

# LOW VOLATILITY STOCKS

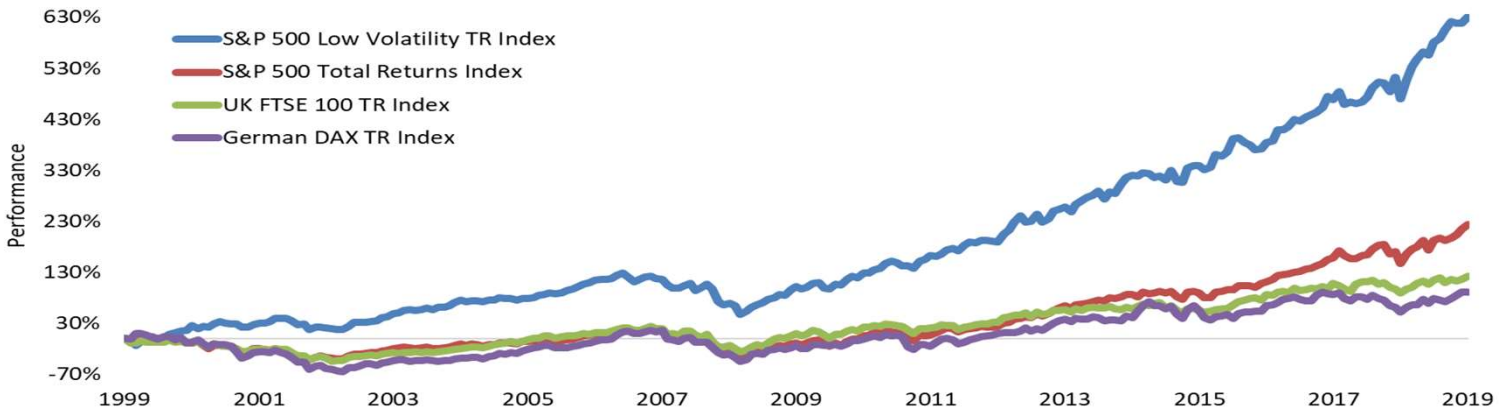
Platforms, SIPPS and Trusts will only (really) accept UCITS/FCA Regulated Funds



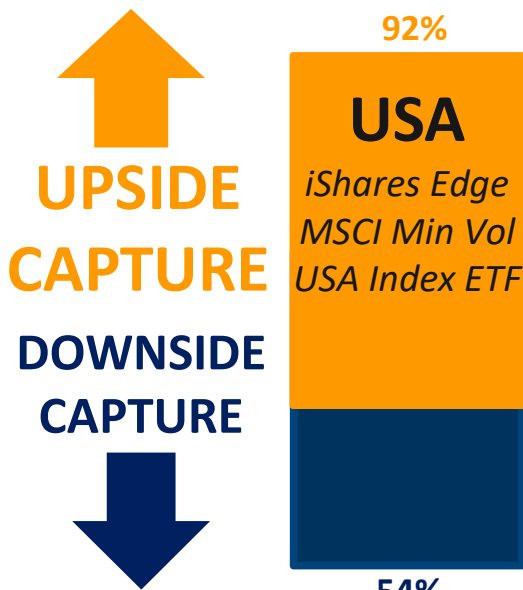
Only certain assets can be held within a UCITS Fund

Q1 2020

**AT&T, McDonalds, Coca-Cola, Johnson & Johnson, Accenture, Visa, Pfizer, Mastercard, Verizon, Exxon Mobil, P&G, Microsoft, Disney**

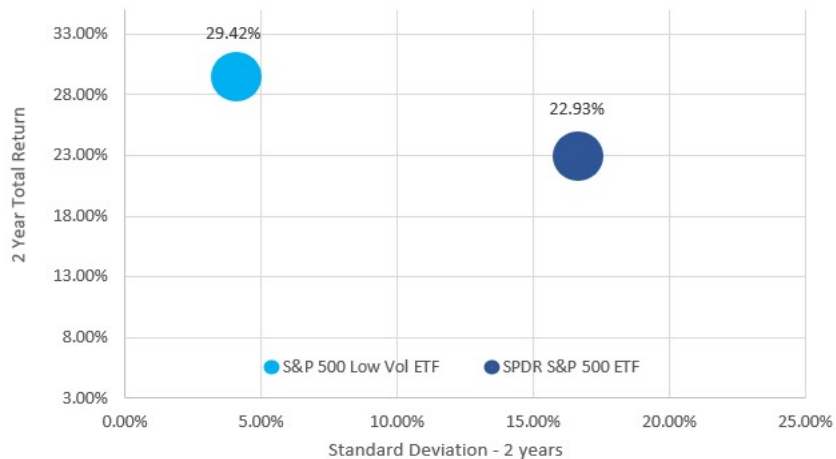


Source: Data (Total Return) sourced from Bloomberg - 31/12/1999 to 31/12/2019. Chart by Castlestone Management. The performance figures quoted refer to the past and past performance is not a guarantee of future performance or a reliable guide to future performance. Your investment may be affected by changes in currency exchange rate movements thereby affecting your investment return therefrom.



