

Principal Asset Allocation Fund March-21

Fund Overview

The Principal Asset Allocation (PAA) Fund is a UCITS mutual fund authorised by the Central Bank of Ireland. It uses low Beta strategies to target low volatility and maximise risk-adjusted returns for investors. The Fund comprises strategic asset allocations to equity and fixed-income securities alongside deploying opportunistic market neutral strategies. It employs a Beta Hedging strategy on equity allocation by coupling long stocks exposure with a short Stoxx 600 future to minimise volatility. Fixed income allocation follows a short duration “carry” strategy focusing on liquid, high quality bonds. The fund adopts a cautious approach and aims to provide low volatility and uncorrelated returns in all market and economic conditions.

Key Information

Fund Structure	UCITS
Share Type	Accumulation
Fund Inception Date	19/12/2014
Ticker	PAAAGBP
ISIN	IE00BMMV1N47
Pricing Frequency	Daily
AMC	0.65%
Base Currency	GBP
Currency Availability	GBP, EUR & USD(Hedged)
Asset Class	Mixed Asset
Risk Profile	Balanced

Asset Allocation



UK Equities	14%
Euro Equities	7%
Swiss Equities	9%
Danish Equities	6%
Swedish Equities	8%
Norwegian Eq	1%
Corp Bond	24%
Cash	11%

Sources: MIP, RBC Investor Services Ltd

Periodic Performance

	1 Month	3 Month	YTD	12 Month
PAA A GBP	0.99%	2.25%	2.25%	6.00%
SONIA+5%	0.42%	1.27%	1.27%	5.18%
UK 100 TR	4.02%	5.27%	5.27%	20.74%

Sources: RBC Investor Services Ireland Ltd, Solactive, MIP, Bloomberg

Key Features

- The investment objective of the Fund is to seek to achieve a positive return in all market conditions over a three-year period.
- The principal investment strategies are equity and fixed income and are designed to provide market neutral total returns in a variety of scenarios.
- Suitable for investors with a medium-term investment horizon (3-5yrs) who require capital stability and above inflation returns.

Top 10 Security Holdings

NWIDE 5.875 PERP	3.06%
Kuehne + Nagel Intl	1.67%
Epiroc AB	1.60%
Linde Plc	1.56%
DCC Plc	1.53%
Assicurazioni Generali	1.52%
Spectris Plc	1.52%
SCTWID 5 1/2 06/16/23	1.51%
TITIM 5 7/8 05/19/23	1.50%
MAERSK 4 04/04/25	1.28%

Source: Mariana Investment Partners

Performance Chart



Sources: MIP, RBC Investor Services Ltd, Bloomberg

Discrete Performance

Performance: Discrete 1 Year					
PAA A GBP	31/03/21	31/03/20	31/03/19	31/03/18	31/03/17
	6.00%	-1.07%	-4.16%	-2.54%	5.25%

Sources: RBC Investor Services Ireland Ltd, MIP, Bloomberg

Principal Asset Allocation Fund March-21

Cash

The portfolio may hold cash in times of uncertainty, or, as margin for derivative positions.

Equities

Our equity strategy is a liquid, market neutral, systematic, multi factor, total return portfolio. Investors have exposure to an equally weighted basket of large, mid, and small cap equities from the Stoxx Europe 600 index comprising of equities from 17 European countries including France, Germany, Sweden, Switzerland, and the UK.

Fixed Income

Our fixed income allocation is designed to produce recurring income by investing in low duration, high conviction bonds.

Complementary to this is an opportunistic satellite overlay focused on market neutral value positions.

Commentary

Markets are grappling with the push and pull of suppression versus vaccination, long term economic scarring versus deficit spending, and, growth versus value investment themes. Above all else long-term investors must weigh the likelihood of a sustained rise in inflation. If the aftermath of Covid-19 does not produce higher short-term interest rates, then it seems likely nothing will.

The Fund maintained its balanced allocation. Performance for the month of March was +0.99%, to end the quarter with a return of +2.25%.

Our investment process is designed to produce low volatility, positive returns in a variety of market scenarios.



David Blake

David is CIO, Mariana Investment Partners, and, lead portfolio manager for the PAA Fund.

Platform Availability

The PAA fund is a daily traded UCITS VI and is available on all major platforms and within all major Life Company Portfolio Bonds. It is approved also by all major Pension Trustees (QROPS/SIPPS).

Enquiries

For a summary of the share classes available, further information about this fund or other investment management products please contact enquiries@mariana-ip.com, or visit our website at mariana-ip.com

Disclaimer

This document is issued by Mariana Investment Partners LLP and does not constitute or form part of any offer or invitation to buy or sell shares. It should be read in conjunction with the Fund's Prospectus, key investor information document ("KIID") or offering memorandum. Mariana Investment Partners LLP is authorised and regulated by the Financial Conduct Authority (FRN 605552). The Company's registered office is 100 Cannon Street, London. EC4N 6EU.

The price of shares and income from them can go down as well as up and past performance is not a guide to future performance. Investors may not get back the full amount originally invested. A comprehensive list of risk factors is detailed in the Prospectus and KIID and an investment should not be contemplated until the risks are fully considered. The Prospectus and KIID can be viewed at www.geminicapital.ie

The contents of this document are based upon sources of information believed to be reliable. Mariana Investment Partners LLP has taken reasonable care to ensure the information stated is accurate. However, Mariana Investment Partners LLP make no representation, guarantee, or warranty that it is wholly accurate and complete.

The Principal Asset Allocation Fund is a sub-fund of GemCap Investment Funds (Ireland) plc, an umbrella type open-ended investment company with variable capital, incorporated on 1 June 2010 with limited liability under the laws of Ireland with segregated liability between sub-funds.

GemCap Investment Funds (Ireland) plc is authorised in Ireland by the Central Bank of Ireland pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (S.I. No. 352 of 2011) (the "UCITS Regulations"), as amended.

Gemini Capital Management (Ireland) Limited, trading as GemCap, is a limited liability company registered under the registered number 579677 under Irish law pursuant to the Companies Act 2014 which is regulated by the Central Bank of Ireland. Its principal office is at Ground Floor, 118 Rock Road, Booterstown, A94 V0Y, Co. Dublin and its registered office is at 1 WML, Windmill Lane, Dublin 2, D02 F206. GemCap acts as both management company and global distributor to GemCap Investment Funds (Ireland) plc.

GemCap UK Limited Ltd provides distribution oversight services to GemCap acting as global distributor and is responsible for the oversight of all distribution arrangements for the sub-fund.