

# IFDS Apollo Multi Asset Defensive Fund

February 2012

## Fund Aims

With a strong focus on downside protection, the Fund seeks to provide investment returns in all market conditions over the medium to longer term. To invest in a range of assets including collective investment schemes, closed-ended funds, transferable securities and/or money market instruments.

## Fund Review and Outlook

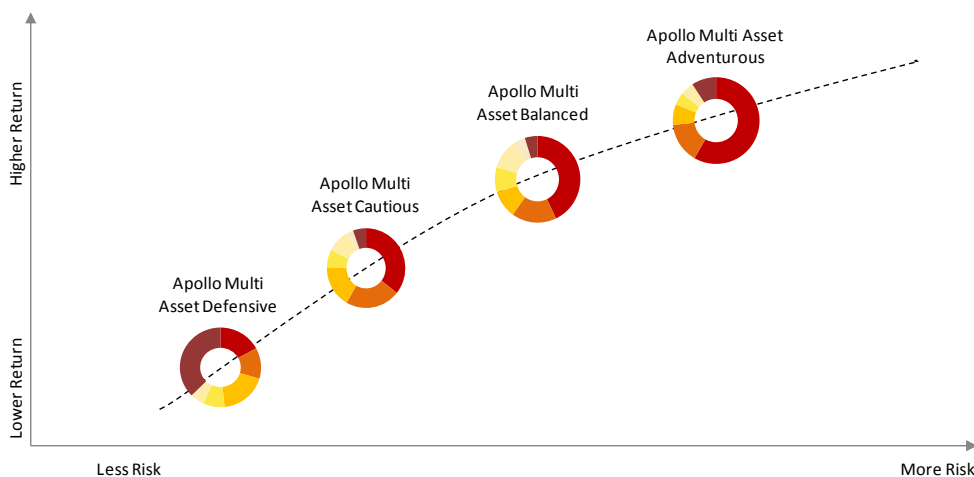
There was no let-off from risk assets in February as equities and high yield bonds in particular headed higher underpinned by Central Bank liquidity, improving US economic data and confirmation from the Federal Reserve that they will keep interest rates exceptionally low 'at least through 2014'. Pleasingly the IFDS Apollo Defensive Fund enjoyed another positive month rising 0.59%\*.

Pleasingly our modest equity exposure to the high growth areas of the world reaped dividends with CC Asian Evolution up 6.47%#, Somerset Emerging Markets Dividend up 6.70%#, but the star contribution came from one of our new holdings, with Baker Steel Natural Resources up a massive 15.87%#. The only notable drags to performance came from a -4.66%# fall from Macau Property (despite a quarterly report showing a small increase in Net Asset Value) and a -1.60%# fall from the Thames River Global fund, which suffered from a long Dollar position as the Greenback fell -1.14%# against the pound.

From here, investor sentiment seems polarised between the Bulls who cite the case that growth will be underpinned by extreme global monetary stimulus from the world central banks, versus the Bears who subscribe to the Austrian School of Economics argument that debt has to be repaid, the world will go through a painful deleveraging period which will see economic growth collapse and unemployment soar. Our hunch is that markets will oscillate between both camps this year, but that the Bulls will win the argument this year or at least as long as the liquidity lasts and that we will get clarity further out whether it is actually possible for the authorities to achieve sufficient 'escape velocity' through economic expansion to effectively inflate the debt problem away.

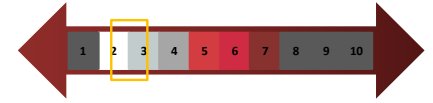
Source: \*Financial Analytics, 31.01.12 - 29.02.12, based on D share class. #Financial Analytics, 31.01.12-29.02.12

## Apollo Multi Asset Funds



	Sharpe Ratio	Volatility	Max Loss	Ann Return
Fund	-	-	-	-
FTSE 100	0.89	15.94%	-14.11%	14.21%
FTSE Govt Allstocks	1.17	6.64%	-4.53%	7.80%

Source: Financial Analytics 30.11.08-29.02.12, Total Return, Risk Free Rate at 0.013%



Using the risk profiling model devised by Distribution Technology which assigns a single risk category from 1 (low risk) to 10 (high risk) this Fund has been assigned a risk category of 2.5 which categorises an investor with a very low attitude to accepting risk, who is likely to be very concerned about the possibility of losing money. The investor will probably prefer their investment to fluctuate in value less and make more modest returns, rather than risk losing money for higher returns. The investor should not expect the value of their investment to rise much more than if they had kept their money in a bank account or other low risk investment. The investor will accept that if inflation is high it will reduce the value of their investments which could reduce in 'real terms'.

## Risk Profile

Target Volatility: 3 – 5%  
Target Return: Cash + 2%

## Fund Facts as at 29.02.2012

Fund Size	£5.0m
Launch Date	1 June 2011
Fund Manager	Craig Wetton, Tom McGrath, Steve Brann, Ian Willings
No. Holdings	26
Base Currency	GBP
Type of Share	Income & Accumulation
Inc Acc Date	28 February
Valuation	12.00 noon
IMA Sector	Unclassified
AMC	A Shares: 1.5%; C Shares: 2.0%; D Shares: 1.0%
Min Investment	ISA: £1,000; Fund: £1,000 (A and C Class shares only, D Class at Manager's discretion)
Min Monthly Investment	£100 per month (A and C Class shares only)
Max Investment	ISA only: See footnote

## SEDOL Codes

A	C	D
B3WLNT1	B3PJK13	B3Z00P0

## Further Information

Administrative enquiries: 0845 140 0180  
Sales enquiries: 01737 237280 / 0203 291 2916  
Email: enquiries@apollomam.co.uk  
www.apollomam.co.uk

Past performance should not be seen as a guide to future performance.

