

# FUNDFACTS

OASIS CRESCENT



GLOBAL INVESTMENT FUNDS (UK) ICVC

MANAGED BY OASIS CRESCENT WEALTH (UK) LTD.

## OASIS CRESCENT VARIABLE FUND

▲ FEBRUARY - 2023

<b>Fund Manager</b>	Adam Ebrahim	<b>Min. Initial Investment</b>	GBP 5,000
<b>Launch Date</b>	11 December 2020	<b>Min. Additional Investment</b>	GBP 1,000
<b>Risk Profile</b>	Low to Medium	<b>Fund Size</b>	GBP 7.5 million
<b>Benchmark</b>	OECD Inflation + 0.7%	<b>Total Expense Ratio</b>	1.44%

The Oasis Crescent Variable Fund (OCVF) seeks to provide investors with capital growth and income over the medium to long term, which amounts to a period of over five years. The Fund is invested in a broadly diversified and balanced mixture of global securities that are listed on various international exchanges.

The range of investment instruments will include equity, fixed income, debt securities issued by governments and/or companies, property and cash or cash equivalent asset classes. The portfolio may have a particular bias at any given time to either equity securities or to non-equity securities, as it allows the fund manager to make discretionary choices when making asset allocation decisions. These investment decisions will always be made within the constraints of the Fund's objective and investment policy. The Oasis Crescent Variable Balanced Fund may invest in markets which the Investment Manager considers as emerging markets and will not invest in financial derivative instruments.

### Cumulative Returns

Cumulative Returns	Sept-Dec 2014	2015	2016	2017	2018	2019	2020	2021	2022	YTD FEB 2023	Return Since Inception	
											Cum	Ann
Oasis Crescent Variable Fund	3.0	0.3	7.2	0.2	(12.9)	10.7	(5.2)	11.4	(7.0)	3.2	8.3	1.0
OECD Inflation + 0.7%	(0.0)	1.4	2.1	3.1	3.5	2.5	2.0	6.6	11.1	1.0	38.1	3.9

The Fund was launched following Oasis Crescent Global Variable Balanced Fund's ("OCVBF") merger with the Fund on 11 December 2020.

Returns in GBP, Net-of-Fees, Gross of Non Permissible Income of the OCVF since inception to 28 February 2023. NPI for the 12 months to February 2023 was 0.17%.

(Source: Oasis Research; Bloomberg: September 2014 – February 2023)  
Note: OECD Benchmark lags by 1 month.

### Annualised Returns

Annualised Returns	% Growth 1 Year	% Growth 3 Year	% Growth 5 Year	% Growth 7 Year	Since Inception
					Annualised
Oasis Crescent Variable Fund	(2.5)	3.3	0.1	0.5	1.0
OECD Inflation + 0.7%	10.0	6.7	5.2	4.5	3.9

Performance (% returns) in GBP Net-of-Fees Gross of Non Permissible Income of the OCVF since inception to 28 February 2023.

(Source: Oasis Research; Bloomberg: September 2014 – February 2023)

Note: OECD Benchmark lags by 1 month.

### Asset Allocation

Asset Allocation	FEBRUARY 2023
	OCVF %
Equity	56
Income	33
Property	11
<b>Total</b>	<b>100</b>

Asset Allocation of the OCVF (28 February 2023)

(Source: Oasis Research: February 2023)

## Fund Manager Comments

The UK faces considerable challenges at the current juncture. Against the backdrop of acute volatility in the Gilt Market in late September 2022 due to the unfunded Truss Administration tax cuts which forced the BoE to intervene in the Gilt market by implementing a £65bn bond buying programme to stabilise long-term yields and the UK pension industry, the International Monetary Fund cut its UK GDP forecast for 2023 from 0.5% to just 0.3%. Nevertheless, the UK is exceedingly well placed to lay the foundation for a significant economic recovery with supportive trade and investment policies boosted by an extremely competitive Sterling exchange rate. Sterling has experienced three major shocks in the past 6 years: Brexit vote (2016), COVID pandemic (2020) and aggressive interest rate tightening by the Federal Reserve (2022) in response to the global inflation surge. Sterling is currently 25% below its 15 year average of 1.55 which provides the UK economy with a significant competitiveness advantage. Given UK business investment has underperformed since the Brexit referendum in 2016 and the COVID-19 pandemic, there is huge pent up investment demand. The UK remains an extremely competitive place to do business and an attractive investment destination even more so after the recent Sterling depreciation. As a result, the UK government has an ideal opportunity to put in place supportive trade and investment policies which significantly boost business investment back towards normalised levels after a long period of uncertainty. The Levelling Up Agenda can drive economic dynamism and productivity gains across all regions of the UK. UK specific factors that could boost economic growth include: 1) easing geopolitical tensions which significantly reduces wholesale gas prices and boosts regional trade; 2) an extremely competitive currency; 3) expediting post-Brexit Free Trade Agreements and ; 4) Levelling Up Agenda to boost economic dynamism across UK. UK specific factors that could constrain growth are: 1) worsening geopolitical risks which raises fiscal risks of open-ended energy subsidies; 2) supply chain disruptions, including significant spread of domestic strikes; 3) post-Brexit trade and business investment inertia.

UK equities have continued to outperform Global stock markets over the past year after underperforming over the last 10 years. The Materials sector benefited from higher commodity prices and domestic focused companies performed better in a post Covid and Brexit UK. Companies are facing margin pressure due to not being able to pass on all of the unprecedented cost pressure to customers. The increase in inflation in recent months has been significant and the repo rate hikes by the Bank of England will continue impacting equity markets and UK households where spending is already under pressure due to the substantial increases in cost of living, energy and transport. Your portfolio is focused on companies with market leadership, strong competitive advantages, sustainability, outstanding management, delivering high levels of profitability and cash flow and priced below intrinsic value.

