

NI CENTRAL INVESTMENT FUND FOR CHARITIES

Investment Factsheet as at 31 March 2017



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 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 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 : The Fund aims to achieve an annual income return in excess of the benchmark yield.

Share Value (31/03/17) : 1265.13 pence

Units held (31/03/17) : 3,068,453 (3,068,453 31/12/16)

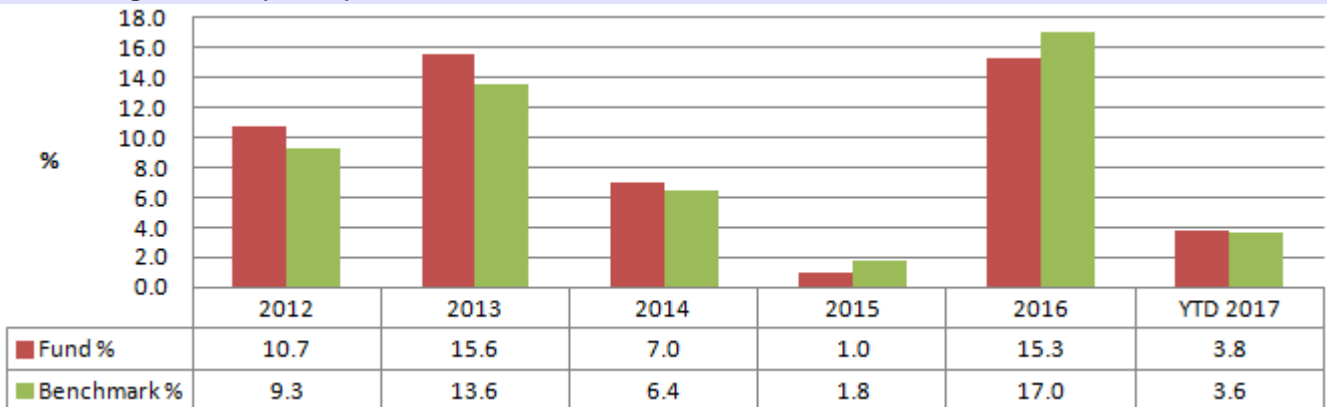
Currency : Sterling

Year End : 30 September 2017

SLW Annual Management Fee : 0.4%

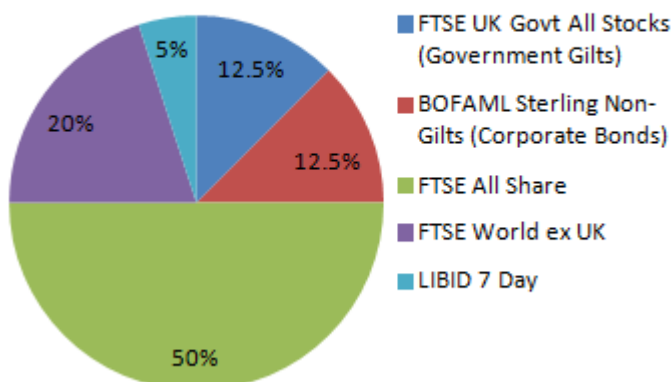
Dividend Payment : Dates Jun & Dec

Percentage Return (Gross)

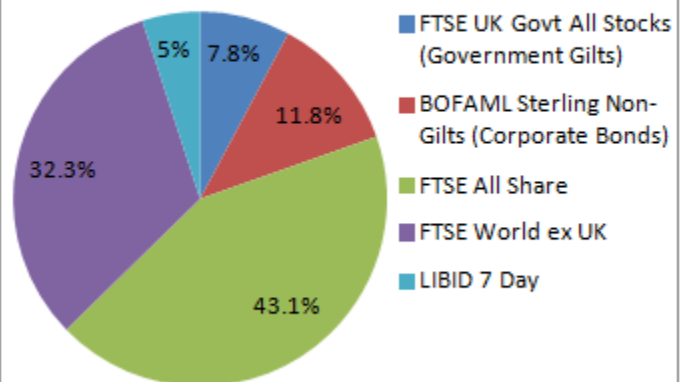


Benchmark

Benchmark Composite



Portfolio Composite (31/03/17)



Portfolio and benchmark returns for the quarter to 31/03/17 are preliminary estimates provided by Standard Life Wealth and have not been verified externally. They could, therefore, be liable to subsequent adjustment.

