

# NI CENTRAL INVESTMENT FUND FOR CHARITIES

## Investment Factsheet as at 30 September 2015



### Background

The Northern Ireland Central Investment Fund for Charities (NICIFC) was set up in 1965 through the Charities Act (Northern Ireland) 1964, with the aim of providing charities with the opportunity to invest all or part of their assets in a centrally pooled fund, administered by the Department for Social Development. The Fund is managed by recognised fund managers, with its investment policy and performance reviewed on a quarterly basis by a locally based advisory committee, appointed by the Department.

The NICIFC operates as a Discretionary Managed Fund, with participating charities allocated a proportionate number of shares based on the size of their investment and the most recent valuation (share price). The Fund invests in fixed-interest securities, UK & foreign equities and selected unithised funds. The allocation between these asset classes is reviewed and adjusted periodically, in line with the Fund's investment policy.

### Temporary Suspension of the Fund

The Department is currently conducting a review of the Northern Ireland Central Investment Fund for Charities. The Fund will continue to be managed by the Department and the Investment Manager (currently Standard Life Wealth) as normal. However, new additions to the Fund have been temporarily suspended.

There will be no change to the process of making withdrawals from the Fund and the bi-annual dividend will continue to be paid as usual.

For those charities that have requested their bi-annual dividends be reinvested this process has been suspended and all payments will be made to your stated bank account.

### Fund Information

#### Aim

The primary objective of the Fund is to generate income and thereafter long-term capital growth in real terms.

#### Income

To achieve an annual income return in excess of the benchmark yield.

#### Benchmark

FTA Govt All Stocks	25%
FTSE All Share	50%
FTSE World ex UK	20%
LIBID 7 Day	5%

### Key Details

Launch Date	1965
Fund Size	£33.75m
Share Price	1078.25p
Dividend Payment Dates	Jun & Dec
Year End	30 Sept
Currency	Sterling
Annual Management Fee	0.40%

### Risk Factors

Based on the definitions of risk determined by Standard Life Wealth, the portfolio is categorised as being managed with a *higher medium* risk approach.

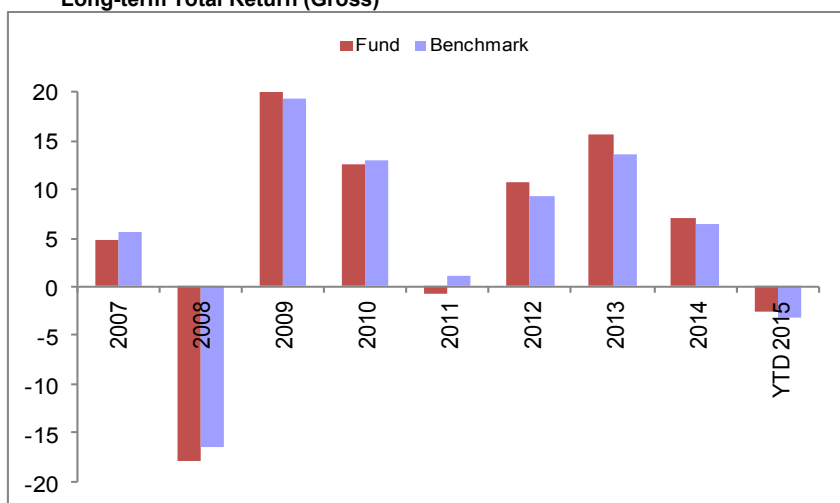
The value of any investment may go down as well as up, as can the income generated from it.

### Fund Performance to 30<sup>th</sup> September 2015

	3 months	3 Years Annualised
NICIFC	-2.6%	7.05%
Composite Benchmark	-3.1%	6.77%
Dividend Yield (Fund)	4.1%	
Dividend Yield (Target)	2.9%	

Portfolio and benchmark returns for the quarter to 30/09/15 are preliminary estimates provided by Standard Life Wealth and have not been verified externally. They could, therefore, be liable to subsequent adjustment.

### Long-term Total Return (Gross)



Year	2007	2008	2009	2010	2011	2012	2013	2014	YTD 2015
NICIFC	4.7	-17.8	20.1	12.6	-0.7	10.7	15.6	7	-2.6
Benchmark	5.7	-16.5	19.3	12.9	1.2	9.3	13.6	6.4	-3.1

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### Fund Manager

The current Fund Manager is Standard Life Wealth. 1 George Street, Edinburgh EH2 2LL. Standard Life Wealth are regulated by the Financial Conduct Authority.

