

# General Chart Notes and Risk Warnings - FTSE 100 and other Benchmarks

Price charts are re-based against, usually, UKX (the FTSE100 Index) and sometimes S500 (the S&P 500) or other relevant indices, XSTR the DB X-Trackers Money Market ETF (as a proxy for cash on deposit with interest reinvested) for the purpose of comparison ONLY. This is NOT meant to imply that they are the most appropriate benchmark for any of the funds shown, indeed in many cases they would be wholly inappropriate. Unless "Total Return" most indices do NOT reflect the value of any dividends which would have been payable and this will understate the actual return which an investor might have received.

An index can serve as a consistent guide for comparing various funds, both relative to each other, to the Stockmarket in general and to cash on deposit and is an excellent way of seeing if a fund's manager has added (or indeed subtracted) any value compared to a passive market index fund. **It says nothing about risk.**

The scale starts at 100 on 02/01/2015(unless indicated otherwise) and the right hand scale is *percentage change NOT price.*

## Tracking, Out- and Under- Performance

Tracking: A fund's price line moves exactly with the index so the fund is achieving the same return as the benchmark or index.

Out-Performance: The price line rises faster than the benchmark or index (e.g. starts "lower left", ends "upper right"), so the fund is gaining more than the benchmark.

Under-Performance: The price line rises slower than the benchmark or index (e.g. starts "higher left", ends "lower right"), so the fund is gaining less than the benchmark.

The above descriptions need to be interpreted in the light of what a particular fund is trying to achieve. A Corporate bond or REIT fund is likely to fluctuate much less than an equity fund and thus a period of under-performance may actually be desirable against, say the FTSE100. However, if two UK Smaller companies funds, or two Stockmarket Managed Funds are compared, then in most cases the one which out-performs, on the above definition, will have added more value for the investor.

Investments do fluctuate in value all the time in unpredictable ways, and if you invest in a currency other than sterling, exchange rate movements may increase or reduce the underlying investment's volatility relative to cash deposits in sterling.

You should not to make any investment unless you have not only received the Key Investor Information Document (KIID) of the fund's stated objectives but also fully satisfied yourself that you have understood their implications for you. Due to the gigantic amount of documentation we are now require to provide this will be supplied in digital format unless you specifically request hard copy. I am sure that by now you realise that the investment manager will not accept any responsibility if they either fail to meet their stated aims or subsequently change them in a manner detrimental to you. Please note that there is no guarantee that the Managers will meet the objectives set. The value of investments and income from them is not guaranteed and will fluctuate. We are not responsible for monitoring their on-going performance (i.e. between any portfolio reviews we have agreed with you) and can give no guarantees as to what their future results will be, although obviously we hope that they will be profitable for you. We will be pleased to review the fund for you again in the future on request or as agreed in accordance with our Terms of Engagement and Client Agreement.

Because of the Financial Services Act we must draw your attention to certain facts. In the case of investment-linked investments the value of the underlying investments and income from them can fall as well as rise and is not guaranteed so that you may get back less than you invested. The Financial Conduct Authority and the Financial Ombudsman Service will seek to blame everyone except themselves in the event of anything going wrong at any time and from whatever cause.

Funds invested in markets other than Sterling will be subject to foreign exchange fluctuations. Emerging Markets and funds with a single focus are particularly volatile. Some funds may not be easy, or indeed possible, to buy or sell at any price if market conditions are unsettled. Past performance is not necessarily any guide to the future. Not all investments have a single buying or selling price and while we have tried to be consistent for a given instrument the figures shown may not be the ones you could have dealt at. The manager with responsibility for the fund may change over time with unpredictable results on the fund, and it is very unlikely that you will be informed automatically by the investment administrator, and we cannot undertake to inform you automatically in the future.

Many investments have tax implications and you should satisfy yourself that you have understood the impact taxation may have upon your decision to make this investment. The tax treatment of existing investments may change in the future without warning, and we cannot be held liable for any consequences this may have for you. Our advice is based upon our understanding of current legislation (January 2015), recognising that it is extremely likely to change in the future.

If anything is unclear, PLEASE ASK FOR FURTHER INFORMATION NOW. We will NOT accept responsibility or liability if you subsequently claim that you did not understand any of the advice, or risks associated with advice which we gave in good faith based on your disclosed circumstances and preferences at this time and which you followed.

Errors and Exceptions Excluded.

