



LOW VOLATILITY INCOME FUND INC.

INTERMEDIARY ENTRY CLASS SHARES

July 2018 Factsheet

Fund Overview

Fund Objective

The Fund will seek to allocate its assets to a portfolio of listed, exchange-traded equities, which the Investment Advisor believes to have low levels of volatility. The Fund aims to generate an additional source of income by collecting a premium received by writing Covered Calls against underlying securities.

Fund Strategy

To provide long term capital appreciation by investing in equities which the Investment Advisor believes to have low levels of volatility with the aim of enhancing the return by writing covered call options.

Fund Information

Investment Team:

Investment Advisor:
Castlestone Management LLC

Investment Manager:
Angus Murray

Head of Trading:
Peter Conniff

Research Analyst:
Michael Delefos

Fund Launch Date:

Incorporated:
June 2016

Open to investors:
November 2016

Minimum Investment:

\$/€/£ 10,000 / ¥1,000,000 or other such amounts as the Directors of the Fund determine

Fees:

Management Fee: 1.75%
Retrocession Fee 1.00%
Incentive Fee (only for dividend and premium income): 20.00%

Dealing Frequency:

Daily****

Domicile:

Cayman Islands

Currency:

Class C Shares \$USD
Class CC Shares €EUR
Class CCC Shares £GBP
Class CCCC Shares ¥JPY

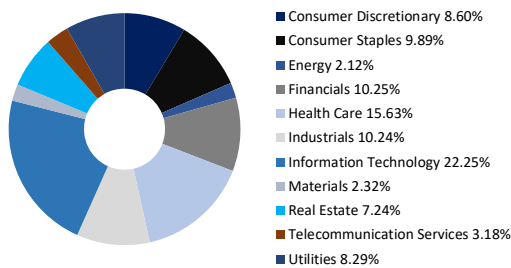
Historical Performance*

Month to Date:	1.62%
Year to Date:	-3.17%
Cumulative Return:	12.84%
Monthly Average Returns:	0.61%

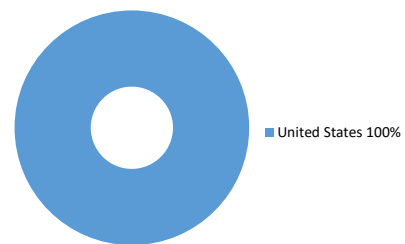
Top 5 Holdings**

VISA
COCA COLA
PFIZER
WASTE MANAGEMENT
PEPSICO INC

Sector Breakdown**



Country Breakdown**



Historical Returns***

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2018	2.59%	-5.19%	-1.76%	-0.96%	0.33%	0.35%	1.62%	-	-	-	-	-	-3.17%
2017	0.61%	3.72%	-0.21%	0.59%	2.00%	-0.40%	2.01%	0.85%	0.25%	1.69%	2.64%	-0.34%	14.17%
2016	-1.39%	1.04%	5.42%	-0.36%	1.58%	3.94%	1.47%	-1.96%	-1.17%	-2.75%	0.62%	2.07%	8.49%