Despite lower development activity curtailing new property supply and creating an improving environment for property owners, Real Estate Investment Trusts (REITs) have come under pressure due to the impact of rising interest rates. Your fund is well diversified with exposure to a number of sectors that benefit from the 4th Industrial Revolution including Logistics, Datacenters, Storage and Medical Research. There are also a number of sectors that benefit from other secular drivers including Ageing (Seniors Housing) and Onshoring (Industrial). Your fund is well positioned due to its focus on REITs with positive secular demand drivers, strong management teams and superior balance sheets.

Signs that global energy and food prices peaked in mid-2022 have led to a pullback in inflation from 40 year highs, allowing central banks to signal that a more moderate pace of interest rate hikes going forward is appropriate. At its December meeting, the Federal Open Market Committee (FOMC) raised the Fed Funds target policy rate by +50 basis points to a 15 year high of 4.50%. The FOMC had previously hiked the Funds Rate by +75 basis points in each of the previous 4 meetings, marking the most rapid pace of tightening since the 1980s. Although markets rallied through Q4 2022 in anticipation that the end of the rate tightening cycle was in sight, Fed Chair Powell has been at pains to warn markets that the policy rate may need to rise further than anticipated, even if the inter-meeting size of hikes moderate. In fact, at the December FOMC meeting, the committee raised its end-2023 central tendency projection for the Fed Funds rate by +50bp to a range of 5.1% to 5.4%. The European Central Bank (ECB) mirrored the Fed in December by only hiking +50 basis points to 2.00%. Nevertheless, with German inflation accelerating to an average 10.1% in the three months to November, the ECB warned that the policy rate would need to rise significantly further to contain inflation. The ECB also announced it would start shrinking its €5tn bond portfolio by €15bn per month from March 2023 onwards and then by €30bn from Q2 onwards by only allowing a partial runoff of maturing bonds. Against the backdrop of high issuance requirements, peripheral Eurozone member bond markets, like Italy, could come under pressure as the ECB embarks on quantitative tightening. In the UK, the Bank of England has increased the Bank Rate by +50 basis points to 3.5% at its December monetary policy meeting, marking the most rapid hiking cycle since 1989. Due to turmoil in the Gilts market in late September, driven by market concerns over planned unfunded tax cuts to the tune of £170bn or 7.7% of GDP over 5 years, which were subsequently withdrawn by the new Sunak administration, the Bank of England was forced to step in and support the Gilt market. The BoE pledged to buy £65bn of long dated bonds to stabilise bond prices and the pension system which is highly dependent on long-dated bonds to match their long-term liabilities.

Sources: Oasis Research, Bloomberg statistics, IMF World Economic Outlook

**GIPS compliant & verified**

### Contact us :

**Oasis Crescent Wealth (UK) Ltd.**

**Authorised and approved by the Financial Conduct**

**Authority as the Authorised Corporate Director of the**

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### Disclaimer :

UK Undertakings for Collective Investments in Transferable Securities (UCITS) are generally medium to long term investments. Past performance is not indicative of future returns.

**Warning: The value of your investment may go down as well as up and past performance is not a reliable guide to future performance.**

Deductions for charges and expenses are not made uniformly throughout the life of the product, but are loaded disproportionately onto the early period.

A schedule of fees and charges is available from Oasis Crescent Wealth (UK) Ltd. ("the Authorised Corporate Director" or "ACD") on request. Portfolios are valued at 08h00 daily using the previous day's prices as at 22h00 GMT. All necessary documentation must be received before 14h00. Investments are made globally across a number of countries and currencies.

**Warning: This product may be affected by changes in currency exchange rates.**

Prices are calculated on a net asset value basis which is the total value of all assets in the Oasis Crescent Variable Fund, a "Sub-Fund" of Oasis Crescent Global Investment Funds (UK) ICVC (the "Fund"), Registration Number : IC030383, including any income accruals and less any permissible deductions from the Sub-Fund which may include but not be limited to auditors fees, bank charges, custodian fees, management fees and investment advisory fees. UCITS can engage in borrowing and scrip lending and may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity.

**Warning: The income that an investor may get from an investment may go down as well as up.**

The ACD is authorised and regulated by the Financial Conduct Authority. The Fund and the Sub-Fund are regulated by the Financial Conduct Authority and is managed by the ACD in accordance with the UK UCITS Regulations. Performance figures quoted are from Oasis Research and Bloomberg for the period ending 28 February 2023 for lump sum investment, using NAV-NAV prices with income distributions reinvested. Returns may vary depending on the actual date of investment and the actual date of reinvestment of income. The Key Investor Information Documents or a full Prospectus are available on request from the ACD and Oasis Crescent Management Company Ltd. The Sub-Fund is registered with the Financial Sector Conduct Authority for distribution in South Africa, the Swiss Financial Markets Supervisory Authority for distribution in Switzerland and the Monetary Authority of Singapore for distribution in Singapore. The Sub-Fund has a Total Expense Ratio (TER) of 1.44%, which is the average Net Asset Value of the portfolio incurred as charges, levies and fees related to the management of the portfolio. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The ratio does not include transaction costs. The current TER cannot be regarded as an indication of future TERs. Full details and basis of accolades received are available from the ACD and Oasis Crescent Management Company Ltd. All information and opinions provided are of a general nature and the document contains no express or implied recommendation, warranty, guidance, advice or proposal that the Sub-Fund is appropriate to the investment objectives, financial situation or needs of any individual or entity. All data and information (unless otherwise stated) is as at 28 February 2023.