



Background

The Northern Ireland Central Investment Fund for Charities (NICIFC) was set up in 1965 through the Charities Act (Northern Ireland) 1964, with the aim of providing charities with the opportunity to invest all or part of their assets in a centrally pooled fund, administered by the Department for Communities. The Fund is managed by recognised fund managers, with its investment policy and performance reviewed on a quarterly basis by a locally based advisory committee, appointed by the Department.

The NICIFC operates as a discretionary managed fund, with participating charities allocated a proportionate number of shares based on the size of their investment and the most recent valuation (share price). The Fund invests in fixed-interest securities, UK and foreign equities and selected unlisted funds. The allocation between these asset classes is reviewed and adjusted periodically, in line with the Fund's investment policy.

Temporary Suspension of the Fund

The Department is currently conducting a review of the Northern Ireland Central Investment Fund for Charities. The Fund will continue to be managed by the Department and the investment manager (currently Standard Life Wealth) as normal. However, new additions to the Fund have been temporarily suspended.

There will be no change to the process of making withdrawals from the Fund and the bi-annual dividend will continue to be paid as usual.

For those charities that have requested their bi-annual dividends be reinvested this process has been suspended and all payments will be made to their stated bank account.

Fund Information

Aim : The primary objective of the Fund is to generate income and thereafter long-term capital growth (>5 years) in real terms.

Income : The Fund aims to achieve an annual income return in excess of the benchmark yield.

Share Value (30/06/17) : 1266.82 pence

Units held (30/06/17) : 3,068,453 (3,068,453 31/03/17)

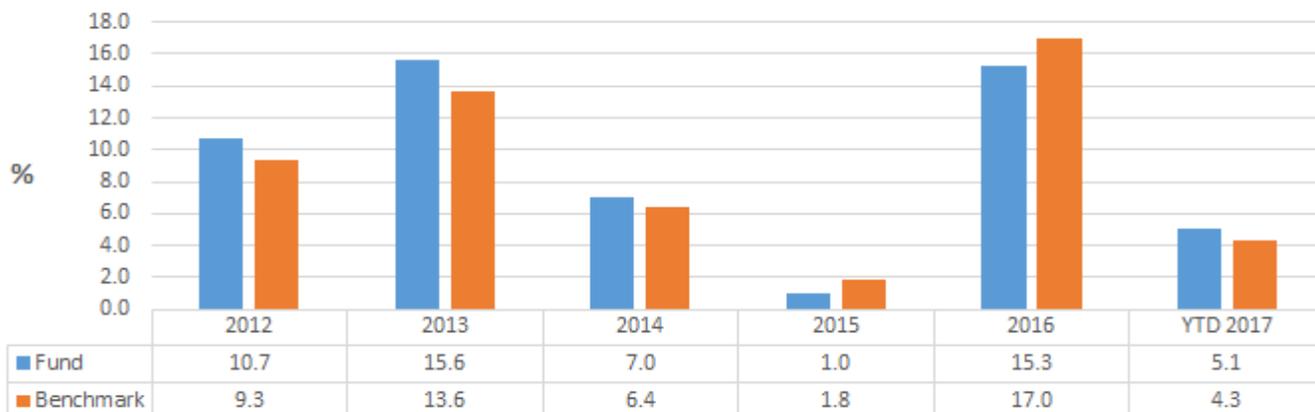
Currency : Sterling

Year End : 30 September 2017

SLW Annual Management Fee : 0.4%

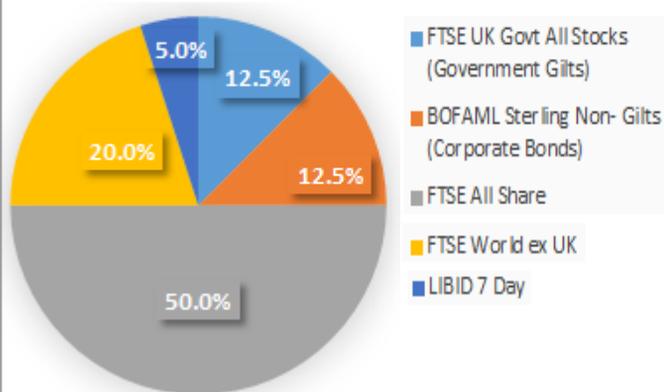
Dividend Payment : Jun & Dec

Percentage Return (Gross)

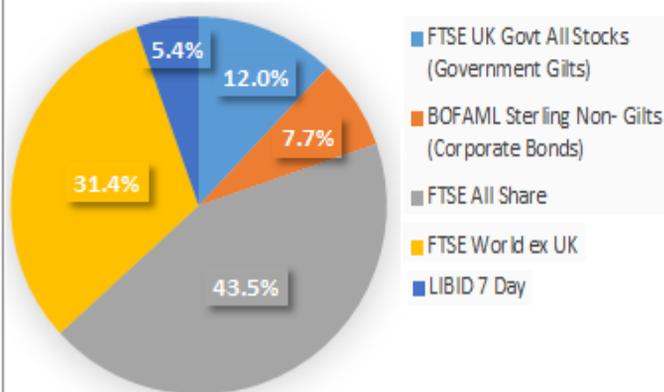


Benchmark

Benchmark Composite



Portfolio Composite (30/06/17)



Portfolio and benchmark returns for the quarter to 30/6/17 are preliminary estimates provided by Standard Life Wealth and have not been verified externally. They could, therefore, be liable to subsequent adjustment.

