

# VAM CLOSE BROTHERS CAUTIOUS FUND (USD) – D CLASS

## Key Features

- Opportunity to de-risk through outsourced investment solutions
- 'Best of breed' manager-of-manager approach adds value through active asset allocation decisions
- Actively managed under a discretionary fund management agreement by Close Brothers Asset Management's highly experienced investment team

## Inception Date

24<sup>th</sup> February 2017

## Underlying Strategy

17<sup>th</sup> October 2011

## Dividends

None: income accumulated within the Fund

## Fund Size (All Share Classes)

\$57.78 Million

## Asset Under Management

(AUM in the Underlying Managed Income Strategy)

£834.70 Million

## Investment Style

Global multi-asset

## Portfolio Managers

### Matthew Stanesby

26 years of investment experience

### Sam Grant-Dalton

7 years of investment experience

### James Davies

12 years of investment experience

## Bloomberg Ticker / Sedol Code

VAMMCDU LX / BD31MD7

## ISIN

LU1558094857

## Dealing Day

Daily ([www.vam-funds.com](http://www.vam-funds.com))

## Currency

The Fund is available in USD, SGD, AUD, GBP and EUR share classes, the base currency being GBP

## Cut-off time

4.00p.m. CET on the business day prior to a valuation day

## TER

1.15%

## Initial Charge

None

## Annual Management Charge

0.85% per annum (for share class D). In addition, specific to share class D, a 10% performance fee may be earned on growth in excess of a hurdle rate of 6% per annum.

## Share Class Hedging

The performance of US Dollar share class mirrors that of the main Fund portfolio which is UK Sterling-denominated. The US Dollar share class has been hedged against the UK Sterling to mitigate the currency risk.

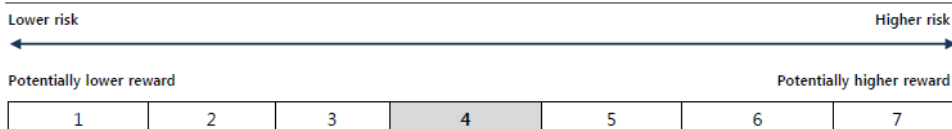
tel +230 465 6860 fax +230 465 0853 email [marketing@vam-funds.com](mailto:marketing@vam-funds.com)  
website [www.vam-funds.com](http://www.vam-funds.com)

## OBJECTIVE

The objective of the Fund is to provide long-term capital appreciation through income and moderate capital growth. The Fund will, directly or indirectly, gain exposure to equities and similar securities, fixed income instruments (including convertible instruments) and/or money market instruments. The Fund may gain exposure to assets worldwide without any restriction in relation to the currency of denomination of the assets to which exposure is obtained.

The Fund's direct and/or indirect exposure to equities and similar securities of issuers worldwide may vary between 20% and 60%, and its exposure to fixed income instruments (including sovereign or corporate fixed income instruments of issuers worldwide and of any credit rating as well as convertible instruments) and/or money market instruments may vary between 30% and 80% of the Fund's net assets.

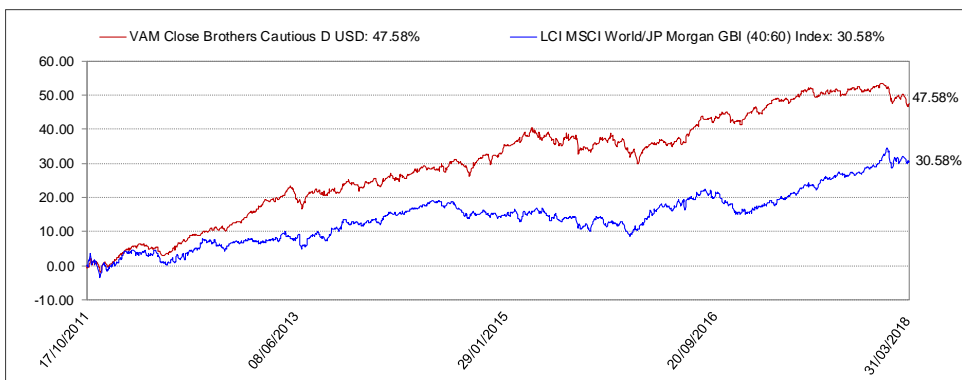
## RISK AND REWARD PROFILE



## TOTAL RETURN (%)\* (as of 31/03/2018)

	Cumulative					Annualised			
	1 Year	3 Year	5 Year	10 Year	Inception	3 Year	5 Year	10 Year	Inception
VAM Close Brothers Cautious D USD (Fund)	-0.60	6.67	23.76	-	47.58	2.17	4.35	-	6.21
LCI MSCI World/JP Morgan GBI (40:60) Index (Benchmark)	9.22	13.92	21.22	-	30.58	4.43	3.92	-	4.22

