March 2020

		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		**+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%**
Feb 2020	**-8.52%**	**-12.89%**	**+213.08%**	**-8.41%**	**-8.56%**	**+147.98%**
Mar 2020	**-24.39%**	**-34.13%**	**+136.73%**	**-12.51%**	**-20.00%**	**+116.95%**

In March the Fund fell by 24.39% while the S&P500 fell by 12.51%. The abrupt halt in economic activity caused a fall in the economically sensitive sectors which we felt acutely. The disparity in sector performance was even greater than in the 2008 crash as small cap fell more and anything that was vulnerable to the economy fell most. The S&P400 (mid cap) fell 20.16%, the S&P600 (small cap) fell 22.92% but within that, the 300 stocks that make up the value component fell 27.17%.

Our Fund is most comparable with the Russell Microcap, down 24.09% and the Community Bank Index, down 24.36%. These indices have quickly fallen significantly below the 2018 lows and thrown up valuations indicating severe recession and bankruptcies. Banks, for example, have fallen to 2008/9 valuations at discounts to book value which presume heavy write-offs. Analysts expect these to peak by first quarter 2021 and thus see them as an opportunity over a one or two year timeframe. We had gravitated to this sector as the cheapest sector and had been expecting more from the recovery, in index terms, from 42 in December 2018 to 52 at the start of this year. It is 32 now. The Russell Microcap Index went from 100 to 55 between late February and mid March.

The stock market shock has been related to government action which has put people before the economy for the first time. While this may appear to be the obvious course, there was a hesitant adoption of the policy and there remains keen debate of the cost/benefit balance, noting that recessions and isolation kill too. Does this radical shift lead us to a new world? The flu pandemic killed more than 2% which would be 150 million on today's Worldometer, but was little trouble to the 1919 market which rose 5% and relieved survivors conspicuously consumed, kicking off the Roaring Twenties. Today, however, are material desires more satisfied so that the economy becomes subsidiary to self protection in a fragile world? If so, the market has been quite right these last four years, focusing on the effects of deflation, technological change and viewing material desires with suspicion. We were not involved with energy, hotels, and travel which seemed fine in February but we do have caravans and canoes which are now all smashed up too.

With this unexpected deflationary event, we have added Amazon as a 6.7% balancing position, as even a Luddite such as myself can see why a handful of such stocks are now compelling. However, this crisis brings forward the end point of deflation as government spending ramps up with impunity. The key to what happens next depends on how much we've changed since 1919?

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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