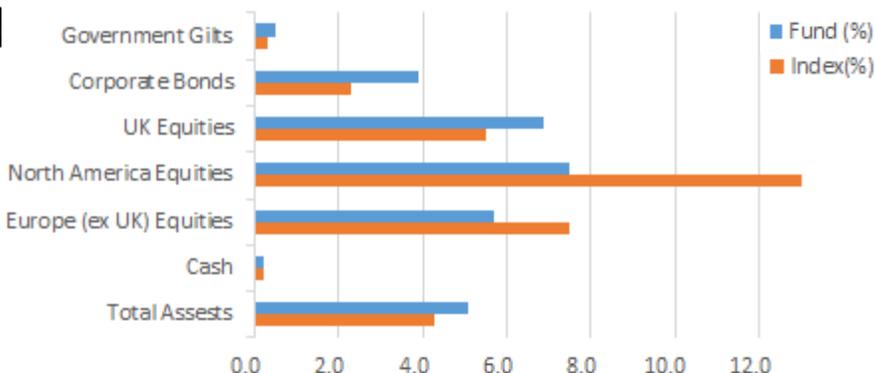
Northern Ireland Central Investment Fund for Charities is a registered charity with HMRC

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

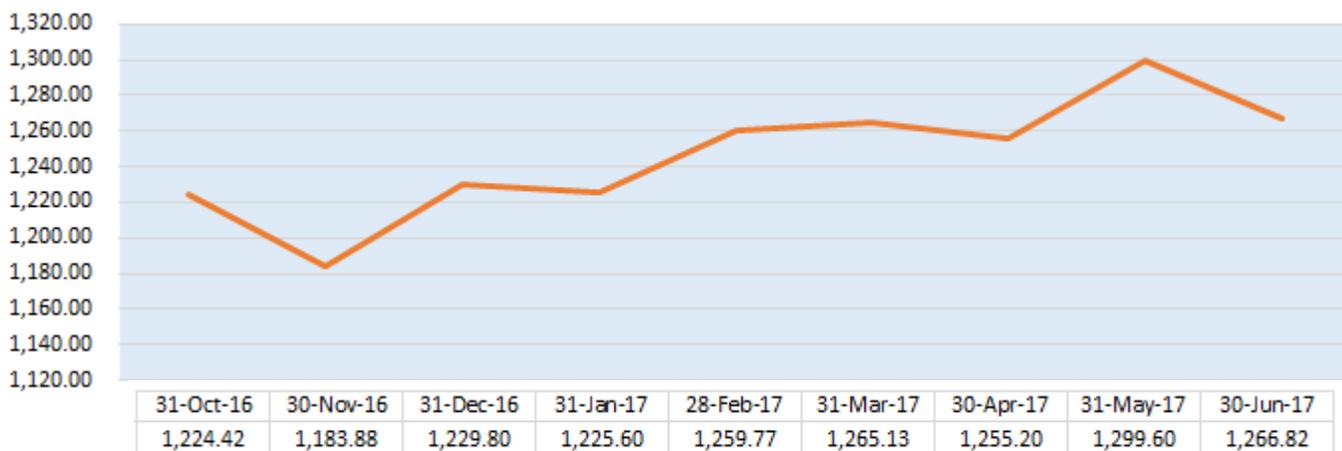


Performance Attribution to 30 June 2017

Asset Class	Fund (%)	Index(%)
Government Gilts	0.5	0.3
Corporate Bonds	3.9	2.3
UK Equities	6.9	5.5
North America Equities	7.5	13.0
Europe (ex UK) Equities	5.7	7.5
Cash	0.2	0.2
Total Assets	5.1	4.3



NICIFC Share Price (Pence)



Portfolio Key Points

The characteristics that dominated the first quarter continued for much of the second, with risk being embraced and equity markets generally outperforming bonds. However, it was UK equities that provided the strongest showing over the quarter, albeit with a higher level of volatility; rallying strongly on the perceived confidence of a snap election being called and the expected outcome of a stronger government position in Brexit negotiations, followed by significant underperformance compared to overseas equities in June after this scenario didn't quite play out as planned.

Fixed interest markets struggled over the quarter as UK inflation continued to rise (CPI hitting its highest level since 2013) and central bank rhetoric indicates a growing recognition that loose monetary policy is drawing to a close; whether that be through a withdrawal of QE support or a gradual raising of interest rates. That said, UK Gilt yields remain at historically low levels but it would seem that the August 2016 lows are unlikely to be revisited given the economic data that is being reported.

Over the first half of the year, Sterling strengthened by +5.1% against the US Dollar which acted as a headwind for the performance of North American equity markets, for UK investors. In US Dollar terms, US equities delivered +9.3% but in Sterling terms this was reduced to +3.9%. The situation in Japan was similar with a gain of +1.3% for Sterling against the Japanese Yen. In Europe, continued weakness of Sterling against the Euro (-2.8%) helped to increase returns from European equity markets to +13%.

Risk Factors

Based on the definitions of risk determined by Standard Life Wealth, the portfolio is categorised as being managed with a *higher medium* risk approach.

The value of any investment may go down as well as up, as can the income generated from it.

Fund Manager

The current fund manager is Standard Life Wealth. 1 George Street, Edinburgh EH2 2LL. Standard Life Wealth are regulated by the Financial Conduct Authority.

Standard Life Wealth applies a global thematic stock picking strategy. This focus on themes helps to identify the catalysts for change and capture opportunities wherever they occur.

Contact

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