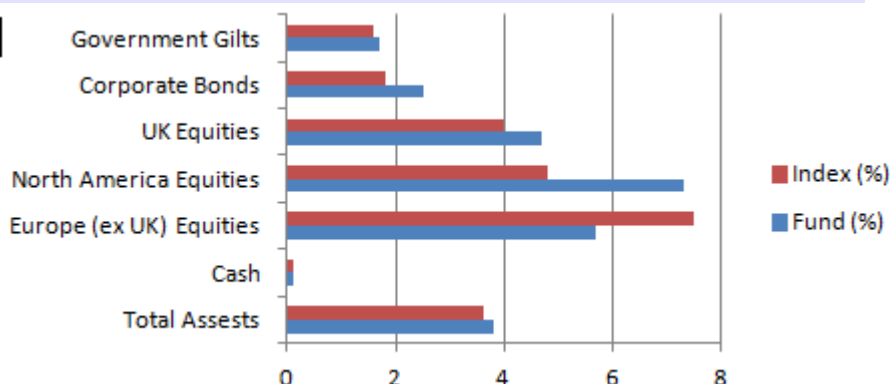
Northern Ireland Central Investment Fund for Charities is a registered charity with HMRC

This is a financial promotion and is not intended as investment advice.

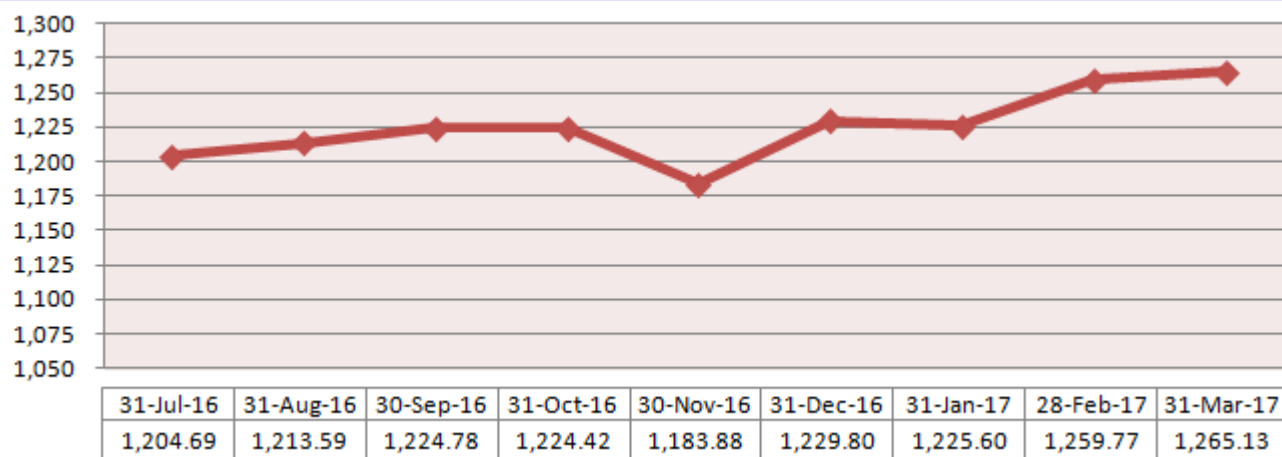


Performance Attribution to 31 March 2017

Asset Class	Fund (%)	Index (%)
Government Gilts	1.7	1.6
Corporate Bonds	2.5	1.8
UK Equities	4.7	4.0
North America Equities	7.3	4.8
Europe (ex UK) Equities	5.7	7.5
Cash	0.1	0.1
Total Assets	3.8	3.6



NICIFC Share Price (Pence)



Key Points

Market conditions in the first three months of 2017 provided a stark contrast to the experience of a year ago. As opposed to fears over global growth and many commentators warning of an imminent recession, we have seen equity markets continuing the momentum of Q4 2016 with World Equities ex UK leading the way once again returning +5.8% versus +4.0% for UK Equities. This was driven heavily by the performance of Asian and Emerging Markets, primarily in domestic currency terms but the weakening of sterling versus many of the currencies concerned also added another leg to performance during the period.

The much heralded sell off in bond markets has yet to materialise meaning that those investors who were positioned in a much more defensive manner have also enjoyed positive returns during the period; +1.6% for UK Government Gilts and +1.8% for UK Corporate Bonds. The continuation of ultra-low bond yields is still sending a contrary economic signal when compared to the strength seen in equity markets – low bond yields would normally be a sign of economic strife and a demand for safe haven assets. The debate therefore continues within the investment community as to the challenges still facing the global economic recovery and whether the impact of QE policies around the world on all financial assets (bonds and equities alike) are merely masking the reality of the situation. Only time will tell but multi asset investors are enjoying (once again) the desire for cash to be put to work by investors and corporates who both remain tired of the paltry returns on offer from their bank, and remain encouraged by continued positive economic data from around the world.

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 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.

Contact

NI Central Investment Fund for Charities. Level 5 Causeway Exchange 1-7 Bedford Street, Belfast BT2 7EG. Tel: (028) 90512604 or email colin.alderdice@communities-ni.gov.uk or deborah.cruden@communities-ni.gov.uk.

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