

Important information

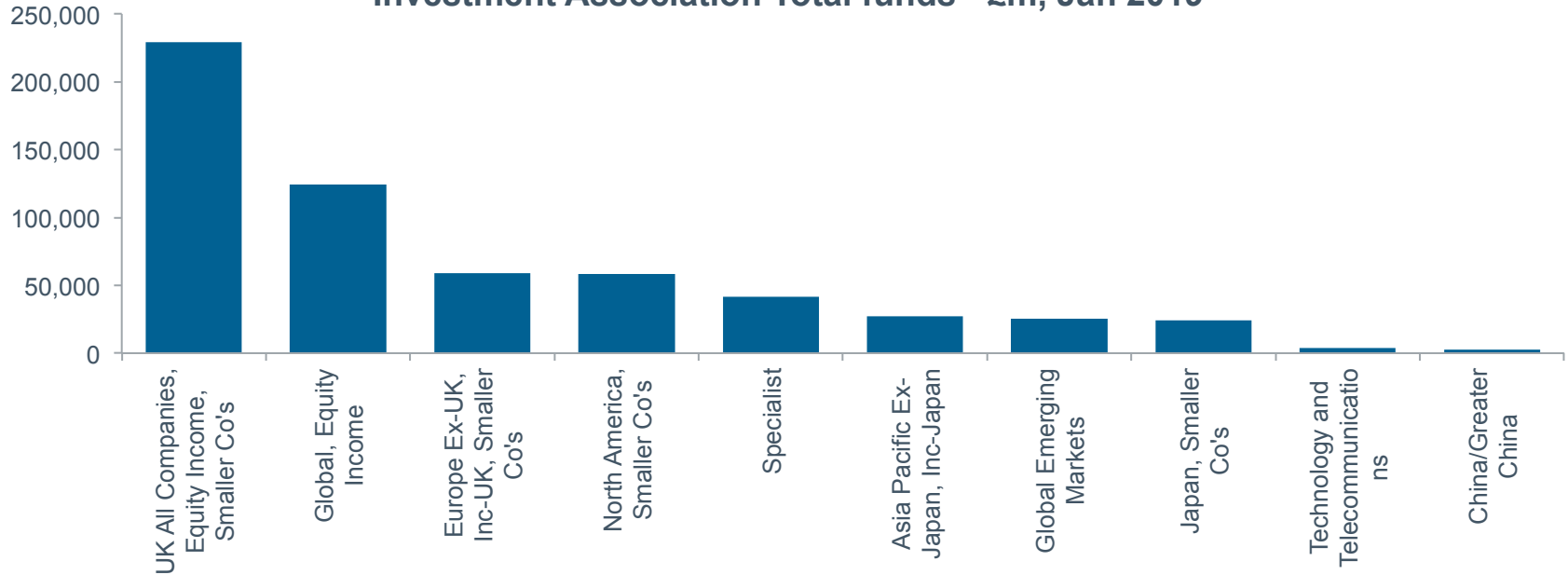
- The value of investments can go down as well as up, so you may get back less than you invest.
- This information is not a personal recommendation for any particular investment. If you are unsure about the suitability of an investment you should speak to an authorised financial adviser.
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- Investors should note that the views expressed may no longer be current and may have already been acted upon.
- Past performance is not a reliable indicator of future returns.
- When investing in overseas markets, changes in currency exchange rates may affect the value of your investment.
- Investing in a relatively small number of companies may carry more risk than funds that are more diversified.
- Investing in smaller companies can carry a higher risk because their share prices may be more volatile than those of larger companies.
- Investing in funds that use financial derivatives for investment purposes may expose the fund to a higher degree of risk and can cause investments to experience larger than average price fluctuations.
- Reference to specific securities should not be construed as a recommendation to buy or sell these securities and is included for the purposes of illustration only.

