



MI HAWKSMOOR DISTRIBUTION FUND

QUARTERLY REPORT
Q3 2021



For investors who are looking to receive an attractive level of income, above that of a composite index of financial assets, whilst achieving capital growth on their investments over the medium term to long term.

KEY POINTS THIS QUARTER

- Distribution returned 2.1%, outperforming the sector by 0.8%
- We introduced two new holdings, and exited three positions
- Real asset and private equity exposure was increased
- Convertible and conventional bond exposure was reduced

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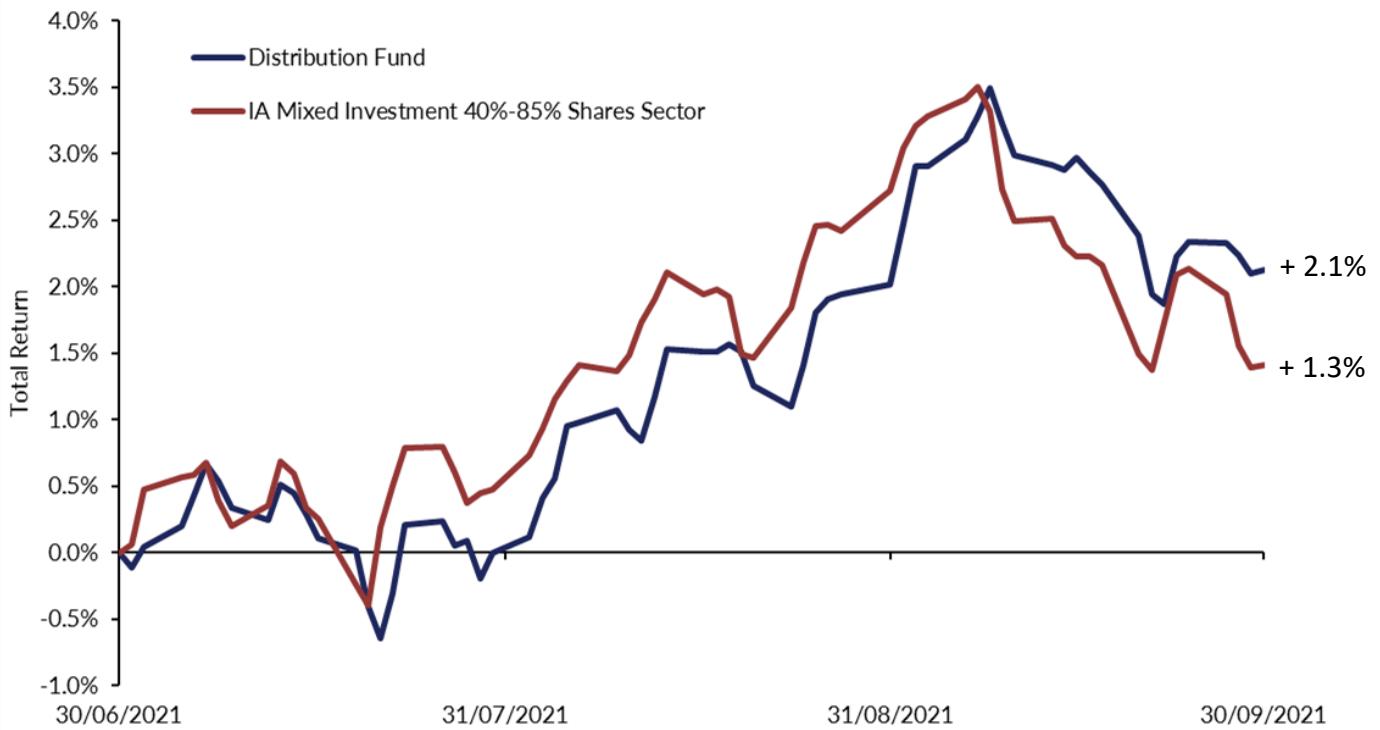
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QUARTERLY FUND PERFORMANCE

- Rising charter rates in the shipping industry fed through to strong performance for shipping investment trusts Taylor Maritime and Tufton Oceanic
- Jupiter Japan Income benefited from strong Japanese equity markets as incumbent prime minister Suga stepped down
- Jupiter Gold & Silver was weak as real yields rose



Largest contributors:

- Taylor Maritime: +0.60%
- Tufton Oceanic: +0.48%
- Jupiter Japan Income : +0.34%

