

# GAM Star Balanced – GBP Institutional

## Multi-Asset - Model Portfolios

GBP UCITS (FCA Recognised) / ISA eligible (Reporting fund status) / Price as at 31 Oct 2014 GBP 11.8018 (Acc)

November 2014

**GAM**

### Fund description

**Investment strategy:** Multi-Asset

**Investment objective:** Balance of capital protection and participation in equity market growth.

**Investment Policy:** GAM Star Balanced may have a significant exposure to global and UK equities which should generate strong returns in the long-term. The portfolio may also have a meaningful allocation to fixed interest instruments including government, emerging market, corporate and convertible bonds for capital protection purposes. The remainder of the holdings will be in select absolute return funds which target positive returns uncorrelated to broader risk markets and each other, and alternative investment funds.

### Manager commentary as at 31 Oct 2014

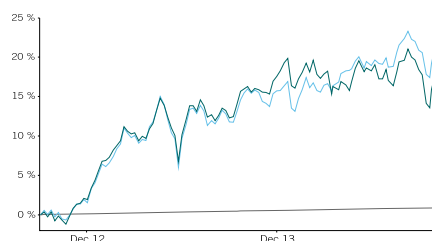
October saw the return of volatility to financial markets as a number of negative factors came to the fore. Weak economic data in Europe, coupled with the withdrawal of quantitative easing in the US, led to steep equity market falls as market participants took a bearish view of the world's major economies. However, the falls witnessed in the first two weeks of the month reversed, as US and UK unemployment figures came in at six-year lows and third-quarter earnings for US companies, including Apple and Caterpillar, beat expectations.

At the underlying fund level, positive performance came from GAM North American Growth. The manager of the fund focuses on the small and mid-cap sections of the market, which are less well covered by analysts and therefore offer unique opportunities and pockets of undiscovered value. The largest positive contributors to October performance were CareFusion, a global medical technology corporation serving the healthcare industry, and ICU Medical, which develops, manufactures, and sells medical technologies. CareFusion's share price rose rapidly following the announcement that it was being taken over by Becton Dickinson, another healthcare company. ICU Medical has performed strongly since mid-August when it announced higher-than-expected second-quarter revenue and profits.

Elsewhere, GAM Global Diversified underperformed the market significantly during the month. The manager's underweight in US equities was negative for performance, though stock selection in that market was also poor. Additionally, sharp declines in gold and oil prices hurt positions in some stocks, including Newmont Mining and Saipem.

### Fund performance and risk analysis

#### Performance from 1 Oct 2012 to 31 Oct 2014



#### Performance summary as at 31 Oct 2014

	Fund %	Index %
1 month return	-0.33	0.71
3 months' return	0.09	2.06
12 months' return	1.52	5.20
Return since inception	18.02	21.54
Annualised return since inception	8.29	9.83

The fund does not include the security of capital which is characteristic of a deposit with a bank or building society.

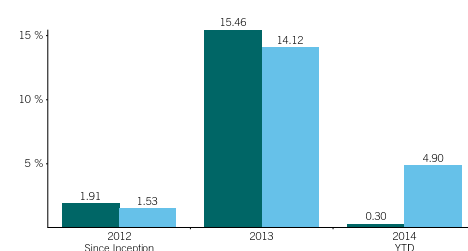
#### Standardised past performance to 31 Oct 2014

October-October (%)	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014
GAM Star Balanced – GBP Institutional	N/A*	N/A*	-0.51†	16.84	1.52
FTSE WMA Private Investor Balanced Portfolio Index in GBP	N/A*	N/A*	-0.45†	16.05	5.20

\*Please note this fund launched on 1 Oct 2012 and therefore performance data does not exist for these periods.

†Performance from inception date 1 Oct 2012.

#### Performance history to 31 Oct 2014



#### Key to charts and tables:

Fund: GAM Star Balanced – GBP Institutional; Index: FTSE WMA Private Investor Balanced Portfolio Index in GBP; Cash Index: Average GBP 1 Month Deposit Rate

#### Historical monthly returns

%	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2014	-1.16	2.67	-1.30	-1.45	2.09	-0.26	-0.31	1.48	-1.04	-0.33	-	-	0.30
2013	4.48	2.47	1.30	0.48	1.70	-3.08	3.92	-2.03	0.76	3.54	-0.27	1.50	15.46
2012	-	-	-	-	-	-	-	-	-	-0.51	1.33	1.09	1.91

