



The Family Investments Global ICVC Family Balanced International Fund

Interim Short Report 1st May 2016 to 31st October 2016

The information in this report is designed to enable shareholders to make an informed judgement on the activities of the Fund during the period it covers, and the results of those activities. For more information about the activities and performance of the Fund for this and previous periods, please contact OneFamily's Customer Service Team on 0344 8 920 920 (calls may be monitored or recorded for training purposes).

Company performance

This report covers the period from 1st May 2016 to 31st October 2016. During this time, the ICVC Fund (class C) returned 11.7%, compared to 13.4% from the benchmark index. Share class C is the only share class currently open to new investors. The difference in performance between the Family Balanced International Fund and the benchmark is largely due to the management charge being taken from the Fund. A breakdown of the Management charge per share class is detailed in the "Fund facts" section on this page.

	6 Months 01/05/2016 to 31/10/2016
Share Class A*	12.0%
Share Class B*	12.2%
Share Class C*	11.7%
Share Class D*	12.3%
Share Class E*	12.5%
Benchmark **	13.4%

Source: Index data sourced from State Street Global Advisors (SSGA). The Fund returns are share price returns calculated using data sourced from OneFamily.

* Share class performance is based on price movement calculated using a nominal price at close, which will include all charges payable.

** Please note that the benchmark figure presented represents: 33% FTSE 350 Ex Investment Trusts Total Return Share Index/11% FTSE All World Developed Europe Ex UK Total Return Index/6% FTSE All World Developed Japan Total Return Index/5% FTSE All World Developed Asia Pacific Ex Japan Total Return Index /11% FTSE All World Developed North America Total Return Index/6% MSCI EM Emerging Markets Total Return Index/6% Barclays Capital Sterling Corporate Bond Index/11% Barclays Capital 1-5 Year Gilt Index/5% Barclays Capital >5 Year Gilt Index/6% FTSE EPRA/NAREIT UK Property Index.

Market background

The UK referendum on membership of the European Union was arguably the main event of the second quarter of this year, with the result, announced on 24 June, revealing that the UK had voted by a majority of 52% to 48% to leave the EU. The outcome surprised investment markets, despite polls before the referendum suggesting that the vote could go either way. The initial market reactions were pronounced: sterling fell dramatically, government bonds rallied and risk assets were marked lower. Equity markets generally staged a recovery in the final days of the second quarter, supported by expectations that US interest rates would stay lower for longer coupled with the increased possibility of the Bank of England cutting rates.

The third quarter was generally positive for financial markets. A large part of the shock surrounding the Brexit result and its associated uncertainty was absorbed early on in the period and volatility across equities and fixed income was markedly lower compared to previous quarters. As the quarter progressed into September, expectations for the rollout of additional monetary easing by the major central banks outside the US that had been anticipated immediately after 'Brexit' continued to be ratcheted back. These lower expectations were observable in global futures markets and through the relatively less supportive actions and communications of the major global central banks during September. In addition to taking no new policy actions following its 8 September monetary policy meeting, the European Central Bank (ECB), against many bank watchers' expectations, held back on indicating any future expansion of its current quantitative easing programme, which is set to expire in March 2017.

Emerging market (EM) equities outperformed developed market equities, supported in particular by an uptick in EM earnings expectations, investors' ongoing search for yield and a stabilisation in China's fundamentals. In China, the consensus is that the economy will continue to grow at around 6.5% annually, with both fiscal and monetary policies providing support for economic growth. The stronger performance of emerging markets during the period comes after three straight years of declines including a near 15% loss in 2015, in US dollar terms.

As the period came to a close, a paring back of expectations of further central bank policy accommodation prompted a backing up in global government yields off their July record lows. Among the most notable moves was a rapid move up in the Japanese 30-year bond yield from an intraday low of 2 bps on 6 July to an intraday high of 61 bps on 14 September. As a somewhat ominous preview of how a sharp rise in global bond yields might impact broader markets looking forward, rising US and German 10-year rates in early September continued into October and were accompanied by downward movements in high-yielding equities and REITS and, to a lesser degree, in growth assets generally.

