

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

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: over a full business cycle the manager seeks to deliver 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 that should 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 also accounts for inflation.

Fund Sector: IA* Specialist, Morningstar GBP Moderately Adventurous. Equity investments are limited to 70% of Fund and unhedged foreign currency to 30% 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								
	Q4	YTD	1Y	3Y	5Y	S.I.*	vol	
Fund	-7.5	-5.7	-5.7	9.4	7.8	19.3	6.4	
Bm	0.1	0.5	0.5	2.8	7.6	9.3	0.8	
IA*	-4.1	-5.1	-5.1	31.4	26.7	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	-5.7	
Dec	1.5	0.8	-0.4	-0.8	1.8	0.5	-1.5	
Nov	1.5	-0.7	1.4	0.1	-1.5	0.3	0.4	
Oct	-	2.1	1.9	4.7	-0.2	2.9	-6.3	
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	64%
Best	+4.7 (Oct '15)
Worst	-6.3 (Oct '18)
Avg. up/down	+1.3 / -1.6

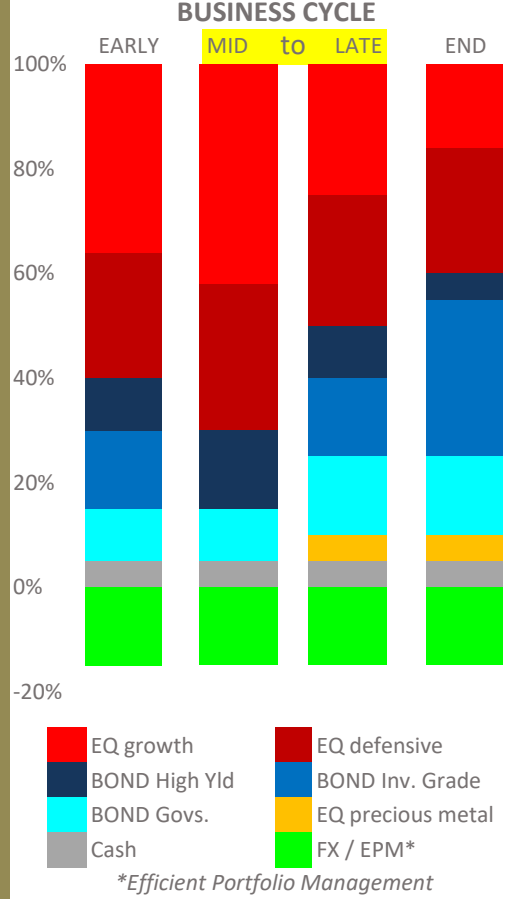
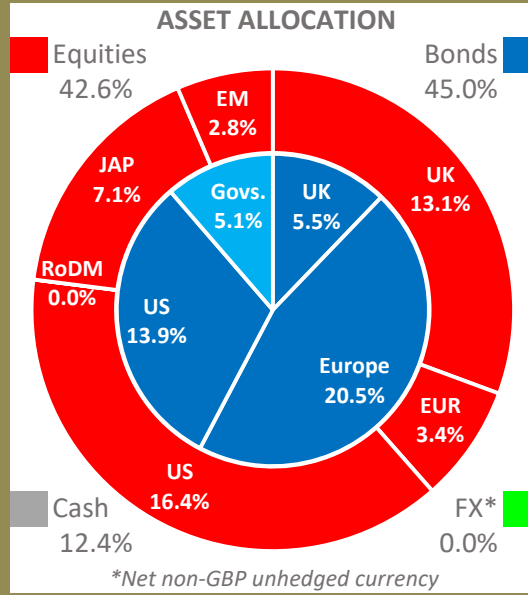
COMMENTARY

US Federal Reserve raised interest rates a fourth time even as China trade confrontation eroded confidence and key economic data started to deteriorate; their messaging around the raise confused and unnerved markets;

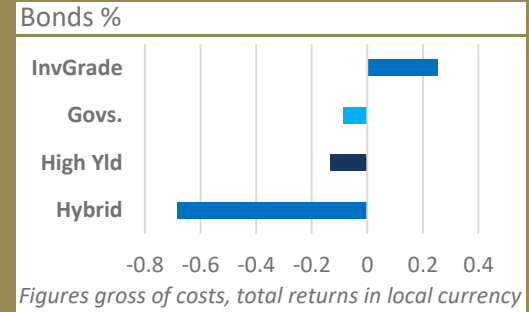
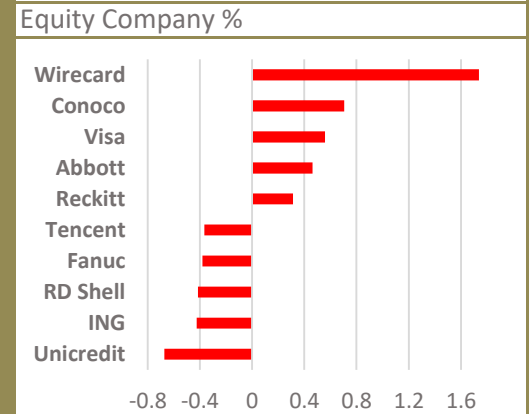
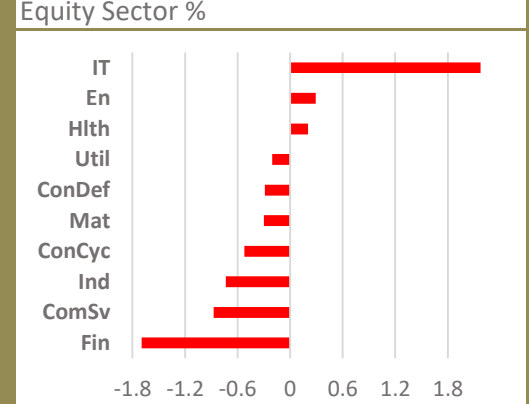
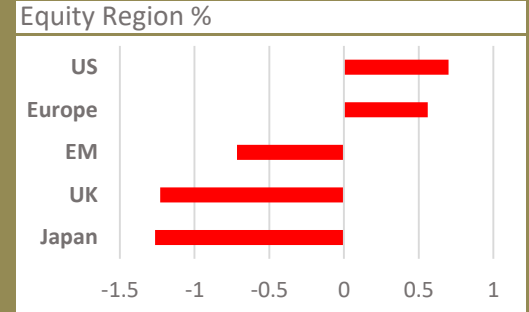
Corporate earnings season was strong at 24% in the US but cautious guidance for Q4 (due early 2019) undermined confidence further and stock markets fell around the world;