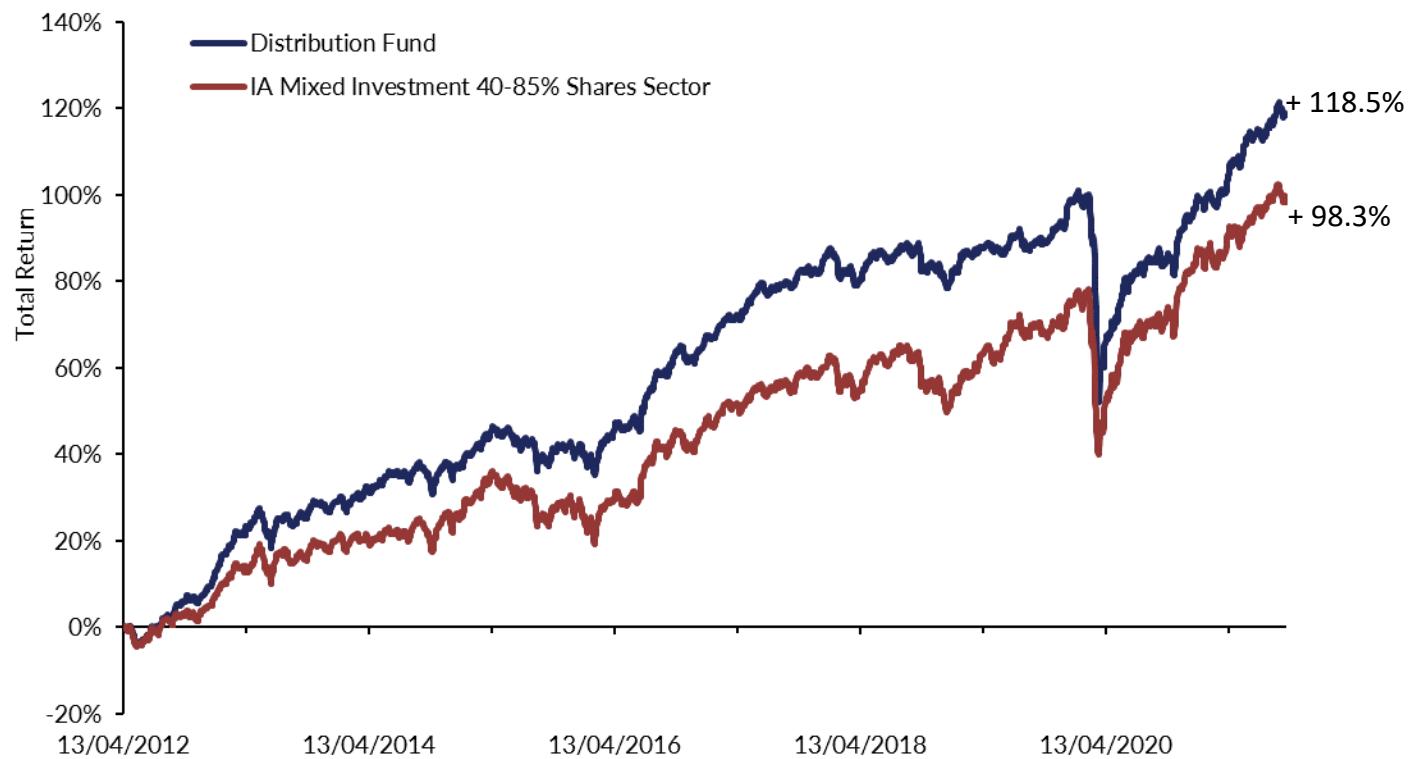
Largest detractors:

- Jupiter Gold & Silver: -0.47%
- Polar Capital Global Convertibles: -0.14%
- Oakley Capital Investments: -0.13%