Activity

Throughout the six-month period, we have viewed equity markets with caution and the fund continued to remain broadly underweight equities. The growth asset underweight was largely matched by an overweight position to cash. Within growth assets, UK equities were favoured over their North American and Emerging Market counterparts in particular. However, as the period progressed, we tapered our cash position and reduced the underweight to North American equities while neutralising the Emerging Market equity exposure. Fixed Income as a grouping was relatively neutral throughout the review period; however, a preference was maintained for corporate bonds at the expense of government bonds, a position that detracted from relative performance.

Outlook

Looking forward to the close of 2016, in our tactical positioning we continue to view equity markets with caution. Our allocations include underweights to international developed markets, a neutral stance on Emerging Markets and a slight overweight to US equities. In international developed markets, our underweight in part reflects a perceived decline in the efficacy of monetary policy support in the Eurozone and Japan. We have also felt it prudent to reduce our overweight to REITs given the recent negative trend and a less constructive outlook on rates. In fixed income, we reduced our exposure to non-US government bonds, driven by our model's expectations for rate steepening outside of the US as well as our bias towards dollar strength. Offsetting this reduction in nominal bond exposure, we increased our cash position.

State Street Global Advisors

31st October 2016

Investment objective and policy

The Family Balanced International Fund aims to provide long-term capital growth by investing predominantly directly or indirectly in a worldwide portfolio of equities and fixed interest securities.

The Authorised Corporate Director (ACD) may also invest at its discretion in other collective investment schemes (including unregulated schemes such as hedge funds), property (indirectly), approved money market instruments, deposits as well as cash and near cash and any other permitted asset type deemed appropriate to meet the investment objective.

The company does not intend to have an interest in immovable or tangible movable property at this time; however, it may invest in immovable property in the future by giving shareholders a minimum of 60 days' notice.

Risk profile

The main risks arising from the Fund's financial instruments are market price, interest rate, liquidity and currency rate risks. The ACD reviews (and agrees with the Depositary) policies for managing each of these risks. The value of investments and the income from them is not guaranteed and can go down as well as up.

Fund facts

Sector:

IA Mixed Investment
40-85% Shares

Fund size: (millions)

At Oct 31st 2016 A	£933
At Oct 31st 2016 B	£87
At Oct 31st 2016 C	£7
At Oct 31st 2016 D	£20
At Oct 31st 2016 E	£6
At Apr 30th 2016 A	£853
At Apr 30th 2016 B	£80
At Apr 30th 2016 C	£6
At Apr 30th 2016 D	£18
At Apr 30th 2016 E	£6

Initial charge:

The only current initial charge is to new investors in share class C, which has an initial charge of 5%

Annual management charge:

A	1.50%
B	1.00%
C	1.95%
D	0.95%
E	0.50%

Accounting dates:

Interim 31st October

Final 30th April

Distribution due dates:

Interim 31st December

Final 31st August

Net asset value per share and comparative table

Fund size

	Net asset value (£)	No. of shares in issue	Net asset value per share (pence)
31st October 2014			
Class A	849,877,630	253,164,145.52	335.7
Class B	81,875,674	60,508,976.15	135.3
Class C	5,924,767	4,862,018.07	121.9
Class D	18,666,344	14,487,632.58	128.8
Class E	6,037,836	1,729,045.93	349.2
31st October 2015			
Class A	846,305,917	245,574,562.33	344.6
Class B	81,337,546	58,255,467.57	139.6
Class C	6,019,562	4,833,476.39	124.5
Class D	18,238,915	13,713,290.90	133.0
Class E	5,966,755	1,647,902.38	362.1
30th April 2016			
Class A	853,436,831	246,026,216.02	346.9
Class B	79,796,670	56,637,412.76	140.9
Class C	6,204,585	4,960,583.07	125.1
Class D	18,017,116	13,421,218.73	134.2
Class E	5,907,061	1,612,710.38	366.3
31st October 2016			
Class A	933,138,682	240,269,254.04	388.4
Class B	87,062,376	55,055,234.99	158.1
Class C	7,182,878	5,140,878.07	139.7
Class D	19,544,116	12,967,692.72	150.7
Class E	6,390,853	1,550,617.18	412.1

