

Adventurous Portfolio Factsheet

This document provides you with information about the Fund.

The City Financial Adventurous Portfolio seeks to achieve capital growth by investing in a diversified range of asset classes. A fixed strategic asset allocation is augmented by the team's established macroeconomic and fund analysis expertise.

SUITABILITY

- The Fund may be suitable for adventurous investors seeking an investment approach that is biased towards equities, but incorporating diversifying holdings in other asset classes, including alternatives and derivatives. A tolerance for capital loss and a long-term perspective are required.
- The Fund is risk profiled by Distribution Technology, an independent risk-rating body, in order to show the level of expected risk on a scale of one to ten.
- The Fund may be used as a solution on its own or as a core part of a broader investment solution.

KEY BENEFITS OF INVESTMENT STRATEGY

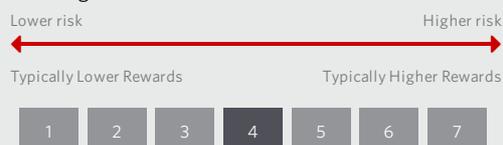
- The comprehensive investment process, encompassing both macro-economic and fund-specific analysis by a well-resourced team, is designed to aim to deliver a repeatable investment outcome.
- This is underpinned by a strategic asset allocation to help the Fund maintain a predictable and adventurous risk profile. The equity-biased allocation incorporates the potential for significant volatility.
- The rigorous analysis incorporates quantitative and qualitative inputs to all stages of the process.
- The manager's ability to use derivatives to undertake hedging activities helps him mitigate downside risk.

RISK COMMENTARY

The Fund's KIID Synthetic Risk and Reward Indicator (SRRRI) is 4. This is a regulatory measurement that is, where possible, calculated from the volatility of the Fund's weekly performance over a five-year period. A score of 4 means the Fund's historic volatility is between 5% and 10%.

The Fund's risk category is usually a measure of the degree to which its price has historically fluctuated. In this case, the Fund does not yet have a five-year track record and the category has therefore been estimated based partly upon the simulated past performance of its strategic asset allocation.

Mark Harris has managed the Fund since 31 May 2014. Longer-term risk and performance measures incorporate the track record of the previous manager.



KEY FUND FACTS

Inception date:	01 February 2011
Manager:	Mark Harris
Fund size:	£5.6m
Fund domicile:	Ireland
Share class types:	Acc
XD dates:	31 March and 30 September
Dividend distribution:	30 April and 31 October
Charge details:	see OTHER FUND FACTS table

FUND DESCRIPTION

Formal investment objective

The investment objective is to seek to achieve capital growth by investing in a diversified range of asset classes.

Investment team

City Financial's Multi-Asset Team brings together experts at macro-economic research, fund management and fund analysis. Their range of experience and expertise, we believe, set the team apart from their peers.

Mark Harris, Head of the Multi-Asset team, has managed the Fund since 31 May 2014. He previously managed over £1 billion in assets at New Star Asset Management (subsequently Henderson), gaining recognition through a range of industry awards and ratings.

Investment philosophy

The manager aims to deliver attractive risk-adjusted returns over the long term while delivering a risk profile that is appropriate for adventurous investors. He has developed an approach that combines the development of top-down asset preferences with a rigorous fund selection process. The Fund is managed with reference to a long-term strategic asset allocation, which is designed to meet the risk requirements of adventurous investors and is categorised by Distribution Technology, a third-party risk profiling consultancy, accordingly.

Investment process

The approach is based on quantitative and qualitative assessments of the macro-economic environment, market conditions and funds. Quantitative models, investment bank research and independent analysis are key inputs in formulating top-down expectations and identifying where they are not reflected by asset class pricing or positioning. The manager considers multiple scenarios to ensure the resulting preferences have appropriate risk and reward characteristics. The analysis and findings are challenged at monthly team strategy meetings and provide the basis for fund selection.

In assessing funds and derivatives for the portfolio, we use a range of systems to undertake style analysis and attribution. We undertake face-to-face manager interviews to deepen our analysis. These interviews inform us of the manager's understanding of the portfolio risk and construction. A report is produced explaining past returns and forecasting future performance. Fund selection is reviewed at a weekly team research meeting.

