

Going for Gold

A great opportunity for Elite 'Fund of Funds' managers to access an exciting new Gold Fund at preferential rates.



Ian Williams

Any WAY or Elite fund holding the new WAY Charteris Gold Fund benefits from a major discount of ongoing charges in line with FSA guidelines. This makes owning this new fund even more compelling than simply the overriding investment case for doing so.

Ian Williams, manager of the new fund and CEO for Charteris Treasury Portfolio Managers is much in demand for his knowledge of this most enduring of asset classes (his reputation precedes him across most investment sectors – since launch in December 2006, his City Financial Gilt Fund is the best performing UK Gilt fund in its sector and the highly competitive Elite Charteris Premium Growth Fund is currently 4 star rated by Morningstar and A-rated by Citywire and pretty much at the head of the UK Equity Income sector over 3 years).

But the case for gold is quite clear

Everyone denies that inflation is poised for take-off but all the indicators are that the massive QE

campaigns (more dollars printed in the last 18 months than in the previous 25 years) around the world have been stoking inflation into a delayed but roaring inferno. Oil and iron ore are up around 100% since January 2009 whilst many other commodities are up 50% or more (butter, rubber and so on). With QE currencies being devalued in this way and Chinese surpluses chasing increasingly debased western government debt there is a clear trend towards gold becoming a reserve 'currency' of choice.

This demand cannot be satisfied from gold production which is both modest and finite whilst most central governments have turned from being net sellers of gold (following Gordon Brown's disastrous sale at the bottom of the market) to being net buyers.

Relative to oil, relative to equities, relative to inflation the gold price has the potential to hit \$5,000 over the next 7-8 years (Ian thinks at least \$2,000). The exciting aspect of Ian's fund is that he is a gold mining enthusiast who searches out the best of

the mining companies to back ahead of this trend really taking off. Gold miners are inexplicably trailing the gold price which means that there is plenty of room for a geared return compared with the gold price PLUS this will probably be enhanced by the inevitable takeover activity which will ensue in the goldrush. Interestingly one of Ian's early holdings has already had a substantial price boost resulting from a takeover story.

As top performing manager, Angus Tulloch of First State, says "given the extent to which governments are printing money, we feel you ought to have 10% of your portfolio in something gold-related" (Money Week 2 April 2010). With BlackRock hitting the investment limits in its £2bn fund Ian Williams' fund is a 'must-buy' alternative.

Call David Williams for details of the discounts available on this fund