Major holdings

Holding	% of net asset value as at 31/10/16
SPDR Barclays Capital Sterling Corp Bond ETF	9.55
SPDR Barclays Capital 1-5 Year Gilt ETF	8.86
Aberdeen Emerging Markets Fund	7.19
iShares UK Property UCITS ETF	5.81
SPDR Barclays Cptl 0-5 Year Stlg Corp Bond ETF	2.77
Holding	% of net asset value as at 30/04/16
SPDR Barclays Capital Sterling Corp Bond ETF	9.18
iShares UK Property UCITS ETF	6.86
SPDR Barclays Capital 1-5 Year Gilt ETF	6.66
Aberdeen Emerging Markets Fund	6.04
SPDR Barclays Cptl 0-5 Year Stlg Corp Bond ETF	2.57

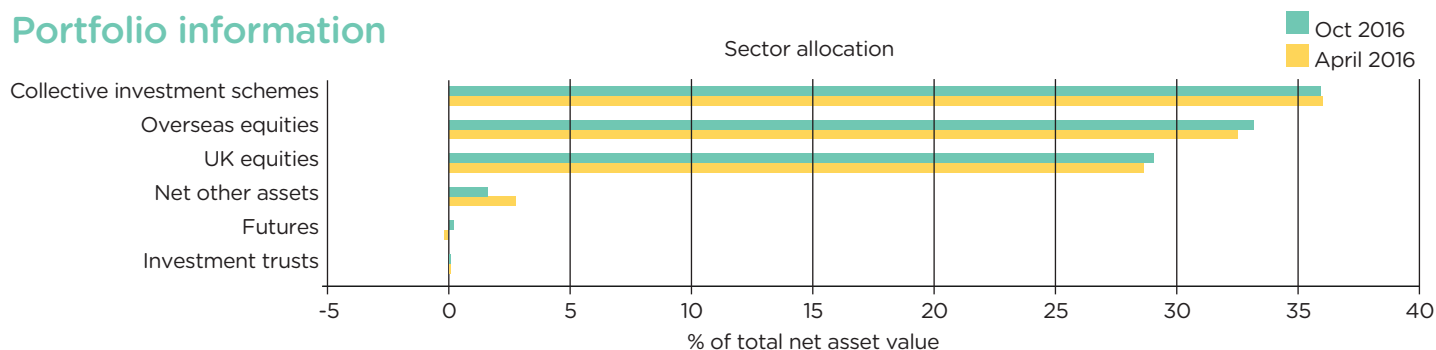
Share price range and income history

Accounting Period	Share prices		Annual income (net allocations) per share
	Highest buying	Lowest selling	
2012			
Class A	291.5	250.7	5.6248
Class B	115.6	99.42	2.7506
Class C	107.4	92.32	1.6383
Class D	109.9	94.51	2.7180
Class E	293.4	252.5	8.5016
2013			
Class A	320.4	263.5	3.7576
Class B	128.1	104.9	2.0922
Class C	117.2	96.72	0.8962
Class D	121.9	99.78	2.0660
Class E	327.9	267.5	6.8507
2014			
Class A	332.2	300.8	3.3316
Class B	133.0	120.4	1.9923
Class C	121.4	109.9	0.6865
Class D	126.6	114.6	1.9794
Class E	341.9	308.7	6.8542
2015			
Class A	373.5	320.4	3.6799
Class B	150.9	129.1	2.1810
Class C	135.3	116.3	0.7666
Class D	143.7	122.9	2.1479
Class E	390.3	333.1	7.4486
2016			
Class A	366.4	317.6	3.6264
Class B	148.1	128.9	2.1859
Class C	132.7	114.6	0.7372
Class D	141.1	122.8	2.1485
Class E	383.3	334.7	7.4876
2017*			
Class A	393.5	334.6	2.4376
Class B	160.2	138.7	1.3725
Class C	141.6	123.1	0.5525
Class D	152.7	132.2	1.3479
Class E	417.4	360.8	4.6182

