WS Enigma Dynamic Growth Fund

End-March 2025

Fund Summary

- Dynamic asset allocation between equities, bonds, commodities and cash
- Aim is to capture equity market upside in bull markets but to reduce drawdowns (peak to trough falls) in bear markets
- All exposure achieved through Exchange Traded Funds which have low costs and low dealing charges
- Avoids style bias – both asset allocation and equity focus change according to market conditions
- Suitable as a potential diversifier within a broader portfolio due to generally low correlation and lower volatility than Equities
- Can also be a core holding for investors who prefer not to make asset allocation changes themselves

Investment Approach

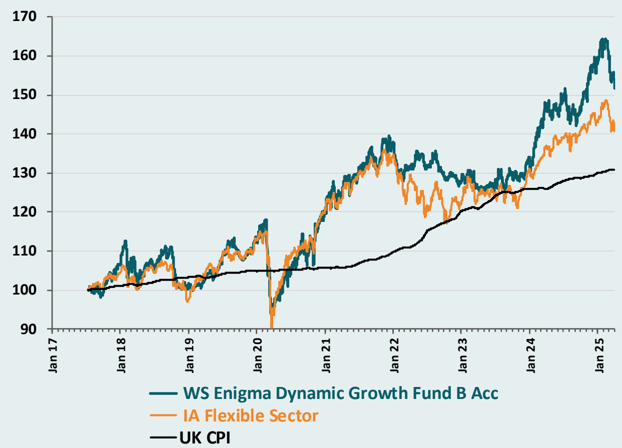
The two most important drivers for investment decisions are fundamental value and market trends. Fundamental value determines the potential over the medium/long term but can be a poor indicator of price movements in the short term. Market trends (including momentum and overbought signals) can be a good leading indicator of future price movements but can be dangerous if fundamental value is ignored. Neither analytic should be used in isolation but it is logical to select investments based objectively according to a combination of fundamental value and market trends which are independent of opinion, forecasts and emotion.

Performance

	March	YTD	1 Year	3 Years	5 Years	Launch
Fund	-4.8%	-3.9%	2.8%	15.1%	57.1%	51.6%
IA Flexible Sector	-3.6%	-1.7%	2.9%	8.7%	47.3%	40.2%
IA Flexible Quartile	4	4	3	1	2	2
UK Inflation*	0.0%	0.6%	3.9%	17.9%	24.7%	30.8%

The Fund is also ranked in the 3rd quartile over 1 year and 1st quartile over 3 & 5 years out of all 624 funds in the four Investment Association Mixed Asset Sectors (Flexible, 0-35% Shares, 20-60% Shares & 40-85% Shares)

Discrete Years:	2024	2023	2022	2021	2020	2019
Fund	17.7%	4.8%	-6.7%	14.1%	6.9%	11.9%
IA Flexible Sector	9.4%	7.1%	-9.0%	11.3%	6.7%	15.7%
UK Inflation*	3.2%	4.8%	9.6%	3.8%	0.8%	1.5%



Performance shown is the total return (net of fees & costs) for the Accumulation B share class. Launch date was 12 July 2017. The Fund is not managed against any benchmark – the Investment Association Flexible Sector and UK Consumer Price Inflation are shown as comparator benchmarks as per FCA PS 19-04. The IA Flexible Sector contains a wide array of funds with a flexible mandate, hence the comparator, but many of them have different investment objectives and profiles. Past performance is not a reliable indicator of future performance. Source: Ekins Guinness LLP, FE fundinfo.

