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## **About Charteris Treasury Portfolio Managers**

Founded in 1984, Charteris builds upon an investment discipline and culture that its founders understand and passionately believe in. We are grounded in the belief that core principles are fundamental to how we manage money and behave as a business. These principles are underpinned by a common theme – a complete focus on the long-term management of our clients' money.

Our investment philosophy combines macro-economic and value-based stock research with long-term cycle analysis of all major asset classes. We focus on identifying investment opportunities prioritising long-term capital growth, sustainable income and high liquidity. At the heart of our philosophy is our attitude to risk. We believe carefully managed risk is of paramount importance – preserving and growing clients' wealth is our priority.

## **YFS Charteris Strategic Bond Fund**

### **The Fund's objective**

The investment objective of the Fund is to offer investor's exposure to a portfolio of highly liquid Sterling Fixed Interest securities in a manner which attempts to minimise volatility, provide an income yield and aims to provide capital growth when the opportunity exists in the market over the medium term (at least five years).



### **Investment Team**

Ian Williams, Chartered Wealth Manager has been the lead manager of the fund since it was launched.

#### **Ian Williams, Chartered Wealth Manager, Chartered FCSI**

A former member of the London Stock Exchange, Ian has spent the past 35 years as a specialist in Gold, equity and fixed income markets, especially the UK Gilt Market. He acquired Charteris in 2002 having formerly held senior position at Chase Manhattan Bank (now JP Morgan Chase) and Dresdner Kleinwort Benson and Guinness Mahon (now Investec). Ian is lead manager and a Chartered Fellow of the CISI.

## Investment process and strategy

### Investment process

Our investment process is driven by a set of investment beliefs which frame our approach to portfolio strategy, stock selection and timing decisions.

The Investment process is a top down macro approach utilizing both economic, cyclical and technical factors to the merits of the different parts of the UK Gilt yield curve plus index linked Gilts instead of conventional Gilts. The core holding within the Fund will usually be UK Short dated Conventional Gilts which are held to ensure the maximum capital protection in the event of a market downturn.

However, the manager is willing to switch into longer-dated Gilts both conventional or index linked if, in the opinion of the manager, a trading opportunity arises to attempt to make some capital gains before switching back into the shorter dated Gilts again.

Finally, timing of investment decisions is an important part of the manager's overarching investment process. Timing decisions are supported by technical analysis

### Investment policy

The fund will usually maintain a very short duration and low volatility profile whilst still leaving open the opportunity to benefit from occasional rises in the prices in UK Gilts if, in the opinion of the investment manager, the price of these assets falls to a level that offers the chance to make capital gains by extending duration for a limited amount of time, before switching back to the more natural level of short duration securities.

The assets will be primarily invested directly through a mix of AAA UK Gilts and the fund will have a concentrated portfolio.

Hedging and derivative transactions are not permitted in connection with the portfolio management of the Fund. Investors' attention is drawn to the detailed risk warnings in the prospectus and the Fund will be managed in a manner that maintains eligibility for ISAs.

### Our view and summary

The process described in the investment process worked very well in calendar year 2022 which was one of the worst UK Gilt bear markets for the 300 years that the UK Gilt market has been in existence and one which enabled the fund to show a positive return when most Bond funds and directly held Bonds lost a lot of money.

At the moment the UK Gilt Market is looking relatively cheap relative to foreign Government Bonds and also global equities.

With longer-dated UK Gilts yielding above 5% with inflation at around 2.5%, the "real" i.e. inflation adjusted yield is also

potentially attractive.

At present, the fund is positioned in very short-dated conventional UK Gilts as we believe there is considerable upside from current levels. When the market bottoms and we will look to repeat the strategy that was successful in 2022.

### Bullet Points

Structure – UK OEIC – Daily dealing / fund is priced every day at 12 Noon

Investment Manager – Charteris Treasury Portfolio Managers

ACD – Yealand Fund Services Limited

Custodian – CACEIS Bank, UK Branch

Depository – Natwest Trustee & Depository Services Limited

Investment philosophy – Long only. No shorts, no hedges, no derivatives, no leverage

## **Risk Management, portfolio construction and monitoring**

### **Risk Management**

Risk is managed through the fund's underlying exposure to different Fixed Income securities alongside the fund's ability to hold cash.

Fixed Income prices and yields are inherently cyclical and we believe that the risks embedded in this asset class can and should be managed through the cycle.

For example, the fund holds mainly short dated UK conventional Gilts to help reduce volatility. Yield on portfolio rises as interest rates increase.

Risk is also managed and mitigated through the fund's geographic exposure. The fund only has securities listed in GBP currency.

### **Idea generation**

Ian and his team rely on a combination of internal proprietary analysis and external research to generate ideas for the fund.

### **Portfolio construction**

The construction of the portfolio is the sole responsibility of the lead fund manager, Ian Williams. He is supported in this task by the other members of the investment team who will input into the decision-making process and the implementation of decisions.

