

**Fund Objective:** capital growth with less of the volatility of equities. Fund invests in global equities and corporate bonds, and other listed securities, government bonds, money market instruments.

**Investment Process:** the manager follows the fundamentals of the business cycle to select individual equity and bond investments with attractive and complementary risk and return profiles within a through-cycle four phase asset allocation framework.

**Investment Outcome:** the manager seeks to deliver over a full business cycle a total return in excess of the Performance Benchmark, comparable to inflation +3-4% in normal circumstances, and comparable to the long-term return on equities. Fund seeks to generate a natural level of income from bond interest and equity dividends designed to be sustainable across the business cycle.

**Performance Benchmark:** the average of the return on an index of short-dated UK Government bonds (upto five years maturity) and rolling five year CPI. The purpose of this benchmark is stability: historically the average of each of these has been c.3.5%, but when one is lower the other is normally higher, offering a steady 'risk free' measure that accounts for inflation.

**Fund Sector:** IA Specialist, Morningstar GBP Moderately Adventurous. Equity investments are limited to 70% of Fund.

Tellsons Investors LLP (Tellsons) is the investment advisor to the EF Tellsons Endeavour Fund. Tellsons does not offer investment advice to investors or make any recommendations regarding the suitability of its products. No information contained in this report should be construed as advice. The value of investments can go down as well as up and non-sterling currency exposures can influence your returns. Investors may not get back the original amount invested. Past performance is not a guide to future performance. An English language prospectus and Key Investor Information Document are available for the EF Tellsons Endeavour Fund and investors should consult these documents before making an investment decision. Tellsons Investors LLP is registered in England & Wales with number OC377878 at 4 Woodfall Street, London SW3 4DJ and is authorised and regulated by the Financial Conduct Authority, 25 North Colonnade, Canary Wharf, London E14 5HS.

INVESTMENT SUMMARY							
	Q3	YTD	1Y	3Y	5Y	S.I.*	vol
Fund	1.4	1.9	5.6	22.9	18.9	28.9	6.1
Bm	0.1	0.4	0.6	2.9	7.7	9.2	0.8
IA	0.6	-1.0	2.2	40.0	32.3	n/a	n/a
* see notes, Performance							
	'12*	'13*	'14	'15	'16	'17	'18
YTD	3.1	7.4	3.2	-4.5	5.7	9.8	1.9
Dec	1.5	0.8	-0.4	-0.8	1.8	0.5	
Nov	1.5	-0.7	1.4	0.1	-1.5	0.3	
Oct	-	2.1	1.9	4.7	-0.2	2.9	
Sep	-	0.3	-0.1	-3.8	-0.9	-0.9	-1.0
Aug	-	-2.6	1.6	-3.3	2.2	0.1	0.5
Jul	-	4.3	-0.7	0.8	2.0	0.1	1.9
Jun	-	-3.8	-0.6	-3.1	0.4	-1.7	-0.7
May	-	0.4	0.9	0.8	0.1	2.2	1.9
Apr	-	0.9	-0.7	0.4	1.9	1.2	1.4
Mar	-	-0.3	0.1	-0.5	2.4	1.0	-2.7
Feb	-	1.9	1.0	0.2	0.1	2.2	-1.3
Jan	-	4.2	-1.2	0.2	-2.4	1.6	1.9

Up Months	65%
Best	+4.7 (Oct '15)
Worst	-3.8 (Sep '15)
Avg. up/down	+1.4 / -1.4

**COMMENTARY**

US Federal Reserve raised interest rates again and confirmed more to come on strong US growth outlook, employment and steady wage gains

