

# THE HAWKSMOOR DISTRIBUTION FUND

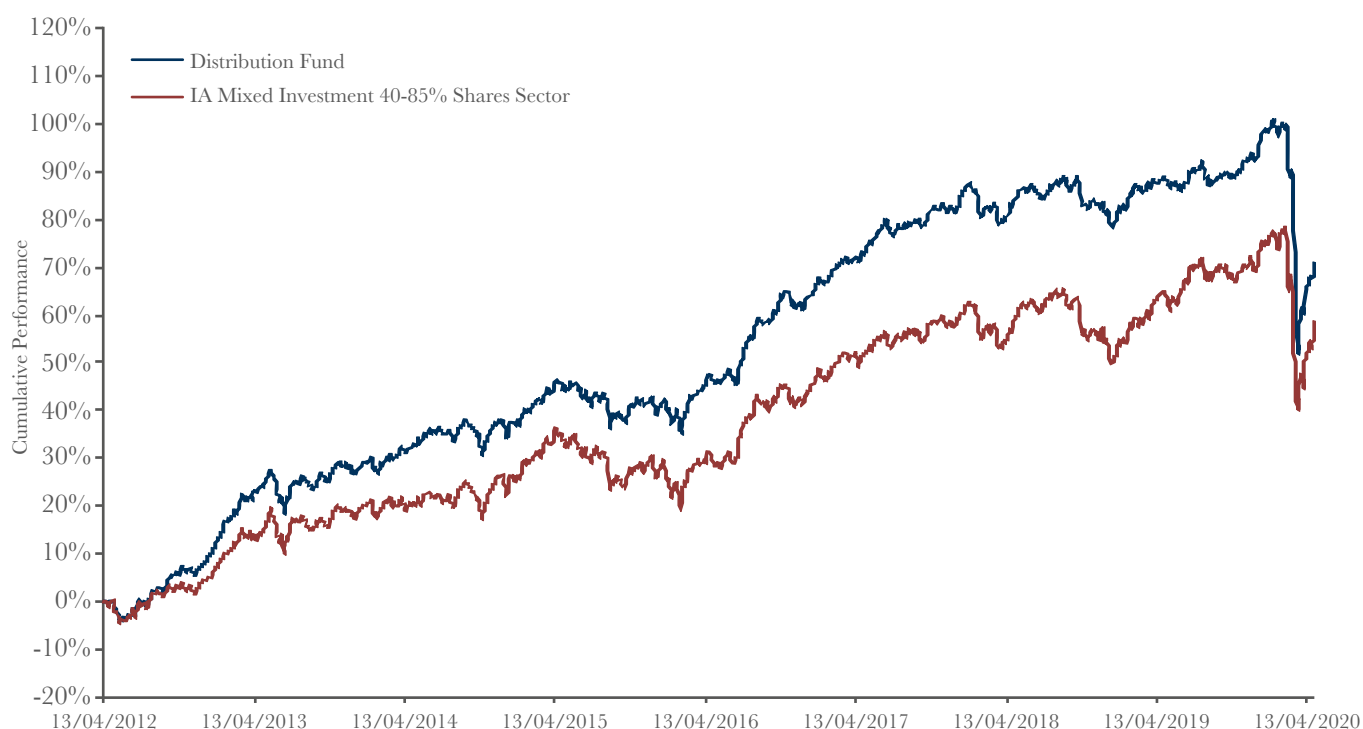


## THE ONE-STOP INVESTMENT SOLUTION FOR INCOME AND GROWTH

The Hawksmoor Distribution Fund aims to deliver an attractive and growing level of income alongside longer term capital growth by investing in a range of asset classes which include equities, bonds, property, and alternative investments. The Fund has consistently delivered a historic yield comfortably in excess of a composite benchmark\* of financial assets as well as first quartile total returns since launch.

The Fund is a constituent of the Investment Association Mixed Investment 40-85% Shares Sector and abides by its minimum and maximum equity guidelines but otherwise adopts a highly active and truly multi asset approach in seeking to deliver its primary goal of attractive and sustainable income for investors.

**Since launch, the Distribution Fund's total return (with income reinvested) has outperformed its Sector.**



Source: FE Analytics GBP Total Return C Acc, 13/04/2012 to 30/04/2020.

