

# Lowes UK Defined Strategy Fund

## Investment Objective

The Fund aims to provide capital growth over the medium to long term in rising, directionless or modestly falling UK equities markets. The Fund will aim to achieve this, while being less volatile than a corresponding investment into UK equity markets.

It will invest in a core portfolio comprised of defined return equity strategies that aims to provide capital growth in all but extreme negative market scenarios.

The Fund is a sub-fund of of the Skyline Umbrella Fund (ICAV) which is authorised and regulated by the Central Bank of Ireland.

## Monthly Update

The performance of the Fund was positive in March, posting a return of 1.63% (*Source of all figures: FE Analytics*)

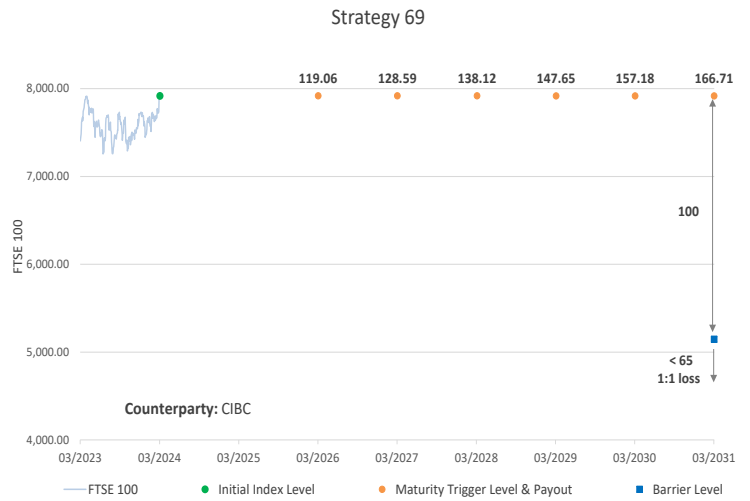
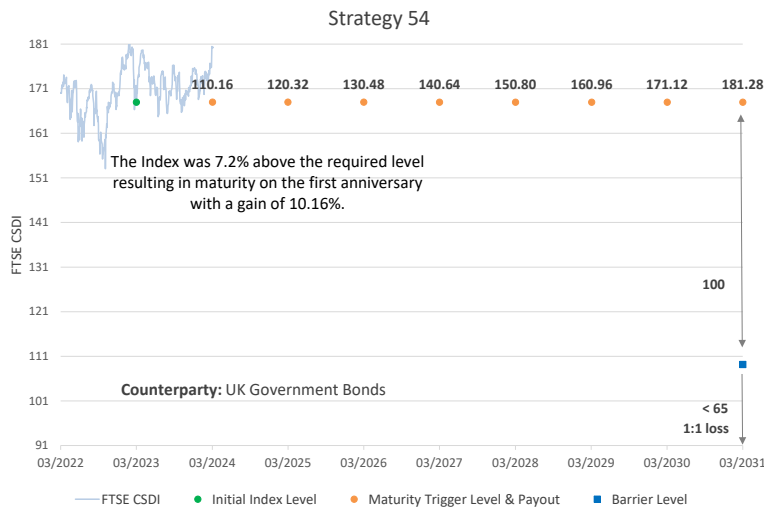
This month was a positive one for UK equity markets in general. Investor focus remained on the economic data which could influence the path of interest rates, with markets keen to see the continuation of the disinflationary theme. In the UK, the consumer price index, the inflation measure against which the Bank of England has a target of 2%, fell more than expected in February, posting a rate of 3.4%, down from the previous reading of 4%.

Whilst still clearly above 2%, investors interpreted this move as being encouraging. With wage inflation (excluding bonuses) running above 6%, this potentially bodes well for an economy driven largely by consumer spending. This could prove a positive influence on corporate profitability.

Towards the end of the month, we saw the successful maturity of Strategy 54, which was a gilt-backed over-the-counter trade. The strategy matured on its first anniversary, after 12 months, with the FTSE CSDI index being above the initial strike level of 167.98. The strategy returned £1.1016 per £1 unit invested. There were no further potential maturities during March.

A new strategy was added to the Fund, Strategy 69. This was in a note form, issued by the Canadian Imperial Bank of Commerce (CIBC) utilising the FTSE 100 as its underlying index. This maximum 7-year contract requires the index to be at or above the initial strike level to mature with a positive return, with the potential to kick out from the second-year anniversary and every 12 months thereafter, until the final maturity date. For each year that it is in force it will accumulate a coupon of 9.53%.