## CUMULATIVE PERFORMANCE\* SINCE INCEPTION OF UNDERLYING STRATEGY (17/10/2011 TO 31/03/2018)



\*The performance is based on the performance of the underlying strategy (launched on 17<sup>th</sup> October 2011), net of VAM fees. As from 30<sup>th</sup> November 2015, the performance has been prepared by VAM Managed Funds (Lux), based on the performance of the A share class, up until 24<sup>th</sup> February 2017 when VAM Close Brothers Cautious Fund USD D class was launched. The performance is Sterling-based and assumes annual management fee of 0.85% (adjusted to reflect fee differential). Hypothetical performance is not necessarily indicative of future performance. This fact sheet constitutes a Minimum Disclosure Document (MDD).

**PERFORMANCE STATISTICS\* (Annualised 5 Years)**

	Fund
Standard Deviation	4.71

**Highest and lowest calendar year performance\* since inception**

	Fund
High	11.86%
Low	3.68%

**TOP 10 HOLDINGS**

	Fund
JAN HND Strat BD FD-I INC	5.31%
Fidelity Strategic BD-NET-Y	4.96%
PFS 24 INV L Gros INC GBP	4.30%
Schroder Strategic Credit-LI	4.01%
JPM US Equity Income-C-INC	3.75%
Newton Global Income-I-W-A	3.53%
Kames Invest Grade BND-B-INC	3.36%
SVS CH Invest GR FIX INT-INC	3.35%
Royal London SH DU GHY-Z	3.32%
Thread UK EQY ALP INC-ZI-GBP	3.28%

**ASSET CLASS ALLOCATION**

	Fund
Global Equity	5.45%
UK Equity	16.98%
US Equity	7.05%
Europe Equity	6.68%
Japan Equity	3.06%
Asia ex-Japan Equity	2.26%
EM Equity	2.93%
UK Government FI	2.10%
UK Corporate FI	13.51%
Other FI	27.27%
UK Property Alts	3.76%
Infrastructure Alts	4.62%
Absolute Return Alts	1.43%
Cash	2.90%

**Global Distributor**

VAM Marketing Limited, 11<sup>th</sup> Floor, Tower 1, NeXTeracom Building, Cybercity, Ebene, Mauritius

**Investment Manager**

Close Asset Management Limited, 10, Exchange Square, Primrose Street, London EC2A 2BY

**Management Company**

VAM Global Management Company SA, 16, rue Jean-Pierre Brasseur, L-1258 Luxembourg

**Depository and Principal Paying Agent**

VP Bank (Luxembourg) SA, 26, avenue de la Liberté, L-1930 Luxembourg

**Principal Legal Advisers**

Elvinger Hoss Prussen, 2, Place Winston Churchill, L-1340 Luxembourg

**Auditors**

Ernst & Young S.A., 35E, avenue John F. Kennedy, L-1855 Luxembourg

Date of issue: 16/04/2018

VAM Close Brothers Cautious Fund is a compartment of VAM Managed Funds (Lux).

Annualised return is the weighted average compound growth rate over the performance period measured. Actual annual figures are available to investors on request.

Sources: Close Brothers Asset Management and Lipper IM. Close Brothers Asset Management is a trading name for Close Asset Management Limited. \*The performance is based on the performance of the underlying strategy (launched on 17<sup>th</sup> October 2011), net of VAM fees. As from 30<sup>th</sup> November 2015, the performance has been prepared by VAM Managed Funds (Lux), based on the performance of the A share class, up until 24<sup>th</sup> February 2017 when VAM Close Brothers Cautious Fund USD D class was launched. The performance is Sterling-based and assumes annual management fee of 0.85% (adjusted to reflect fee differential). Hypothetical performance is not necessarily indicative of future performance. Performance does not include the impact of any subscription fees, if applicable. The performance data shown above represents past performance and does not guarantee future results. Current performance may be lower or higher than the performance data quoted. All rates of return include reinvested dividends and are net of all management and performance fees. Fund holding information upon which the above percentage allocation information is calculated was provided by Close Brothers Asset Management and is presented on a trade date basis of 31/03/2018. Close Brothers Asset Management is not the Depository Bank or Administrative Agent of the Fund and the information has not been reconciled to the Depository Bank's portfolio statements. Pricing of securities varies depending on pricing sources and methodology.