From 6 April 2011 to 5 April 2012 the ISA subscription level will be £10,680. Up to £5,340 of the ISA allowance can be saved in cash with one ISA provider. The remainder of the £10,680 can be invested in a stocks and shares ISA with either the same or another provider. Alternatively, the full £10,680 can be invested in a stocks and shares ISA with one provider. This document is intended for the use of Investment Professionals only and is not for distribution to Retail Clients. Please see page 2 for full information.

## Performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2012	1.16%	0.59%											1.75%
2011	-	-	-	-	-	-0.22%†	-0.31%	-2.29%	-0.57%	-0.10%	-0.50%	0.61%	-3.35%

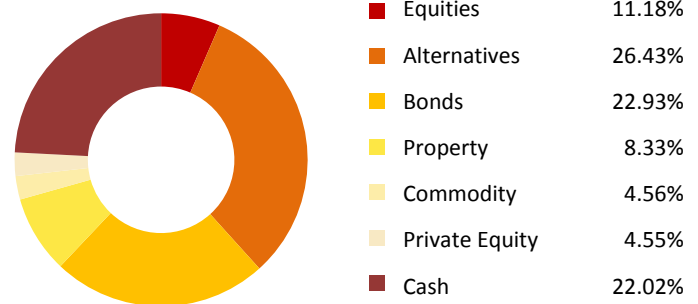
†Fund launched on 01.06.11

Source: Financial Analytics, 01.06.11-29.02.12, based on D share class

## Top Ten Holdings as at 29.02.12\*

Credit Suisse RPI +1.75% Note	5.97%
CF Eclectica Absolute Macro	5.28%
Insight UK Market Neutral	5.00%
Electra Private Equity 2016 ZDP	4.88%
Thames River Global Bond	4.71%
Gold Bullion Securities ETF	4.56%
Thames River Longstone	4.09%
Symphony Worst of Reverse Convertible	3.94%
Legal & General Dynamic Bond	2.93%
Coupland Cardiff Asian Evolution C USD	2.82%

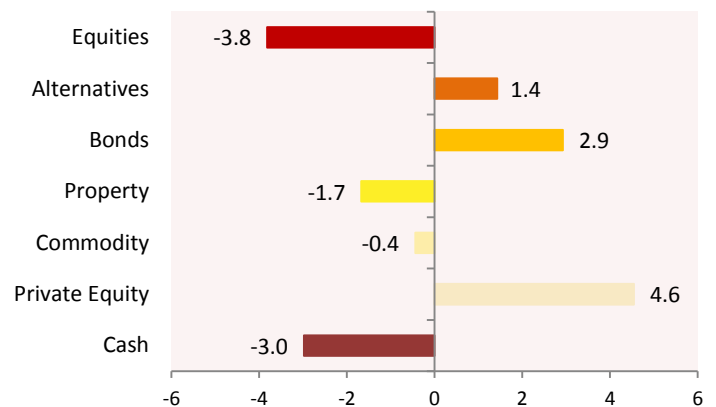
## Portfolio Breakdown as at 29.02.12\*



## Neutral Asset Allocation

	Min	Neutral	Max
Equities	0%	15.0%	30%
Alternatives	20%	25.0%	60%
Bonds	10%	20.0%	50%
Property	5%	10.0%	20%
Commodity	5%	5.0%	15%
Private Equity	0	0.0%	5%
Cash	0	25.0%	50%

## Tactical Asset Allocation as at 29.02.12\*



## Investment Partners

Apollo is delighted to announce that its expertise is now available through the following wraps and platforms:

7im	AXA (IOM)	Hargreaves Lansdown	Novia	SEI
Aegon	AXA/Winterthur	Irish Life	Nucleus	Scottish Widows Intl
AJ Bell/SIPP Centre	Canada Life International	James Hay	Prudential International	Skandia (SIS & SLAC)
Ascentric/Funds Direct	Cofunds	L&G International	RMB	Standard Life
Aviva	Fidelity FundsNetwork	Lombard	Royal London 360	Transact
AXA Elevate	Friends Life International	Merchant Investors	Royal Skandia	

\*N.B. Exposure to alternatives and commodities is indirect i.e. via collective investment schemes

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Please remember that the value of your investment may fall as well as rise and is not guaranteed. You may not get back your initial investment. Past performance is not an indicator of future performance. For full information concerning the Fund and its risks please read the Simplified Prospectus available on our website. Investment advice should be obtained from an authorised financial advisor. Issued by Apollo Multi Asset Management LLP which is a limited liability partnership registered in England and Wales under registered number OC339180 and is authorised and regulated by the Financial Services Authority. Registered office: Premier House, Warren Road, Reigate, Surrey, RH2 0BE. A list of members is open to inspection at the registered office. IFDS Managers Ltd is the Authorised Corporate Director (ACD) of IFDS Apollo Multi Asset Management Funds and is authorised and regulated by the Financial Services Authority. Registered Office: IFDS House, St. Nicholas Lane, Basildon, Essex SS15 5FS.