Portfolio Holdings

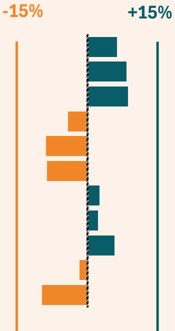
(as at 31 March but subsequently reduced in early April)

EQUITIES	**70.8%**
Global Sector ETFs	**61.9%**
db x-trackers MSCI World Financials Index UCITS ETF	14.3%
db x-trackers MSCI World Industrials Index UCITS ETF	12.8%
SPDR MSCI World Technology UCITS ETF	9.5%
db x-trackers MSCI World Materials Index UCITS ETF	8.4%
db x-trackers MSCI World Energy Index UCITS ETF	7.0%
db x-trackers MSCI World Communication Services Index UCITS ETF	6.8%
db x-trackers MSCI World Utilities Index UCITS ETF	3.1%
Regional Equity ETFs	**8.9%**
SPDR FTSE UK All Share UCITS ETF	3.0%
iShares Core MSCI EM IMI UCITS ETF	2.0%
Vanguard FTSE Japan UCITS ETF	2.0%
SPDR MSCI EM Asia UCITS ETF	2.0%
GOLD & COMMODITIES	**21.6%**
Invesco Physical Gold ETC	8.9%
WisdomTree Gold Bullion Securities Ltd	6.5%
Invesco Bloomberg Commodity UCITS ETF USD	6.2%
CASH	**7.6%**

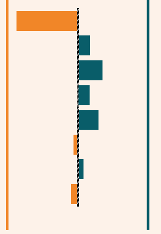
Equity Analysis (pro-rated to 100%)

BY SECTOR	Equity Allocation	Market Cap. weight
Energy	10.6%	4.0%
Basic Materials	12.7%	4.0%
Industrials	19.6%	10.5%
Cons. Staples	1.6%	6.0%
Healthcare	0.9%	10.5%
Cons. Discretionary	1.6%	10.7%
Comm. Services	10.5%	8.0%
Utilities	4.7%	2.6%
Financials	22.7%	16.7%
Real Estate	0.3%	2.1%
Technology	14.7%	24.9%
Total	**100.0%**	**100.0%**

Relative



BY REGION	Equity Allocation	Market Cap. weight
USA	51.2%	65.2%
Canada	5.2%	2.8%
UK	8.8%	3.3%
Europe ex UK	13.5%	11.0%
Japan	9.4%	4.8%
Dev. Asia ex Japan	2.9%	3.8%
Australasia	2.8%	1.7%
Emerging Mkts	6.0%	7.5%
Total	**100.0%**	**100.0%**



Monthly Review

The Fund fell 4.8% in March 2025. This gives a return of 51.6% (net of fees and costs) since launch on 12th July 2017, which compares with a return of 40.8% from the IA Flexible Sector. Against the IA Flexible Sector, the Fund is ranked in the 3rd quartile over 1 year, 1st quartile over 3 years and 2nd quartile over 5 years and since launch.

The Fund is ranked in the third quartile over 1 year and 1st quartile over 3 and 5 years against all 624 funds in the four IA Mixed Asset Sectors (Flexible, 0-35% Shares, 20-60% Shares & 40-85% Shares).

World Equities fell 6.8% in March in GBP terms mainly due to concerns that the Trump tariffs could cause economic slowdown and a fall in corporate earnings. There had been hope that the tariffs would be a temporary negotiating measure to get tariffs imposed by other countries on the USA down. However, the tariffs that were announced were more draconian and chaotic than the markets were expecting, and there are already signs that US consumer and business confidence is being damaged.

Gold rose 9.6% in USD terms but 6.9% in Sterling terms due to Sterling's continued strength. Gilts fell by approximately 1%.

Only the Global Energy sector delivered a positive return in GBP terms during March, with Technology and Consumer Discretionary down over 10%.

Allocations and Market Commentary

The Fund reduced the Equity allocation in early April in the face of deteriorating momentum and adopted a more defensive allocation, although any exposure to Equities during this volatile and weak period has seemed to be too much. As at 17th April, the allocation was 38% in Equities, 19% in Gold, 19% gilts, 18% in GBP cash equivalents and 5% cash.