Portfolio construction and risk controls

Risk is monitored continuously for both underlying positions and for the portfolio in aggregate, to ensure that the drivers of performance within the portfolio are appropriately diversified and unintended risks are avoided. The Fund's style exposures are dependent upon the top-down analysis process. The positioning is underpinned by the Fund's strategic asset allocation and the manager continually monitors the portfolio to ensure that any deviations in positioning are controlled and limited.

MANAGER COMMENTARY

Global equity markets posted a muted performance in January 2017, oscillating around zero. The MSCI World Index was up 0.61%, the MSCI Europe ex UK Index was up 0.39%, the S&P 500 Index was flat, gaining 0.07%, while the MSCI UK Index fell 0.56%. This was not the case for Asia and Emerging Markets as the MSCI AC Asia ex Japan Index was up 4.29% and the MSCI Emerging Markets Index gained 3.58%.

High yield posted negative returns with the Markit iBoxx US \$ Liquid Investment Grade Index down 1.61%, the Markit iBoxx EUR Liquid Corporates Large Cap Index was down 0.35% and the Markit iBoxx GBP Liquid Corporates Large Cap Index fell 1.29%. European high yield posted positive returns. The Markit iBoxx EUR Liquid High Yield Index was up 0.99% while the Markit iBoxx US \$ Liquid High Yield Index fell 0.69%.

US yields were unchanged with the US government 10-year bond yield up 1bps at 2.45%, while UK government 10-year bond yields were up 18bps at 1.42%. German government 10-year bond yields were up 23bps at 0.44%.

The Dollar Index ended the month at 99.512 (down 2.64%) while GBP/USD ended the month at 1.258 (up 1.94%).

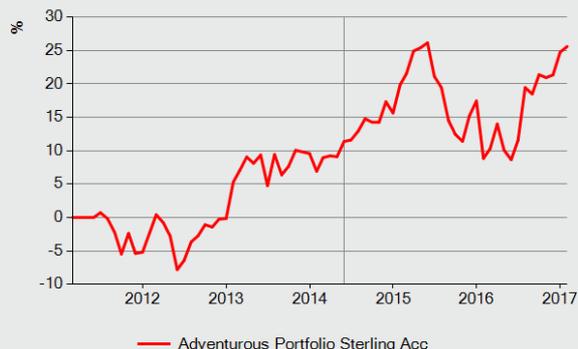
Brent crude ended the month 3.32% lower and gold finished January up 5.07% (both in US dollar terms).

We continue to see broad real economic improvements that are globally gaining traction. Many now believe that significant fiscal policy changes will create the conditions for change and a sustainable recovery. However, markets have priced in a lot of short-term good news and we feel that some caution is warranted. It is evident that rotations are occurring between sectors but headline indices have remained resilient, and could suffer some shorter-term setbacks.

We still feel investors are not fully recognising the realities of the very unique features of this cycle, together with the underlying dynamics. There are a number of very evident risks, but our primary focus is on the trade rhetoric that Trump offers and the possibility that the Fed policy pushes the US dollar on to extreme strength, and tightens financial conditions. Equally, we must be very cognisant of the winners and losers of Trump's policies.

It is our opinion that any near-term setbacks will create good opportunities to build exposure in unloved areas that offer excellent medium-term rewards. If the Fed keeps the US dollar from sustained strength, we feel that all the under-owned plays will offer the best prospects, which include value equities, financials and commodities.

PERFORMANCE SINCE INCEPTION



1 year to 31/01/2017	1 year to 31/01/2016	1 year to 31/01/2015	1 year to 31/01/2014	1 year to 31/01/2013
15.40	-9.18	12.10	1.56	7.79

Note: The vertical line above represents a change of investment manager on 1 June 2014. Historical performance available upon request.

CUMULATIVE PERFORMANCE (%)

	1 year	3 years	5 years
Fund (%)	15.40	17.48	28.60

All data sourced from Morningstar Direct, Bloomberg and City Financial as at 31/01/2017, unless otherwise stated.

The information contained in this document should not be construed as investment advice, it is not an invitation or inducement to any person to purchase shares in our funds. Fund performance excludes the effect of initial charge and assumes any income reinvested net of Irish tax. All information in this factsheet is current at the time of publication and may be changed in the future. Past performance is not a guide to future performance. The value of shares and the income generated from them can fall as well as rise and are not guaranteed and investors may not get back the amount originally or subsequently invested. Values may be affected by fluctuations in exchange rates where assets of our funds are denominated in currencies other than sterling. The Fund is established in Ireland and is authorised by the Central Bank of Ireland as an undertaking for collective investment in transferable securities (UCITS). Issued by City Financial Investment Company Limited. Registered office is 62 Queen Street, London, EC4R 1EB, with FCA registered number 189302. City Financial Investment Company Limited is authorised and regulated by the Financial Conduct Authority and is approved by the Central Bank of Ireland as a Promoter and Investment Manager to Irish authorised collective investment schemes. This Fund is not offered, sold or distributed in the United States or to US persons.