Ultimately, the aim of all of our fundamental research efforts is to arrive at an informed judgement about long-term fundamental value. Once we have arrived at that judgement, using a technical analysis overlay, we can assess whether an investment opportunity is attractive enough to warrant inclusion in the portfolio.

A buy and hold strategy is implemented that holds short dated UK Gilts most of the time. A minimum of six different Gilts must be held and no more than 30% in any one UK Gilt security. This portfolio construction also contains hidden benefits relative to a corporate bond fund in that the bid offer spread to deal in Gilts, especially short dated Gilts, is usually negligible compared to the bid offer spread in a corporate bond which can be larger (often more than the AMC of the Fund for a whole year).

### **Portfolio monitoring**

Monitoring of portfolio holdings is a continuous process. All portfolios are reviewed daily to ensure appropriateness, consistency and adherence to the mandate.

Individual holdings are assessed and monitored daily by the lead fund manager, who takes primary responsibility, but is assisted by the rest of the investment team as appropriate.

## About the Fund

### Launch date

1 November 2017\*

### \*\*Important Information

*The information contained within this document does not constitute investment advice or an offer to invest or to provide discretionary investment management services and should not be used as the basis of any investment decision. Any decision to invest should be based on information contained in the prospectus, the relevant key investor information document and the latest report and accounts. All documents are published in English and are available from [www.yealand.com](http://www.yealand.com) or upon request from the AFM*

### Performance objective

There is no official performance objective detailed in the fund's prospectus; however, the fund aims to offer a competitive yield versus peer bond funds with its top priority of capital preservation

### Fund Size

£3.1m (as at 30 June 2026)

### OCF, charges and TER

|             | Initial Charge | AMC % | OCF / TER* |
|-------------|----------------|-------|------------|
| I Acc Class | 0%             | 0.2%  | 1.78%      |

\*as at 28 February 2025 (OCF = ongoing charging fee, TER = Total Expense Ratio)

Currently there are no plans to review these charges in the next 12 months. The total expense ratios quoted above are subject to change as the size of the fund fluctuates due to market movement and net inflows / outflows.

### Yield and distribution rates

Distribution: Annual – 30th April  
Interim – 31st Oct

### Legal Structure

UK regulated OEIC – can invest up to 10% of the fund in ETFs (exchange traded funds) and ETCs (exchange traded certificates) at the lead manager's discretion

### Third parties associated with the fund

Waystone Management (UK) Limited ("WS") as ACD (Authorised Corporate Director) of the fund has the responsibility of compliance, oversight, apportionment and investment management of the company.

WS delegates the investment management of the fund through its agreement with Charteris Treasury Portfolio

Managers. It is the portfolio management team that manages the investments of the fund within the constraints outlined by the fund's prospectus, its mandate and UK UCITs.

Administration of the fund is undertaken by Credit Agricole (CACEIS Bank, UK Branch) and the auditors are Grant Thornton UK LLP.

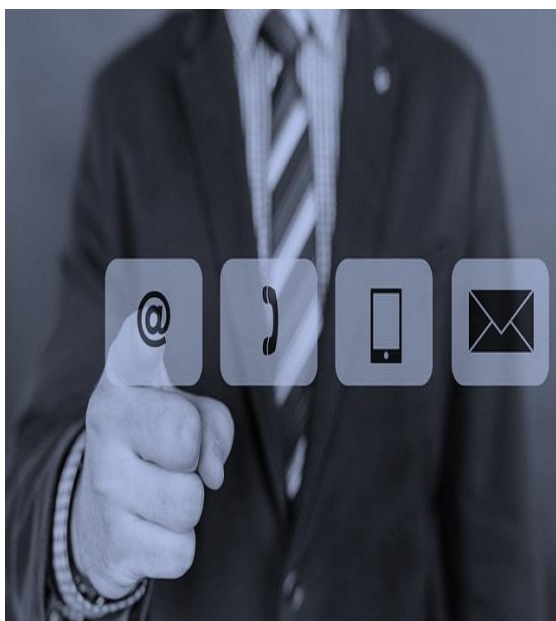
## Fund Codes

### I Accumulation

Bloomberg: HCCSBIA LN EQUITY  
Thomson Reuters LP68496394  
MEXID: HTJNC  
ISIN: GB00BD9GLM88  
Citicod/FE: O64I

### I Income

Bloomberg: HCCSBII LN EQUITY  
Thomson Reuters LP68496393  
MEXID: HTJNE  
ISIN: GB00BD9GLN95  
Citicod/FE: O64J



## **Get in contact**

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### **Fund Manager**

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Past performance is not a guide to future performance and investors may not get back the full amount invested. Investors should note that management fees will be charged to the income of the fund. Thus, on redemption of holdings, investors may not receive back the full amount invested. Professional clients should be aware that this document is intended for their use only and this document is not to be shown or given to any retail investors.