### Manager



Charles Hepworth and James McDaid

### Fund facts

**Fund managed by** Charles Hepworth and James McDaid  
**Fund type** UCITS  
**Stock exchange listing** Irish  
**Currency classes** CHF, EUR, GBP, JPY, USD classes are available  
**Base currency of the class** GBP  
**Inception date of the fund** 1 Oct 2012  
**Inception date of the class** 1 Oct 2012  
**Fund size** GBP 217.4m  
**Class size** GBP 15.4m  
**Dividend policy** No dividends (income accumulated)  
**Dealing day** Any business day  
**Purchase fee** Up to 5.00%  
**Investment manager and sponsor fees\*** 0.70%  
**TER** 1.68%(estimate) as at 30 Jun 2014\*\*  
**Bloomberg** Acc GAMBISA ID  
**Reuters** Acc SETST.FND  
**ISIN** Acc IE00B56X5F76  
**SEDOL** Acc B56X5F7  
**Valoren** Acc 12400077  
**Authorised for public sale in** Austria, Finland, Ireland, Luxembourg, Netherlands, Norway, Switzerland and United Kingdom  
**Data sources** GAM, Thomson Reuters, Financial Times  
**IMA Sector** Mixed Investment 40-85% Shares

\*Excludes administration and custodian fee - please see Prospectus for further details on fees.

\*\* TER figure includes annual expenses incurred by underlying fund holdings.

#### Contact details

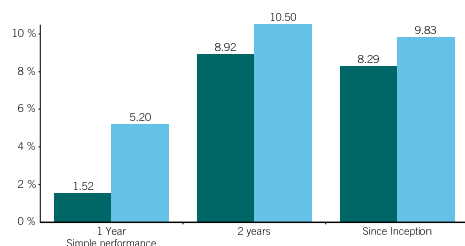
GAM Fund Management Ltd  
George's Court  
54-62 Townsend Street  
Dublin 2, Ireland  
Freephone: 0800 919 927 (UK only)  
Tel: +353 (0) 1 6093927  
Fax: +353 (0) 1 6117941  
**Dealing**  
Freephone: 0800 919 928 (UK only)  
Tel: +353 (0) 1 6093974  
Fax: +353 (0) 1 8290778

For daily updates on this fund and a glossary of terms see [www.gam.com](http://www.gam.com). Access may be subject to certain restrictions.

Past performance is not indicative of future performance. Performance is shown net of fees.

# Fund performance and risk analysis, continued

## Compound annual growth rates as at 31 Oct 2014



## Risk summary as at 31 Oct 2014

	12 months		Since Inception	
	Fund	Index	Fund	Index
Maximum drawdown (%) ***	-2.73	-1.85	-3.08	-3.51
Annualised standard deviation (%)	4.72	5.03	6.47	6.75
Sharpe Ratio*	0.24	0.96	1.22	1.39

\*\*\* The largest loss, peak to trough based on monthly data

\* Risk free rate is Average GBP 1 Month Deposit Rate

## Relative summary as at 31 Oct 2014

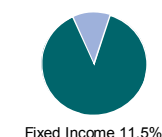
	Relative to Index	
	12 months	Since Inception
Alpha (%)	-0.19	-0.04
Beta	0.76	0.90
Correlation	0.81	0.94

### Key to charts and tables:

Fund: GAM Star Balanced – GBP Institutional; Index: FTSE WMA Private Investor Balanced Portfolio Index in GBP

## Asset allocation

### GAM Asset Allocation



### Absolute Return 14.7%



### Asset Class

### Manager – Fund

### %

Specialist 5.7%	GAM – GAM Star Local EM Rates and FX	1.9
	GAM – GAM Star MBS Total Return	1.9
	Standard Life Investments – SLI Emerging Market Debt	1.9
Credit 5.8%	Allianz – Allianz Sterling Total Return	1.9
	ATLANTICOMNIUM S.A. – GAM Star Credit Opportunities GBP	3.9
Global 10.2%	GAM – GAM Global Diversified	3.5
	GAM – GAM Star Technology	3.7
	River and Mercantile – River and Mercantile World Recovery	3.0
North American 8.3%	GAM – GAM North American Growth	4.2
	Loomis Sayles – Loomis Sayles US Equity Leaders	4.1
Continental European 7.1%	GAM – GAM Star Continental European Equity	4.1
	Swiss & Global AM – JB EF Euroland Value	3.0
Asia Pacific 8.1%	GAM – GAM Star Asian Equity	3.0
	Coupland Cardiff – CC Japan Alpha	5.1
UK 27.4%	GAM – GAM UK Diversified	9.2
	Old Mutual – Old Mutual UK Alpha	9.0
	Ardevora – Ardevora UK Income	9.2
Emerging 6.0%	North of South – GAM Star North of South EM Equity	2.0
	Franklin Templeton – Franklin Templeton Frontier Markets	2.0
	JPMorgan – JPM Emerging Markets	2.0
Equity 8.8%	Alken – Alken Fund – Absolute Return Europe	3.0
	Old Mutual – Old Mutual Global Equity Absolute Return	2.9
	RWC – RWC US Absolute Alpha	2.9
Macro 3.0%	Odey Investments – Odey Odyssey	3.0
Fixed Income 2.9%	Swiss & Global – JB Multibond Absolute Return Bond	2.9
Alternatives 5.1%	Pareturn Barwon – Pareturn Barwon Private Equity	5.1

