

January 2020

		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%
2019		+27.60%	+259.39%		+28.88%	+171.19%
Jan 2020	-4.77%	-4.77%	+242.23%	-0.16%	-0.16%	+170.75%

In January the Fund declined by 4.77% and the S&P500 fell by just 0.16% in a month which returned us to the horrors of an unexpected slowdown. The disparities between the indices we follow were the greatest ever and our corner of the market was very weak. The S&P600 Value Component was down 6.62% and the Community Bank Index was down 6.33%. Small stocks generally were far worse in a change from the traditional January pattern. The banks fell as the yield curve inverted again one day at the end of the month, bringing a reprise of the awful conditions of December 2018.

Last month we discussed that pressure was coming and the break-out in large tech on good earnings has made them one decision stocks and their momentum seems now irresistible. Other areas, to a greater or lesser degree, become just a source of funds. If we look at our fundamentals, earnings have been in line and ratings are little changed over the last couple of years. However, with economic growth the weakest in four years, there is again little enthusiasm for our type of stocks. The bond market has rallied strongly and is remarkably close to last summer's high, which with its \$17 trillion of negatively returning bonds, had appeared to be a high for the ages. Today, Apple and Microsoft comprise 9.5% of the S&P500, having gone up 85% and 55% last year. All continues with them and their ilk and we, regrettably, have few defences.

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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