**Historic Yield:** 4.86% (at 30/04/2020)

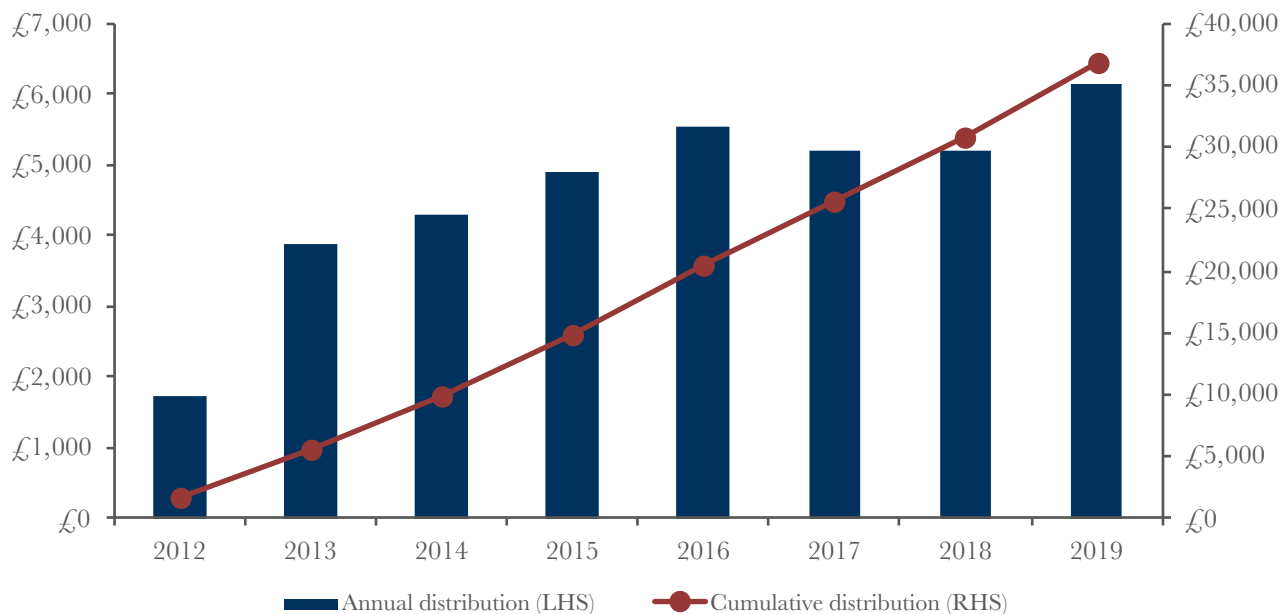
**\*Composite Benchmark Yield:** 3.35% (at 30/04/2020)

Equally weighted historic yields of the following IA Sectors: Global Equity Income, Standard Money Market, UK Direct Property, Sterling Strategic Bond, UK Equity Income.