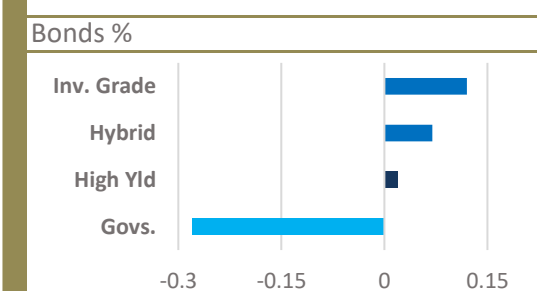
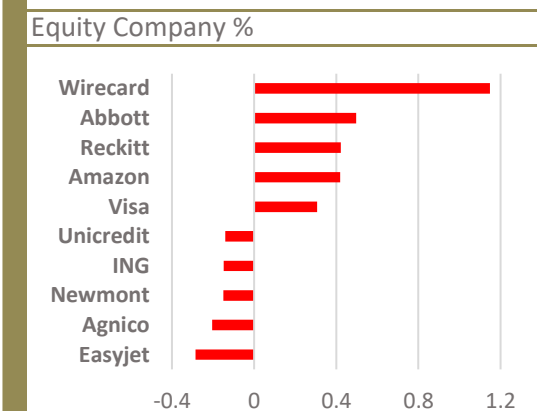
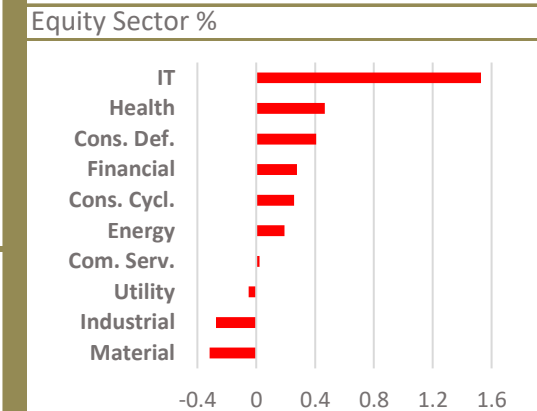
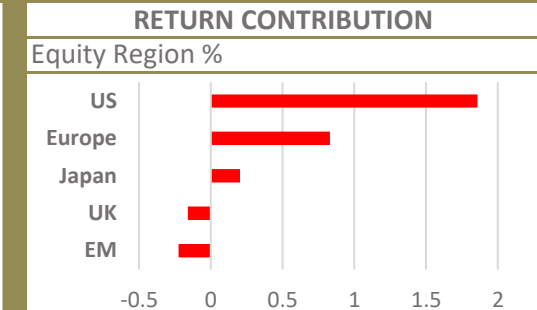
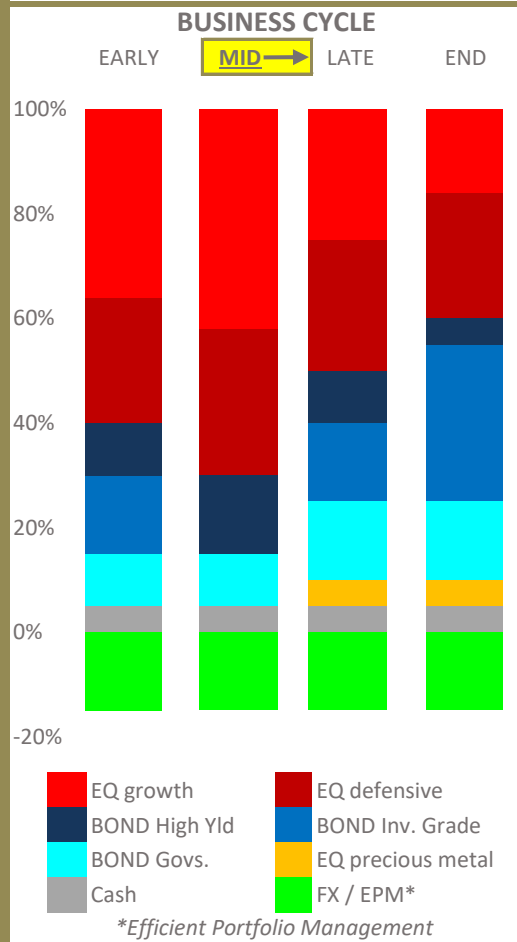
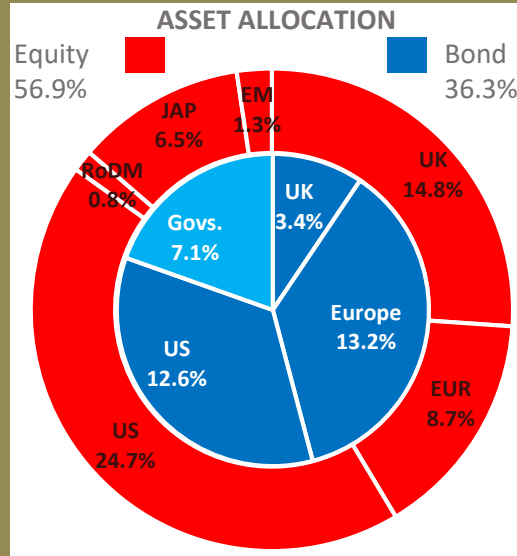
Expectations for upcoming Q3 corporate earnings season are high