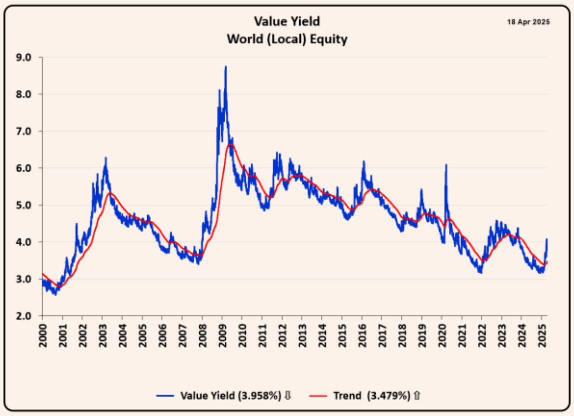
Currently the trends in Equities are clearly down, but the significant rally in Equity markets in early April following the sharp fall at the start of April shows that the changes in mood can be sudden. There are still prospects of US tax cuts and the Fed is being put under pressure by Trump to cut rates. The problem is that tax cuts might panic the US Treasury market again which is already worried about the fiscal deficit and overall debt levels, and interest rate cuts may not be justified given that tariffs are inflationary. Any interference with the Federal Reserve by politicians is a disaster as it undermines confidence in economic and monetary stability. The best hope is that there is a mutual tariff climbdown, no doubt dressed up as an agreement between China and the USA. It is hard to see this given the entrenched positions on both sides, but it might still happen.

Gold meanwhile is a major holding within the Fund. It is a hedge not just against the huge economic and political uncertainty that episodes such as Trump tariffs bring, but more importantly against the larger problem of too much debt in relation to the size of economies. This is a problem that affects most western economies, but is especially worrying when it also applies to the USA which controls the world reserve currency.

The increased allocation to UK gilts, cash and cash-equivalents will help reduce losses from exposure to a continuing weak US Dollar, but this weak USD has already had a negative influence on the Fund which invests globally.

Global Equity Markets

Equity Value Yield



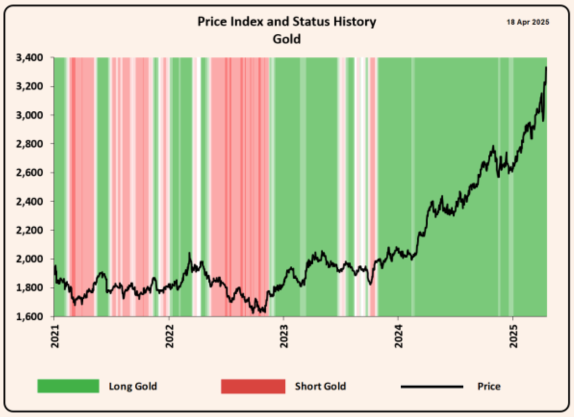
Global Equity Value Yield is normalising as Equity prices fall. It is now closer to the middle of its long term range, although has been significantly higher at the end of some previous bear markets. This does not include any potential corporate earnings weakness, if it occurs, which would push down the Value Yield and make Equities look more expensive. At least the immediate risk from low Equity Value Yield has been removed – our model will now focus on price trends and oversold measurements.

Equity Price Index

Equity markets are in a bear market, with all medium/long term price trends falling. It remains a time to be cautious, but market sentiment could suddenly change for the better anytime if there is any negotiated settlement or compromise on tariffs, which are so high and ludicrous that some compromise seems inevitable. The real risk of a prolonged and deeper bear market will come if the damage to business and consumer confidence causes anything worse than a shallow recession.

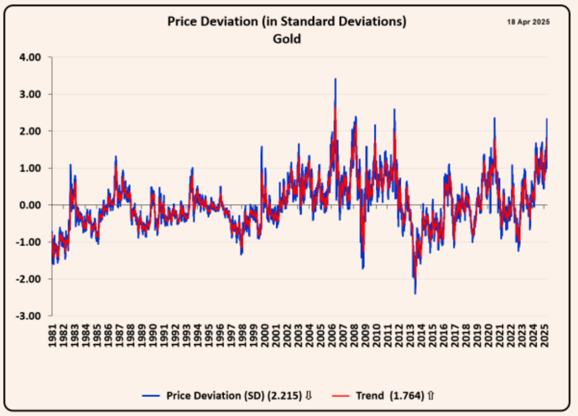
Gold

A hedge against crisis



Gold is in a clear uptrend. The strength is indicating that there is a real risk of a major crisis brewing, whether that be a credit event, an inflation crisis or more likely a debt crisis. The risk of a recession in itself would normally be unlikely to power Gold to these levels, but it is the knock-on effect of a potential recession in the current circumstances which is largely behind this Gold move – namely that economic stagnation makes the debt crisis worse. Economic growth does have a chance of helping to manage debt levels down, but debt will naturally escalate without economic growth especially if interest rates rise.