Standard Life Wealth applies a global thematic stock picking strategy. This focus on themes helps to identify the catalysts for change and capture opportunities wherever they occur.

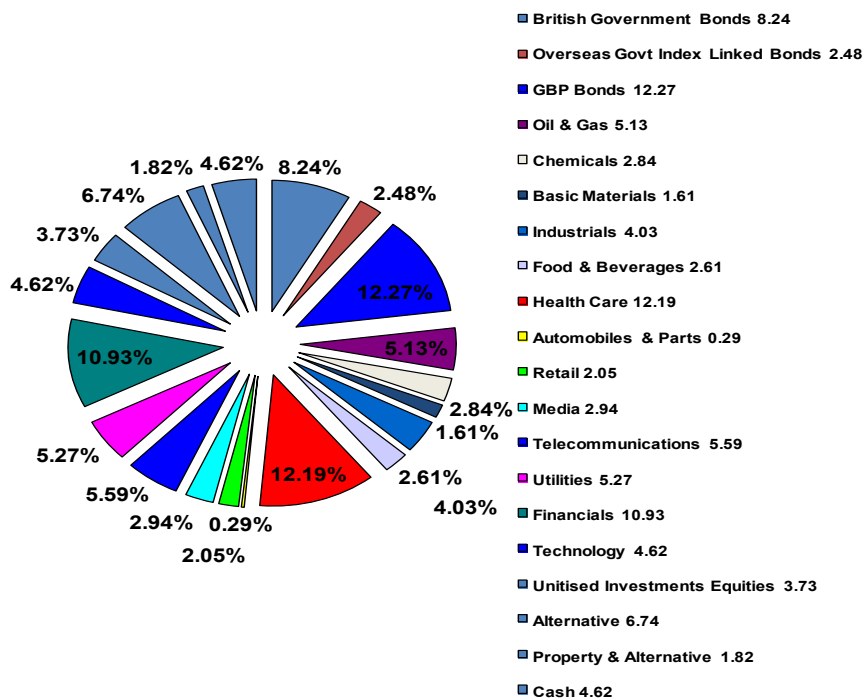
### Historic Fund Information

As at 30 Sept	Share Price (p)	Annual Dividend (p)	Yield (%)
2009	881.43	39.00	4.42
2010	942.75	39.00	4.14
2011	893.25	40.00	4.48
2012	973.84	40.00	4.11
2013	1057.62	40.00	3.78
2014	1116.58	40.00	3.48
2015	1078.25	43.00	3.99
Shares in issue as at 31/06/2015			3,132,861
Shares in issue as at 30/09/2015			3,130,080

### NICIFC Fund Composition

Ethical Restriction: No direct investment permitted in tobacco stocks

#### Sector Allocation as a % of Total Market Value



Source: Standard Life Wealth 30 September 2015

### Market Commentary

The enthusiasm of early July, when a “Greek tragedy” was averted after months of debt renegotiations, seemed a long time ago as the “Great fall of China” dominated the rest of the quarter. Fears over China slowing became more worrying for investors as state intervention failed to calm markets (the currency devaluation in August for example) and these worries spread to emerging markets and commodities which are both reliant upon China for growth and are exposed to the country’s slow momentum. As a result equities fell aggressively over the period with world equities only marginally outperforming UK equities (-5.3% vs -5.7%), and the real losers during the quarter being members of the fragile European recovery (-9.2%), emerging markets (-12%) and China itself (-19.8%). Higher yielding equities also remained under pressure versus the broader market with returns coming in at -7.8% for the three months as key oil and mining sectors were still out of favour with investors.

Standard Life Wealth remain committed to identifying and investing in businesses that can generate returns for investors. There is always the potential for unforeseen events to unsettle markets, but prudent management teams are aware of the risks facing their businesses. SLW continue to consider the investment implications of a variety of macroeconomic scenarios across classes and individual securities.

SLW thematic framework remains key to their investment approach, which they believe will lead them to invest in quality companies that have the ability to weather short-term macroeconomic turbulence. SLW believe that their *Focus on Change* investment philosophy is well suited to this environment – particularly given the flexibility of their investment strategies and the depth of their research capability.

### Contact

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