

# NI CENTRAL INVESTMENT FUND FOR CHARITIES

## Investment Factsheet as at 30 June 2016



Department for  
**Communities**  
www.communities-ni.gov.uk

### 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 Communities. 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 unitised 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 their stated bank account.

### Fund Information

#### Aim

The primary objective of the Fund is to generate income and thereafter long-term capital growth (+5 years) in real terms.

#### Income

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

#### Benchmark

**FTA Govt All Stocks 25%**

*Government Gilts 12.5%*

*Corporate Bonds 12.5%*

**FTSE All Share 50%**

**FTSE World ex UK 20%**

**LIBID 7 Day 5%**

### Key Details

Launch Date	1965
Fund Size	£36,12m
Share Price	1157.31p
Dividend Payment Dates	Jun & Dec
Year End	30 Sept
Currency	Sterling
Annual Management Fee	0.4%

### 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.

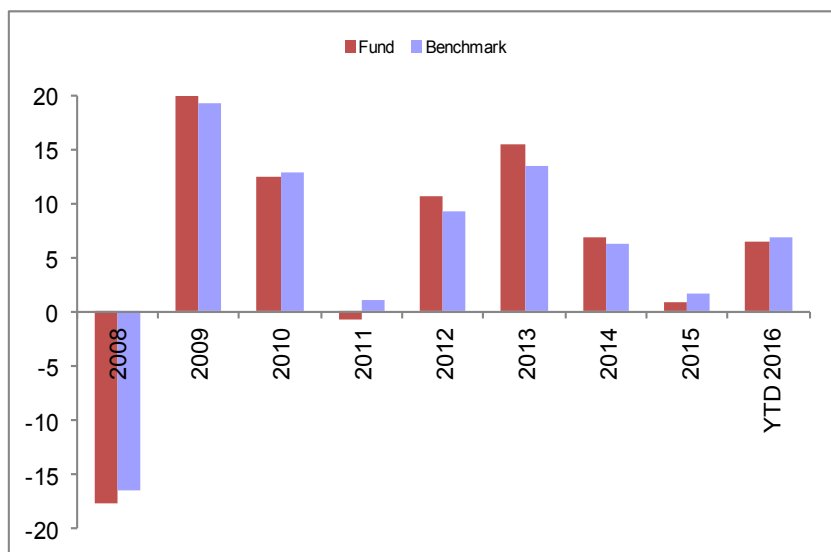
The value of any investment may go down as well as up, as can the income generated from it.

### Fund Performance to 30 June 2016

	3 months	3 Years Annualised
NICIFC	6.1%	6.9%
Composite Benchmark	5.4%	7.3%
Dividend Yield (Fund)	3.9%	
Dividend Yield (Target)	2.9%	

Portfolio and benchmark returns for the quarter to 30/06/16 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 Percentage Return (Gross)



Year	2008	2009	2010	2011	2012	2013	2014	2015	YTD 2016
NICIFC	-17.8	20.1	12.6	-0.7	10.7	15.6	7.0	1.0	6.5
Benchmark	-16.5	19.3	12.9	1.2	9.3	13.6	6.4	1.8	7.0

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### Fund Manager

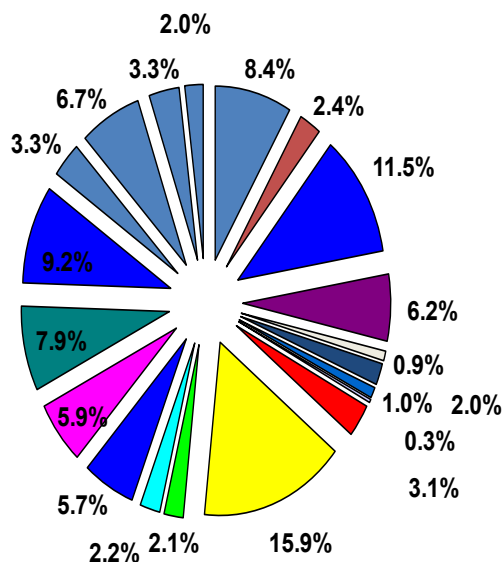
The current fund manager is Standard Life Wealth. 1 George Street, Edinburgh EH2 2LL. Standard Life Wealth are regulated by the Financial Conduct Authority.

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.

### NICIFC Fund Composition

Ethical Restriction: No direct investment permitted in tobacco stocks

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



- British Government Bonds 8.4
- Overseas Govt Index Linked Bonds 2.4
- GBP Bonds 11.5
- Oil & Gas 6.2
- Chemicals 0.9
- Basic Materials 2.0
- Industrials 1.0
- Automobiles & Parts 0.3
- Food & Beverages 3.1
- Health Care 15.9
- Retail 2.1
- Media 2.2
- Telecommunications 5.7
- Utilities 5.9
- Financials 7.9
- Technology 9.2
- Unithised Investments Equities 3.3
- Alternative 6.7
- Property & Alternative 3.3
- Cash 2.0

### 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 31/03/2016			3,122,706
Shares in issue as at 30/06/2016			3,120,706

Source: Standard Life Wealth 30 June 2016

### Portfolio Commentary

World equities led the charge in June, returning a staggering 8.4% in sterling terms taking the quarter return to 8.9%; clearly much of this was driven by currency appreciation as sterling weakened dramatically against the majority of world currencies. Probably even more surprising, given the headlines and deterioration in outlook is that UK equities managed a 2.8% return in June, and 4.7% over the quarter.

Not surprisingly, heightened uncertainty led to a surge in the performance of safe haven assets; gilts returned 5.6% in June and 6.8% over the quarter, performing significantly ahead of investment grade credit which returned 2.7% in June and 4.2% over the quarter.

### Outlook

The one phrase you will undoubtedly hear more in the coming months is “uncharted territory”. This is true, both in politics and economics. History has taught us that the future is seldom as dark as the worst case scenario, and seldom as sunny as the best-case scenario.

With so much speculation and postulating over the UK’s vote to leave the EU, investors should be mindful that there are, arguably greater issues in global economy which are not dependent upon the UK’s membership of the EU.

### Contact

NI Central Investment Fund for Charities. The Lighthouse Building, 4<sup>th</sup> Floor, 1 Cromac Place, Gasworks Business Park, Ormeau Road, Belfast BT7 2JB. Tel: (028) 90829240 or email [colin.alderdice@communities-ni.gov.uk](mailto:colin.alderdice@communities-ni.gov.uk) or [deborah.crudden@communities-ni.gov.uk](mailto:deborah.crudden@communities-ni.gov.uk).

Website: <https://www.communities-ni.gov.uk/articles/northern-ireland-central-investment-fund-charities>

Issued by Northern Ireland Central Investment Fund for Charities (NICIFC). NI CIFIC is managed by the Department for Communities through recognised fund managers, and its investment policy is guided by a locally based Advisory Committee appointed by the Department.

All information (excluding Historic Fund Performance) is sourced from Standard Life Wealth Ltd.

All data as at 30 June 2016.