

ES Investec Wealth & Investment Income Fund A Class

RATHBONES | Incorporating
Investec Wealth &
Investment (UK)

31 January 2024

Fund facts

Authorised Corporate Director
Equity Trustees Fund Services Ltd

Depository
State Street

Fund Launch Date
5th October 2020

Investment Association Sector
IA Mixed Investment 40-85% Shares

Fund Size (GBP)
£39.9m

Number of Holdings
99

Yield
3.02%
Estimated over the next 12 months

Minimum Investment
Initial: £1,000
Subsequent: £500

Charges
Initial: 0.00%
Performance: 0.00%
Ongoing (OCF): 0.97%
Transaction: 0.01%
Total MifidII: 0.98%

XD Dates
31-Jan, 30-Apr, 31-Jul, 31-Oct

ISIN
Accumulation: GB00BMW2QM17
Income: GB00BMW2QN24

Investment objective

The Fund objective is to primarily achieve a return in the form of income over a rolling five year period, after the deduction of all fees. The Fund also aims to achieve a positive total return (income and capital growth) over the same rolling five year period, after the deduction of all fees. These objectives are combined with targeting volatility (i.e. the degree of fluctuation of the value of the assets) of its portfolio of between 55% and 65% of the volatility of the FTSE All Share Index over the same rolling five year period. Although the Fund aims to deliver a positive total return over a rolling five year period, there is no guarantee that this will be achieved over this time period, or any time period.

Market commentary

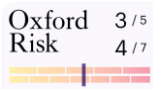
The start of 2024 has seen global equities propelled higher by a narrow group of US mega-cap technology-related stocks, resulting in the S&P 500 Index reaching a new all-time high. However, this surge in performance highlights the significant gap compared to the Russell 2000 Index, which remains in a bear market, more than 20% below its peak. European equities have made progress, though they are still some distance away from their March 2000 high. UK equities continue to trade within a relatively narrow range but offer an attractive dividend yield of around 4%. China's equity market is struggling, with a 10% decline in January alone due to ongoing debt-related issues and a declining population. On the other hand, Japan is leading the way with positive growth and a moderate level of inflation, supported by improved corporate governance. Bond markets experienced a strong recovery towards the end of 2023 but faced profit-taking as investors delayed expected interest rate cuts. Both the UK and Europe narrowly avoided recessions, while the market anticipates interest rate cuts to commence in April in Europe and May in the UK and the US.

Fund Manager commentary

The fund has underperformed the benchmark for the month of January. Rate sensitive assets fared the worst over the period, with negative inflation data suggesting that the number and extent of rate cuts may be slightly more subdued than initially expected in 2024. Unsurprisingly, higher duration assets suffered most within Fixed Interest, with the longer dated conventional gilts proving to be the largest detractors to performance over the period. This theme was also apparent throughout most Infrastructure and Property holdings, with SDCL, INPP, Assura and Schroder Global Cities being notable detractors. UKCM and Pantheon Infrastructure did buck the trend within these asset classes, but not enough so to lead to net positive returns. Equities were the only asset class to contribute positively to returns, with a number of names that led the market throughout 2023 once again standing out in the first month of 2024. Nvidia, Intuitive Surgical and Microsoft were amongst the standout performers, whilst Rio Tinto, Adidas and Atlas Copco held back returns.

