

December 2019

		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>
2017		+13.43%	+254.00%		+19.42%	+124.42%
2018		-20.44%	+181.65%		-6.24%	+110.42%
Jan 2019	+9.12%	+9.12%	+207.34%	+7.87%	+7.87%	+126.98%
Feb 2019	+4.82%	+14.38%	+222.15%	+2.97%	+11.08%	+133.73%
Mar 2019	-2.70%	+11.30%	+213.46%	+1.79%	+13.07%	+137.92%
Apr 2019	+5.25%	+17.14%	+229.92%	+3.93%	+17.51%	+147.27%
May 2019	-6.06%	+10.04%	+209.94%	-6.58%	+9.78%	+131.01%
Jun 2019	+7.04%	+17.79%	+231.76%	+6.79%	+17.35%	+146.93%
July 2019	-0.64%	+17.04%	+229.65%	+1.31%	+18.89%	+150.17%
Aug 2019	-5.06%	+11.12%	+212.97%	-1.81%	+16.74%	+145.65%
Sep 2019	+3.83%	+15.38%	+224.96%	+1.72%	+18.74%	+149.87%
Oct 2019	+2.35%	+18.09%	+232.61%	+2.04%	+21.17%	+154.97%
Nov 2019	+4.71%	+23.65%	+248.27%	+3.40%	+25.30%	+163.65%
Dec 2019	+3.19%	+27.60%	+259.39%	+2.86%	+28.88%	+171.19%

In December the S&P500 rose by 2.86% and the Fund rose by 3.19% as this recovery year ended. The final quarter was the strongest in contrast with the sharp decline of the final quarter in 2018. We did well on the year against all indices we might be compared with, such as the S&P Microcap +20.64%; the S&P 600 (small cap) +20.96%; the S&P 400 (mid cap) +24.02%; and the Community Bank Index +20.31%. We also beat them all comfortably on the month, helped by our Johnson Outdoors which rose on earnings. Overall, the S&P 500 trounced everything except for the NASDAQ 100 (the large cap tech index). These indices were again driven by the biggest stocks, in particular the two trillion dollar caps, Apple and Microsoft, now valued at \$2.6 trillion the pair. Our maximum lag to these large cap growth stocks was at the end of August when the bond market peaked and we read hyperbole about value being the most relatively undervalued for 19 or even 35 years.

Since then our value-based portfolio has been making a gentle relative recovery as the growth stocks consolidated. However, this came to an end on December 11th at a point when we were actually ahead of the S&P500 on the year and it looked like our saucer shaped relative recovery was improving. It was not to last. By the end of December, the Industrials ETF, the XLI, was down 0.7% on the month. Although this was partly caused by a fall in Boeing, this disappointing result showed that once again value is faltering. Additionally, the growth stocks broke out again and we resumed a big growth stock market even as commentators were getting with the recent flow and were cheering for a value recovery in 2020.

This is again concerning and I am thrown back to being 13 years old with my newsagent quoting Henry V every time I went out on a winter paper round: "Once more unto the breach dear friends."

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

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