Buy British



Home bias

Investment Association Total funds - £m, Jan 2019

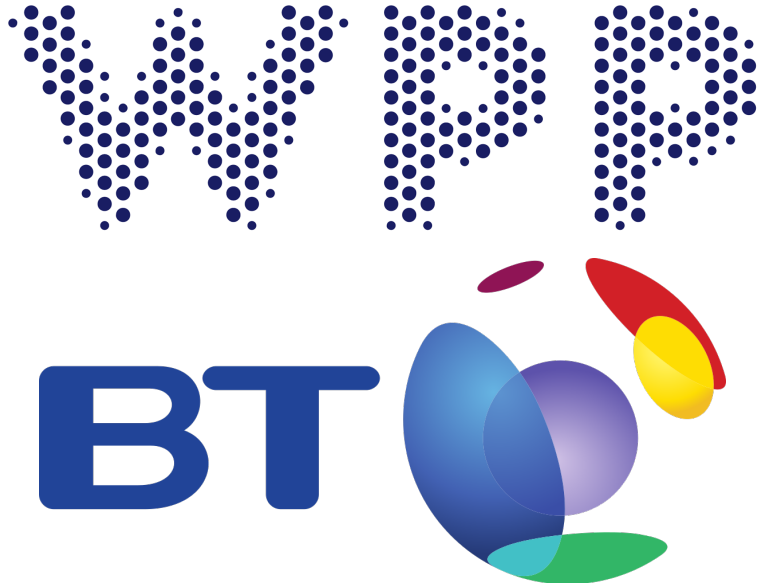


Source: Investment Association, January 2019

When investing in overseas markets, changes in currency exchange rates may affect the value of your investment. Investments in emerging markets can be more volatile than other more developed markets.

