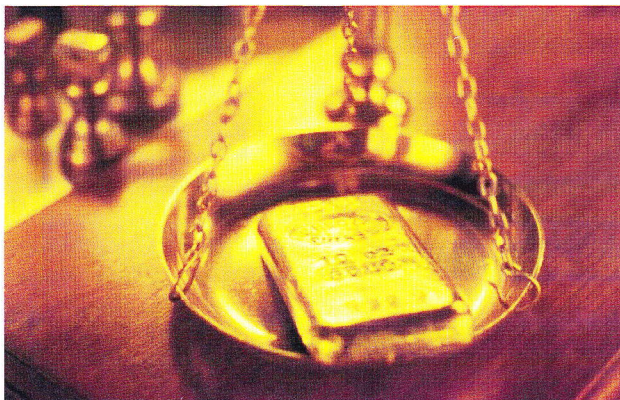


Gold equities shine over 2014's opening quarter

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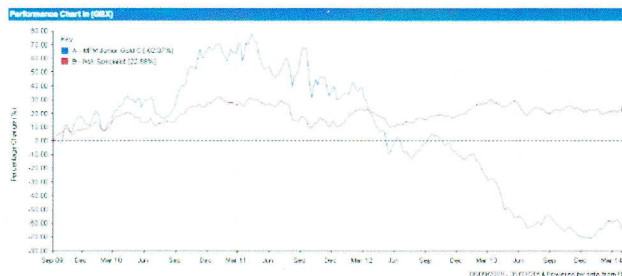


Gold equities funds dominate the list of the best performers over the first quarter, as volatility returned to markets at the start of 2014.

FE Analytics shows six of the first quarter's top 10 performers invest in gold equities, while funds specialising in smaller companies and the Middle East and North Africa region also did well over the three-month period.

Angelos Damaskos' £11m **MFM Junior Gold** fund was the quarter's strongest performer with a 29 per cent gain. However, over one year the fund has lost 46.51 per cent while over three years it is down 77.59 per cent.

MFM Junior Gold



Source: FE Analytics

In his most recent investor update, Damaskos said: "It appears that sentiment towards gold changed at the start of the year. The price of gold has been on a steady, rising trend but the real change in future expectations has been reflected in gold mining shares.

"It seems that listed equities have started to discount significantly higher gold prices and, therefore, improved profitability for gold miners."

David Baker and Trevor Steel's £115.8m **CF Ruffer Baker Steel Gold** is in second place for the first quarter, trailed by Ian Williams' £3.1m **WAY Charteris Gold Portfolio Elite** and Robert Lyon and Ani Markova's £45.1m **Smith & Williamson Global Gold & Resources** funds.

Hargreaves Lansdown senior investment manager Adrian Lowcock says: "I think this is a reflection of the volatility we have seen in 2014. Risk aversion was a big theme in January as investors grew concerned over the outlook for emerging markets as the US continued the taper.

"Gold had a torrid time in 2013 so is rebounding from recent low points. Gold shares were significantly discounting the outlook for gold and it was only a matter of time before sentiment changed. Gold continues to be a defensive asset class and investors use it as a safe haven when equity markets sell-off."

The best performers of 2014's first quarter

Fund	% over 3 months
MFM Junior Gold	29
CF Ruffer Baker Steel Gold	17.99
WAY Charteris Gold Portfolio	16.91
Smith & Williamson Global Gold & Resources	15.04
Franklin MENA	14.53
BlackRock Gold & General	12.8
CF Miton UK Smaller Companies	12.61
CF Wood Street Microcap Investment	12.43
Old Mutual Blackrock Gold & General	12.4
MFM Techninvest Special Situations	11.99

Source: FE Analytics