



Jade Far Eastern and General Pension Fund Manager's Report

April 2017

Investment Commentary

For the last six months from November 2016 to April 2017, the portfolio returned -2.73% in British Pounds, while the MSCI World Index performance was 5.8 percent in British Pounds and TOPIX performance was 11.2 percent in Japanese Yen and -1.1 percent in British Pounds.

In early November uncertainty over the U.S. Presidential election weighed on equity markets. However, Donald Trump's unexpected victory lifted investors' sentiment globally and broadly sparked a market rally amid the increased expectations that the President-elect's economic policies, including fiscal stimulus and tax cuts, would accelerate the US economic growth.

	31 Oct 2016		30 Apr 2017	
	£Millions	%	£Millions	%
Japanese Equities	20.7	98.7	19.5	98.8
Pacific Basin Equities	0.0	0.0	0.0	0.0
North American Equities	0.0	0.0	0.0	0.0
European Equities	0.0	0.0	0.0	0.0
UK Equities	0.0	0.0	0.0	0.0
Fixed Interest	0.0	0.0	0.0	0.0
Cash Deposits	0.3	1.3	0.2	1.2
	21.0	100.0	19.7	100.0

The Trump's victory also triggered a Japanese equity rally led by global cyclicals and financials on rising expectations for an increase in the pace of the US growth and resultant Japanese yen weakness in November and December. Meanwhile, the market remained range bound since the beginning of January as the yen depreciation took a pause. The yen weakened 11.1% against British Pounds during the period.

In asset allocation wise, the portfolio continued to be fully invested in Japanese equities with approximately 2 percent in cash as working capital.

We expect the Japanese equity market to keep the moderate uptrend given the healthy economic and corporate earnings outlook in Japan as well as overseas. Towards the end of the year, the actual details and implementation of Donald Trump policies are the biggest market events. Uncertainty over Trump's economic policy may give rise to market speculation and volatility in the near term. That said, we have the cautiously optimistic view that his policies will be more or less supportive so that we expect Japanese equities eventually to advance.

Technical Information

The Jade Far Eastern & General Pension Fund ("the Scheme") is an approved pension fund, administered by Phoenix Life Limited with investment management services provided by Asset Management One International Ltd. On 1st October 2011, Bluefin's administrative responsibilities were passed to 3HR Benefits Consultancy Limited whose contact details are shown on the next page. Asset Management One International Ltd is responsible for the Investment Commentary and Performance sections and the Statutory Information is provided by Phoenix Life Limited.

Statutory Information

As at the valuation on 30th April 2017, the Net Fund Bid Value was £19,605,938.04 with 10,434,357.41 units in issue.

Bid Price: 1.879
Offer Price: 1.978

The assets and liabilities of the Fenchurch Fund were amalgamated into the Jade Far Eastern and General Fund as from 8 December 1999.

Fund Objectives

The Jade Far Eastern & General Pension Fund was launched on 1 May 1990 in order to provide a suitable investment vehicle for members of the Jade Pension Scheme. It was created to enable Japanese, Korean, and other Far Eastern delegates in the UK to invest their rebated National Insurance Contributions (protected rights) with the opportunity of improving their returns.

The Fund seeks to achieve long-term capital growth by investment, mostly in Japanese and, to a lesser extent, other Asian and International equities, bonds and cash investments, with the overriding objective of outperforming the Japanese TOPIX Index.

3HR Benefits Consultancy Limited is authorised and regulated by the Financial Conduct Authority. Firm Reference Number: 556015. The registered office of 3HR Benefits Consultancy Limited is New Broad Street House, 35 New Broad Street, London, EC2M 1NH. Registered in England and Wales No: 06681835. VAT Registration No: 948 353 100.