Merrill Lynch survey

UK historically out of favour

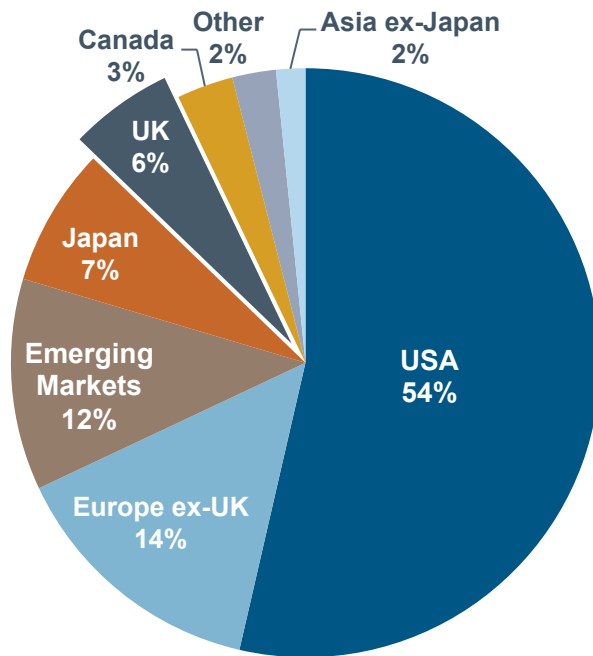


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Brexit



UK a small slice of the MSCI pie

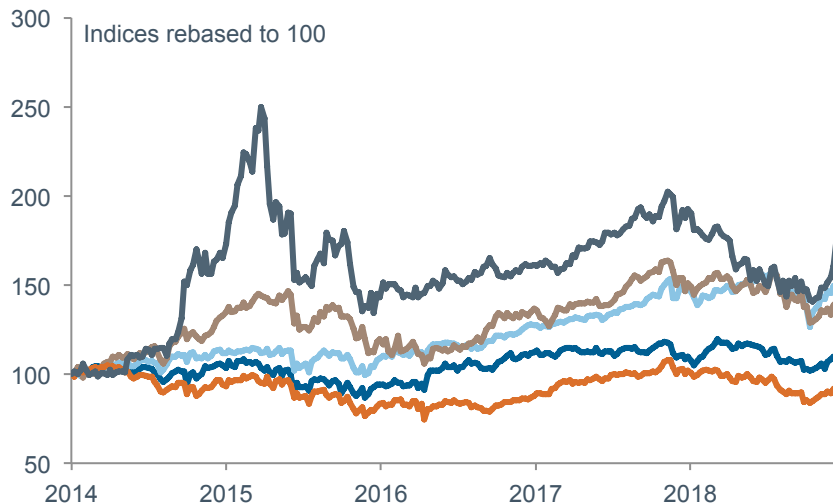


Source: MSCI, June 2018

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UK and Europe left trailing

FTSE 100 and its main rivals



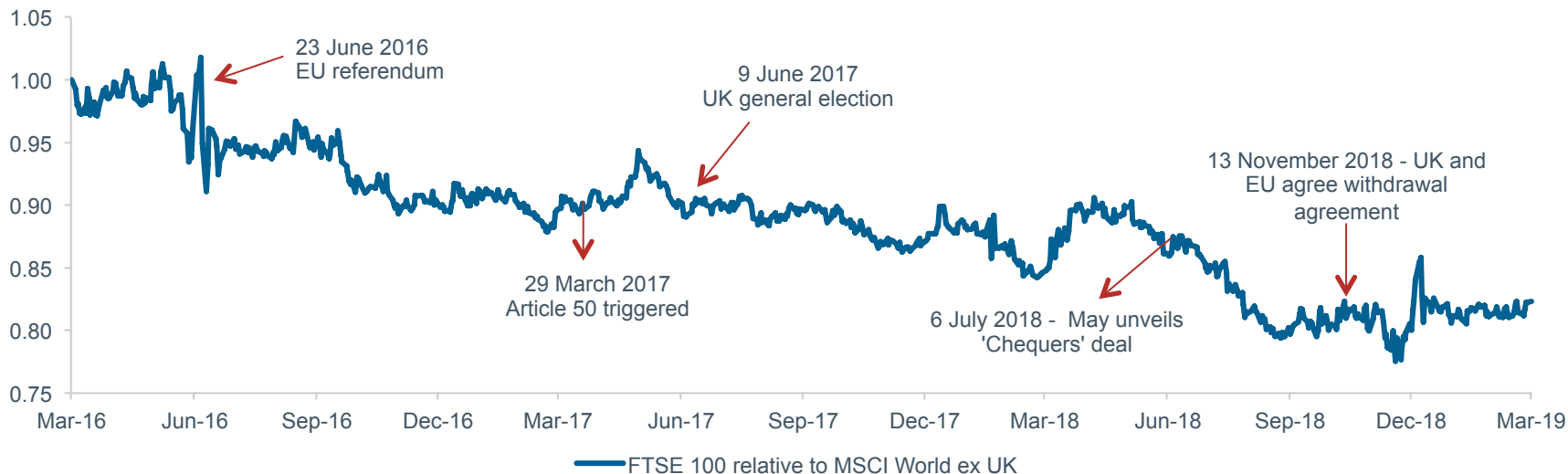
% as at end Feb	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
FTSE 100	2.0	-12.2	18.8	-2.4	0.5
S&P 500	13.2	-7.4	21.5	13.7	4.2
TOPIX	25.8	-14.0	18.2	10.2	-5.4
MSCI EUROPE U\$	-5.8	-18.5	8.4	15.1	-5.6
SHANGHAI SHENZHEN CSI 300	64.0	-17.5	17.8	15.6	-6.6

Source: Fidelity International, Refinitiv, as at end February 2019 in local currency

Past performance is not a reliable indicator of future returns. When investing in overseas markets, changes in currency exchange rates may affect the value of your investment. Investments in emerging markets can be more volatile than other more developed markets.