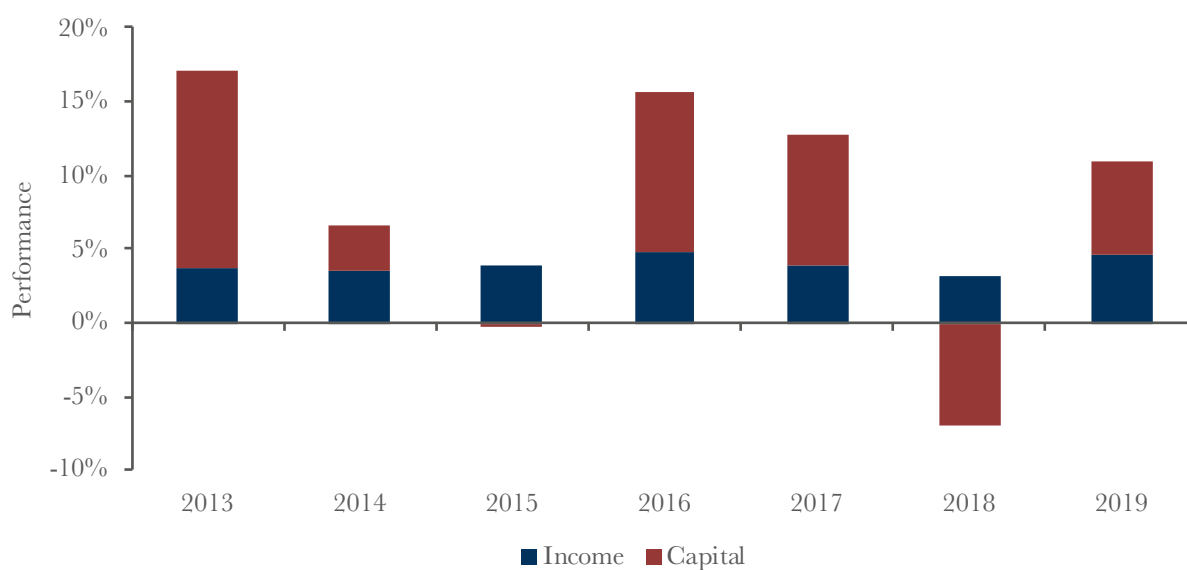
## Stability of income

Based on £100,000 invested at launch, the cumulative income an investor would have received (red line) to the 31st December 2019 was £36,924, and the capital would have been worth £149,136. We aim to grow the annual distribution (blue bar) each year in order to maintain an attractive distribution yield for new and existing investors.



Source: Internal C Inc, 13/04/2012 to 31/12/2019. Historic yield and prospective yield calculated internally as at 31/12/2019.

The composition of returns shows a stable level of income for investors (blue bars) in each calendar year, with positive capital returns (red bars) in 5 out of 7 discrete calendar years.

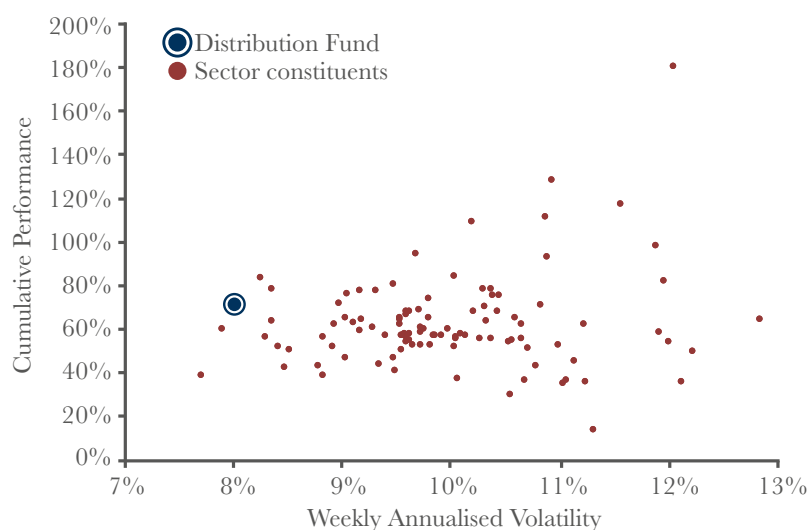


Source: FE Analytics GBP C Inc, annual from 31/12/2012 to 31/12/2019.

## More than an income fund

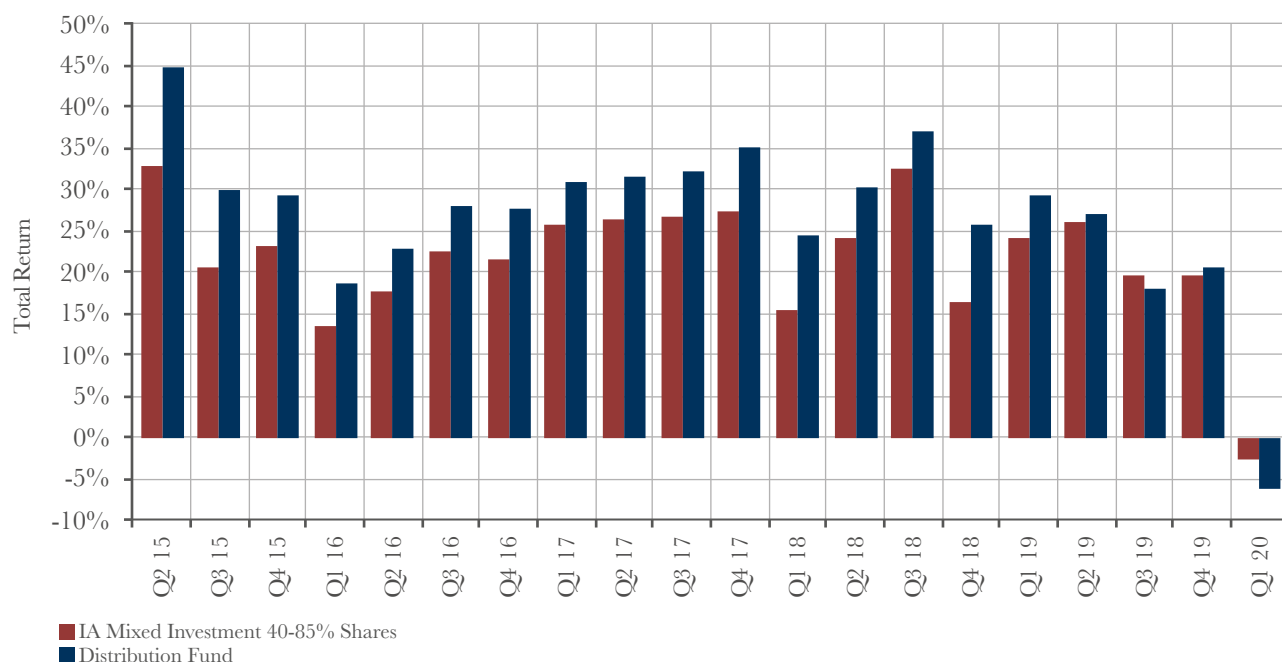
The Distribution Fund is a 'balanced income' fund – meaning it is suitable for investors who are looking for an attractive **total return** with a risk profile between that of our Vanbrugh and Global Opportunities Funds, regardless of the need for income. The Distribution Fund is the 3rd least volatile fund out of 103 in the sector.