Extended but it has been more overbought before



The deviation in the Gold price from its trend has reached 2.2 standard deviations. This shows that Gold is extended and overbought. However, it is not yet displaying the characteristics our model looks for to trigger a reduction.

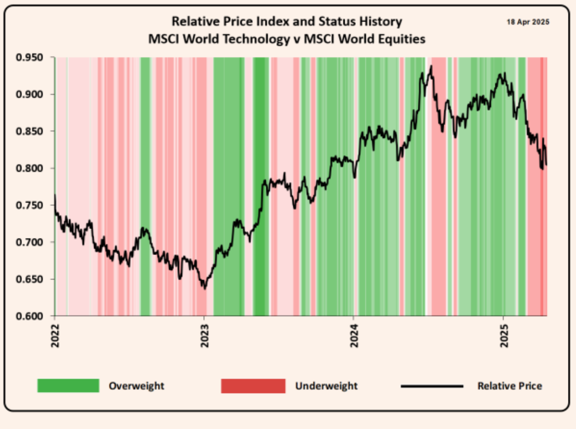
Gold has been significantly more overbought in the past. For example, in 2006 the price deviation reached 3.4 standard deviations after the Gold price had nearly tripled from around USD 250 in 2001 to 721 in 2006.

JASPER FALK
Partner

The Gold price is the escape mechanism for the stress in markets arising from the risk of recession, rising debt levels and concerns that Trump is trying to force interest rate cuts. Further rhetoric that Trump is seeking to replace the chairman of the US Federal Reserve will spook markets on the grounds that the Fed might no longer be politically independent

Global Technology

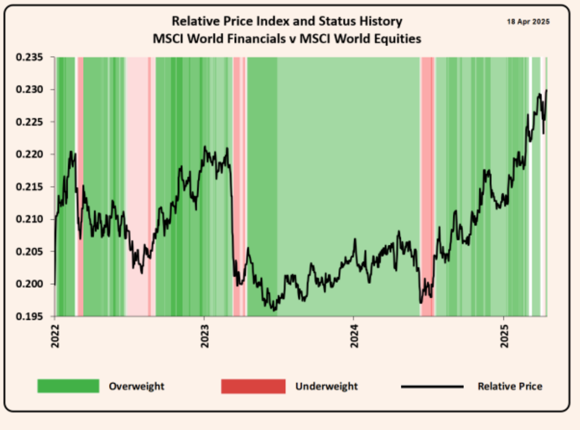
Oversold but still Underweight



The Fund was underweight Technology at the end of March. The allocation was reduced further in early April as momentum deteriorated during the equity market turmoil but the Sector rapidly become very oversold so the allocation was subsequently slightly increased again, whilst still remaining underweight. Although the Sector remains oversold, the recent rallies in relative terms have been insufficient to alter the downwards relative trend, which indicates little sign of improving sentiment yet.

Financials

Overweight



Financials has been an Overweight for a while. Unless the Equity market turmoil turns into a financial or credit crisis, it is not surprising that Financials perform relatively well because a strong Financials sector is the background of economic stability in difficult times. However, it is looking extended and slightly vulnerable. The exposure to Financials has recently been reduced slightly.

WS Enigma Dynamic Growth Fund

End-March 2025

ekins guinness

Objective

The objective of the WS Enigma Dynamic Growth Fund is to achieve long-term growth through a combination of capital and income. The Manager uses its proprietary data-driven "Enigma Investment Radar", which focuses on an objective assessment of Value and Momentum/Trends which are independent of opinion, emotion and forecasts. The Fund adopts a flexible and dynamic asset allocation policy between equities, bonds and cash. The equity investments are achieved through active selection of attractive regions and global sectors. These are generally implemented using cheap low-cost Exchange Traded Funds (ETFs). The Fund adopts an active currency overlay which may seek to protect investors from overseas currency losses and to enhance returns. Use of ETFs enables flexible asset allocation, provides diversification and reduces stock specific risk.