UK and Europe left trailing

A good deal of uncertainty already priced into UK shares

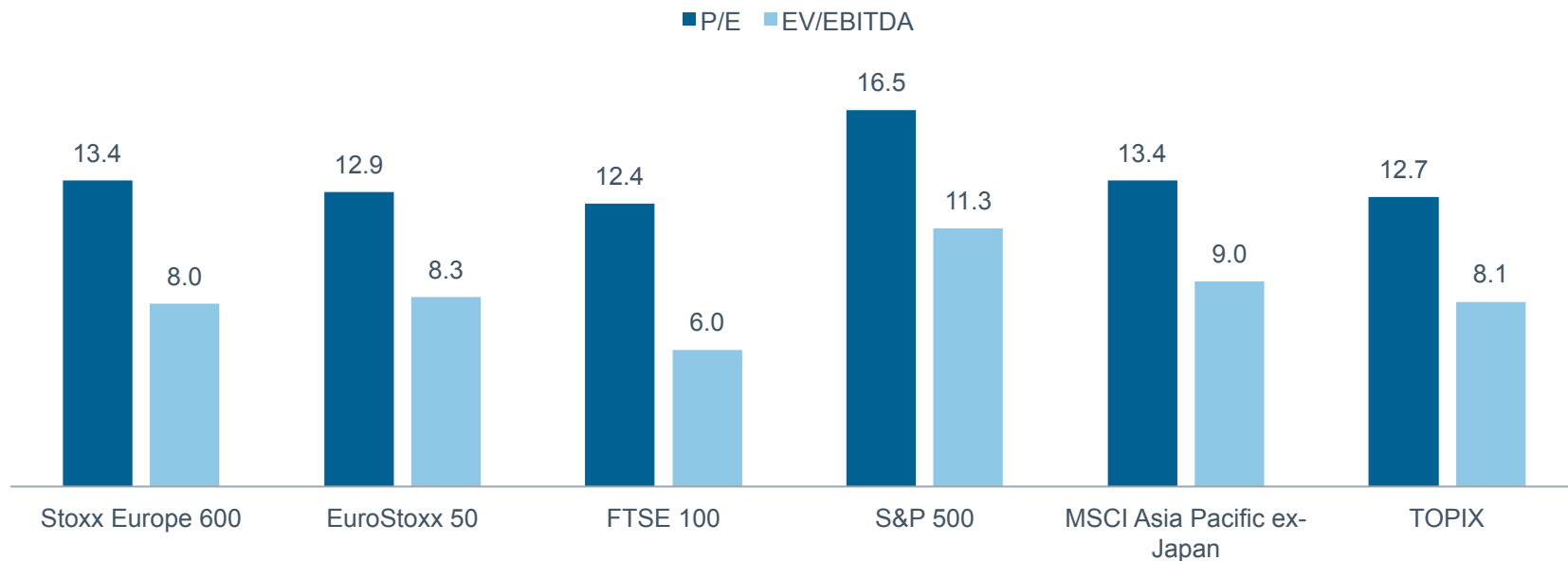


Source: Fidelity International, Refinitiv, as at end February 2019

When investing in overseas markets, changes in currency exchange rates may affect the value of your investment. Investments in emerging markets can be more volatile than other more developed markets.

Cheap not cheerful

UK cheap across key valuation metrics



Source: FactSet, IBES, Goldman Sachs Global Investment Research, March 2019

When investing in overseas markets, changes in currency exchange rates may affect the value of your investment.