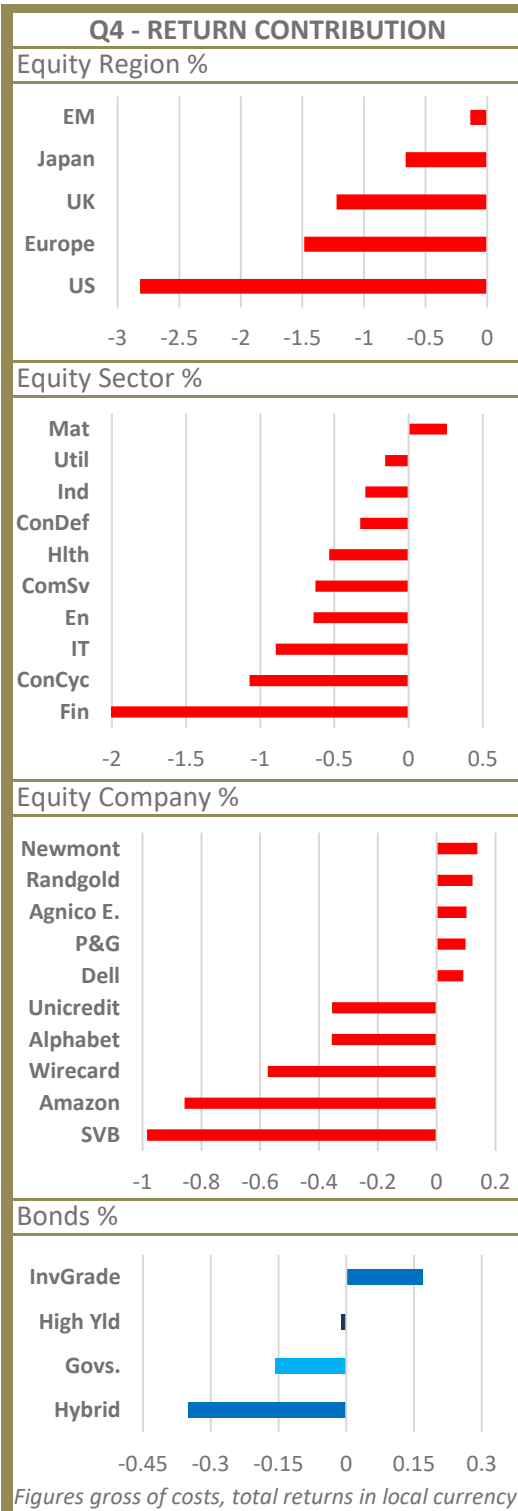
Euro area inflation declined again, in spite of ECB guidance, on slower growth in core markets Germany, France and Italy;

Brexit Departure Bill postponed in UK Parliament, sterling weakened; Government to need concessions from Europe in early New Year on the Irish backstop for success.



YTD - RETURN CONTRIBUTION





INVESTMENTS

Equities	TOP 10	Bonds
Procter & Gamble		UST 3.375% 2048
Keyence		Praxair
United Utilities		EDF
Alibaba		Orange
GlaxoSmithKline		Nestle
Microsoft		Total
Unilever		ABB
Abbott Laboratories		EDP
East Japan Railway		Equinor
PepsiCo		Rabobank
Top investments		55%
Single company		5% max
Individual investments		54

EQUITY PROFILE

Dividend Yield ¹	2.9%
PE forward /EPS LTG ²	15.8 x / 9.2%
Mkt.Cap. Avg/Median ³	£118 / 55 Bn

BOND PROFILE

Running Yield ⁴	4.1%
Credit Quality ⁵	100% Inv.Grade
Corporate years ⁶	6.1 (ex Govs)

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:	£28m				
ACD:	Elite Funds/Way				
Depositary:	Northern Trust				
Auditors:	Deloitte				
Dealing:	Daily/Noon				
Income Yield:	1.97% dist Jul/Nov				
Entry/Exit Fees:	0%				
Ongoing Charges (OCF):	share classes				
RF	1.24%	IF	0.99%		
SP	0.64%	PF	0.24%* <i>see notes</i>		
Distribution RF-I					
Pence per unit	'14	'15	'16	'17	'18
	-	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 31st December 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: Investment fee plus administration expense = OCF

IF Fixed Investment Fee 0.75%, **OCF 0.99%**;

SP Fixed Investment Fee 0.40%, **OCF 0.64%** (available to Charities, Pensions, SIPP, and Endowment investors);

PF Performance Fee option carries no Fixed Investment Fee, solely admin costs of 0.24% plus 20% share of outperformance vs. Performance Benchmark;

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: Equity Profile (1) Dividend Yld: based on 12 months trailing dividends per share; (2) PE/EPS LT Growth: Bloomberg consensus long-term 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 Sustainable Total Return

Q4 - 2018
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 nor solicitation to invest in the Fund.