



EF Tellsons Endeavour Fund August 2020



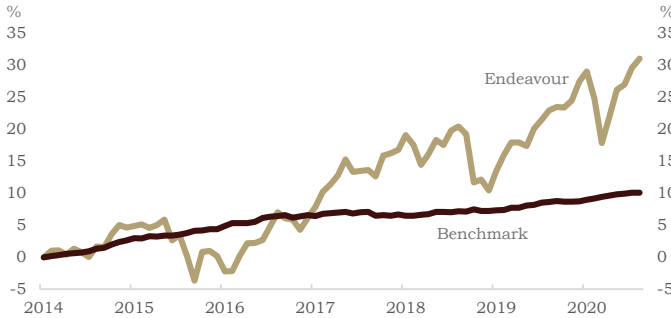
growth with income & downside protection

Investment Objective: to target capital growth with less of the volatility of global equities at a rate of 3-4% in excess of a composite target benchmark over a five-year period, net of fees.

Target Benchmark: comprising 50% UK CPI five-year average and 50% UK Conventional Gilts up to five years index; and volatility vs MSCI World GBP Hedged (See NOTES).

Investment Philosophy: the manager believes growth equity investments can often come with too much volatility on their own and make too much of an uncomfortable ride for many investors to stay the course. We seek to reduce much of that volatility by combining growth with income yielding investments and downside protective strategies to reduce volatility in times of market stress. If we can achieve this, investors may be more confident to remain invested with their savings and investment plans for the long-term.

Investment Process: minimum 80% invested in global equities and corporate bonds whilst seeking to reduce volatility by investing in government bonds, instruments with exposure to precious metals, unhedged foreign currency and the use of derivatives for efficient portfolio management purposes.



Source: Apex, A-Acc share class

Past performance is not a guide to future performance.

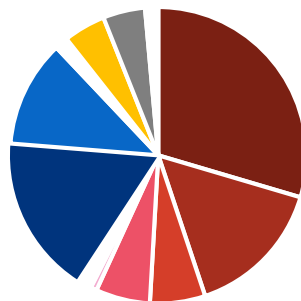
Period	Aug	3m	6m	1yr	3yr	5yr	S.I.*
Endeavour	1.1	3.9	5.1	6.6	15.3	30.9	31.0
Benchmark	0.0	0.2	0.8	1.3	2.8	6.0	10.1

Calendar	2020	2019	2018	2017	2016	2015	2014*
Endeavour	2.8	15.5	-5.5	10.1	5.9	-4.3	3.4
Benchmark	1.2	1.4	0.5	0.1	2.1	1.7	2.6

* Since fund inception 03.02.2014; Source: Apex.

ASSET ALLOCATION

US equities	30.9
Europe equities	16.0
UK equities	6.3
Japan equities	6.2
EM equities	0.7
Other Dev Mkt Eq	0.3
Corporate bonds	17.8
Gov bonds	12.2
Precious Metals	4.8
Cash	4.8



Active FX % ¥ 11 F 4 € 3 \$ -11

TOP 10 EQUITIES: 18% Fund

Procter & Gamble
McDonald's
Ørsted
PepsiCo
Linde
JP Morgan
SVB Financial
Roche
Nvidia
Iberdrola

TOP 10 BONDS: 28% Fund

USTI 0.375% 2025
UKTI 0.5% 2050
Orange
LVMH
RELX
USTI 1% 2049
Praxair
Rabobank
Diageo
Vodafone

INVESTMENT PROFILE

EQUITIES

Dividend Yield	1.8%
PE forward/EPS	26.0x/10.1%
Mkt.Cap. Avg	£155 Bn

BONDS

Running Yield	3.3% (Corporate)
Credit Quality	94% Inv.Gr.
Corporate years	5.3

FUND

Income Yield	2.8%
Volatility vs MSCI W H&E	7.58 vs 15.87
Sharpe	0.72
Worst/Best month	-6.3% (Oct18)/+4.7% (Oct15)

Risk profile

1 2 3 4 5 6 7

IA Sector: Mixed Investment 20-60% shares

Morningstar Category: Moderate Allocation

Period	Aug	3m	6m	1yr	3yr	5yr
IA Sector Quartile	2 nd	2 nd	1 st	1 st	1 st	2 nd

Fund Size	£46m
Daily Dealing	16:30
NAV strike	22:00
Distributions	Jul/Nov
Depositary	Northern Trust
ACD	WAY FM (Elite)

Share classes, fees:

A Acc 1.02% OCF	ISIN GB00BJ391H08
A Inc 1.02% OCF	ISIN GB00BJ391G90
SP Acc 0.67% OCF	ISIN GB00BYWWR883
PF Acc 0.27% OCF	ISIN GB00BJ391J22

A Income Yield 2.81%

Distribution A Inc	'20	'19	'18	'17	'16	'15
pence per unit	2.99	3.03	2.13	1.94	1.46	1.70

Fund Managers:

Joe Bunting, Christoph Wiedebach, John Bishop

Fund Commentary: The month of August was better than usual for equity markets. The ebb and flow of Covid-19 contagion rates, Sino-US relations, the US presidential election and Brexit negotiations closer to home all seemed to track stock and bond markets as investor sentiment swung between fear of economic stagnation and reflationary optimism. Underlying economic data has continued to surprise to the upside, particularly in the US as the pandemic appeared to come under some control and in contrast to Europe where it appeared to regain some of its pace again during the summer re-opening. As we flagged to investors in our commentary for July, we continued to increase the Fund's investments in more cyclically exposed industry sectors and they performed on a like for like basis pretty much in line with the strong secular growth trends that have driven performance for so long now, both together contributing almost 2.5% for the month: long-held banking investments in both Europe and the US performed well and contributed the majority of this cyclical recovery in the Fund, ING, JP Morgan and Silicon Valley Bank amongst them; Abbott Laboratories beat analyst earnings expectations and announced a US-wide roll-out of their new 15-minute Covid-19 testing kit; Nvidia also significantly beat expectations with higher earnings and an impressive range of new high performance chips that were well received by the market; and Alfen, the Dutch decentralised grid and electricity storage systems specialist which also drove higher than expected growth in the quarter. On the other hand, the more defensive and protective components of the Fund detracted just over 1% as safe haven currency exposure and gold investments ceded some of their impressive recent gains. McDonald's put in one of the best performances for the month benefitting from gradual store re-opening, boosting take-out and drive-thru volumes where fortunately we had added to our investment here earlier in the Spring. Looking forward through the fourth quarter to the end of the year, a re-acceleration of Covid-19 risks looms large but progress around testing, treatment and vaccine are all making significant strides and underpinning increased optimism. Further targeted government support for the recovery is likely to be forthcoming where needed and central banks have committed to keeping interest rates lower for longer. However, political risks in the US presidential election and the closing rounds of Brexit negotiations are fraught with nearer term tensions and are likely to create heightened volatility for the weeks ahead.

NOTES

Long-term performance chart: Source: Apex, from 02.03.14 to 28.8.20, A Accumulation share class, net of fees;

Target Benchmark: The Fund aims to grow, over any five-year period, by 3-4% (net of fees) above the rate of the aggregate performance of 50% of the UK Consumer Price Index (CPI) rolling five-year average, and 50% of the FTSE Actuaries UK Conventional Gilts up to five years index, with volatility measured against MSCI World Hedged GBP index over the same period. This is a target benchmark against which the performance of the fund has been set ("Target Benchmark").

Long-term performance table: Fund inception 03.02.2014; Source: Apex, up to 28.8.20, cumulative returns.

Asset Allocation table: Source: Apex, as at 28.8.20; Active FX unhedged currency of underlying investments.

Investment Profile: Source: Apex, Bloomberg, Tellsons as at 28.8.20. Equity Profile - Dividend Yield: based on estimated annual dividends per share; PE/EPS LT Growth: Bloomberg consensus long-term estimates (98% of equity investments); Market Capitalisation: average in GBP; Bond Profile - Running Yield: based on bond coupon and price; Credit quality: weighted average credit quality of bonds; Corporate years: years to maturity or adjusted for issuer redemption options.

Volatility is based on monthly returns over the last 36 months, annualized.

Sharpe ratio for the last 12 months calculated using ICE Libor GBP 3 months as risk-free rate.

Risk Profile: SRRI indicator is published in the Fund prospectus and KIID documents and is known as the "synthetic risk and reward indicator". It 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.

IA Sector quartiles: Source: Financial Express, as at 28.8.20.

Fees: Investment fee plus administration expense = OCF (admin 0.27%) A Fixed Investment Fee 0.75%, OCF 1.02%; SP Fixed Investment Fee 0.40%, OCF 0.67% (available to Charities, Pensions, SIPP, and Endowment investors); PF Performance Fee option carries no Fixed Investment Fee, solely admin expense of 0.27% (plus 20% share of outperformance vs. Performance Benchmark).

Income Yield: This is based on the most recent annualised dividend payable for the A Income (former IF) share class, financial year ended 31.3.2020. Administration costs applicable to the Income Units are expensed to capital and gross income paid out as distribution.



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