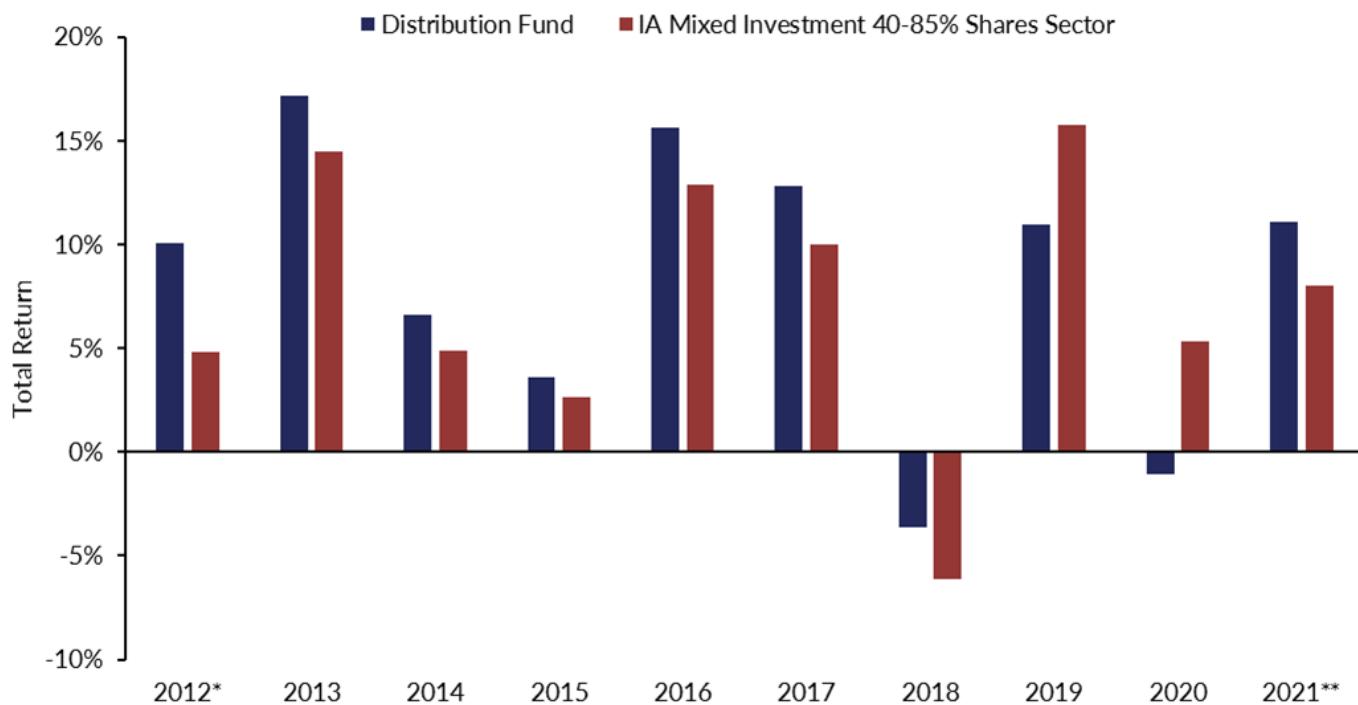
Source: FE Analytics, 30/06/2021 to 30/09/2021 (top). FE Analytics and internal, 30/06/2021 to 30/09/2021, all approximate and assumes static weights throughout period (bottom).