Discrete performance % growth	2012 (from launch on 13/04/2012)	2013	2014	2015	2016	2017	2018	2019
Distribution Fund	10.1	17.2	6.6	3.6	15.7	12.8	-3.6	11.0
IA Mixed Investment 40-85% Shares Sector	4.8	14.6	5.0	2.8	12.9	10.0	-6.1	15.8
Quartile in Sector	1	2	2	2	2	1	1	4



Source: FE Analytics GBP Total Return C Acc, 30/04/2020. Sector: IA Mixed Investment 40-85% Shares.

The Fund has delivered strong, long-term capital growth, not only since launch, but over three year rolling periods. Our robust and repeatable process means that no matter when investors choose to invest with us, we have been able to achieve sector-beating performance.



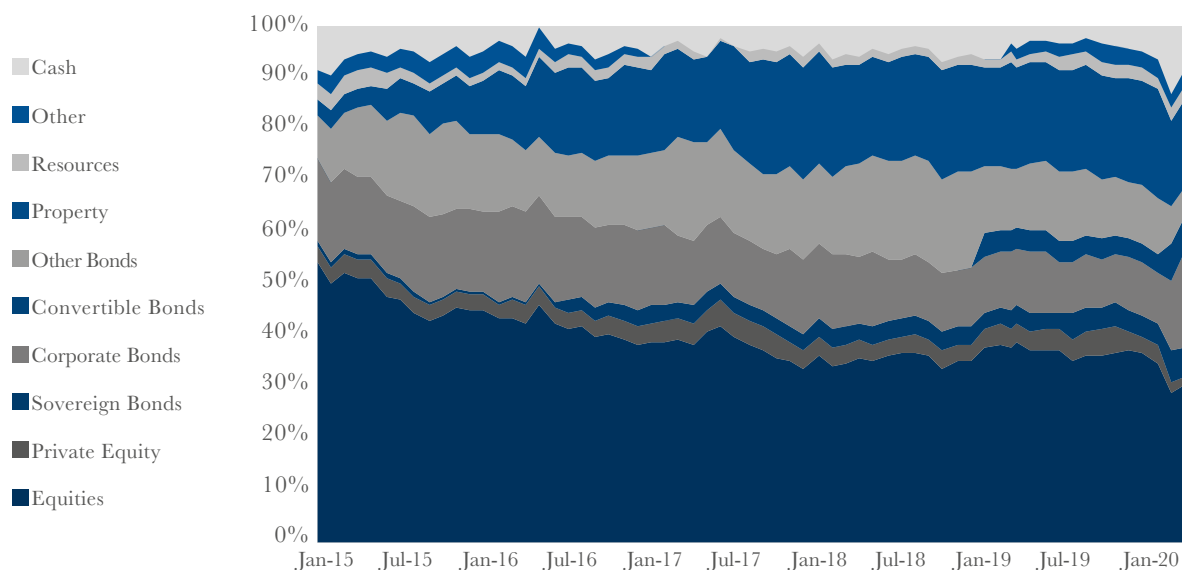
Source: FE Analytics C Acc, quarterly from 31/03/2012 to 31/03/2020.