FINANCIAL INFORMATION

Prices

Class Sterling Acc	125.66p
Class R Sterling Acc	129.14p
Class Y Sterling Acc	117.17p

Total net assets **£5.6m**

OTHER FUND FACTS

Sterling share classes only, for information on share classes of other currencies, please go to the website.

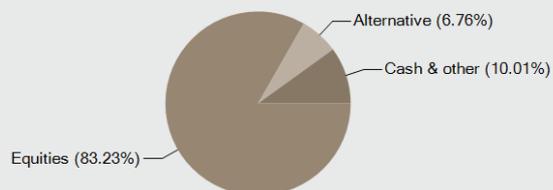
ISIN - Class Sterling Acc	IE00B5NL1J06
ISIN - Class R Sterling Acc	IE00B8CH0L57
ISIN - Class Y Sterling Acc	IE00B6363Y17
Fund type	UCITS
Dealing and valuation frequency	Daily
Valuation time	12:00 pm
Accounting year-end	31 March
Settlement	T + 3
Base currency	GBP (Sterling)
Charges levied against OCF* (%)	Income CI Sterling: 3.69, CI R Sterling: 2.94, CI Y Sterling: 4.79
AMC** (%)	CI Sterling: 1.75, CI R Sterling: 1.00, CI Y Sterling: 1.75
CDSC*** (%)	1.00 p.a ('Y' share class only)
Initial charge (%)	Up to 5.00 (excluding 'R' and 'Y')
Performance fee	None
Depository	Northern Trust Fiduciary Services (Ireland) Ltd
Registrar	Northern Trust International Fund Administration Services (Ireland) Ltd

*On-going charge figure (OCF) - combines the Annual Management Charge (AMC) with the Fund's other expenses in running the fund, e.g. custodian fees, and also includes the OCF of other funds that the multi-asset fund may invest in, but excludes portfolio transaction costs. OCFs are calculated using assets under management for all share classes as of 31st March 2016 and expense budgets effective at that date.

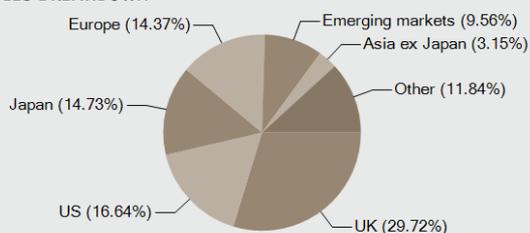
**AMC - The annual fee paid to the fund manager for the service and administration of the fund.

***Contingent Deferred Sales Charge (CDSC) - Subscription to this share class requires a charge of 1% to be levied each year across a 5 year period (the Distribution Charge). This annual charge is charged to recoup the 5% initial fee that was paid to the intermediary at the time of the initial investment in the share class. If a shareholder wishes to redeem within 60 months, a CDSC equal to the unpaid amount is applied e.g. Redeeming after 1 year entails a CDSC equal to 4%. At the end of a 5 year period, a shareholder is able to switch to another share class immediately without incurring an exit penalty. A 1% charge is taken each year for 5 years, in order to recoup the 5% that was paid to the adviser at the time of initial investment; this 1% annual charge will continue to be paid by the investor, unless they switch to another share class at the end of the 5 year period.

ASSET ALLOCATION



EQUITIES BREAKDOWN



TOP 10 HOLDINGS

Man GLG Japan CoreAlpha Equity Fund	Equity
Legg Mason Royce US Small Cap Opportunity Fund	Equity
River & Mercantile UK Equity LT Recovery Fund	Equity
Fidelity UK Opportunities Fund	Equity
Polar Capital Global Technology Fund	Equity
Blackrock European Dynamic Fund	Equity
Schroder European Alpha Income Fund	Equity
VT Garraway UK Equity Market Fund	Equity
Edmond de Rothschild US Value & Yield Fund	Equity
JOHCM UK Growth Fund	Equity

Please note figures may not add up to 100% due to rounding. The figures above are rounded to second decimal place.

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