

As at the end of February 2024.

# Canaccord Genuity Cautious Fund

## Key facts

**Lead managers:** Justin Oliver/Alison Brooks  
**Fund size:** £16m  
**Ireland inception date:** 26/09/2008  
**ISA/PEP eligible:** Yes  
**SIPP eligible:** Yes  
**UK reporting status:** Yes  
**FCA recognised:** Yes  
**CBol Authorised:** Yes  
**MAS restricted foreign scheme:** Yes  
**International Peer Group:** Morningstar EAA Fund GBP Allocation 20-40% Equity

## Other information

### Minimum investment

#### Initial (or currency equivalent):

A class: £5,000  
 R class: £50,000

#### Ongoing (or currency equivalent):

£1,000

**Domicile:** Ireland

**Custodian/Trustee:** Northern Trust

**Yield:** 3.8%<sup>2</sup>

**SRRI:** 4<sup>3</sup>

## Dealing

**Cut-off time:** 2pm

**Dealing frequency:** Daily

**Contact Northern Trust (fax):**

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## Contact us

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Investment involves risk. The value of investments and the income from them can go down as well as up and you may not get back the amount originally invested.

Investors should carefully read the Key Investor Information Document (KIID) and Fund Supplement before making a decision to invest.

Past performance is not indicative of future performance.

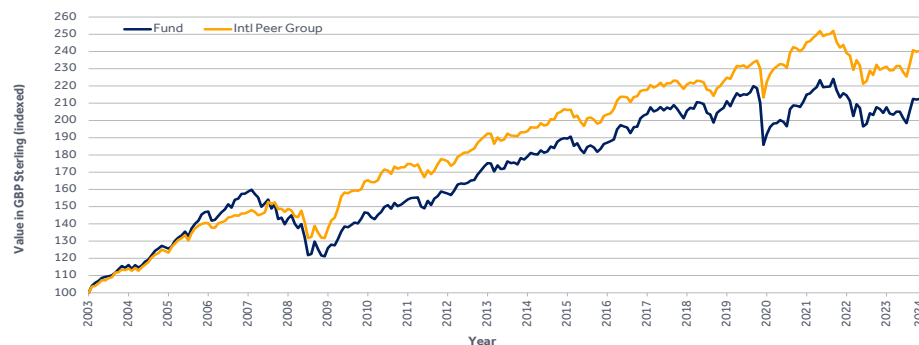
The returns are shown in GBP. These returns may differ significantly when converted to other currencies at the prevailing exchange rates.

This is a marketing communication and not a contractually binding document. Please refer to the prospectus of the UCITS and to the KIID. Do not base any final investment decision on this communication alone.

## Investment objectives

The investment objective of the Fund is to generate income and capital growth by investing in an internationally diversified portfolio of shares and units in collective investment schemes and individual high quality fixed interest instruments.

## Return profile<sup>1</sup>



\* 2024 YTD is data for year to date from 01 January 2024 to 29 February 2024  
 Source: Morningstar & CGWM

## Discrete performance (%)<sup>1</sup>

Total return to end of last calendar quarter (peer group data from Morningstar, these figures are unaudited)

	01/01/2023 31/12/2023	01/01/2022 31/12/2022	01/01/2021 31/12/2021	01/01/2020 31/12/2020	01/01/2019 31/12/2019
Cautious Fund	+4.57	-9.36	+7.38	-5.08	+10.65
Intl. peer group	+6.36	-10.14	+3.86	+3.80	+9.10

## Cumulative performance (%)<sup>1</sup>

Total return from inception to 29/02/2024 (peer group data from Morningstar, these figures are unaudited)

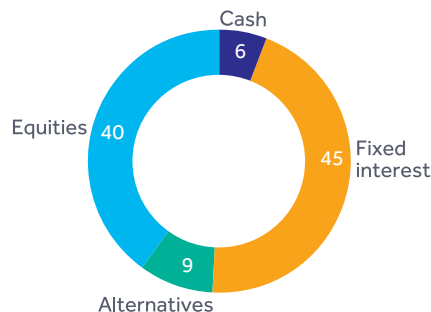
	1 month	3 months	YTD	1 year	3 years	5 years	Inception (Apr 2003)
Cautious Fund	+0.20	+3.38	+0.05	+2.89	+2.28	+3.21	+112.56
Intl. peer group	+0.22	+3.21	-0.20	+4.78	+0.11	+9.23	+140.34

## Top 10 holdings (%)

Invesco Sterling Bond - S QD - Inc	7.25
Jupiter Dynamic Bond I Inc GBP	6.96
CT Lux UK Equity Income - Dis	5.88
iShares II USD TIPS 0-5 UCITS GBP Dis Hdg	5.58
iShares II USD Treas Bond 7-10Y GBP Dis Hgd	5.10
Neuberger Berman Short Dur EM GBP I5 Inc GBP	4.43
TwentyFour Focus Bond A Gross Dis GBP	4.42
TwentyFour Asset Backed Inc A GRS Dis GBP	4.07
Fidelity Global Dividend GBP W-Qinc(G) Inc	3.97
Guinness Global Equity Income Y GBP Dis	3.97

