

## JK Global Opportunities Fund

March 2017

The Fund rose +1.97% in March (GBP Class, Net of Fees).

The Fund rose +1.97% during March, driven by strong performances from Asian equities and the Fund's technology related holdings. This strong relative performance from Asia is most encouraging, and is a trend that we expect to continue given the very attractive absolute and relative valuation of this asset class. Bond yields finished the month flattish to slightly lower, the US Dollar fell, and within risk assets there was some further rotation away from reflationary themes, and back towards stable growth and defensive related counters - a trend that was exacerbated by the dawning realisation that despite the Trump rhetoric surrounding his policy agenda, actually delivering on said agenda in light of the failed attempt to repeal and replace Obamacare, is rather more complex. Reforming taxes and reshaping government spending might well face fewer legislative obstacles than reforming the health care bill, but will still likely prove a real challenge. Given markets expectations in this area, any disappointment will not be taken well.

With all the focus on Trump it is worth pointing out that the FED managed to pull off a 'dovish' tightening in March, such is its desire not to upset markets. This 'non-tightening, tightening' reflects, in our view, an awareness of the current contradiction between an economy that appears to be growing quite nicely, and data such as bank lending which is falling year on year. When combined with the FED's desire to start reducing the size of its four trillion dollar balance sheet, I guess you can understand their caution.

We remain optimistic on the outlook for equities in general, despite a correction being long overdue. Our analysis suggests that if Trump cuts taxes to around 25%, combined with say a \$1 trillion repatriation of multinational cash, then S&P earnings could be boosted by around \$5 or so, implying 100+ points on the market. We concur that this market looks fully priced, but would not rule out another leg-up based on the favourable policy backdrop. Better value markets such as EM/Asia and Europe will benefit as well, and this is where the bulk of the Fund's exposures lie. We would note that Asian/Emerging market equities performed well during the month and quarter. To a degree this reflects a reduction in bearish positioning, but in our view the more important drivers are cheap valuations, good earnings growth, and a reasonably robust global economy. Greater stability in China, and a reduction in its capital outflow pressure, combined with a falling dollar has further aided sentiment.

Sterling looks very cheap to us, and we are waiting for clearer technical signals to add to our long position. We are buying into the US Dollar index below 100, as we still believe this index has 10%+ upside medium term. We have closed the short RMB position, as a combination of reduced capital account pressure and US/China trade talks seem likely to keep downside capped at present.

*JK Global Opportunities Fund is a weekly dealing UCITS fund. It can be held by ISA's, SIPP's, Pensions, Charities, Family offices, Endowments, as a direct holding or through a Private Wealth Manager. All classes have Reporting Status.*

NAV as at 31-Mar-17	
GBP class	176.73
USD class	223.33
Yen class	20,761.87

Source: State Street (Services) Ireland Ltd.

Asset Type as at above date (market exposure % of Total NAV)		
	Long	Short
Level 1	102	-41
Level 2	9	0
Level 3	0	0
Total	111	-41

Source: JK Investment Management LLP.

All data is Net of management and performance fees. Fund was launched on November 3<sup>rd</sup> 2003. GBP Class launched 1st April 2009.

Mandate broadened to Asia Inc Japan and Name of Fund changed April 1<sup>st</sup> 2009. Please note that performance from 1st April 2009 to 30th August 2013 is for the JK Absolute Return Fund. This Fund re-domiciled from Cayman to Ireland becoming an Irish UCITS on 30th August 2013 and changed its name to The JK Global Opportunities Fund. Management and performance fees have also been reduced from this date (see Prospectus in for details). Historic performance is not a guide to future returns.

Source: GSAS, IFS, State Street Dublin.

GBP Class (%)													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Ytd
2017	+2.97	-1.11	+1.97										+3.84
2016	-5.68	+0.15	+6.37	-0.85	+0.92	-1.35	+3.67	-0.87	+1.49	+1.80	+0.20	-1.92	+3.50
2015	+1.87	+3.87	+0.24	+2.11	+3.89	-4.65	-0.16	-8.20	-6.51	+6.29	+1.40	-0.77	-1.69
2014	-4.02	-1.96	-0.93	-4.69	+0.89	+1.90	+0.06	-1.61	+2.02	+0.09	+7.77	-2.86	-3.86
2013	+6.18	-1.23	+3.52	+8.65	-2.79	-2.93	+3.05	-0.77	+6.43	+0.96	+4.15	+3.23	+31.51
2012	+2.43	+4.74	-0.62	-1.98	-1.54	-0.84	+0.73	+1.49	-0.54	-1.21	+1.25	+4.75	+8.68
2011	-0.92	-0.19	-1.13	+0.80	-2.89	-1.55	-1.43	-1.14	-3.60	+0.94	-2.67	+0.37	-12.71
2010	+0.83	+0.90	+3.77	+1.93	-4.44	+1.69	+0.70	+0.87	+0.02	+1.38	-0.88	+1.74	+8.62
2009				+1.73	+10.1	+2.66	+5.01	+1.23	+1.25	+1.57	-1.14	+3.32	+28.40