SINCE LAUNCH FUND PERFORMANCE

Cumulative performance

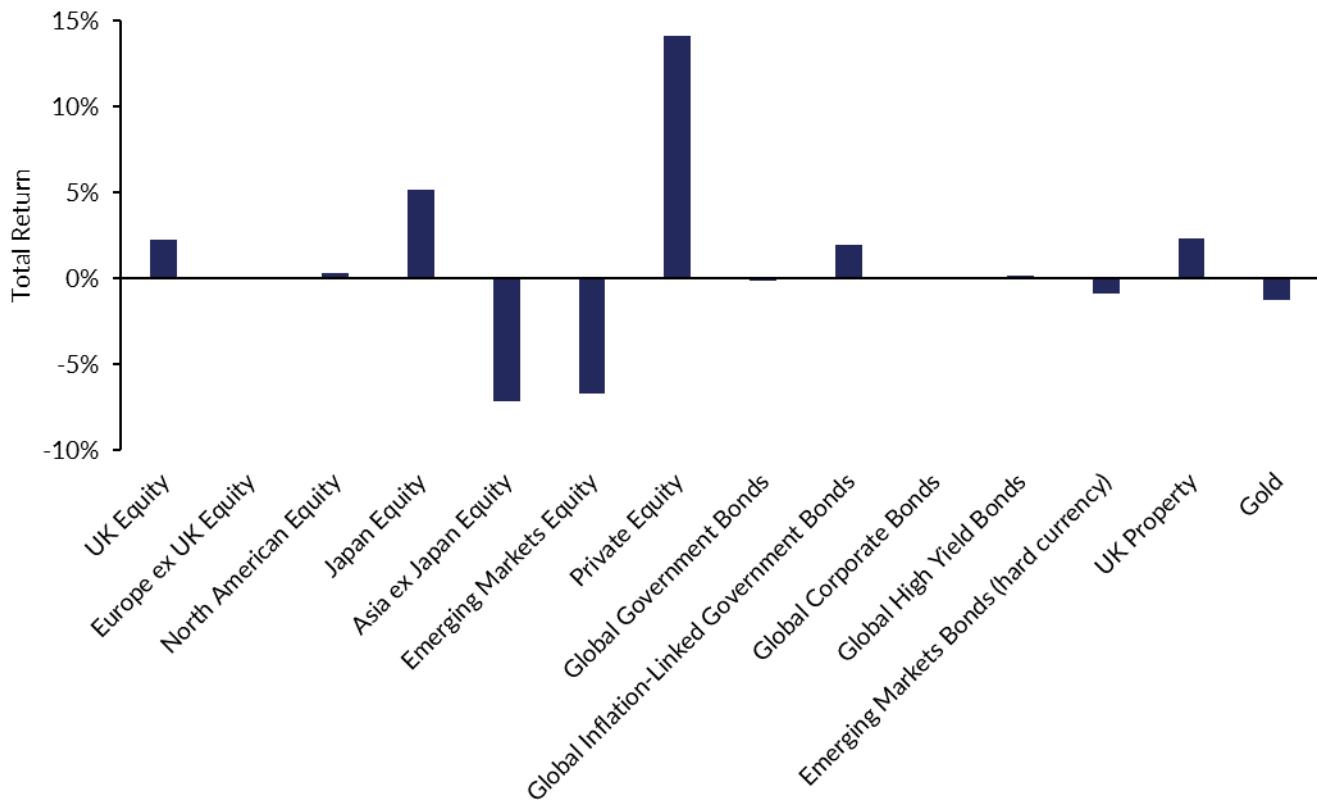


Discrete calendar year performance



Source: FE Analytics, 13/04/2012 to 30/09/2021 (top). *From launch on 13/04/2012, **to 30/09/2021 (bottom).