## About our process

### Active management

We have an **unconstrained approach to asset allocation** and our Funds are **actively managed**, so their composition can change noticeably through the market cycle.

For example, from the end of January 2015 to the end of April 2020, the Distribution Fund's exposure to Equities reduced from 54% to 31% and exposure to Property increased from 3% to 17%.

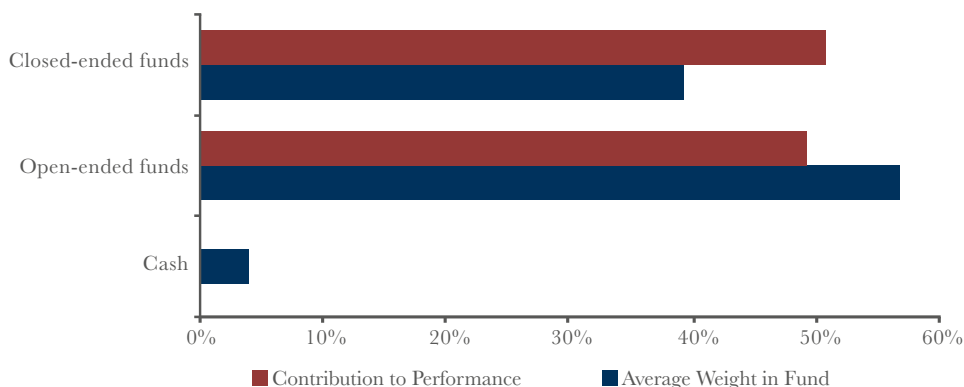


Source: Internal, 31/01/2015 to 30/04/2020.

### Investment trusts

We have proven experience in the closed-ended fund arena, including investment trusts. This is an area frequently ignored by other fund-of-funds managers, but it has been a source of significant value for our Funds. Closed-ended funds not only provide exposure to specialist assets that either cannot (e.g. private equity) or should not (e.g. property) be owned via open-ended funds, but they also frequently give the opportunity to invest in the shares of funds at a discounted price to the market value of the investments in the funds' portfolios (normally referred to as 'standing at a discount to net asset value').