Source: Blackrock based on fund and index returns from 31/07/12 to 30/06/16. Data compares the iShares Edge MSCI min Vol USA Index ETF (XMU) to S&P500 Index. The performance figures quoted refer to the past and past performance is not a guarantee of future performance or a reliable guide to future performance

Total Return & Volatility of S&P 500 Low Vol ETF & S&P 500 ETF



Source: 2 Year Total return data and standard deviation data sourced from Bloomberg as of 20/01/2020 for the SPLV S&P 500 ETF and the SPY S&P 500 ETF. Chart by Castlestone Management. The performance figures quoted refer to the past and past performance is not a guarantee of future performance or a reliable guide to future performance. Your investment may be affected by changes in currency exchange rate movements thereby affecting your investment return therefrom.

- ✓ Over the last 5 years Low Volatility stocks have outperformed the S&P 500 Index
  - ✓ Low Volatility stocks can cushion the damage during a sudden downturn
- ✓ Historically, **USA iShares** ETF captured 92% of the broad Index's up months and 54% of the down months
  - ✓ Low Volatility US equities can be used to help diversify a balanced portfolio
- ✓ BlackRock projected smart beta ETF assets could reach \$2.4 trillion globally by 2025\*\*

\* Source – www.businesswire.com, "Blackrock projects Smart Beta ETF Assets will reach \$1 trillion globally by 2020 and \$2.4 Trillion by 2025" (2016, May 12) retrieved from <https://www.businesswire.com/news/home/20160512006061/en/BlackRock-Projects-Smart-Beta-ETF-Assets-Reach>

# LOW VOLATILITY STOCKS

AQA UCITS Fund SICAV plc is licensed in Malta by the Malta Financial Services Authority as an undertaking for collective investment in transferable securities (UCITS).

This document is issued by Castlestone Management LLC (“We”). The information contained in this document is not directed at, nor is it intended for distribution to, or use by, persons in any jurisdiction in which the investment products are not authorized for distribution or in which the dissemination of information regarding the investment products is not permitted. This document is not offering to sell any product. Any investment in the Fund is required to be undertaken in line with the Prospectus of the Fund. Copies of the Prospectus, audited annual financial statements and half-yearly reports and the key investor information documents (in English Language) are available free of charge upon request. We will not be liable for any use you make of any information in this document. We are not your advisor or fiduciary. We are not recommending or making any representations as to suitability of any product or the tax, legal or accounting treatment of any product. We are not responsible for information stated to be obtained or derived from third party sources. All opinions are given as of the date hereof and are subject to change. We are not obliged to inform you of any such changes. Any projections and opinions expressed herein are expressed solely as general market commentary and do not constitute investment advice or guaranteed return. They represent the views of Castlestone Management LLC at the time of publication and are subject to change without notice. Any simulated performance data and/or past performance data contained herein is not a reliable indicator of future performance. Income from investments may fluctuate and investors may not recoup the amount originally invested. An investment in the Fund may be effected by changes in currency exchange rates. If you redeem your investment before 6 years, you may be at a higher risk of losing some or all of the money you invest. Any forward-looking statements concerning the financial condition, results of operations and businesses of Castlestone Management LLC expressed or implied, are based on management's current expectations and assumptions, which may change without notice, and are no guarantee of future results, performance or events. Nothing in this document constitutes a representation that any investment strategy or recommendation is suitable or appropriate to an investor's individual circumstances or otherwise constitutes a personal recommendation. Investments involve risks, and investors should exercise prudence and their own judgement in making their investment decisions. This document is confidential. No part of it may be reproduced, distributed or transmitted without Castlestone Management's written permission. Neither this document nor any copy of it may be distributed, directly or indirectly, in the United States of America or its territories or possessions (the “United States” or to any US Person as defined in Regulations under the United States Securities Act of 1933 (as amended)). Any failure to comply with these restrictions may constitute a violation of United States securities law. This is not exhaustive; other regional-specific wording may apply. If in doubt, please consult with Castlestone Management's Compliance department. Castlestone Management LLC is a registered investment adviser in the state of New Jersey. Being registered does not imply a certain level of skill or training. Investment in any Fund involves significant risks. A prospective or continuing investor should not invest in any Fund unless satisfied that it and/or its investment representative or professional adviser has/have asked for and received all information which would enable it or both of them to evaluate the risks in terms of an investment or continued investment in the Fund. The information in this document has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. No invitation to the public in Hong Kong to buy or subscribe for any product is permitted to be made. You should consult your own attorney, business adviser and tax adviser as to legal, business, tax and related matters concerning any of the contents of this document.

Additional information about Castlestone Management LLC is available on the United States Securities and Exchange Commission's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## WARNING

The contents of this document have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this document you should obtain independent professional advice.