

Fund Manager



Portfolio Manager: Philip Rodrgis
Managing UK equity strategies since 2006, Philip is a multi award winning manager. Honoured as an all-sector Morningstar ‘Outstanding Rising Talent’, Philip has been twice named as IW’s UK Small Cap Fund Manager of the Year.

First Day of Trading
1 June 2020

Fund AUM
£21.9m

Raynar AUM
£60.7m

Custodian
EFG Bank (Luxembourg) S.A.

AIFM
KB Associates S.A.

Administrator
HSBC France,
Luxembourg Branch

Auditor
BDO Audit S.A. Luxembourg

Fund Objectives

To achieve capital growth over the medium term with an absolute focus on stock selection, unconstrained in its approach to building a high conviction portfolio of attractive risk vs return high conviction investments from across the UK equity market, with a likely predominance of small and micro sized companies. During periods with insufficient opportunities, unallocated capital will be preserved utilising the flexibility to invest in cash, beta hedging instruments and other asset classes.

FOR PROFESSIONAL INVESTORS ONLY

Raynar Flagship Performance



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Cal Return	Total Return
2020						3.6%	6.5%	7.2%	-3.4%	-0.5%	10.8%	11.7%	40.8%	
2021	1.4%	7.9%	4.8%	6.7%	2.8%	-3.0%	3.1%	2.9%	-7.0%	-0.7%	-7.0%	3.2%	14.7%	
2022	-8.5%	-8.3%	3.5%	-2.6%	-4.7%	-7.5%	3.3%	-2.3%	-3.5%	0.2%	0.1%	-1.7%	-28.4%	
2023	2.8%	0.4%	-3.3%	1.3%	-5.2%	0.0%	1.1%	-2.6%	-0.8%	-8.1%			-14.0%	-0.5%

Past performance is not a reliable indicator of future performance. Chart shows daily net asset values including cumulative dividends declared for Class A Distribution shares in GBP to date net of all fees and costs. Source: Bloomberg

The investment strategies described above are intended only for those persons who may be categorised as professional clients. Nothing herein should be construed as advice. RPM Holdings Limited is an Appointed Representative (FRN: 972964) of Met Facilities LLP which is authorised and regulated by the Financial Conduct Authority (FRN: 587084). Met Facilities LLP is the investment manager of the Fund. KB Associates S.A. is the Alternative Investment Fund Manager (AIFM).

Top Ten Equities	Holding
hVIVO	5.3%
DX Logistics	4.6%
Shanta Gold	3.6%
MaxCyte	3.4%
Chemring	3.4%
Capital Drilling	3.3%
Conduit Reinsurance	3.3%
Journeo	3.1%
Gamma Communications	2.9%
Just Retirement	2.8%

Top Ten Investment Themes	Allocation
Gold & other Raw Materials	12.2%
Software & Hardware Technology	11.5%
Diversified Business Services	11.4%
Utility Services	11.1%
Diversified Financial Services	10.7%
Cash	10.4%
Medical Technology & Services	8.7%
Defence Technology & Services	5.4%
Insolvency & Related Services	5.1%
Gaming Software & Services	4.2%

Darkest Before Dawn

There are many colloquial phrases that ring true in the markets. Perhaps the most important of all to keep in mind is ‘darkest before dawn’. It artfully reminds that, just before the uplifting brightness hidden just over the horizon returns, the long and depressing night-time feels at its darkest. Precisely at the point that it seems the dark night will never end, dawn is about to break. This phrase seems a particularly apt way to describe the environment for many asset classes across the globe this month. This includes bonds as well as equities including Raynar’s long term favourite – UK Smaller Companies.

The pattern of wider markets became one of growing gloom since mid-September and continued through most of October. However, in the last days of the month, dawn arrived with markets rising sharply, which has continued into November. As with much of the last two years, this episode was driven by interest rate expectations. Bonds fell heavily as the market progressively gave up on the prospect of significant interest rates cuts in 2024 in reaction to generally better than expected economic news. However, it seems we have now reached a phase where ‘bad is good’ – weakening macro-economic indicators such as rising unemployment are being greeted positively by the market as they raise the prospect for future rate cuts.

Raynar Flagship has performed similarly to its focus market area over the past couple of months which is a result that brings frustration to an active manager always striving to outperform. After more than two years of difficult market conditions for UK Smaller Companies, multiple positive catalysts appear to be emerging – the most significant of which may soon be announced by the Chancellor regarding boosting pension investment towards UK Smaller Companies. Have we arrived at the darkest before dawn moment for this market cycle?

Contact Details	Raynar Flagship Share Classes		
	Inception Date	A Class	B Class
		29th May 2020	24th August 2020
	Minimum Initial Investment	£200,000	£5,000,000
	Subscription	Daily, zero fee	Daily, zero fee
	Redemption	Monthly, zero fee	Monthly, zero fee
	Redemption Notice**	1 month	1 month
	Annual Management Charge	1.00%	0.75%
	Performance Fee	20%	20%
	Hurdle Rate	5% annualised	10% annualised
	High Water Mark	Yes – Lifetime	Yes – Lifetime
	Distribution/Accumulation	Distribution	Distribution
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**Redemptions processed last business day each month – instruction required before 3pm UK time on last business day of the prior month

Investment Themes are categorisations chosen by the portfolio manager which, in their opinion, best describes the predominant driver of the underlying investments. Investments may be re-categorised. *Represents negative cash balance arising from the utilisation of leverage to accommodate periods where there are excess high conviction investment ideas

Information for investors in Switzerland: The Fund mentioned in this marketing material is not approved by FINMA for offering to non-qualified investors in Switzerland and the information presented is only for qualified investors as defined under art. 10 paragraph 3 and 3ter CISA in connection with art. 4 paragraphs 3 to 5 FinSA and art. 5 paragraphs 1 and 4 FinSA. The Representative in Switzerland is CACEIS (Switzerland) SA, Route de Signy 35, CH-1260 Nyon. The Paying Agent in Switzerland is CACEIS Bank, Paris, Nyon Branch / Switzerland, Route de Signy 35, CH-1260 Nyon. The prospectus, the key investor information document, the articles of association and the annual and semi-annual reports of the Fund/s may be obtained, free of charge, at the representative in Switzerland. Past performance is no indication of current or future performance. The performance data do not take account of the commissions and costs incurred on the issue and redemption of units.