Historically cheap

Value vs History



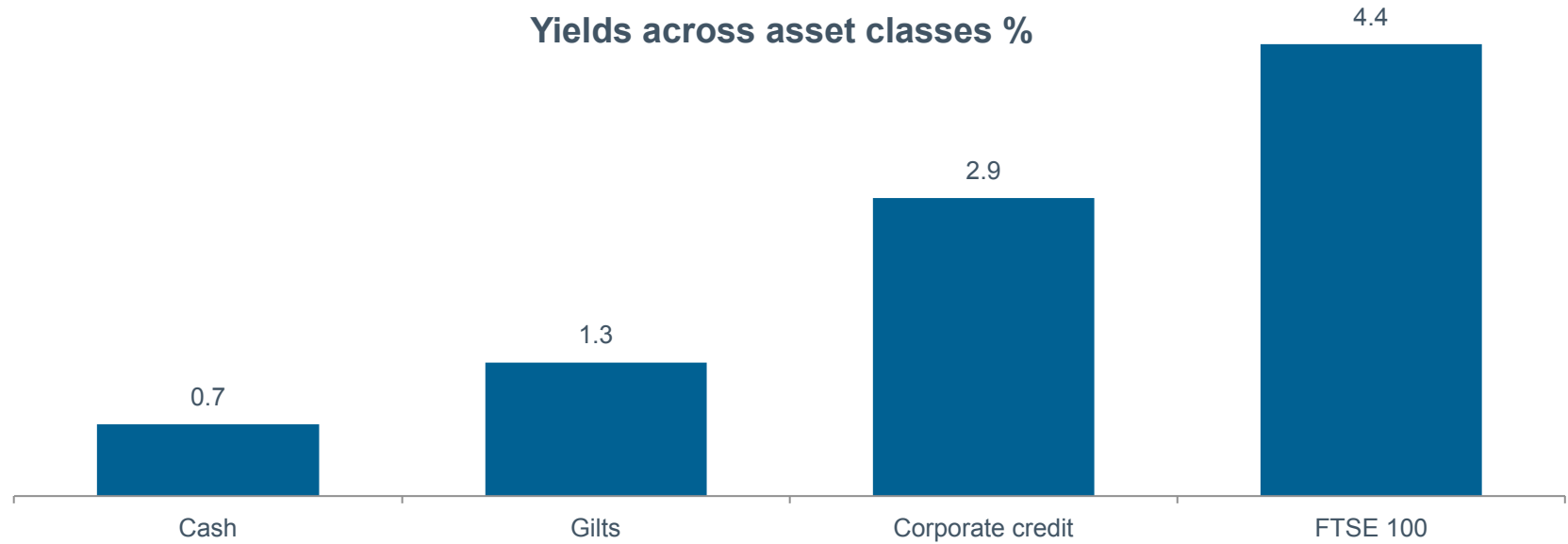
FTSE 100 Div Yield /%



Source: Refinitiv, as at end Feb 2019

Past performance is not a reliable indicator of future returns.