QUARTERLY MARKET PERFORMANCE

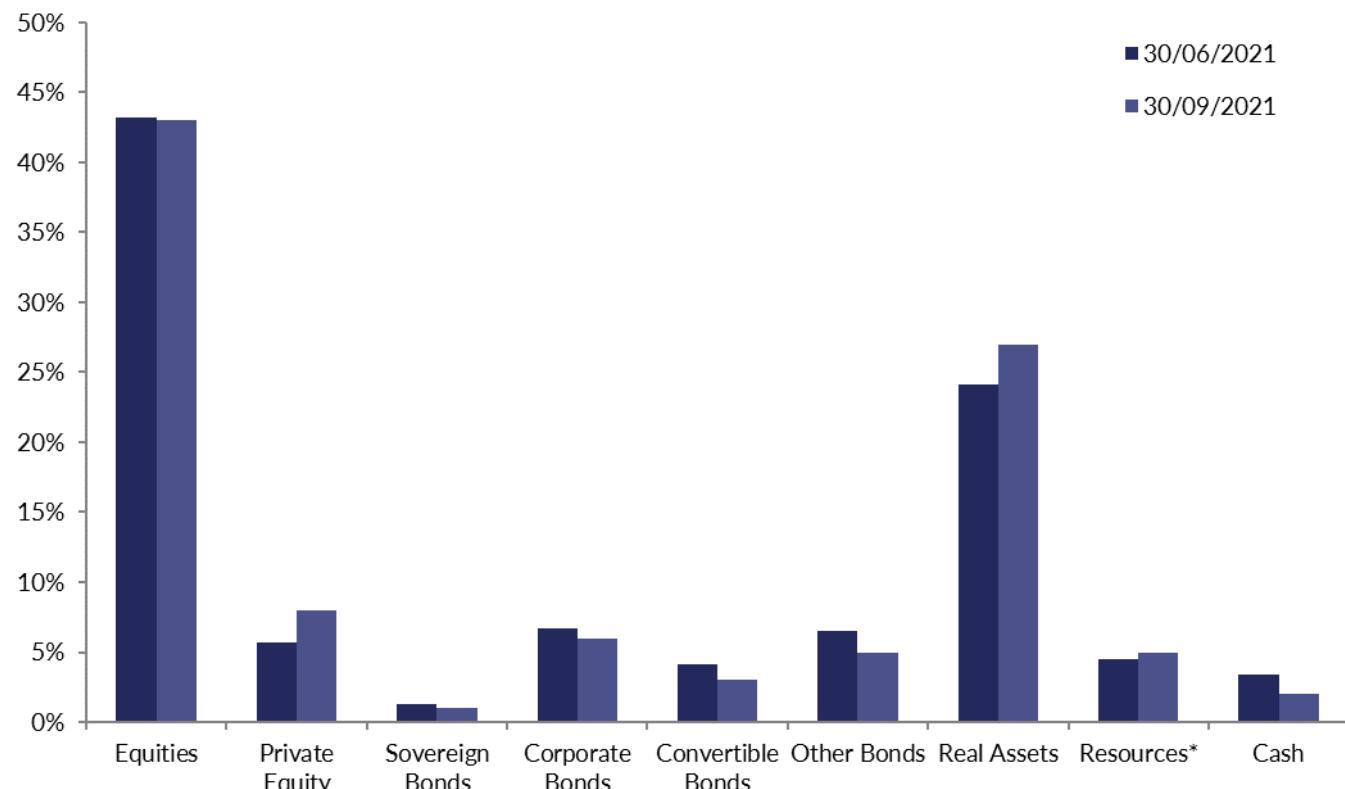


- Private equity was the stand out asset class with private equity trusts reporting excellent net asset value returns, and deal activity at elevated levels
- Japan equities were strong following a challenging period after incumbent prime minister Suga stepped down with his replacement likely to be market friendly
- Chinese stocks were impacted by the Chinese government announcing a host of new regulations focused on technology, education and property, whilst the 2nd largest property developer in China (Evergrande) struggled to make its debt payments leading to fears of contagion
- Credit spreads were broadly unchanged, as were 10 year government bond yields
- Gold ended the quarter slightly down as real yields rose

Data: UK Equity - MSCI United Kingdom All Cap; Europe ex UK Equity - MSCI Europe ex UK; North American Equity - MSCI North America; Japan Equity - MSCI Japan; Asia ex Japan Equity - MSCI AC Asia Pacific ex Japan; Emerging Markets Equity - MSCI Emerging Markets; Private Equity - IT Private Equity; Global Government Bonds - ICE BofA Global Government; Global Inflation-Linked Government Bonds - ICE BofA Global Inflation-Linked Government; Global Corporate Bonds - ICE BofA Global Government; Global High Yield Bonds - ICE BofA Global High Yield; Emerging Markets Bonds (hard currency) - ICE BofA US Emerging Markets External Sovereign; UK Property - IA UK Direct Property; Gold - WisdomTree Physical Gold USD.

Source: FE Analytics local currency, 30/06/2021 to 30/09/2021. See MSCI and ICE disclaimers on final page.

ACTIVITY



This chart calculates the asset breakdown on a look through basis of the underlying holdings, therefore there may be differences in the breakdown shown here and on the pie chart on page 7.

Purchases:

- Home REIT
- ICG Enterprise Trust

Disposals:

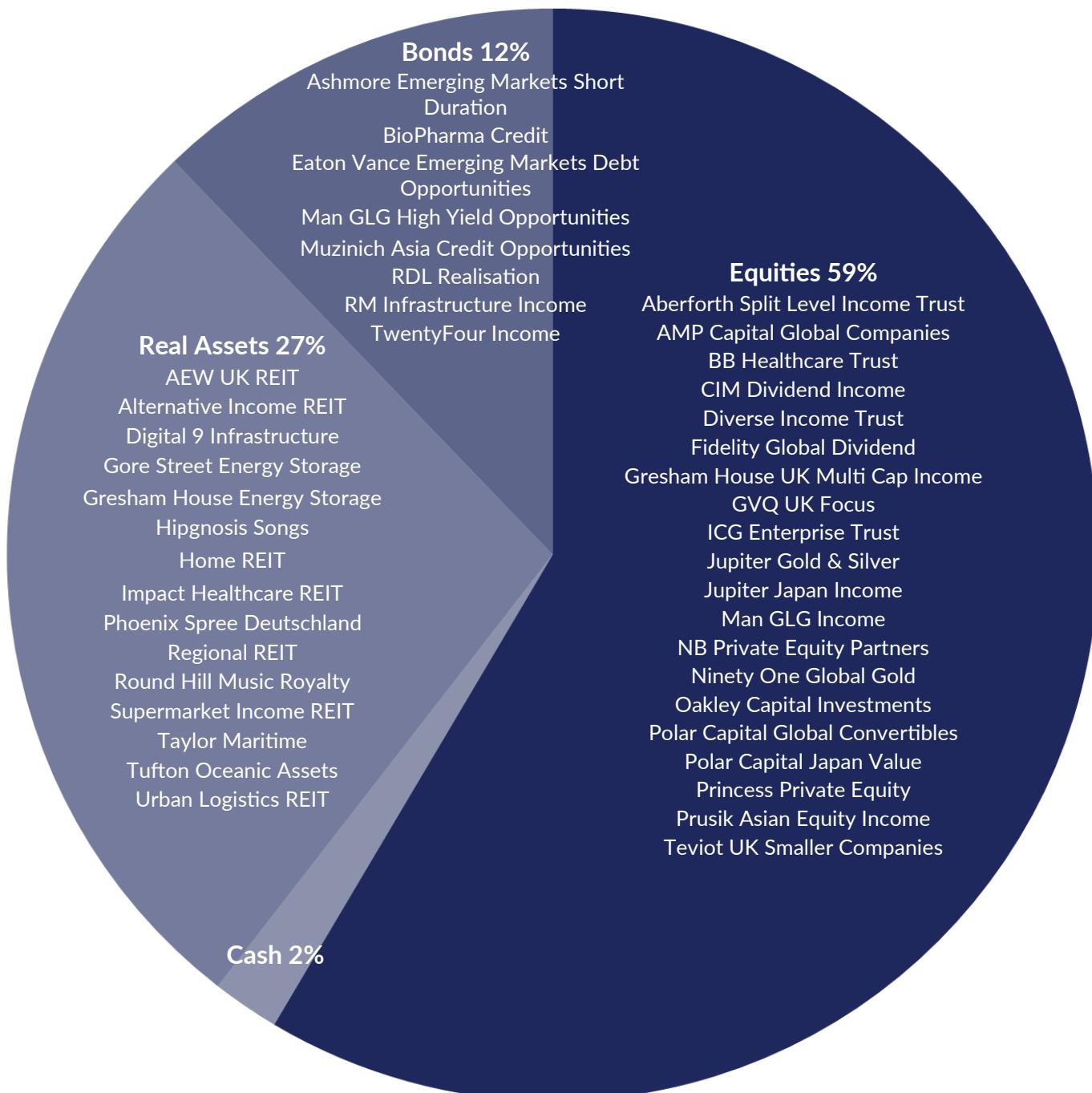
- BMO Commercial Property Trust
- GCP Infrastructure
- Jupiter Emerging & Frontier Income Trust (JEFI)

Summary:

- GCP Infrastructure was sold on competition for capital grounds to fund a new investment in Home REIT, which is a property trust that provides accommodation for homeless people they rent the accommodation to charities and housing associations on long, inflation linked leases with the trust offering an attractive, defensive income profile of c.5.5% a year.
- We introduced a position in private equity trust ICG Enterprise ahead of the release of its next net asset value update with the shares trading on a wide discount.
- We sold BMO Commercial Property Trust. It was introduced as a distressed property trust in 2020 on a very wide discount. The discount has narrowed sharply and we moved on after making a c.45% total return.
- We received cash proceeds from a corporate action on JEFI to redeem all of our shares

Source: Internal, 30/09/2021, *including Precious Metals.

HOLDINGS



Each fund has been allocated to an asset class for this pie chart, therefore there may be differences in the breakdown shown here and on the asset breakdown chart on page 6.

Source: Internal, 30/09/2021.

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IMPORTANT INFORMATION

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Please read the Prospectus and the relevant version of the Key Investor Information Document ("KIID") which can be found on our website www.hawksmoorim.co.uk before making an investment. All information referred herein is at 30/09/2021 for the C Acc share class unless otherwise stated. C Acc share class launched 05/03/2014 so performance history extended to first share class launch date. HA4582

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