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Performance

	30/04/2012	31/10/2012	30/04/2013	31/10/2013	30/04/2014	31/10/2014	30/04/2015	31/10/2015	30/04/2016	31/10/2016	30/04/2017
Fund offer	127.8	120.5	147.6	152.4	134.0	142.0	158.1	154.7	159.3	204.8	197.8
Fund bid	121.1	114.5	140.2	144.8	127.3	134.9	150.2	147.0	151.3	194.6	187.9
MSCI World (£)	4811.9	4936.0	5858.6	6225.1	6297.4	6793.4	7432.3	7162.0	7471.6	9167.0	9699.6
MSCI Europe	1062.7	1106.4	1234.2	1338.3	1389.2	1363.0	1531.5	1443.7	1346.6	1401.1	1563.7
TOPIX Index (yen)	804.3	742.3	1165.1	1194.3	1162.4	1333.6	1592.8	1558.2	1340.6	1393.0	1531.8
Phoenix Alba Japan Pension Fund	171.8	161.7	216.3	213.7	189.4	217.1	247.3	241.1	245.7	311.4	306.6
Phoenix Alba Far East Pension Fund	260.1	258.1	312.3	308.7	285.6	319.1	352.0	317.5	324.5	418.0	426.2
% Change since:	30/04/2012	31/10/2012	30/04/2013	31/10/2013	30/04/2014	31/10/2014	30/04/2015	31/10/2015	30/04/2016	31/10/2016	
Fund offer	-5.7%	22.5%	3.3%	-12.1%	6.0%	11.3%	-2.2%	3.0%	28.6%	-3.4%	
MSCI World (£)	2.6%	22.4%	6.3%	1.2%	7.9%	9.4%	-3.6%	4.3%	22.7%	5.8%	
MSCI Europe	4.1%	18.7%	8.4%	3.8%	-1.9%	12.4%	-5.7%	-6.7%	4.0%	11.6%	
TOPIX Index (yen)	-7.7%	11.5%	2.5%	-2.7%	14.4%	19.4%	-2.2%	-14.0%	3.9%	10.0%	
Phoenix Alba Japan Pension Fund	-5.9%	57.0%	-1.2%	-11.4%	14.6%	13.9%	-2.5%	1.9%	26.7%	-1.5%	
Phoenix Alba Far East Pension Fund	-0.8%	21.0%	-1.2%	-7.5%	11.7%	10.3%	-9.8%	2.2%	28.8%	2.0%	

Source: Bloomberg, Phoenix Life Ltd

The value of an investment portfolio and the income from it may fall as well as rise and investors may not get back the amount originally invested. Past performance is no guarantee of future performance.

Charges

A management fee of 1% per annum of the Fund's value is deducted monthly in arrears to meet the investment management and servicing costs of the Fund. Value Added Tax (currently 20%) has been added to the fee. The fee is shared between Asset Management One International Ltd. and 3HR Benefits Consultancy Limited.

Risk Level

This fund has been graded as above average risk which we describe as follows:

Funds that invest predominantly in one type of investment or geographical region, for example Japanese equities (shares). Fund prices may fluctuate significantly but offer the potential for good returns over the long term.

This level of risk is typically suitable for investors who are prepared to accept a higher than average degree of risk in order to potentially achieve above-average long-term returns. Investors accept that this will involve a high degree of exposure to equity investments (shares) whose performance may be volatile.

If you are not sure that this fits in with your investment objectives we recommend that you obtain independent financial advice.

Further Information

Members can obtain information about the Scheme and the Fund from:

Phoenix Life Limited

301 St Vincent Street
Glasgow
G2 5NB

Phoenix Life Limited is authorised and regulated by the Financial Conduct Authority.

Asset Management One International Ltd

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Important Announcement

Fund Managers reports will no longer be issued to you in paper format. From now on all reports will be available via the 3HR website at the following address:

www.3hrplc.co.uk/jade-fund

If you prefer, on request, these can be sent to you electronically. Please send an e-mail to info@3hrplc.co.uk to register your interest and your e-mail address will be recorded for future correspondence.

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