Attractive income

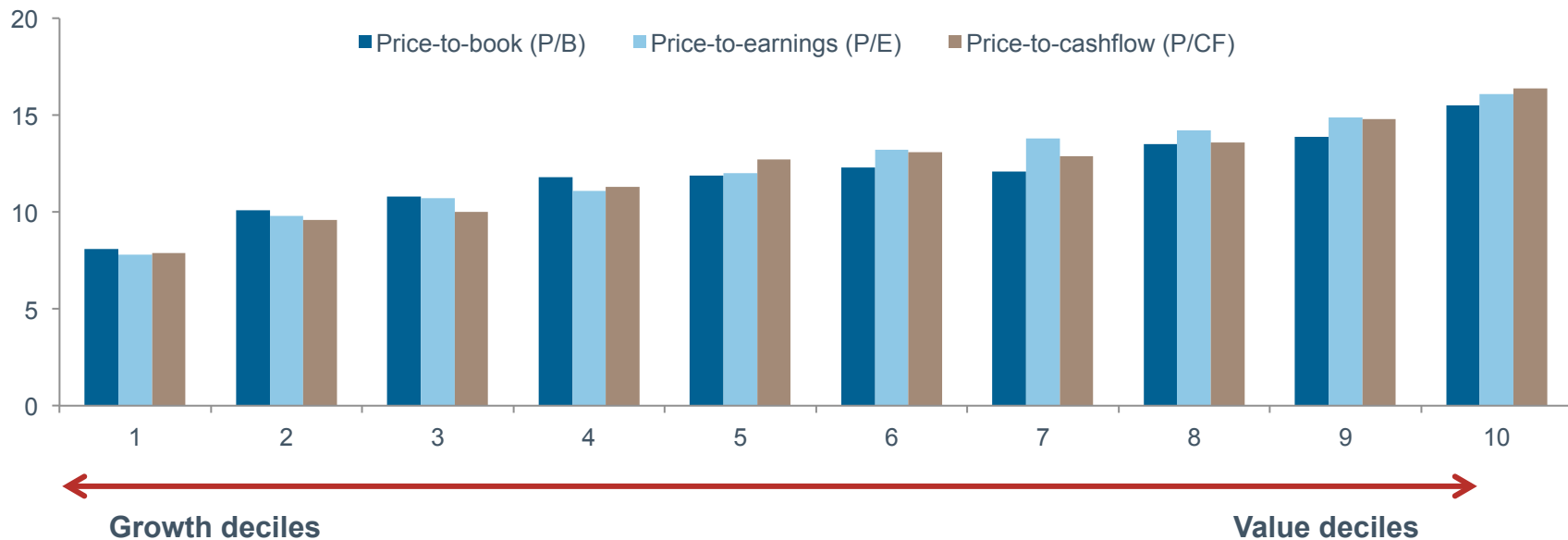


Source: Fidelity International, Bloomberg, JPM and ICE BofA Merrill Lynch bond indices. 28 February 2019. Shows yield for UK assets: rolling dividend yield for FTSE 100, real yield for inflation-linked bonds, yield to maturity for other assets

Past performance is not a reliable indicator of future returns. Yields are not guaranteed and will fluctuate.

Why it pays to buy cheap

Average annualised five year returns %, June 1980 – June 2010



Source: WorldScope via FactSet, The Brandes Institute, as at 06.30.10

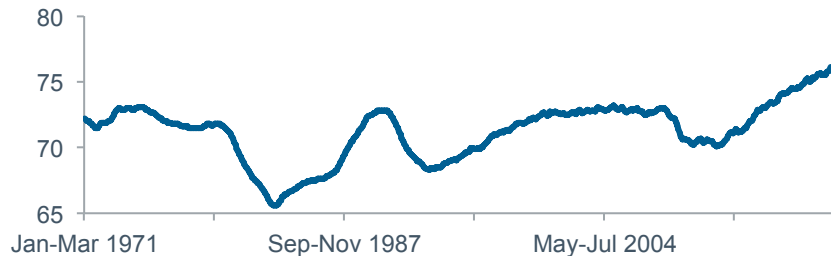
Past performance is not a reliable indicator of future returns.

Is the UK's valuation justified?