About Ekins Guinness

We were founded by Charles Ekins.
Other Partners are:

TIM GUINNESS
Founder & Chairman of Guinness Asset Management

WILLIAM MALTBY
Chairman of NB Private Equity Partners Limited, previously vice-chairman of Investment Banking at Deutsche Bank

RICHARD THOMPSON
Previously Founder of Spring Capital Partners which specialises in the distribution of investment funds

Portfolio Managers

CHARLES EKINS
Founder & CEO

Charles is the Founder and Chief Executive of Ekins Guinness LLP. Previously he was Chief Investment Officer at Valu-Trac Investment Management, prior to which he spent 19 years at Morgan Grenfell (Deutsche) Asset Management where he was a portfolio manager, member of the Investment Policy Committee and client director. He read Maths with Computing Science at Bristol University and has an MBA from the City University Business School. Charles is a Director of the Herald Worldwide Technology Fund (Dublin OEIC).

JASPER FALK
Partner

Jasper has over 20 years experience in Investment Banking. He established and managed JPMorgan's Global Inflation trading business which assisted Pension Funds and Asset Manager clients in hedging and managing their liabilities. He was also a member of the Fixed Income Management Committee. Jasper read Engineering and Management Studies at St Catharine's College Cambridge, and holds the Financial Times Non-Executive Director Diploma

Fund Facts

Structure
UK Authorised OEIC

UK UCITS
Yes

ISA Scheme
Yes

Size
£13m

Authorised Corporate Director
Waystone Fund Services Limited

Depositary
BNY Mellon

Custodian
BNY Mellon

Auditor
KPMG

Investment Association Sector
IA Flexible

Valuation & Cut Off
12 noon daily

Base Currency
GBP

Dividend Payment Dates
31 January & 31 July

Share Classes

	B Accumulation	B Income	Z Accumulation	Z Income
Currency	GBP	GBP	GBP	GBP
Periodic Charge[1]	0.70%	0.70%	0.45%	0.45%
OCF[2]	0.85%	0.85%	0.60%	0.60%
Minimum Investment	£5,000	£5,000	£200,000	£200,000
Minimum Top Up	£1,000	£1,000	£1,000	£1,000
ISIN	GB00BD8YW428	GB00BD8YW758	GB00BLFFGD12	GB00BLFFGC05
SEDOL	BD8YW42	BD8YW75	BLFFGD1	BLFFGC0

Notes:
1. The Periodic Charge is a fixed annual charge which includes administration, custody, depositary, audit, registrar etc
2. OCF (Ongoing Charge Figure) is as per the latest Key Investor Information Document. The OCF comprises the fixed Periodic Charge plus the indirect charges of the various ETFs in which the Fund invests

How to invest

Search: www.EkinsGuinness.com/dynamic-growth-fund

Ekins Guinness: investments@ekinsguinness.com 01264 738989

Platforms: Allfunds, Aegon, AJ Bell, Alliance Trust, Ascentric, Aviva, Barclays, FNZ, Hargreaves Lansdown, Interactive Investor, Novia, Nucleus, Pershing, Transact & Zurich

***DISCLAIMER & RISK WARNING**: Full details of the WS Enigma Dynamic Growth Fund, including risk warnings, are published in the Prospectus and Supplementary Information document. The WS Enigma Dynamic Growth Fund is exposed to global financial markets and therefore is subject to market fluctuations and other risks inherent in such investments. Investments in overseas markets may be affected by changes in exchange rates, which could cause the value of your investment to increase or diminish. The manager may enter into derivative transactions for efficient portfolio management purposes (including hedging) and investment purposes. The value of investments can go down and investors could lose all or substantial parts of their investments. Past performance is not a reliable indicator of future performance. You should not treat this report as a recommendation to buy, sell or trade the Fund or any of the investments mentioned. Recipients of this document should conduct their own due diligence and research before making their own investment decision. Ekins Guinness LLP is authorised and regulated by the Financial Conduct Authority.*