoming action has become apparent. This month’s underperformance relates more to weakness in our smallest holdings, the last ones to notice.

We are now a long way behind the main indices, the most in any year of the 14 years the Fund has been running. We have not been passive through this fall, but rather traded within our groups, not switching to consumer groups which have been a better store of value; yet not our choice on longer-term value considerations.

**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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