

# The IDAD Fund Plc Sterling Ordinary Fund

## October 2021



### Investment Objective

The IDAD Fund Plc is intended to meet the needs of investors seeking medium to long-term capital growth who are willing to accept a moderate level of risk. The target for the Fund is to achieve annualised returns between 5% and 15%. Higher returns on an investment cannot normally be achieved without increased risks to capital, or a reduced probability of receiving the returns. The Fund manages the risks to capital in a number of ways, as well as working to enhance the probability of delivering the targeted returns.

### Investment Manager Commentary

As we move toward the end of a successful year for equity investment, there are undoubtedly some uncomfortable headwinds to deal with if stock markets are to make further progress. Inflation has proved much stickier than most people had expected, driven by supply side constraints rather than strong demand. This in turn has raised the prospect of tighter monetary policy, albeit less bonds bought by central banks rather than higher rates for the moment. And perhaps of greatest importance, global economic growth is slowing down with consumer confidence and spending falling. Set against this and fuelling October's rally in US shares in particular, is another great earnings season for US corporates which are again delivering ahead of expectations.

We have continued to broaden the depth of holdings within the Fund both across asset classes and credit, including two new core holdings, a JP Morgan Defensive Autocall and BNP Classic Autocall both linked to developed market indices. The fund maintains a policy of exposure to both value indices and also exposure to growth through specific notes and also the thematic ETFs, which enjoyed a very strong October. We are also maintaining 'dry powder' in our cash holding which, in line with our investment philosophy, we will look to deploy on any market setback which has the dual benefit of achieving lower strike levels with enhanced coupons available from elevated volatility.

### Key Facts

Manager	Abacus Financial Services
Investment Manager	Tom McGrath 8AM Global LLP
Sector	Offshore Mutual Hedge - Structured Product Mixed Sector
ISIN	Upon Request
Launch Date	February 2014
Launch Price	100.00p
Vehicle Type	Isle of Man Regulated Fund
Price (NAV)	115.73p
Annual Management Charge	1.75%
NAV Day	Close of Business Wednesday
Dealing Day	Thursday
Minimum Investment	£1,000
Base Currency	GBP

### Performance

	6 months	1 Year	3 Years	5 Years	YTD	*Manager Start
The IDAD Fund GBP (%)	-3.08	15.06	21.60	21.62	3.96	49.87
Offshore Mutual Hedge/Structured Product Mixed Sector (%)	1.77	6.67	8.42	8.85	3.75	8.32

Source: Abacus/Offshore Mutual Hedge - Structured Product Mixed Sector

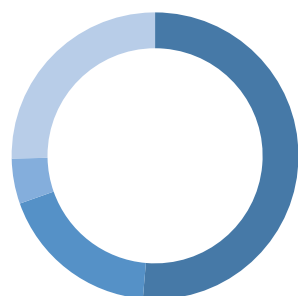
\*01.02.2016



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## Sector Allocation



- Core Holdings (51.36%)
- Tactical Holdings (18.24%)
- Strategic Holdings (5.10%)
- Cash Holdings (25.30%)

## Top 10 Holdings

	%
Barclays Nikkei Participation	9.15
Credit Suisse Danish Renewable Energy	8.03
Morgan Stanley FTSE Eurostoxx Low Hurdle	7.76
BNP Paribas FTSE S&P Classic Autocall	7.39
Citi Group FTSE Nikkei 225 Classic Autocall	7.38
JP Morgan Defensive Autocall	7.34
Citi Tech Classic Autocall	6.71
Goldman Sachs Pacific Markets Autocall GBP	4.55
Morgan Stanley Triple Index Classic Autocall	2.68
Goldman Sachs Pacific Markets Autocall USD	2.56

## Core Holdings

Forming roughly 60% of the AUM. These will broadly be structured products from a spread of issuing banks (including collateralized/secured investments with non-bank credit exposure). Payoffs will predominantly be focused on delivering regular income and also growth that is achieved with minimal (sometimes zero or less) growth in a variety of underlying investments (principally major equity indices).

## Tactical Holdings

Forming roughly 20% of the AUM. This part of the fund is designed to deliver excess growth, in terms of higher return investments, principally structured products, which may have a wider variety of underlying investment links, for example indices reflecting the performance of less-developed equity markets, individual stocks or equity sectors, fixed income indices/ underlying links, commodities and more. This part of the portfolio may become very defensive, holding cash/cash-like instruments, during periods when the managers are concerned regarding market volatility and/or direction.

## Strategic Holdings

Investments will make up around 20% of the AUM – designed to deliver longer-term growth from higher performing sectors that don't necessarily deliver attractive returns when used in structured products. Typically, this section will comprise ETFs in sectors such as Artificial Intelligence, Pharmaceutical Research, Cyber Security.

## Fund Details

<b>Target:</b>	5-15% p.a. growth	<b>Performance Fee:</b>	10% on profits over 10% p.a. on a HWM basis
<b>Liquidity &amp; Dealing:</b>	Weekly	<b>Early Exit Charge:</b>	5% over 5 Years reducing on a sliding scale
<b>Allocation:</b>	100%		

### Promoter:

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