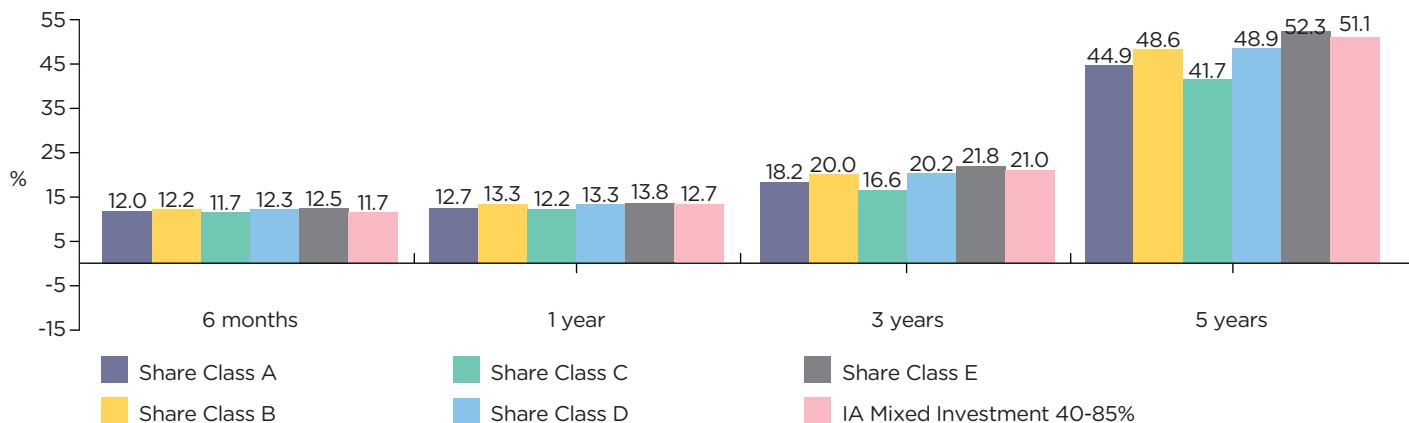
* to 31st October 2016 only

Portfolio information

Sector allocation



Cumulative fund performance at 31st October 2016



Source: Family Balanced International Fund data sourced from OneFamily, basis mid to mid net of tax on dividend. IA sector data sourced from Lipper.

Discrete annual performance

	31/10/11 to 31/10/12	31/10/12 to 31/10/13	31/10/13 to 31/10/14	31/10/14 to 30/10/15	30/10/15 to 31/10/16
Share Class A	6.5%	15.1%	2.2%	2.7%	12.7%
Share Class B	7.1%	15.7%	2.7%	3.2%	13.3%
Share Class C	6.1%	14.5%	1.8%	2.1%	12.2%
Share Class D	7.1%	15.7%	2.7%	3.3%	13.3%
Share Class E	7.6%	16.3%	3.2%	3.7%	13.8%

Source: OneFamily, mid to mid price.

Fund returns from the two tables above are net of fees calculated using a nominal price at close, which will include all charges payable

Past performance should not be seen as an indication of future performance.

Investors are reminded that the price of shares and the income from them is not guaranteed and may go down as well as up.