# DISCLAIMER

Issued by VAM Managed Funds (Lux), an open-ended SICAV with multiple compartments, organised in accordance with Part 1 of the Luxembourg Investment Fund Law dated 17<sup>th</sup> December 2010 (UCITS V).

VAM Funds refers to either or both of VAM Funds (Lux) and VAM Managed Funds (Lux), each incorporated in Luxembourg as a SICAV and regulated by the CSSF as a UCITS. Both have designated VAM Global Management Company SA to provide collective investment services, and VAM Global Management Company SA delegates the provision of certain of these services to third parties, including to other members of the VAM Group. Each SICAV has its own Board of Directors, has no employees and is independent of the VAM Group.

VAM or VAM Group refers to the group of companies whose parent company is VAM GLOBAL S.à r.l., incorporated in Luxembourg, whose subsidiaries include VAM Global Management Company SA in Luxembourg and VAM Marketing Limited and MATCO Limited in Mauritius. Neither of the VAM Funds is a member of the VAM Group.

## IMPORTANT NOTICE

The distribution of this document and the offering of the shares may be restricted in certain jurisdictions. It is the responsibility of any person in possession of this document to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdictions.

Prospective applicants for shares should inform themselves as to the legal requirements and consequences of applying for, holding and disposing of shares and any applicable exchange control regulations and taxes in the countries of their respective citizenship, residence or domicile.

This document does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer is not qualified to do so to anyone to whom it is unlawful to make such offer or solicitation.

Persons interested in acquiring funds should inform themselves as to (i) the legal requirements in the countries of their nationality, residence, ordinary residence or domicile; (ii) any foreign exchange controls; and (iii) any relevant tax consequences. VAM Managed Funds (Lux) is not registered under any US securities law, and their funds may not be offered or sold in the USA, its territories or possessions, nor to any US persons. VAM Managed Funds (Lux) funds are not offered for sale in any jurisdiction in which they are not authorised to be publicly sold. The funds are available only in jurisdictions where their promotion and sale are permitted. For the purposes of UK law, funds are recognised schemes under section 264 of the Financial Services & Markets Act 2000. The protections provided by the UK regulatory system, for the protection of retail clients, do not apply to offshore investments. Compensation under the UK's Financial Services Compensation Scheme will not be available and UK cancellation rights do not apply. The funds are authorised by the Financial Conduct Authority in the UK.

Applicants are assumed to have read and understood the prospectus and accept the risks of an investment in VAM Managed Funds (Lux). In particular, it is understood that they are aware that the portfolio of securities relating to each of the sub-funds of VAM Managed Funds (Lux) is subject to market fluctuations and to the risks inherent in all investments, and that the price of shares and any income from the shares may go down as well as up, and that the sub-funds of VAM Managed Funds (Lux) may be subject to volatile price movements which may result in capital loss.

Past performance is not necessarily a guide to future performance. No guarantee is provided, either with respect to the capital or the return of the fund. The value of participatory interests or the investments may fluctuate in value and may fall as well as rise. Changes in the rates of exchange may also cause the value of a portfolio to rise or fall. An investor may not receive back the amount of its investment. Actual investment performance will differ based on the initial fees' charge applicable, the actual investment date, the date of reinvestment and dividend withholding tax.

VAM Global Management Company SA (the "Management Company") ensures that reinvestment of income is calculated on the actual amount distributed per participatory interest, using the ex-dividend date net asset value ("NAV") price of the applicable class of the fund, irrespective of the actual reinvestment date.

Performance figures quoted for the fund are from Lipper for Investment Management as at the date of this document for a lump sum investment, using NAV to NAV with income reinvested, and do not take any upfront manager's charge into account.

The Management Company ensures that publishing of performance of a portfolio is based on performance calculations which are done on a NAV to NAV basis over all reporting periods, provided that, where a NAV is not available, the value used to calculate the performance is clearly stated and a description of how the figures were calculated is provided.

A fund of funds is a portfolio that invests in portfolios of collective investment schemes that levy their own charges which could result in a higher fee structure.

# DISCLAIMER

Investments in foreign securities may include additional risks such as potential constraints on liquidity and repatriation of funds, macro-economic risk, political risk, foreign exchange risk, tax risk and settlement risk, as well as potential limitations on the availability of market information.

The risk and reward indicator illustrates where the fund is positioned in terms of its possible risk and reward. The higher the fund's position on this scale, the greater the possible reward, but also the greater risk of losing money. This risk indicator is calculated using historical data which cannot be used as a prediction for the future. Therefore, the risk classification may change over time. Even if the fund is in the lowest risk class, an investor can lose money, as no investments are entirely risk-free.

