

Way gold fund looks to strong growth

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The Way Charteris Gold Fund has boasted it is has been one of the top performing mutual fund since its launch in February.

The group said it had also beaten its biggest and better known gold fund rivals since launch.

The fund has grown by 16.92 per cent in that time, compared with Investec's Gold fund which has grown 13.93 per cent. In addition, BlackRock Gold & General fund has delivered 11.74 per cent in that time, according to Financial Express.

Ian Williams, fund manager, said that the modest size of the fund has allowed him greater flexibility to switch between gold bullion and gold shares to meet his investment targets.

He said: "The fund is far more manoeuvrable than a large fund. This is very important as the underlying shares can often be difficult to deal in."

Mr Williams said the fund crucially did not have exposure to BP shares unlike some of its bigger rivals.

He said the fund preferred to invest in what he called 'blue chip' gold mining companies as well as smaller mining firms dealing in other commodities, minerals and precious metals.

The manager also said he believed the risks of investing in South Africa heavily outweighed the benefits.

He said: "With all eyes on South Africa at the moment for the World Cup, we won't be taking to the same playing field as all the other gold funds out there by investing in the country.

"We believe that the risks of investing in South Africa heavily outweigh any potential rewards.

"As far as we're concerned, our performance against other funds has to be viewed in terms of risk adjusted returns not just on straight returns."

Mr Williams added that the fund did not invest in leveraged funds.

The fund has an initial charge of 5.25 per cent and an annual management charge of 1.75 per cent. It pays 3 per cent initial commission plus 0.5 per cent trail.