Escalation of US trade tariffs taking toll on growth in Asia and some sectors in Europe

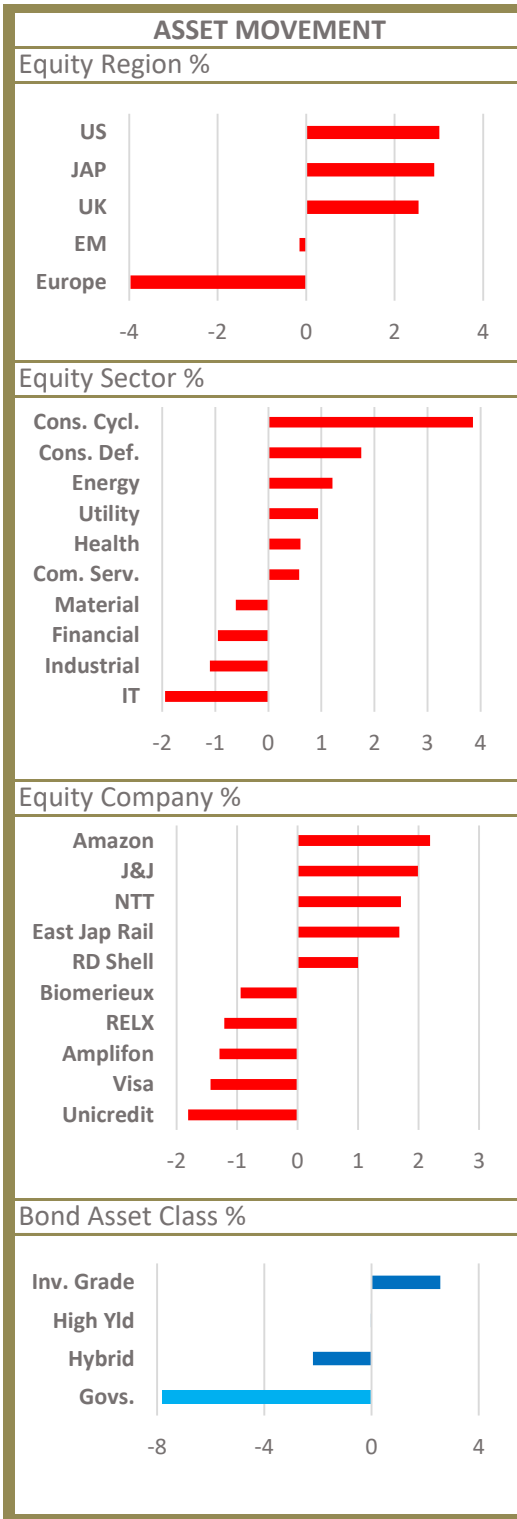
European Central Bank warned of vigorous inflation ahead

Italian budget proposals threaten conflict with Brussels deficit rules

Brexit uncertainty persists and undermines value of GBP currency



all figures are total returns in local currency



### TOP 20 INVESTMENTS

Equities	Bonds
Reckitt Benckiser	UST 2.75% 2047
Amazon	Praxair
ConocoPhillips	EDF
Royal Dutch Shell	Orange
Wirecard	Johnson Controls
SVB Financial	ABB
Comerica	EDP
Abbott	Rabobank
JP Morgan	SSE
RELX	Dell
Top 20 investments	64%
Single company	5% max
Individual investments	44

### EQUITY PROFILE

Dividend Yield <sup>1</sup>	2.2%
EPS LTG <sup>2</sup>	13.9%
Mkt.Cap. Avg/Median <sup>3</sup>	£146 / 41 Bn