Source: CGWM

## Sector analysis (%)



1. The performance data shown represents the actual performance of the Canaccord Genuity Cautious Fund ('CG Fund'), which transferred into the Fund on 26/09/2008. The CG Fund was a sub-fund of the CF CSPM Open-Ended Investment Company (OEIC) and was managed with comparable parameters and investment process by the same investment team as the Fund. The Fund commenced on 26/09/2008. Performance and expenses of the Fund will vary from this historical performance. Future asset allocation including geographical allocations will depend on prevailing market conditions and sentiment and may be significantly different to the asset allocation of the past. The International Peer Group was changed from GIFS GBP Cautious Allocation to EAA Fund GBP Moderately Cautious Allocation on 31 June 2017 following Morningstar's expansion of its multi-asset fund categories. Performance is shown against an international peer group for reference purposes only. Past performance is not indicative of future performance. From 01/01/2017 the Fund performance shown has changed from the A class to the R class, for consistency with peers; performance and expenses of the Fund will vary from this point.

2 Source: Northern Trust.

3. The Synthetic Risk and Reward Indicator (SRRI) displays the historic volatility of the fund's performance and categorises it accordingly. The values will range from 1 to 7, where 1 will mean lower risk and 7 indicates that the level of risk is relatively high.

## Important information

Please read over page

# Canaccord Genuity Cautious Fund – Manager’s commentary

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The Canaccord Genuity Cautious Fund rose 0.20% during February, in-line with its benchmark peer group, the Morningstar EAA Fund GBP Allocation 20-40% Equity sector, which rose 0.22%.

The S&P 500 ended the month at another all-time high, rising 5.3% in total return terms during February. Global equities followed suit, with the FTSE All-World advancing 4.2%. In local currency terms, Japan was a notably strong performer, with the Nikkei 225 at last surpassing its previous 1989 peak, gaining 7.9% for February, and 17% for the year to date.

The advance in the US stockmarket was driven, in no small part, by the earnings of large cap technology companies, and in particular Meta which surged over 20% in one day at the beginning of the month. This was on the back of an announcement that the company plans to fund another \$50 billion stock buyback and to pay its first ever quarterly dividend. This one-day share price rise added a record \$197 billion to its market capitalisation, the biggest single session market cap increase ever. Similarly, Nvidia also reported another massive increase in revenue and projected even stronger sales moving forward. Revenues were \$22.1 billion in the fourth quarter, a 265% quarterly increase and the company stated that it expected revenues for the current quarter to jump to \$24 billion.

As expected, the US Federal Reserve (Fed) kept interest rates unchanged, and Jerome Powell was about as blunt as a central banker can be when he said that he doesn’t think the Fed will be ready to lower rates in March. A number of Fed officials subsequently reiterated Jerome Powell’s comments and the release of the meeting minutes later in the month revealed that US Fed officials remain very wary of cutting interest rates too quickly and are still focused on inflation risks. While they are satisfied with the progress which has been made, they are still only guiding towards three rate cuts this year, whereas earlier in the year, markets had been expecting six. There is a valid argument to be made that the longer the delay in easing policy, the better, as this implies the economy is enjoying a softer slowdown.

There was mixed news on US inflation during the month. The Consumer Price Index (CPI) was shown to have slowed to a 3.1% year on year pace, which was higher than the 2.9% expected. As a consequence, expectations of a May interest rate cut fell from 50% to 30% as inflation was felt to be proving stickier than hoped. However by contrast, US inflation fell to 2.4% in the year to January, according to the measure most closely watched by the Federal Reserve, the Personal Consumption Expenditures Index (PCE). The headline PCE reading was the lowest for almost three years and compares to a peak of 7.1%. This in turn supported expectations of rate cuts later this year, given the moderate level of the reading, and the fact it was a decline from December’s rate of 2.6%.

Looking at markets and economies outside the US, China imposed trading restrictions on some investors to try and stem the rout in its stockmarkets. China’s economy is grappling with an extended property slump, deflation and weaker export revenue, and sentiment is extremely negative. China’s consumer prices fell at the fastest pace in 15 years in January, with CPI declining 0.8% year-on-year in January, the fourth straight month of declines. Turnover in several Chinese ETFs surged, suggesting that China’s state funds (national team) intervened in the market by picking up stocks. But in a rare flash of hope, it was reported that Chinese travel and spending during the Lunar New Year exceeded levels from before the pandemic, adding to optimism that consumption is improving. China also increased the support for its beleaguered property sector with the biggest ever cut to a key mortgage reference rate. Investors were still left a little underwhelmed, and more aggressive moves may be required.

There were no changes made to the Fund during the month.

For further information on the Fund and the available share classes, please visit [www.canaccordgenuity.com](http://www.canaccordgenuity.com)