



## **Minutes of the Adviser Business Solutions Investment Committee Meeting**

**Location:** Premier Offices, Guildford

**Date:** 26/10/2010

**Attending:** David Stamp, Mike Reidy, Jon Foster, Richard Anderson, Ben Armstrong of ABS, Mike Hammond of Premier (acting as ACD), Paul Smith of Premier (Defensive Fund Manager), John Husselbee & Nick Stanhope of North Investments (Universal Fund Manager), Laurence Boyle of Williams De Broe (Enterprise Fund Manager), Joe Freire of JMF-FS & Frank Blackmore of Headley Financial Services.

**Apologies:** none

### **Minutes of previous Meeting**

The IC reviewed the minutes from the previous meeting

### **Review of Sentinel Enterprise Fund**

Please see accompanying Sentinel Enterprise Quarterly Questionnaire & Review document

LB discussed the Sentinel Quarterly Questionnaire and Presentation.

### **Comments**

MR asked if the strategic switch out of Europe worked in favour of the fund. LB replied that there was no clear benefit at this point as the euro had strengthen and the dollar had weakened. Europe is currently being held up by Germany which is the biggest cyclical market. It looked like the right choice initially and further quantitative easing in the US could have a bearing on the final outcome.

JF asked how would the fund be effected if the dollar fell in price to \$1.40. LB replied that the currency exposure of the funds are assessed regularly.

MH asked what LB's view was of hedging against the dollar. LB replied that the majority of managers using non sterling don't hedge

MH If you think that Europe could perform as an asset class then would it be sensible to invest & hedge risk. LB replied it's not just about the currency but the effect that has on the companies.



MH asked LB his view on the fund boutiques Gartmore & Neptune as they are going through a bit of a crisis. LB stated that he thought Gartmore would be bought out. Neptune is not strong in many areas apart from the ones that are of interest to the Enterprise fund. They follow the theme of aggressive sector rotations and apply this to their range. For the Enterprise fund I have no concern over the Neptune funds we hold.

### **Review of Sentinel Universal Fund**

Please see accompanying Sentinel Universal Quarterly Questionnaire & Review document

JH discussed the Sentinel Quarterly Questionnaire and Presentation.

### **Comments**

DPS asked if JH he was moving investments away from the Absolute Return (AR) sector. JH replied that AR funds had stood still and from assessing the performance were closely correlated to the markets. Investing in AR was a good alternative to fixed interest and provided a different angle on playing the market. Content to stay invested in the AR sector as currently underweight in Fixed Interest.

### **Review of Sentinel Defensive Fund**

Please see accompanying Sentinel Defensive Quarterly Questionnaire & Review document

PS discussed the Sentinel Quarterly Questionnaire and Presentation.

### **Comments**

PS stated that the fund was catching up with benchmark without increasing the risk within the portfolio

MH asked if there were any areas where PS wanted to increase exposure. PS replied that he would like to increase Zero holdings providing they were suitable.

DPS asked what were the plans for the current cash within the portfolio. PS replied shorted dated Zeros if they are available. There is no rush and increasing the holdings in this area will provide more control of the fund as defined returns can be modeled accurately.



### **IC Review of Managers Performance**

IC agreed that all managers outperformed their defined benchmark. It was agreed that none of the managers are currently under review

### **ACD Discussion**

MH provided reports in regards to gross / net sales and monthly repurchases over a 12 month moving average. Discussed in depth the key performance indicators for 2010

### **Redemptions**

Redemptions were below the sector average

### **Any other business**

Discussed Total Expense Ratios for funds within the Universal & Enterprise Funds

### **Date of next meeting**

25/01/2011 @ Premier's Office Guildford

### **Actions**

- ✚ RA to run some scenarios to assess if there is a suitable composite benchmark to be used for the Enterprise fund. Variations of Global & Active managed sector (50:50, 60:40, 40:60). Results to be discussed at next IC meeting
- ✚ RA to ask for AA split between WDB International & Growth funds