<b>Investment manager:</b>	Lowes Investment Management
<b>Fund type:</b>	Irish Domiciled UCITS
<b>Fund Size:</b>	£28,073,948.08
<b>Unit NAV at 28/03/2024:</b>	Class C: £1.2770
<b>Launch date:</b>	11 December 2018
<b>Base currency:</b>	GBP
<b>Liquidity:</b>	Daily
<b>Dealing deadline:</b>	10:30am Irish time
<b>Pricing:</b>	Daily COB
<b>Share type:</b>	Accumulation
<b>Minimum subscription amount:</b>	Class B: £1,000,000 Class C: £100
<b>Annual management charge:</b>	Class B: 0.4% Class C: 0.5%
<b>OCF:</b>	Maximum of 1%
<b>Reporting status</b>	Registered with HMRC
<b>ISIN</b>	Class B: IE00BG0NV307 Class C: IE00BG0NV414
<b>Dealing line</b>	+353 (0) 1434 5124



## Projected Fund Performance (Not a reliable indicator of future results)

Whilst of course the figures in the table below should not be regarded as a reliable indicator of future results, they are an estimate of the performance over specific time periods for given market movements, based on the current holdings within the Fund and prices and index levels at the end of March.

FTSE 100 movement	-10%	-5%	0%	5%	10%
1 Year	-1.34%	2.68%	5.65%	7.60%	8.70%
3 Years	6.56%	12.76%	17.12%	19.51%	20.86%

For example, if the FTSE 100 index is 5% up in 3 years, we expect the value of the Fund to rise by 19.51%.

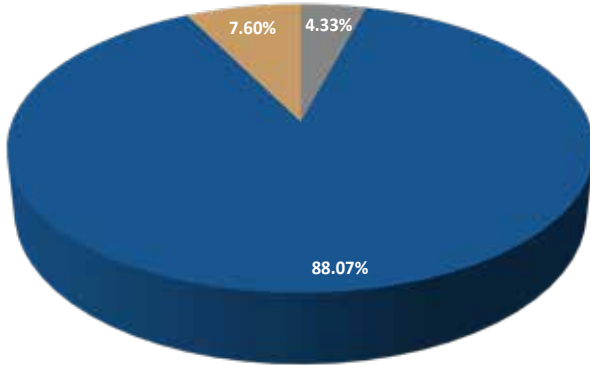
It must be noted that these figures are based on assumptions and therefore there would be a difference between these figures and the actual performance. However, given that the Fund aims to provide capital growth over the medium to long term in rising, directionless or modestly falling UK equities markets, it is pleasing to see that these estimates suggest the Fund should do just that.

## Fund Discrete Performance (%)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	YTD
2018	-	-	-	-	-	-	-	-	-	-	-	-0.11%	-0.11%
2019	0.73%	0.30%	0.66%	0.55%	-0.93%	1.26%	0.74%	-2.24%	1.97%	-0.01%	1.09%	1.64%	5.12%
2020	-2.23%	-9.13%	-8.36%	6.55%	4.07%	0.21%	-2.78%	2.05%	-1.54%	-4.09%	10.01%	1.59%	-5.27%
2021	-1.69%	1.05%	3.66%	3.67%	0.97%	0.42%	-0.17%	1.55%	-0.60%	1.57%	-1.53%	3.50%	12.92%
2022	0.31%	-0.19%	1.65%	-0.06%	1.25%	-3.50%	3.22%	-1.86%	-4.79%	3.52%	4.61%	0.00%	3.81%
2023	2.48%	-0.44%	-0.01%	1.04%	-1.48%	1.11%	1.06%	-0.43%	1.10%	-1.14%	2.04%	2.00%	7.50%
2024	-0.06%	0.31%	1.63%	-	-	-	-	-	-	-	-	-	1.88%

