



NORTH AMERICAN FUND

April 2017 Factsheet

FUND OBJECTIVE

The aim of the Fund is to seek long term capital appreciation through investment in North American securities.

INVESTMENT MANAGER

Aberdeen Asset Investments Limited.

FUND PERFORMANCE

	31/03/16 to 31/03/17 (%)	31/03/15 to 31/03/16 (%)	31/03/14 to 31/03/15 (%)	31/03/13 to 31/03/14 (%)	31/03/12 to 31/03/13 (%)
Sterling (£)	30.30	-3.25	18.57	9.43	17.48
Euro (€)	19.72	-10.99	34.92	11.56	16.30
US dollar (\$)	12.78	-5.76	5.22	20.07	11.44

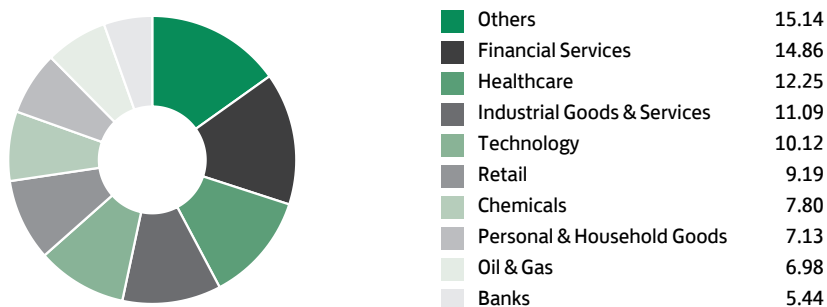
The figures show the performance growth over 5 years as discrete 12 month periods, on a mid price basis with gross income reinvested. All charges and fees, except any initial charge, have been included in the performance figures. Source: FE.

Sector is Lipper Offshore North American.

Past performance should not be seen as an indication of future performance.

The value of investments and the income from them can go down as well as up and cannot be guaranteed. Investments in a currency other than the shareholder's own currency, or in a fund that invests in securities denominated in currencies other than its own base currency, will be subject to the movements of foreign exchange rates, which may cause an additional favourable or unfavourable change in value. Consequently, investors may, on selling their shares, receive an amount greater or less than their original investment.

SECTOR BREAKDOWN (%)



LARGEST INVESTMENTS (%)

VISA Inc	3.60
Oracle	3.51
Intercontinental Exchange	2.98
Pfizer Inc	2.95
Comcast	2.65
Texas Instruments Incorporated	2.54
Charles Schwab	2.54
Estee Lauder Companies Inc	2.54
Costco Wholesale Corporation	2.52
EOG Resources Incorporated	2.50

All data as at 31st March 2017 unless otherwise stated.

MARKET OVERVIEW

Major North American equity market indices moved higher over the first quarter of 2017 despite numerous periods of uncertainty surrounding the policies of the new administration of Donald Trump, who was inaugurated as the 45th president of the US on 20 January. As widely expected, the US Federal Reserve raised its benchmark interest rate by 25 basis points to a range of 0.75% to 1.00% following its meeting in mid March, noting the continued improvement in the economy and the labour market. On the economic front, fourth quarter US grew 2.1%, up slightly from the initial estimate of 1.9% but sharply lower than the 3.5% acceleration registered in the third quarter. The slower growth rate for the fourth quarter was attributable to downturns in exports and federal government spending, as well as an increase in imports.

The Fund's modest outperformance versus its benchmark for the quarter was attributable largely to stock selection in the industrials and financials sectors. The primary individual stock contributors included Oracle Corp, and tobacco company Philip Morris, along with the absence of a position in oil and gas company Exxon Mobil. Oracle Corp reported secondquarter 2017 earnings which showed progress in growing its cloud based offerings as customers adopt a more subscription based model, which we believe will ultimately create more value for the company. Philip Morris reported generally positive quarterly results over the reporting period, as pricing strength offset lower business volumes. The Fund does not hold Exxon Mobil as we believe that there are potentially better investment opportunities elsewhere in the energy sector.

Conversely, an underweight allocation relative to the benchmark to the information technology sector and an overweight to consumer staples weighed on Fund performance. The most notable individual stock detractors were the holding in convenience store operator Casey's General Stores, as well as the lack of exposure to Apple and Facebook. While we acknowledge Apple's innovations, we historically have had issues with the lack of visibility into its business and its high dependence on a single product. We have some concerns regarding Facebook's advertising driven business model, and the stock is trading at a high valuation.

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FUTURE POLICY

Through one quarter, 2017 is playing out much as we expected. At the beginning of the year, we sounded a cautious note around the speed with which specific proposals were implemented, as we believed that there was a likelihood of partisan and even in-party disagreements in what has increasingly become a very charged political climate. Therefore, we expected volatility as we moved through the year and as specific policies took shape, as indicated by the recent failure of the healthcare reform bill supported by President Trump. While we think that a healthcare compromise ultimately may be reached, we would not be surprised to see similar consternation and delay regarding tax reform. This arguably would have a greater effect on markets, given that, in isolation, lower tax rates would have a more significant impact on earnings growth and cash flow expansion for most companies than healthcare reform. However, we do believe that the market has priced in some likelihood that the implementation of tax reform takes longer than originally expected, or that President Trump ultimately will need to make some concessions in order to achieve a compromise. Additionally, in late March, Trump issued executive orders that addressed alleged abuses by US trading partners, mainly as it relates to dumping and currency manipulation. While we feel that such actions would benefit the domestic economy over the longer term, we do not expect much of a near term impact on US companies.

Valuations broadly expanded during late 2016 and we see little room for significant valuation expansion in larger-cap companies. Therefore, we remain focused on those companies that we believe have the best opportunity to perform well fundamentally or those that appear to be truly inexpensive compared to their actual value to us.

Please Note: The commentary contained in this document has been derived from sources, which we consider to be reasonable and appropriate. It may also include our views and expectations, which cannot be taken as fact. The forecast of future performance is not a reliable guide to actual future results.

GENERAL INFORMATION

Value of Fund as at 31st March 2017
£10.87m

Dealing Price as at 31st March 2017
£21.3300
€24.8300
\$26.5600

Estimated Yield
0.0%

Distribution Dates
22nd November

Ex Dividend Dates
1st October

Minimum Initial Investment
£1,000 or currency equivalent

Minimum Subsequent Investment
£500 or currency equivalent

Minimum Regular Savings Investment
£100/US\$200/€200 per month

Initial Charge
5%

Annual Management Charge
1.5%

Total Holdings
46

Sedol/ISIN
0871808/GB0008718081

CONTACT DETAILS

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