The risk and reward indicator has been calculated using simulated historical performance data (only where applicable) which may not be a reliable indicator of the fund's future risk and reward profile.

This fund's category is shown on the first page of the factsheet.

The following risks are not fully reflected in the classification but still influence the fund's value. Further information about risk can be found in the prospectus which is available at [www.vam-funds.com/library/reports/?share=a](http://www.vam-funds.com/library/reports/?share=a).

*Liquidity risk (where applicable):* Some of the assets of the fund may become difficult to sell at a certain time and for a reasonable price.

*Emerging market risk (where applicable):* The fund invests in securities in Emerging Markets which can be subject to economic and political instability, less developed legal infrastructure, possibility of large currency fluctuations or low liquidity in local markets.

*Interest risk (where applicable):* The fund invests in bonds whose value is affected by changes in the interest rates.

*Currency risk (where applicable):* The fund invests in securities that are issued in currencies other than the base currency of the fund. As a result, the fund is subject to currency risk which arises from changes in the exchange rates between countries.

*Derivative risk (where applicable):* The fund uses derivatives which are financial instruments whose value depends on the value of an underlying asset. Small price changes in the underlying asset can result in large price changes of the derivative.

This document is being provided strictly in confidence and for information purposes only. No reliance may be placed for any purpose whatsoever on the information contained in this document or on its completeness. This document may not be reproduced, transferred to any other person or used for any other purpose without the written consent of VAM Managed Funds (Lux). This document is intended for distribution to professional intermediaries and advisers only.

Subscriptions may only be accepted based on the information contained in the prospectus of the fund and its annual and semi-annual reports.

VAM Managed Funds (Lux) has been approved in South Africa as a foreign Collective Investment Scheme under section 65 of the Collective Investment Schemes Control Act 2002. A potential investor will be capable of investing in VAM Managed Funds (Lux) only upon conclusion of the appropriate investment agreements and provided the relevant investor complies with any applicable exchange control requirements. Collective Investment Schemes ("CIS") are generally medium to long-term investments. CIS portfolios are traded at ruling prices and can engage in borrowing and script lending. A schedule of fees and charges, as well as maximum commission, is available on request from the Management Company. Performance methodologies can be obtained upon request from VAM Managed Funds (Lux) on [marketing@vam-funds.com](mailto:marketing@vam-funds.com). All rates of return include reinvested dividends and are net of all management and performance fees.

A performance fee, where applicable, may be paid to the Management Company on a quarterly basis. The Management Company will be entitled to a performance fee calculated and due in respect of each Valuation Day for each share and fraction thereof in issue for any specific fund, at the specified rate of the difference, if positive, between:

- the NAV per share before deduction of the daily performance fee to be calculated, but after deduction of all other fees attributable to the respective class of shares, including but not limited to the management fee; and
- the greater of ("high water mark")
  - (i) the highest NAV per share of the class recorded on any preceding day during the same financial year of the fund; and
  - (ii) the last NAV per share of the class recorded for the immediately preceding financial year of the fund;

each of them increased on a prorata temporis basis by a rate of 6% p.a. (the "hurdle rate").

In relation to classes of shares launched during the financial year of the fund, the initial high water mark shall be equal to the initial subscription price of such class of shares. Performance of classes of shares in currencies other than the reference currency of the fund shall be measured in the currency of such classes of shares.

# DISCLAIMER

This document and any attachments to it constitute factual, objective information about the fund and nothing contained herein should be construed as constituting any form of investment advice or recommendation, guidance or proposal of a financial nature in respect of any investment issued by VAM Managed Funds (Lux) or any transaction in relation to VAM Managed Funds (Lux). VAM Managed Funds (Lux) is not a financial services provider in South Africa and nothing in this document should be construed as constituting the canvassing for, or marketing or advertising of, financial services by VAM Managed Funds (Lux) in South Africa.

Financial services providers to whom this document is addressed may only distribute it to clients who have already invested in policies issued by licensed South African long-term insurers, as aforesaid, for information purposes only and for no other reason whatsoever.

All transactions should be based on the latest available prospectus, the Key Investor Information Document ("KIID") and any applicable local offering document. These documents, together with the annual report, semi-annual report and the articles of incorporation for the Luxembourg domiciled product(s), are available in English on the VAM website (<http://www.vam-funds.com/library>) or from the office of VAM Global Management Company SA, 16, rue Jean-Pierre Brasseur, L-1258 Luxembourg.

VAM Managed Funds (Lux) reserves the right to close a compartment or one or more share classes within a compartment. VAM Managed Funds (Lux) may also set up new compartments and/or create within each compartment one or more share classes.

This is a promotional document.