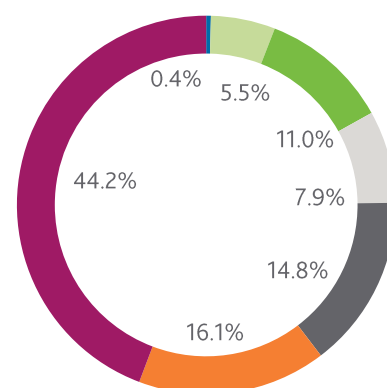


Objective	To deliver returns greater than cash or inflation (whichever is the higher) over the long term, 5 years, through a mixture of capital growth and some income. The fund will typically have more than half the portfolio in equities but this can vary.				
Manager	Equilibrium Investment Management LLP	ISIN	GB00BYXHQW91	Annual Management Charge (AMC)	0.25%
ACD	Investment Funds Services Limited	Sedol	BYXHQW9	Ongoing Charges Figure (OCF)	1.20%
Fund Type	Open Ended Investment Company (OEIC)	No. Holdings	42		
Launch Date	1 November 2017	Fund Size	£64.6m		

Fund holding breakdown

Portfolio	Security	Weight %
Liquidity	Cash	0.4
Short Dated Fixed Interest	Royal London Short Duration High Yield	2.1
	TwentyFour Absolute Credit	2.2
	Semper MBS Total Return	1.3
Fixed Interest	iShares Corporate Bond Index	2.5
	Jupiter Strategic Bond	2.5
	Royal London Extra Yield Bond	2.6
	TwentyFour Dynamic Bond	2.5
	L&G All Stocks Index Linked Gilt Index	0.7
Property	Kames Property Income	2.4
	Standard Life UK Real Estate	1.3
	Aviva UK Property	1.5
	Time Commercial Freehold	2.7
Defined Returns	Societe Generale FTSE Autocall Dec 2017	3.8
	JP Morgan FTSE Autocall Sep 2018	3.1
	Morgan Stanley FTSE/S&P Autocall Feb 2019	0.9
	Atlantic House Defined Returns	2.0
	Credit Suisse FTSE/S&P Autocall Jan 2018	2.9
	Citigroup FTSE/S&P Autocall Jan 2019	1.1
Alternative Equity	Morgan Stanley FTSE/S&P Autocall Mar 2019	1.0
	H2O Multi>Returns	3.0
	Odey Absolute Return	2.6
	Janus Henderson UK Absolute Return	2.0
	Lazard Global Listed Infrastructure	2.0
	Carmignac Long Short European Equity	2.5
	Polar Capital UK Absolute Equity	2.0
Foresight UK Infrastructure Income	2.0	
UK Conservative Equity	Royal London UK Equity Income	1.7
	Miton UK Multi Cap Income	1.8
	Rathbone Income	1.7
UK Dynamic Equity	Lindsell Train UK Equity	3.2
	Miton UK Value Opportunities	3.6
	Marlborough Special Situations	3.6
	Polar Capital UK Value Opportunities	1.1
Global Established Equity	Baillie Gifford Japanese	3.8
	BlackRock European Dynamic	2.2
	Miton European Opportunities	2.2
	Schroder Tokyo	3.8
	Vanguard US Equity Index	4.4
Global Speculative Equity	Goldman Sachs India	2.6
	Invesco Hong Kong & China	4.2
	Schroder Asian Alpha	4.3



Key recent changes

February 2019

From: Morgan Stanley FTSE/S&P Autocall Feb 2018

To: Morgan Stanley FTSE/S&P Autocall Feb 2019 & Semper MBS Total Return

March 2019

From: Short dated fixed interest

To: Morgan Stanley FTSE/S&P Autocall Mar 2019

From: L&G All Stocks Index Linked Gilt Index

To: Short dated fixed interest

From: Lazard Global Listed Infrastructure

To: Foresight UK Infrastructure Income

April 2019

From: iShares FTSE 100 ETF

To: UK Dynamic equity and short dated fixed interest

From: Alternative equity funds

To: Polar Capital UK Absolute Equity

From: Merian GEAR

To: Alternative equity and short dated fixed interest

Please note that the fund percentages shown are subject to rounding which can mean that they do not add up to 100%.