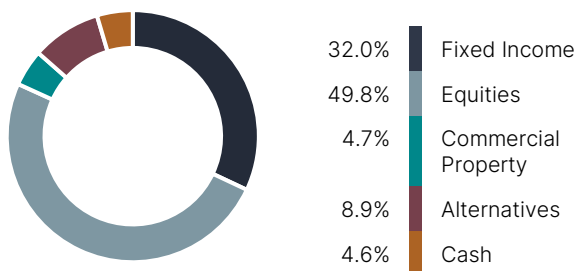
Top 10 holdings

Uk(Govt Of) 4.75% Snr 07/12/38 Gbp1000	4.8%
NB Uncorrelated Strategies	4.0%
Uk(Govt Of) 3.25% Bds 31/01/33 Gbp1000	3.6%
Morgan Stanley Emerging Market Debt Opps	3.2%
Uk(Govt Of) 4.75% Snr 07/12/30	3.0%
iShares USD TIPS ETF	2.5%
Threadneedle Lux Corporate Bond	2.4%
Uk(Govt Of) 6% Snr 07/12/2028	2.2%
Guinness Asian Equity Income	2.2%
Baillie Gifford Japanese	2.1%

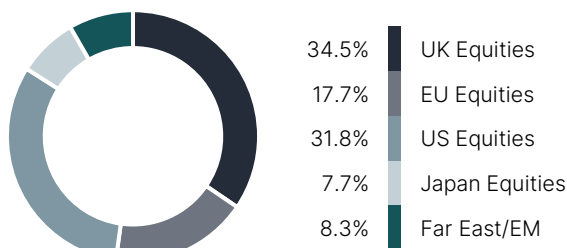


Continued overleaf.

Asset breakdown



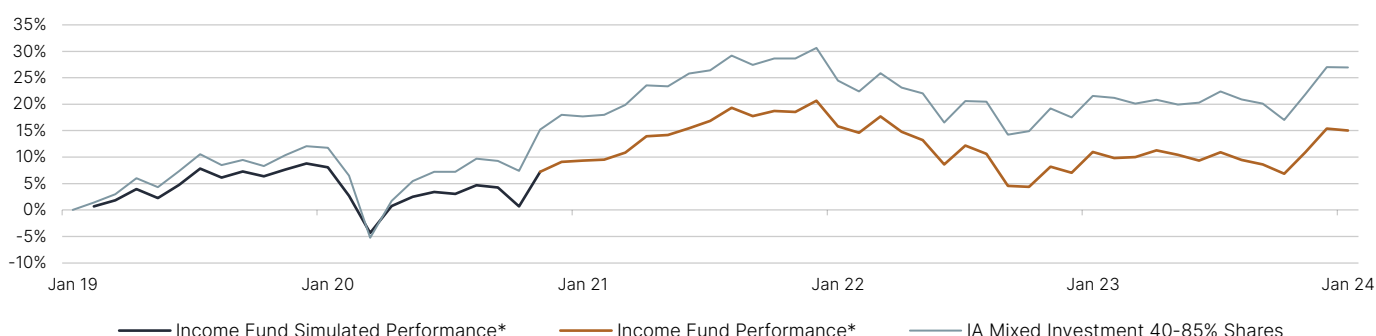
Geographical breakdown (equities)



Fund performance

Cumulative Performance to 31.01.2023 (%)	1 Month	6 Months	1 Year	3 Years	5 Years
Income Fund Performance*	-0.3%	3.7%	3.7%	5.2%	15.0%
IA Mixed Investment 40-85% Shares	-0.1%	3.7%	4.4%	7.9%	26.9%

Discrete Performance % Change	YTD	2023	2022	2021	2020
Income Fund Performance*	-0.3%	7.5%	-11.3%	10.6%	0.2%
IA Mixed Investment 40-85% Shares	-0.1%	8.0%	-10.0%	10.7%	5.3%



Past performance is not a guide to future performance. The value of shares and income generated can go down as well as up and you may receive back less than you originally invested. Volatility is annualised and taken from the standard deviation of the returns.

*To provide full information, simulated performance is used until the launch date at which point the actual performance is used. Simulated performance is based upon a similar portfolio and strategy managed by Investec Wealth & Investment. Actual performance is based upon the Accumulation units of the fund and are provided net of fees.

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Before deciding to invest in the Fund, potential investors should read the latest prospectus and KIID for the Fund and note the important regulatory disclosures and risk warnings, restrictions and acknowledgements contained therein. Prospective Investors should seek financial advice.

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