

The Bear Market is back!

Are you prepared for 2008 again? Are your clients' portfolios protected?

In recent weeks we have seen global stock markets tumble. Many will see this as a correction within an on-going bull market. Many will see this as an opportunity to buy at lower levels and be convinced central banks will be in a position to ride to the rescue again by supplying yet more liquidity.

But we think those hopes will be dashed because we believe we are in the initial phase of a new bear market.

You may ask why we believe a bear market is here. Quite simply we have our own proprietary technical indicator which is known as "The Barmac Indicator". This ascertains whether the market is in a bullish or bearish phase. Our Indicator helped us avoid the falls in the bear markets in 2000-2003 and 2007-2009. We have back tested it against every bear market since 1929 and it has called them correctly along with the subsequent recovery.

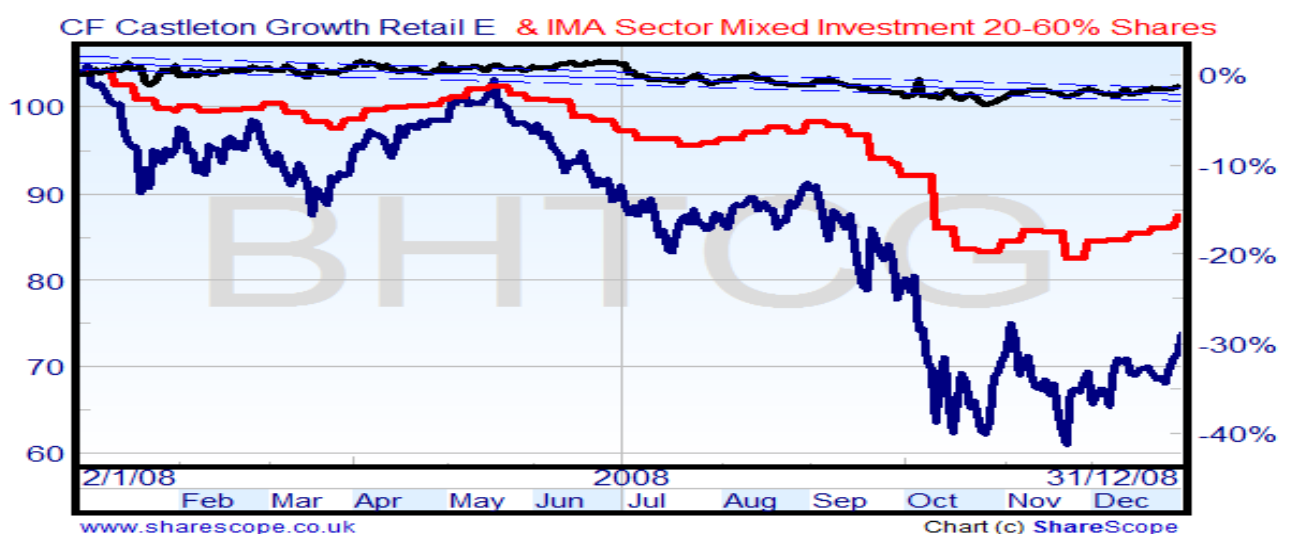
Recently it has issued a bear signal across most global equity markets. This is why we are issuing this alert.

If we are right we are only at the start of the bear market. Bear markets are savage. If we are right about this being the initial stage of a bear market then by way of example it took only 61 working days for the FTSE 100 to decline by a thousand points. The FTSE 100 was above 7,000 (28th May 2015 at 7,040.92) and by the 24th August 2015 (when the market had fallen to its August low) it finished below 6,000 and closed at 5,898.87 points. This was a decline of 1,142.05 points or 14.93%.

After these initial falls we think the market will rally and this may last a few months, although we could be optimistic on this point. However such a rally will give investors time to reconsider their positions. If we are right about a bear market and they wish to protect their position they should consider our Fund, **The Castleton Growth Fund**.

In 2008, the Fund protected investors against the worst vicissitudes of one the worst bear markets in history as the charts below demonstrates.

Performance of The Castleton Growth Fund: Period 1st January 2008 to 31st December 2008



KEY

Black: The Castleton Growth Fund **Blue:** FTSE 100 Index **Red:** IMA Sector Mixed Investment 20-60% Shares

Already its performance in the first part of this recent bear market has received plaudits from the investment community, please click on the link below for details:

<http://www.trustnet.com/News/625662/the-cautious-funds-that-have-offered-the-best-protection-this-year/1/1/>

If you would like to view the evidence we rely upon for our Barmac Indicator, then we have set out in the following pages a number of the major bear markets since 1929. Our Indicator is shown in the bottom pane below the chart and very simply, when it is above the "zero" line it indicates the market is in a bullish phase and when it is below it is in a bearish phase.

If you would like to discuss our bear market view in further detail or obtain information with regard to The Castleton Growth Fund then please contact us on 0113 3955323 or email us at info@barmacuk.com.