GDP quarter on quarter growth %



Employment rate at record high (71.6%) in Jan 2019



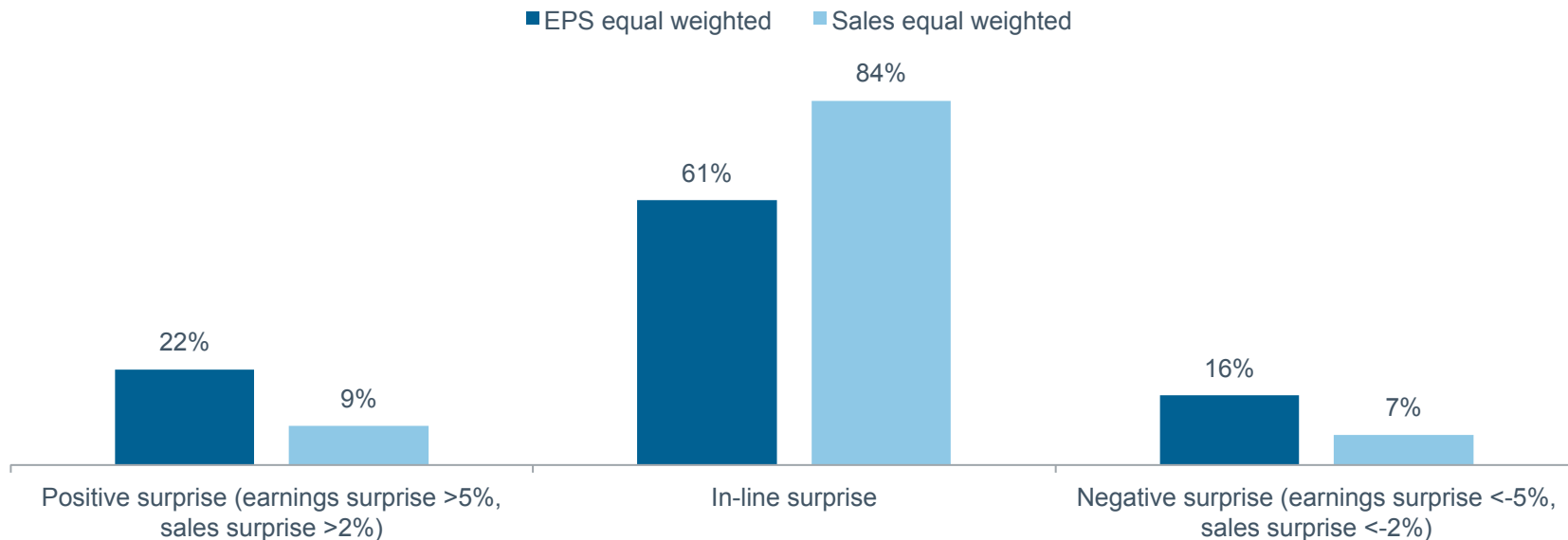
Source:ONS

Wage growth



Beating expectations

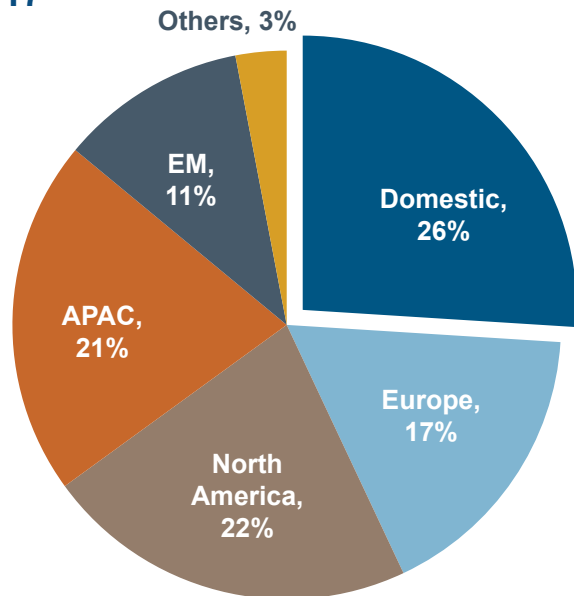
Most companies reported in-line numbers



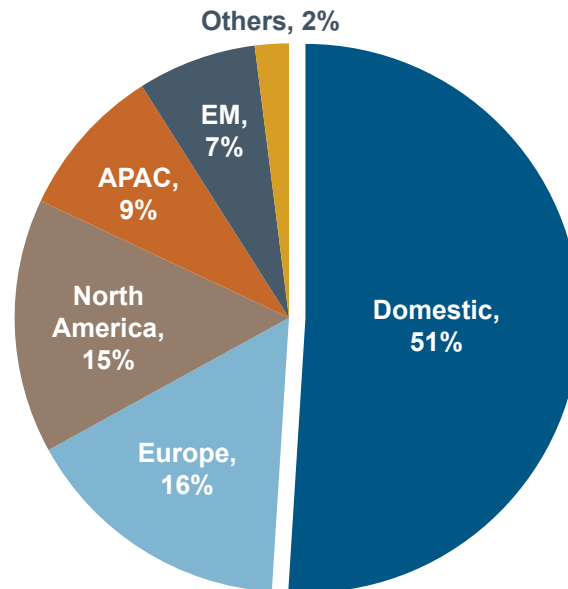
Source: FactSet, Bloomberg, Goldman Sachs Global Investment Research, March 2019

UK market \neq UK economy

Sales exposure of FTSE 100 companies,
FY 2017



Sales exposure of FTSE 250 companies,
FY 2017



Goldman Sachs Global Investment Research, March 2019

What's hot, what's not



Where to invest



LF Lindsell Train UK Equity



Threadneedle UK Mid 250



LF Miton UK Smaller Companies



Fidelity Special Situations



Temple Bar Investment Trust



JOHCM UK Equity Income

This is not a personal recommendation to buy or sell a fund or investment trust.

Home bias has never been more sensible



Additional information

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