### BOND PROFILE

Running Yield <sup>4</sup>	4.0%
Credit Quality <sup>5</sup>	100% Inv. Grade
Average years <sup>6</sup>	11.0

*see notes for details of profile metrics*

### FUNDS FACTS

Fund Type:	UCITS V OEIC				
Strategy:	Total Return				
IA Sector:	Specialist				
Morningstar:	Moderately Adventurous				
Morningstar Sustainability:					
Fund Size:	£30m				
ACD:	Elite Funds/Way				
Depository:	Northern Trust				
Auditors:	Deloitte				
Dealing:	Daily/Noon				
Income Yield:	1.97% dist Jul/Nov				
Entry/Exit Fees:	0%				
Ongoing Charges (OCF):					
RF	1.24%	IF	0.99%		
SP	0.64%	PF	0.24%* <i>see notes</i>		
Distribution RF-I	'14	'15	'16	'17	'18
Pence per unit	-	1.73	1.46	1.94	2.09

### RISK & REWARD

Lower risk ← 1 2 3 4 5 6 7 → Higher risk

This indicator is based on historical data and may not be a reliable indicator of the future risk profile of the Fund which may change. The Fund risk profile indicated is because the Fund invests in a mixture of investments and their value may vary more widely than others. Please see the Fund prospectus for more details on the risks of the Fund.

### NOTES

**Date of all data**, unaudited figures: as of 28th September 2018 (unless otherwise detailed).

**Source for all data:** Tellsons Investors LLP, Apex Fund Services, Bloomberg, StatPro. Numbers may not add up due to rounding.

**Performance & Volatility:** Inception 31.10.12 includes private pre-launch audited model portfolio; public inception 03.02.14. Endeavour returns based on RF Accumulation share class, net dividends reinvested, net of fees; all returns are total returns in local currencies. Volatility is based on monthly returns over 36 months, annualised. Source: Bloomberg, Apex Fund Services. **Benchmark:** Fund benchmark is the average return of index of short-dated UK government bonds upto five years and rolling five year UK CPI;

**Currency Management:** foreign currency exposure hedged back to 70%-100% GBP.

**Monthly Returns:** Inception 31.10.12 includes private pre-launch audited model portfolio; public inception 03.02.14. Highlighted and outlined monthly returns show private pre-launch audited model, real cash, portfolio returns from Oct.12 - Jan.14.

**Income Yield:** This is based on the most recent annualised dividend paid for the RF Income share class, financial year ended 29.3.2018. Administration costs applicable to the Income Units are expensed to capital and gross income paid out as distribution.

**Fees:** RF Fixed Investment Fee 1.00%, OCF 1.24%; IF Fixed Investment Fee 0.75% for investments > £1m, OCF 0.99%; SP Fixed Investment Fee 0.40% for investment >£3m, OCF 0.64% (available to Charities, Pensions, SIPP, and Endowment investors); PF Performance Fee carries no Fixed Investment Fee, solely admin costs of 0.24% plus 20% share of outperformance vs. the Performance Benchmark; Administration costs are audited, as at the year ended March 2018.

**Derivatives:** Exchange-traded futures & options contracts may be used to seek to reduce some of the risks of the investments, including currencies, stock indices and interest rates, as permitted for efficient portfolio management under UCITS V regulations. See the Fund's prospectus for further details.

**Profiles:** Based on current security price and as weighted average for portfolio at 28.9.18: Equity Profile (1) Dividend Yld: based on 12 months trailing dividends per share; (2) EPS LT Growth: Bloomberg consensus long-term EPS growth estimates; (3) Market Capitalisation: average and median in GBP; Bond Profile (4) Running Yld: based on bond coupon and price; (5) Credit quality: weighted average credit quality of bonds; (6) Avg. Maturity: years to maturity (or adjusted for issuer redemption options). Source: Bloomberg.



EF TELLSONS ENDEAVOUR FUND

Q3 Investment Review & Fund Facts



PLEASE READ THE IMPORTANT WARNING NOTICE OVERLEAF. Any opinions stated in this review are expressed solely as opinions of the investment advisor to the Fund and should not be construed as investment advice or solicitation to invest in the Fund.