



NI CENTRAL INVESTMENT FUND FOR CHARITIES

Fund Update June 2021

Fund Background

Established in 1965 through the Charities Act (Northern Ireland) 1964, the Northern Ireland Central Investment Fund for Charities (the Fund) aims to provide trustees of charities with the opportunity to invest all or part of their funds with the benefit of expert supervision. It is managed by the Department through recognised fund managers (currently Aberdeen Standard Capital), and its investment policy is guided by a locally based Advisory Committee appointed by the Department.

Fund Aim & Risk Profile

Aim: The primary objective of the Fund is to generate income and thereafter long-term capital growth in real terms. The recommended investment timeframe is 5 years and over. The Fund aims to achieve an annual return of 3.5% (net of fees and charges) above the UK rate of inflation as measured by CPI, over the medium term through a combination of income and capital growth.

Income: The fund aims to distribute an income of 3% per annum to investors.

Risk Profile: Based on the definitions of risk determined by Aberdeen Standard Capital, the portfolio is categorised as being managed with a medium high risk approach.

Fund Facts

Launch Date:	March 1965
Share Price:	1539.69 pence
Fund Value:	£53,557,068
Portfolio Manager:	Aberdeen Standard Capital
Cost Associated With Management Of the Fund:	0.67%*
Dividend Payment:	Biannual - June & December

*Information based on 2020 calendar year and % calculated against 31 December 2020 valuation.

Performance against Benchmark (%)

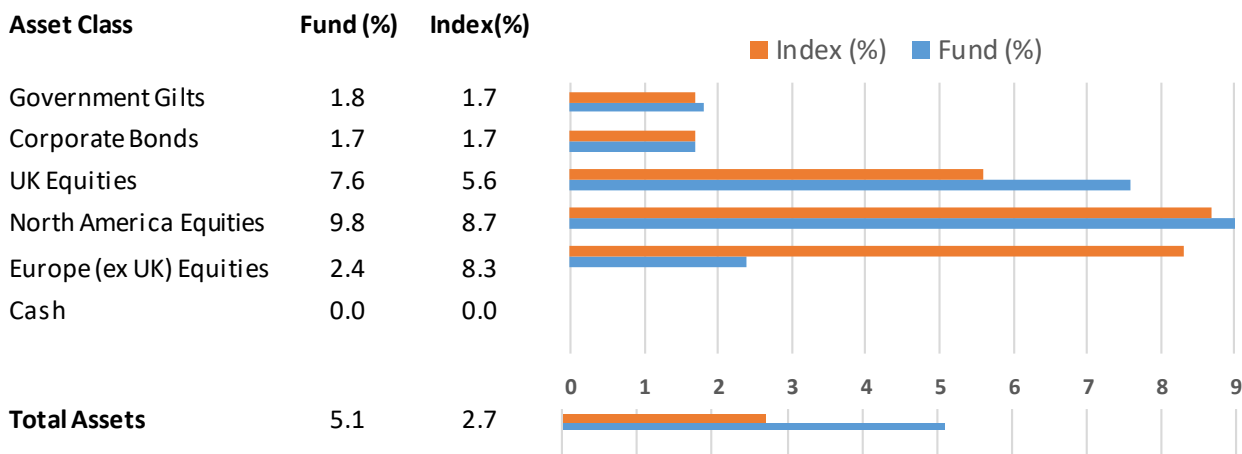
	3 Months	Year To Date	3 Years Annualised	5 Years Annualised
Fund	5.1	14.9	8.8	8.4
Benchmark	2.6	6.1	4.2	7.2
Difference	2.5	8.8	4.6	2.2

Discrete Calendar Year Performance (%)

	2020	2019	2018	2017	2016	2015
Fund	7.4	17.6	-2.8	10.6	15.3	1.0
Benchmark	3.6	12.1	-5.3	10.0	17.0	1.8
Difference	3.8	5.5	2.5	0.6	-1.7	-0.8

Current Benchmark UK CPI +3.5% p.a. (from 01/04/2019) prior to this the benchmark was a composite of 12.5% FTSE UK Gilts All Stocks, 12.5% ICE BoAML Stg non-Gilts, 50% FTSE All Share, 20% FTSE World Index Series, 5% UK LIBID 7-day rate. All performance returns are Total Returns unless otherwise specified. Performance figures for the Fund are calculated net of the management fee.

