



## **Sentinel OEIC**

### **Fund Manager Quarterly Questionnaire**

Period 6

30<sup>th</sup> June 2009 to the 30<sup>th</sup> September 2009

## FUND DETAILS

Fund: [Sentinel Enterprise Fund](#)

Managing Group: [Williams de Broe - Assetmaster](#)

Manager: [Laurence Boyle](#)

## PERSONNEL

Please detail any significant changes to the personnel involved in the management of the fund and the analysis of underlying stocks/funds. In particular, please detail the length and type of experience/qualification for any new team members.

[Due to centralised cost cutting one role within the Assetmaster team was made redundant and hence Michael Kew has left the company.](#)

Please give an approximation of total funds under management by the team managing the portfolio.

[£275m](#)

## INVESTMENT POLICY

Has there been any change to your investment research systems or your style of management?

[No](#)

What changes have you made to the Asset Allocation of the Fund?

[The weightings to the US and Europe have been slightly increased as the cash weighting had risen by the end of the last quarter. Also throughout the reporting period the weighting to the UK reduced and was then reinstated as we undertook a switch between UK Funds.](#)

What is the rationale for these changes and what impact do you expect this to have on performance?

[The investments into US and Europe reinstated previous levels of exposure to these asset classes and ensured that the portfolio had sufficient exposure to the mature Western markets which could be regarded as more defensive than those of the emerging markets.](#)

What has been your portfolio turnover level and is this higher or lower than you would normally expect?

[Turnover continues to be affected by inflows of monies. Over the quarter we made one sale and reinvestment within the UK equity funds.](#)

Are you confident that you have negotiated the best possible terms and have all discounts and rebates against initial charges and AMCs on underlying funds been negotiated by you and notified to Premier so that they can ensure these are received by the fund? Are you actively aiming to reduce the TER of the fund?

Yes. Where possible we buy Institutional share class, however if only retail shares are available we will negotiate a rebate on this share class. TER is a function of what is purchased; our aim is to provide performance net of fees.

Please supply 1 or 2 examples of good investment decisions you have made at stock level which have contributed to your performance.

The Ignis Argonaut European Alpha Fund has seen particularly strong performance during the reporting period providing a return of over 36% compared with the FTSE Europe ex UK index return of 29.5%. This fund is a high conviction, best ideas fund managed by Barry Norris. Stock selection is based on fundamental bottom up research and is influenced by where in the market cycle the global economy is positioned hence assessing a stocks sensitivity to the economic cycle is a key factor.

Please also provide an example of a poor investment and how you have dealt with this to minimise the loss to the fund.

The Cartesian 130/30 fund was highlighted in the previous quarter, it has continued to lag the FTSE All share index. The fund maintained a defensive position in its long book and a short exposure to cyclical higher market beta stocks. It was anticipated that this would provide a level of protection should we see a correction within markets. The performance seen during the recent short term correction has been disappointing and in light of our views of an improving economic backdrop this fund has been sold.

How have you managed the cash content in the portfolio with a view to maximising the return to the fund?

We aim to be fairly fully invested and hence cash should not impact performance.

Are you happy with your stock selection across each sector?

Yes

If, not what changes are you looking to make over the next quarter and why?

N/A

Are there any particular factors which you feel have affected the performance or volatility of the fund?

The performance of the fund has reflected the returns and volatility of underlying markets to which we are exposed. Outperformance has been achieved through our stock selection and asset allocation decisions. Our preferred weightings to emerging markets and Asia and zero weighting to Japan have been beneficial.