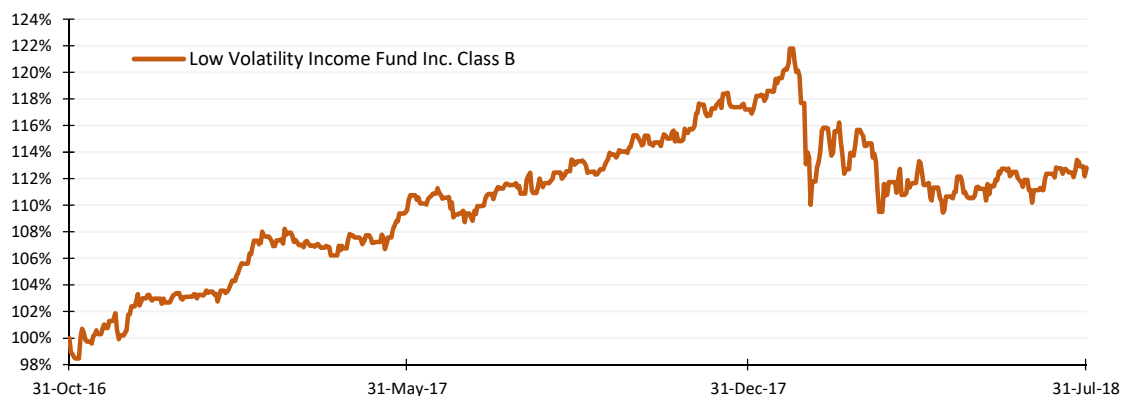
Historical Returns

Class	1mth	3mth	6mth	YTD	1yr	3yr
C - \$USD	1.62%	2.31%	-5.61%	-3.17%	1.83%	-
CC - €EUR	-	-	-	-	-	-
CCC - £GBP	1.62%	2.31%	-5.61%	-3.17%	1.83%	-
CCCC - ¥JPY	-	-	-	-	-	-

Share Class Information

Class	NAV	Bloomberg	ISIN	Start Date
C - \$USD	\$1,297.61	LVFICA KY	KYG5730C1362	30-Nov-2016
CC - €EUR	-	-	-	-
CCC - £GBP	£1,268.44	LVINCC KY	KYG5730C1859	23-Dec-2016
CCCC - ¥JPY	-	-	-	-

Performance Since Inception





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Glossary

Low Volatility

Volatility is a statistical measure of the dispersion of returns for a given security or market index. A beta of less than 1 means that the security will be less volatile than the market. A beta of greater than 1 indicates that the security's price will be more volatile than the market. The Fund will target an average beta of approximately .75

Dividend Yield

A financial ratio that indicates how much a company pays out in dividends each year relative to its share price.

Covered Call Option

A call option that is covered by the underlying equities in the portfolio.

Premium Income

The income received by writing / selling an option.

Manager Commentary

The Low Volatility Income Fund performed well over July as the U.S. equity market topped the performance list for the major asset classes. Investors began to digest second quarter earnings reports, with the majority beating expectations. But headline news on trade continued to drive markets. However, headlines have been more of a distraction than reality. While the US has threatened to withdraw from NAFTA, they have been in formal negotiations with Canada and Mexico to improve the trade agreement. And even with the recent tariffs for Chinese imports worth \$34bn, the US has decided not to proceed with investment restrictions and trade discussions continue. The FOMC continues to raise rates but at the gradual pace the markets expect. Large cap stocks were the months best performer, led by the industrial sector. The fund is equal weight Industrials and overweight the following sectors: Health Care, Information Technology, Materials and Telecom. Our top holdings are Visa, Coca-Cola, Pfizer and Waste Management.

Note: Please be aware that hypothetical or simulated performance results have certain limitations. Unlike an actual performance record, simulated results do not represent actual trading. Past performance cannot be relied on as a guide to future performance.

The assets reported on Bloomberg are the total Assets Under Strategy which include both the Low Volatility Income Fund Inc. and assets advised by the Family Office.

* The data denotes the performance of the Low Volatility Income Fund Inc. share class C USD.

** The allocations are indicative and for illustrative purposes only. Data is as of 31 July 2018.

*** The data denotes the performance of the Low Volatility Income Fund Inc. share class C since 30 November 2016 and share class B from 1 November 2016. Performance prior to 1 November 2016 is that of the iShares MSCI Low Volatility USA ETF. This data is based on the performance of the iShares MSCI Low Volatility USA ETF and data contained herein is not a reliable indicator of future performance. Performance is simulated and is a gross estimate not calculating managed account fees. Please be aware that hypothetical or simulated performance results have certain limitations. Unlike an actual performance record, simulated results do not represent actual trading. Past performance cannot be relied on as a guide to future performance. Data range is from 1 January 2016 – 31 July 2018.

**** Daily, subscriptions by 12:00 noon (GMT) on each Business Day for the following Business Day NAV.

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Additional information about Castlestone Management LLC is available on the United States Securities and Exchange Commission's website at www.adviserinfo.sec.gov.

Investment Advisor

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