

Davy Funds Plc

Davy Fixed Interest Fund

CLASS "D Acc" UNITS

INVESTMENT OBJECTIVE

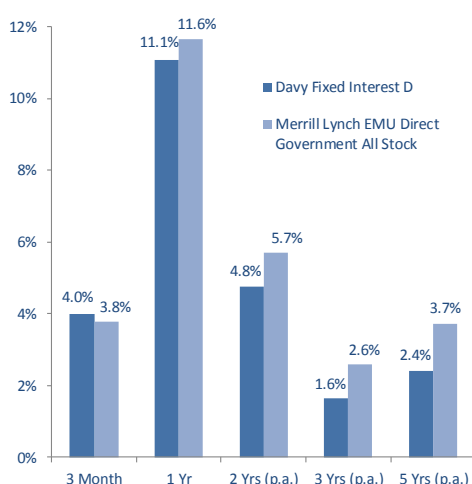
The objective of the Davy Fixed Interest Fund ("the Fund") is to provide medium term capital growth through professional management of a spread of investments in Eurozone fixed interest securities, all of which will be at least Investment Grade.

INVESTMENT STRATEGY

The objective of the Fund will be achieved by predominantly investing in fixed interest securities. The fixed interest securities in which the Fund will predominantly invest shall include sovereign bonds and treasury bills which shall be traded or listed on European fixed interest markets. Each of the Fund's investments will be traded or listed on Recognised Markets as defined in the Prospectus.

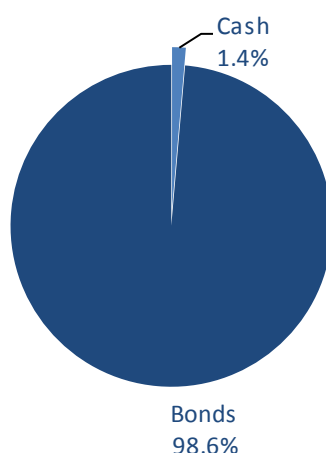
NOTE: All information below is provided as at 30.09.2019

INVESTMENT PERFORMANCE %



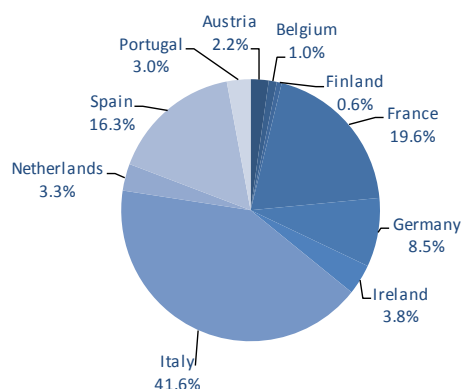
Source: Stadia Fund Management, Northern Trust & Bloomberg Single pricing, net of fees, income reinvested, performance in Euro.

ASSET ALLOCATION %



GEOGRAPHIC ALLOCATION %

Fixed Interest Portfolio Geographic Allocation



TOP 5 HOLDINGS %

5 Largest Holdings as % of Total Fund

Italy 3.75% 2021	6.7%
Italy 6.5% 2027	6.5%
Italy 9% 2023	5.5%
France 4.5% 2041	5.5%
Italy 4.75% 2044	4.8%
Total	29.0%

CREDIT QUALITY

Credit Quality of Investments as a % of Fixed Interest

AAA	11.8%
AA+	2.9%
AA	15.9%
AA-	4.7%
A+	0.8%
A-	14.2%
BBB	2.1%
BBB-	42.9%
BB+	4.7%
Total	100.0%

MODIFIED DURATION

Indicative Duration Yield Curve Positioning as a % of Fixed Interest

0-3 Years	17.5%
3-5 Years	17.5%
5-7 Years	5.8%
7-10 Years	22.8%
>10 Years	36.5%
Total	100.0%

Davy Asset Management

September 2019

ABOUT THE FUND

Base Currency:

Euro

Fund Size (EUR):

7.55 m

No. of Bond Holdings:

40-45

Currency Exposure:

100% (Euro)

Investment Manager:

Davy Asset Management

Type of Unit:

Accumulation

Valuation Point:

Close of business in the relevant market where the assets are listed

Order Cut-Off Point:

Daily – All orders must be received by 16:00 p.m. (Irish time) one Business Day immediately preceding the relevant Dealing Day.

Structure:

UCITS*

* The assets of the Prescient Select Fixed Interest Fund, a sub-fund of the Prescient Select Portfolio (non-UCITS) were transferred to a new sub-fund of Davy Funds plc (UCITS), which is named the Davy Fixed Interest Fund, on 18th December 2015. The same Strategy applies to both sub-funds.

ISIN: IE00BYZ5HG29

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DAVY FIXED INTEREST FUND

CLASS "D Acc" UNITS

Q3 2019 MARKET REVIEW

The Davy Fixed Interest Fund returned 4.00% in the third quarter of 2019, marginally ahead of its benchmark during the period. Eurozone, UK and global government bonds all had a strong third quarter, with the JP Morgan Global Index (euro hedged) returning 2.43%, due to dovish central banks, weaker than expected economic data, intensifying US/China trade war risks, and Brexit uncertainty.

At the European Central Bank's policy meeting in September, the deposit rate was cut for the first time since 2016. The Bank also announced the relaunching of the Quantitative Easing programme, "for as long as necessary", with ECB President Mario Draghi saying risks remained "tilted to the downside". This forced the yield on the German bund to fall (causing prices to rise).

In the UK, the rising prospect of a 'hard' Brexit under new Prime Minister Boris Johnson, in addition to dovish central banks globally, saw yields fall. The UK 10-year Gilt yield fell to 0.40%. This is not only lower than in 2016 after the Brexit Referendum result, but also a new record low for the UK-10 year Gilt.

Source: Bloomberg

Davy Asset Management

September 2019

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Warning: Past performance may not be a reliable guide to future performance. The value of your investment may go down as well as up. If you invest in this product you may lose some or all of the money you invest. An investment in the Fund should be regarded as long term.

CALENDAR YEAR FUND PERFORMANCE (%)

	2018	2017	2016	2015	2014
Davy Fixed Interest	-0.5%	-1.0%	1.7%	-0.2%	11.6%
Merrill Lynch EMU Direct Government All Stock	1.0%	0.1%	3.3%	1.6%	13.2%

Source: Stadia Fund Management Limited, Bloomberg
Single Pricing, Net of Fees, Income Reinvested, Performance in Euro

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