Distribution table

For the period ended 31st October 2016

Distribution - in pence per share

	Current year	Prior year
31st October 2016		
Share Class A	2.4376	1.6315
Share Class B	1.3725	1.0194
Share Class C	0.5525	0.2975
Share Class D	1.3479	1.0102
Share Class E	4.6182	3.5727

Total expense ratio - Synthetic (TER)

31st October 2016	TER %	31st October 2015	TER %
Share Class A	1.66	Share Class A	1.65
Share Class B	1.16	Share Class B	1.15
Share Class C	2.12	Share Class C	2.11
Share Class D	1.11	Share Class D	1.10
Share Class E	0.66	Share Class E	0.64

TER is a measure of the total costs associated with managing the Fund. Apart from the initial charge and transaction costs, all other expenses are included in the TER. The TER is an internationally accepted standard for the comparison of costs for authorised funds.

Due to the Family Balanced International Fund investing over 10% of its net asset value in UCITS or Non-UCITS schemes that publish a TER, we have calculated a synthetic TER for the Fund. This is calculated by adding the TERs expressed by the underlying schemes the Fund is invested in, weighted on the basis of the Fund's investment proportion and added to the Fund's TER.

Significant Changes

The obligation to produce and publish short reports will cease to apply from 22 November 2016, this will be the last short report distributed for Family Investments Global ICVC. The annual and half yearly full report and accounts for Family Investments Global ICVC will still be published and can be found on our website at www.onefamily.com or by calling us on the number detailed at the front of this report.

Report and Accounts

Copies of the annual and half yearly full Report and Accounts of the Family Balanced International Fund are available free of charge on request to the ACD. They are also available in the 'Our Story' section of our website www.onefamily.com.

Authorised Corporate Director and Registrar

Family Investment Management Limited

16 West Street
Brighton BN1 2RE
Tel: 01273 724570
Fax: 01273 736958

Registered in England No. 1915516

The ACD is authorised and regulated by the Financial Conduct Authority.

The ACD is a member of the Investment Association.

This report is issued and approved by the ACD.

Investment Advisor

State Street Global Advisors Limited
20 Churchill Place
Canary Wharf
London E14 5HJ

Authorised and regulated by the Financial Conduct Authority.

Depository

State Street Trustees Limited
20 Churchill Place
Canary Wharf
London E14 5HJ

Authorised and regulated by the Financial Conduct Authority.

Auditor

KPMG LLP
15 Canada Square
London E14 5GL

This document is available in large print or Braille on request by calling 0344 8 920 920 (telephone calls may be monitored or recorded).

The Family Investments Global ICVC is not in any way sponsored, endorsed, sold or promoted by FTSE International Limited (FTSE), the London Stock Exchange Plc (the Exchange) or The Financial Times Limited (FT). Neither FTSE, the Exchange nor the FT provide any indication or guarantee (including any warranty or representation) of the results that may be obtained from the indices and/or the figures at which the indices stand at any particular time on any particular day. The indices are compiled and calculated by FTSE. Neither FTSE, the Exchange nor the FT will be liable to any person for any error in the indices or be under any obligation to advise anyone of any such error. FTSE® is a trade mark of the Exchange and the FT and is used by FTSE under licence.

OneFamily is a trading name of Family Assurance Friendly Society Limited (incorporated under the Friendly Societies Act 1992, Reg. No. 939F), Family PEP Managers Limited (Co. No. 2934967), Family Investment Management Limited (Co. No. 1915516) and Family Equity Plan Limited (Co. No. 2208249). Governor and Governor Money are trading names of Governor Finance Limited (Co. No. 07210404). Registered in England & Wales at 16-17 West Street, Brighton, BN1 2RL, United Kingdom. Family Assurance Friendly Society Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Family PEP Managers Limited, Family Investment Management Limited, Family Equity Plan Limited and Governor Finance Limited are authorised and regulated by the Financial Conduct Authority. Family Investments Global ICVC is an investment company with variable capital, Registered in England No. IC000686.