Commentary

Stock markets generally rose in April, continuing their recovery from the sell-off towards the end of 2018.

For example, after hitting a low of 6,694 on 3 January the FTSE 100 rose as high as 7,523 on 23 April, before dropping back a little to close the month at 7,418.

Many of the concerns that worried investors towards the end of last year have receded somewhat.

The US Federal Reserve now appears to have put any further interest rate increases on hold, and the first quarter growth for the US economy surpassed expectations. It may be that the growth figures were boosted by stockpiling ahead of future trade tariffs, but even so fears of a slowdown appear to have receded.

Growth in China also appears to have picked up following a slower period, and the so-called trade war in the US appears to be on hold for now.

In the UK, markets have been hit by Brexit related uncertainty which has held down the value of UK domestic equities and has also hurt commercial property funds. Whilst we still don't have the certainty markets crave, the chance of a disorderly Brexit shock in the next few months has dramatically reduced.

In April we sold the iShares FTSE 100 ETF which we'd purchased as part of a "volatility trade" when markets were low. Having banked a gain on this trade, we have put a small part of it back into UK Dynamic equities which we think look good value with international investors very underweight the UK.

In February one of our defined returns products kicked out providing a 12.85% return over 12 months despite relatively flat markets. We partially reinvested this into further defined returns products but, as with the volatility trade, have also switched some of the proceeds into lower risk assets. As markets risen we have therefore banked gains and now hold less equities and defined returns than we did at the start of the year.

We have recently made some changes to our alternative equity portfolio, adding in a second infrastructure fund and a "long/short" equity fund which can bet on markets and individual stocks to rise or fall. After a period of underperformance, we also decided to sell the Merian GEAR fund in April.

Over the quarter we reduced index linked gilts as their value rose ahead of the planned Brexit date.

We'd always thought this fund would be a good Brexit hedge and with this uncertainty now reduced we have taken some of the gains. We still hold a small position and will top up again should this asset class become more attractive again.

Since launch on 1 November 2017 the fund has returned 4.0%. To put this into context, the average fund which holds between 20% and 60% in equities (the FE UT Mixed Investment 20%-60% Shares sector) rose by 2.29% over the same period.

Performance

Rolling total returns

3 Months (30/01/19-30/04/19)	6 Months (30/10/18-30/04/19)	1 Year (30/04/18-30/04/19)	-	-
6.63%	6.68%	3.28%	-	-

Discrete annual total returns

2018 (31/12/17 - 31/12/18)	-	-	-	-
-5.60%	-	-	-	-

Notes and risk information

All data is from 30 April 2019 and collated by Equilibrium Investment Management LLP. Performance data sourced from FE Analytics. The views expressed herein should not be taken as statements of fact or relied upon when making investment decisions.

Past performance is never a guide to future performance. Investments may (will) fall as well as rise and you may not get back your original investment. Changes in currency exchange rates or interest rates may have an adverse effect on the value of your investments.

Investment Fund Services Limited (IFSL) is the Authorised Corporate Director (ACD) of the IFSL Equilibrium OEIC. IFSL is registered in England No. 06110770 and is authorised and regulated by the Financial Conduct Authority. Registered office: Marlborough House, 59 Chorley New Road, Bolton, BL1 4QP. Copies of the Prospectus and Key Investor Information Document are available in English from www.ifslfunds.com or can be requested as a paper copy by calling 0808 178 9321 or writing to IFSL at the above address. Investors should refer to these for further details on the fund's investment objectives, policy and associated risks.

AMC: the fee that Equilibrium Investment Management LLP receives. OCF: the overall cost of running the fund including the AMC.

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