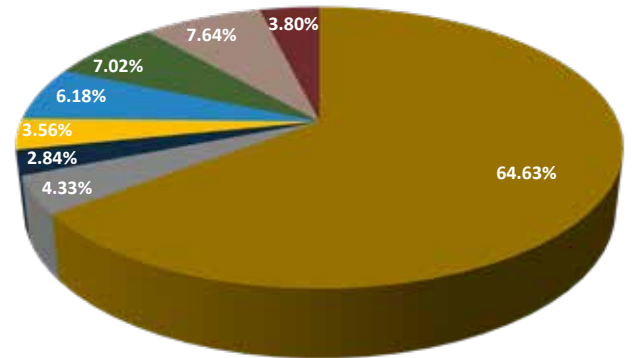
Source of all figures: FE Analytics

### Asset Allocation



	(%)	
Strategies	88.07	●
Unallocated Gilts	7.60	●
Cash	4.33	●

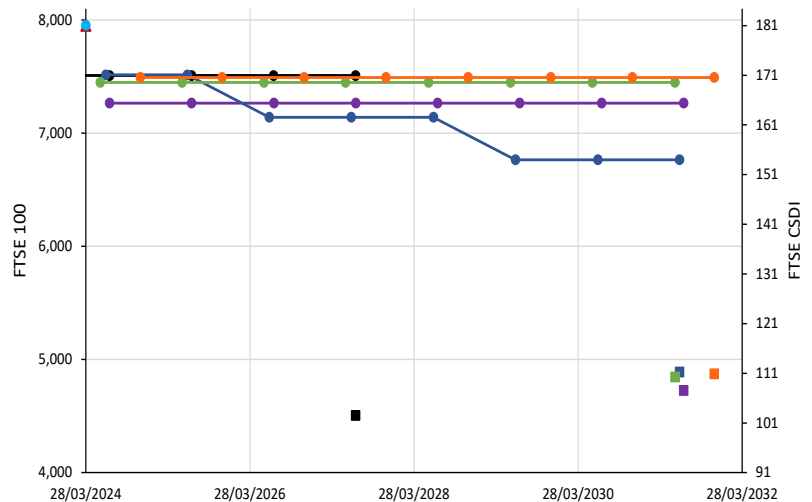
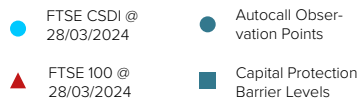
### Counterparty Exposure



	(%)		(%)	
UK Government	64.63	●	Citigroup	6.18
Cash	4.33	●	Credit Agricole	7.02
BNP Paribas	2.84	●	Morgan Stanley	7.64
Goldman Sachs	3.80	●	CIBC	3.56

### Fund Largest Holdings

Gilt-backed 8Y FTSE 8.31% 11/07/2027	6.82%	●
Gilt-backed 8Y CSDI 9.60% 02/06/2031	4.80%	●
Gilt-backed 8Y CSDI 9.00% 24/11/2031	4.77%	●
Gilt-backed 8Y CSDI 9.72% 11/07/2031	4.75%	●
Gilt-backed 8Y CSDI SD 8.60% 27/06/2031	4.75%	●



### Summary

The Fund continues to remain positive year to date. Spread over twenty-one different strategies, it remains well diversified in terms of observations dates, observation levels and counterparty exposure. Gilt-backed strategies remain the largest allocation, while the strategies in note form are diversified across six counterparty banks. Details of the current strategies and the investment banks used, along with further information on the fund, can be found at UKDSF.com.

We hope this update provides you with a flavour of how the Fund is currently positioned.

Sources of Indices Data: Mariana Capital / Investing.com / FT

## Charges

There are no entry, exit, or performance fees applied to the fund. The Ongoing Charge Figure (OCF) for the fund remains at its capped level of 1% p.a. A full list of fees associated with investing in the Fund is included in the Fund Supplement.

---

## Platform Availability

- Aegon
- AJ Bell
- Allfunds
- Aviva
- Embark
- FNZ Clear
- Fusion
- Hubwise
- IFDL
- James Hay
- Novia
- Nucleus
- Quilter
- Seven IM
- Transact

Also available through SIPPs and full-service

---

## Disclaimer

**The value of this investment can fall as well as rise and investors may get back less than they originally invested. Past performance is not necessarily a guide to future performance.**

**The Fund is suitable for investors who are seeking capital growth over a medium to long term horizon but who are willing to tolerate medium to high risks due to the potentially volatile nature of the investments.**

The contents of this document have been issued and approved by Lowes Investment Management, who are authorised and regulated by the Financial Conduct Authority (FCA) under the firm reference number 192938.

The information provided in this document has been provided for information purposes only and should not be regarded as a recommendation to buy or sell the Lowes UK Defined Strategy Fund. This is a marketing communication. Any investment should be made on the basis of the information contained within the Prospectus, the Key Investor Information Document (KIID), and the Supplementary Information Document (SID), available from UKDSF.com

Any views expressed within this document are those of Lowes Investment Management at the date of issue which may be subject to change. Lowes UK Defined Strategy Fund is a sub fund of Skyline Umbrella Fund ICAV which is authorised and regulated by the Central Bank of Ireland. No representation or warranty, expressed or implied, is given as to the accuracy or completeness of the information contained within this document, as expressed by Lowes Investment Management. No liability is accepted by Lowes Investment Management for any errors, omissions or inaccuracy of any information contained within this document.

The tax treatment of any investment in this fund will depend on the individual circumstances of each investor and the method of investing and may be subject to change in the future. If you have any doubts as to the suitability of this investment for you then please talk to an appropriately qualified party.