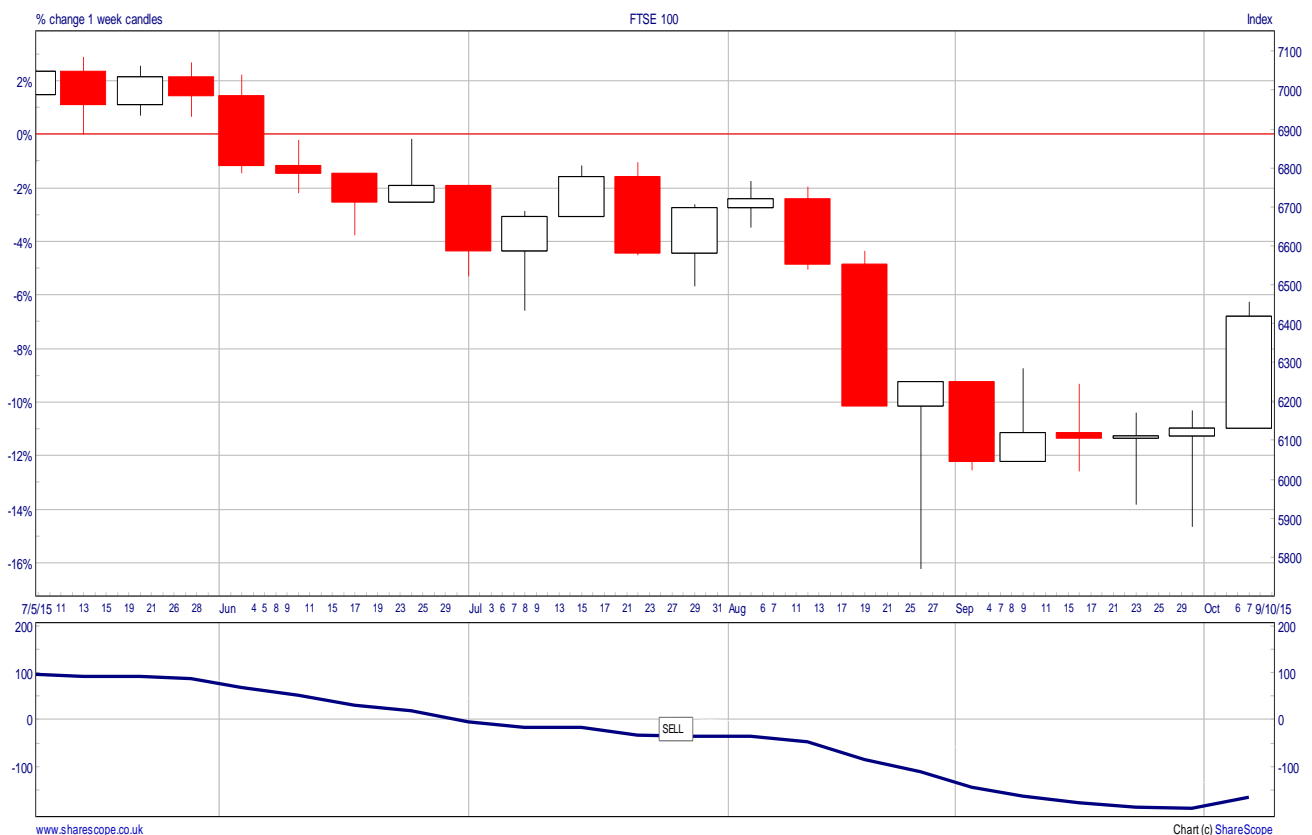
In the meantime please take a look below at our Indicator as it lines up now against the FTSE 100 and then compare it against every major bear market across a range of indices since 1929.

We trust you have found our analysis interesting and thought provoking.

Yours faithfully

The Barmac Team
15th October 2015

FTSE 100 – 2015 – the start of the bear market?



Dow Jones Industrial Average - Bear market 1929-1933



S&P 500 - 1966-1967



S&P 500 - 1973-1975



FTSE 100 - 2000-2003



FTSE 100 - 2007-2009



IMPORTANT NOTES

THIS DOCUMENT IS INTENDED FOR PROFESSIONAL ADVISER USE ONLY AND IS NOT FOR DISTRIBUTION TO RETAIL CLIENTS

Remember that past performance is not a reliable indicator of future results. The value of an investment and any income from it can go down as well as up and may also decrease or increase as a result of changes in exchange rates between currencies. Current tax levels and reliefs are liable to change. Investors may not get back the full amount originally invested. Performance is not representative of actual returns and does not take into account any charges levied.

This document has been compiled, approved and distributed by Barmac Asset Management Limited. This document is provided for information purposes only and does not constitute investment advice or considered as an offer to sell an investment or a solicitation of an offer to buy an investment. Source of data: ShareScope and other sources believed to be reliable.

Whilst all reasonable care has been taken to ensure that the information contained in this document is true and not misleading at the time of publication, Barmac Asset Management Limited make no representation as to the accuracy or completeness. No reliance may be placed, for any purpose, on the information and opinions contained therein. Barmac Asset Management Limited accepts no liability whatsoever for any direct and/or consequential loss arising from use of this document or its content. Any forward looking statements contained within this document are based largely on expectation and are subject to a number of risks. These risks include, but are not limited to, risks and uncertainties associated with economic, political and market factors affecting trading volumes and securities prices.

Barmac Asset Management Limited is authorised and regulated by the Financial Conduct Authority No: 448348
Barmac Asset Management Limited is registered in England and Wales No: 5188063
Registered address: 27a Lidget Hill, Pudsey, Leeds, LS28 7LG