Performance Attribution for Quarter





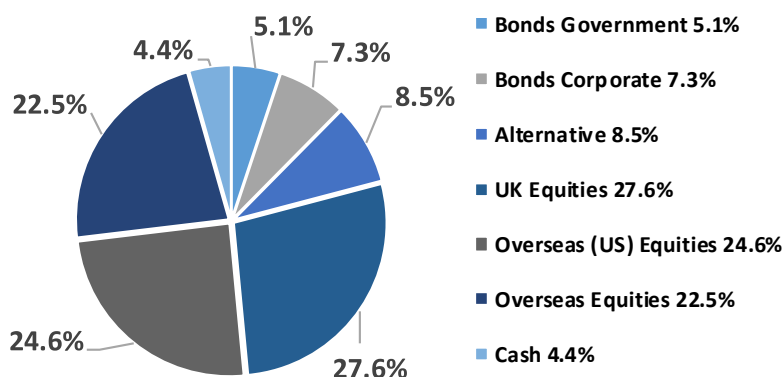
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Top 10 Holdings

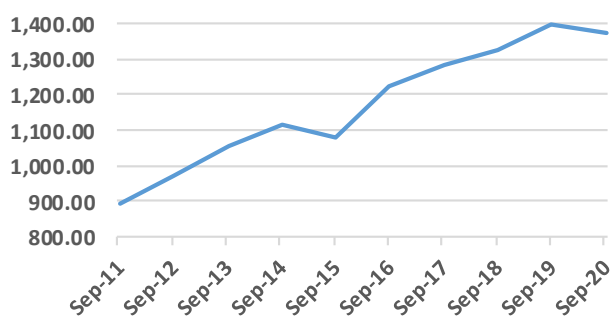
1. ASML Holding
2. Microsoft
3. Taiwan Semiconductor
4. Rio Tinto
5. BHP Group
6. Amazon
7. Alphabet Inc
8. Astrazeneca
9. Abbvie Inc
10. Nextera Energy

Total Holdings: 73 – the top 10 holdings make up 23.7% of the Fund.

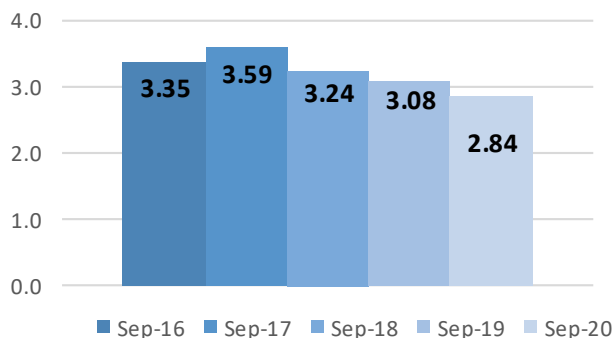
Investment Mix



Share Price Trend (Pence)



Income Yield Trend (%)



Quarterly Comment

Global equities outperformed during the period, once again led by the technology-driven Nasdaq. But it was those sectors that had endured a torrid 2020 that helped push the domestically focused UK FTSE 250 Index to all-time highs. These sectors – spurred on by the euphoria of a rapidly improved consumer outlook – included retail, leisure and hospitality.

A general characteristic of the period was the gradual rise in commodity prices, buoyed by the increasingly insatiable demand for raw materials caused by the reopening of the global economy. With copper prices hitting decade-long highs and oil passing US\$75 per barrel for the first time since October 2018, the commodity-heavy blue-chip index reaped the rewards. Companies such as Shell, BP and Rio Tinto led the way. Improving economic conditions also drove the financial sector, led by banks, to make a splash of its own during the spring. The successful domestic vaccine rollout may have convinced some that the rest of the second quarter would be plain sailing. However, other variants of the virus kept a lid on further stock market gains. The delay in opening up the UK economy and continued worries over the spread of the delta variant resulted in the more domestically focused sectors giving back some of their recent strong gains.

The tone for an improving global outlook had been effectively set with the ushering in of 2021. The early months of the year were characterised by a heavy sell-off in government debt, and the US consumer price index rose throughout April, hitting 5% during May. With this, it looked like the route lower for fixed income markets may continue for a prolonged period of time as the loan sharks moved in. However, markets were helped by consistent 'lower for longer' messaging (referring to interest rates) from the US Federal Reserve (Fed) and various other central banks. This allowed yields to regain some poise over the period as investors started seeing the spike in inflation as more transitory than a lasting trend. Markets saw continued rotation between sectors, with mining and financial stocks giving up some of their gains. The technology sector, potentially an underperformer if rates rose too quickly, confounded many, setting sail for a rally that lasted until the end of June.

Aberdeen Standard Capital believes that companies that have strong balance sheets and can create value by generating cash flow exceeding their operational requirements tend to generate stronger, more sustainable returns. They are usually better positioned to reinvest in their businesses and distribute earnings to shareholders. These types of companies merit long-term positions in portfolios, regardless of shorter-term sentiment.

Contact

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Issued by Northern Ireland Central Investment Fund for Charities (NICIFC).

All information (excluding Historic Fund Performance) is sourced from Aberdeen Standard Capital.

Past performance (actual or simulated) is not a reliable indicator of future results. The value of an investment in the Fund may fall as well as rise and investors may not get back the amount originally invested.

Portfolio and benchmark returns are preliminary estimates provided by Aberdeen Standard Capital and have not been verified externally. They could, therefore, be liable to subsequent adjustment.

All data as at 30 June 2021.

This is a financial promotion and is not intended as investment advice.