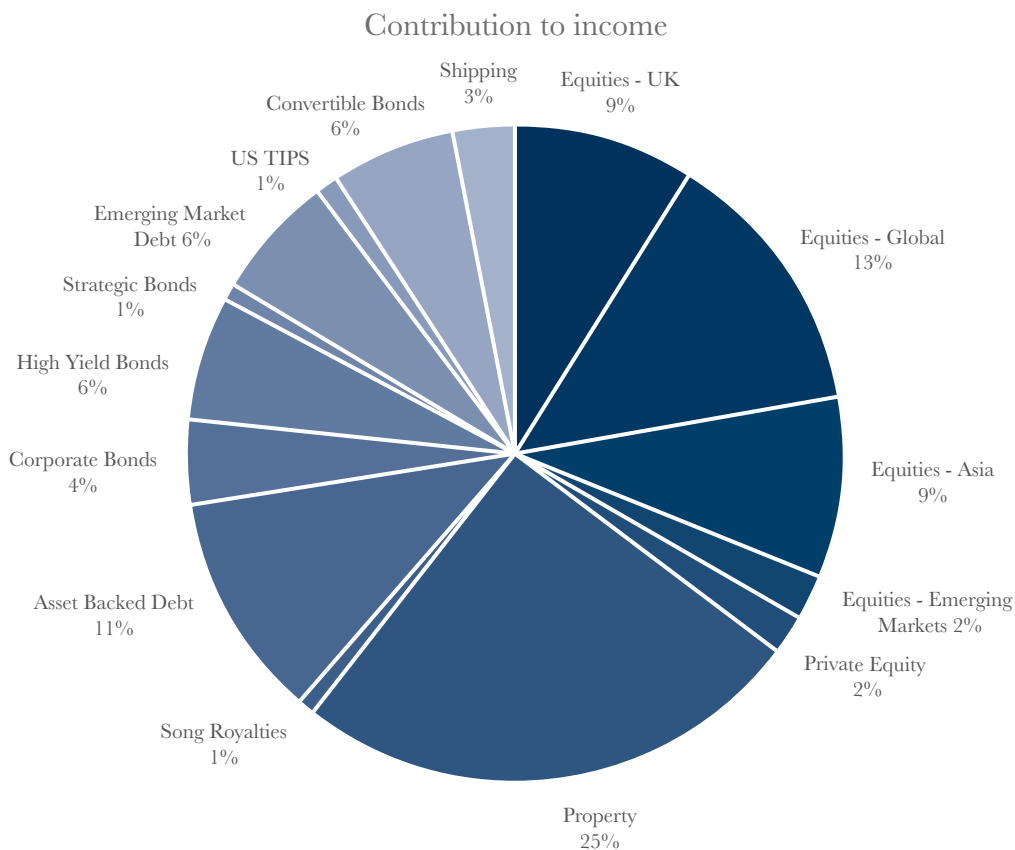
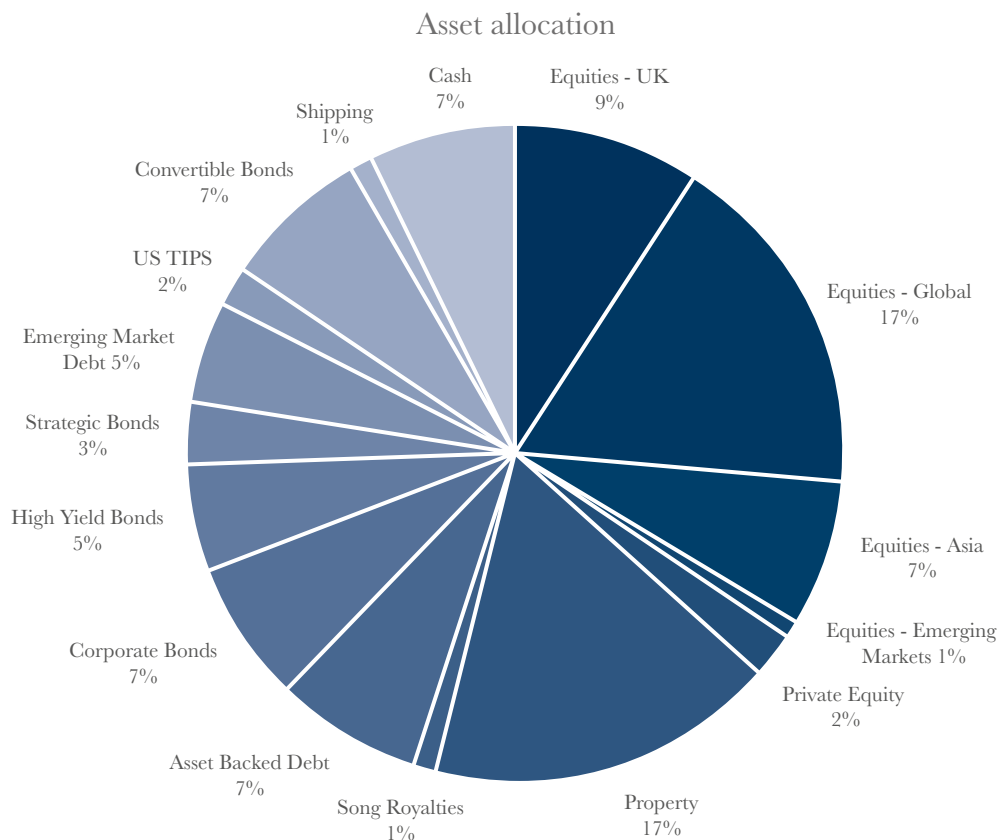
In the last 5 years, investment trusts have been a big positive contributor to our Funds' returns, with their contribution to performance far in excess of their overall weight in the Funds. This can apply equally in rising markets and falling markets.



Source: Internal and FE Analytics, 31/12/2014 to 31/12/2019.

## Diversification

The Distribution Fund is diversified by geography and asset class, with income generated across each of these sectors, although some sectors provide a higher contribution to the income than others.



Source: Internal, 30/04/2020.



From left to right: Ben Mackie, Ben Conway, Daniel Lockyer, Dan Cartridge, Hannah Isaac, David Chapman and Charlotte Sternberg (not pictured).

**“The true objective of any long term investor is maximum total real return after taxes”**

*Sir John Templeton (1912-2008)*

## Contact us:

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