Source: GAM. Model Allocations and holdings are subject to change. Due to rounding differences, the sum of tables may not reconcile exactly to the totals shown. Data as at 31 Oct 2014

Past performance is not indicative of future performance. Performance is shown net of fees.

Source: GAM, unless otherwise stated. Where applicable and, unless otherwise noted, performance is shown net of fees, on a NAV to NAV basis.

This material is confidential and intended solely for the use of the person or persons to whom it is given, or sent, and may not be reproduced, copied or given, in whole or in part, to any other person. Nothing contained herein constitutes investment, legal, tax or other advice, nor is it to be solely relied on in making an investment or other decision. It is not an invitation to subscribe and is by way of information only.

The fund is a sub-fund of GAM Star Fund plc. GAM Star Fund plc is an Irish umbrella fund with segregated liability between sub-funds. GAM Star Fund plc is authorised as a UCITS pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (S.I. No.352 of 2011) and is a recognised scheme in the UK under the Financial Services and Markets Act 2000. The fund is managed by GAM Fund Management Limited which is regulated by the Central Bank of Ireland.

Some of the products mentioned herein may not be registered for public sale in all jurisdictions. Therefore, no public marketing must be carried out for them. GAM products are not available for sale in any state or jurisdiction in which such sale would be prohibited and are not aimed at persons in those jurisdictions and in those cases where the law prohibits this type of information from being provided. Investors in such products will not be eligible for the specific investor protection given under the Swiss Collective Investment Schemes Act, the German Capital Investment Act or the Austrian Collective Investments Schemes Act, in contrast to investors in products that are regulated under said acts.

Subscriptions will only be received and shares or units ('Shares') issued on the basis of the current prospectus for the fund. Copies of fund's prospectus, Key Investor Information Document (KIID) and financial statements can be obtained free of charge from GAM Fund Management Ltd, George's Court, 54-62 Townsend Street, Dublin 2, from the centralising agent for France, BNP Paribas Securities Services, 66 rue de la Victoire, 75009 Paris, from its representative in Switzerland GAM Anlagefonds AG, Hardstrasse 201, CH - 8005 Zurich, from the information agent in Germany Bank Julius Baer Europe AG, An der Welle 1, D-60322 Frankfurt am Main, from the information agent in Austria, UniCredit Bank Austria, Schottengasse 6 - 8, A-1010 Vienna. Paying Agent in Switzerland is State Street Bank GmbH, Zurich Branch, Beethovenstrasse 19, CH-8027 Zurich.

**In Italy, this document is destined exclusively for institutional or qualified investors and shall not be passed on to third parties.** Particularly, this document shall not be used as advertising material for public distribution or any other kind of public offering of the funds, their sub-funds or share categories. Please consult the Prospectus and the KIID prior to any investment. The documents are available on [www.gam.com](http://www.gam.com) or can be obtained from local distributors.

Shares of the fund have not been registered under the US Securities Act of 1933, as amended (the "Securities Act") and the fund is not registered under the US Investment Company Act of 1940, as amended (the "Company Act"). Accordingly, unless an exemption is available, such Shares may not be offered, sold or distributed in the United States or to US persons. However, pursuant to an exemption from registration under the Securities Act and the Company Act, the Shares may be sold or resold in the United States, or to certain qualified US investors in transactions which do not constitute a public offering.

The views expressed herein are those of the manager at the time and are subject to change. **The price of shares may go down as well as up and the price will depend on fluctuations in financial markets outside GAM's control. As a result, an investor may not get back the amount invested. Past performance is not indicative of future performance** and reference to a security is not a recommendation to buy or sell that security. Holdings and allocations are subject to change. Prices quoted refer to accumulation shares, unless otherwise stated. Historic data may be subject to restatement from time to time.

Within the UK, this material has been issued and approved by GAM London Ltd, 20 King Street, London SW1Y 6QY, authorised and regulated by the Financial Conduct Authority.

**Past performance is not indicative of future performance. Performance is shown net of fees.**