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USD Class (%)													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Ytd
2017	+3.07	-1.06	+2.06										<b>+4.07</b>
2016	-5.53	+0.16	+6.52	-0.81	+0.93	-1.32	+3.74	-0.81	+1.53	+1.86	+0.22	-1.82	<b>+4.26</b>
2015	+1.95	+3.92	+0.28	+2.17	+3.81	-4.75	-0.15	-8.28	-6.48	+6.34	+1.36	-0.74	<b>-1.65</b>
2014	-4.07	-1.88	-0.95	-4.73	+0.85	+1.92	+0.05	-1.59	+1.97	+0.18	+7.70	-2.84	<b>-3.91</b>
2013	+6.06	-1.22	+3.54	+8.83	-2.63	-3.09	+3.02	-0.86	+6.57	+1.00	+4.52	+3.38	<b>+32.33</b>
2012	+2.43	+4.80	-0.65	-2.03	-1.50	-0.87	+0.72	+1.52	-0.56	-1.22	+1.23	+4.79	<b>+8.72</b>
2011	-0.95	-0.20	-1.13	+0.82	-2.88	-1.55	-1.50	-1.17	-3.51	+0.94	-2.63	+0.34	<b>-12.73</b>
2010	+0.81	+0.84	+3.74	+1.92	-3.95	+1.76	+0.74	+0.87	+0.01	+1.39	-0.88	+1.72	<b>+9.13</b>
2009	-2.51	+0.03	+3.13	+2.13	+13.8	+3.42	+6.08	+1.06	+0.99	+1.58	-1.10	+3.14	<b>+35.61</b>
2008	-1.76	-0.01	-0.50	+1.22	-1.15	-4.74	-1.58	-1.00	-1.93	-0.05	-0.44	+2.83	<b>-8.92</b>
2007	+2.01	-1.34	-2.35	-0.81	+1.63	+4.04	+0.41	-6.10	+0.14	-1.38	-3.97	-3.74	<b>-11.27</b>
2006	+0.13	-3.78	+3.72	-2.27	-3.75	+1.57	-4.58	+3.13	-0.84	+2.73	-1.03	+1.61	<b>-3.75</b>
2005	-0.75	+1.04	+0.36	-0.65	-1.05	+0.90	+2.01	+1.99	+9.65	+4.55	+7.71	+9.41	<b>+40.31</b>
2004	+0.82	+2.03	+6.57	+0.16	-2.15	+1.61	-1.66	-0.96	-0.48	-0.78	-0.27	+2.18	<b>+6.98</b>
2003											+0.01	+0.39	<b>+0.40</b>

Class (%)													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Ytd
2017	+2.87	-1.14	+1.88										<b>+3.60</b>
2016	-5.47	+0.00	+6.50	-0.83	+0.89	-1.40	+3.87	-0.93	+1.38	+1.74	+0.07	-2.01	<b>+3.36</b>
2015	+1.96	+3.85	+0.29	+2.08	+3.93	-4.77	-0.19	-8.07	-6.54	+6.33	+1.42	-0.85	<b>-1.63</b>
2014	-4.10	-1.86	-0.96	-4.74	+0.82	+1.90	+0.03	-1.61	+2.03	+0.51	+7.92	-2.93	<b>-3.53</b>
2013	+6.31	-1.17	+3.49	+9.16	-2.78	-3.02	+2.98	-0.88	+6.62	+0.99	+4.61	+3.52	<b>+33.21</b>
2012	+2.35	+5.36	-0.68	-2.00	-1.50	-0.92	+0.66	+1.49	-0.58	-1.26	+1.24	+4.98	<b>+9.18</b>
2011	-0.99	-0.21	-1.17	+0.78	-2.91	-1.54	-1.47	-1.21	-3.52	+0.90	-2.67	+0.25	<b>-13.02</b>
2010	+0.76	+0.82	+3.93	+1.90	-3.62	+1.67	+0.68	+0.83	-0.02	+1.32	-0.92	+1.62	<b>+9.17</b>
2009	-0.44	+2.14	+2.41	+3.29	+17.6	+5.35	+2.75	+1.22	+1.17	+1.98	-1.32	+3.85	<b>+46.57</b>
2008	-1.92	-0.22	-0.69	+1.09	-1.31	-4.88	-1.77	-1.32	-1.87	-1.00	-0.86	+2.31	<b>-11.89</b>
2007	+1.64	-1.67	-2.71	-1.19	+1.26	+3.72	-0.03	-6.09	-0.28	-1.75	-4.16	-4.10	<b>-14.68</b>
2006	-0.31	-4.10	+3.40	-2.55	-4.13	+1.21	-5.00	+2.76	-1.23	+2.29	-1.43	+1.25	<b>-7.99</b>
2005	-0.94	+0.93	+0.20	-0.96	-1.36	+0.67	+2.08	+1.71	+9.66	+4.45	+7.66	+8.98	<b>+37.47</b>
2004	+0.74	+2.04	+6.20	+0.45	-2.20	+1.52	-1.82	-1.04	-0.61	-0.88	-0.40	+2.01	<b>+5.88</b>
2003											-0.06	+0.31	<b>+0.25</b>

For more information on the Fund, please see [www.jkim.co.uk](http://www.jkim.co.uk)

For dealing, please place orders with the Administrator by **3pm on a Tuesday**

**Administrator for JK Global Opportunities Fund**

Attn: JK TA Dealing Team Tel: +353 1 242 5433

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