

Investec Managed Portfolio Service on Platforms



Balanced Strategy – 31st May 2022

Objective

This is a discretionary managed Investec Medium risk Balanced portfolio, suitable for investors seeking a return, over a timeframe of at least five years, in the form of capital appreciation.

The mandate is typically suitable for Retail Clients able to bear loss of their capital in order to achieve capital growth.

Strategy information

Inception date: 27/02/2015

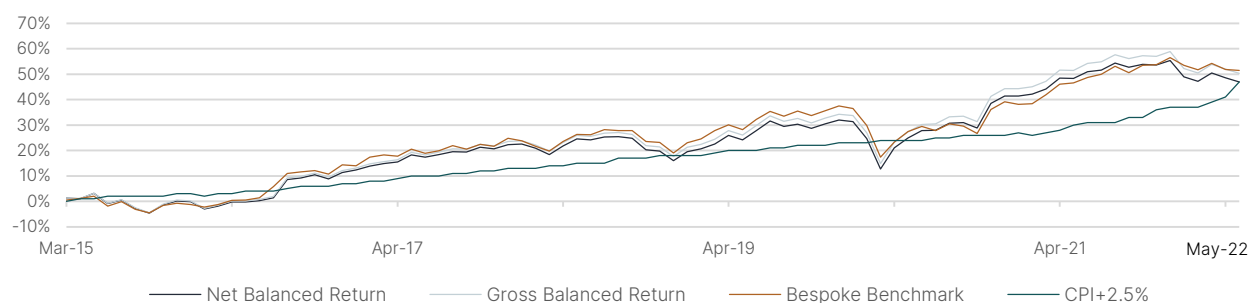
Number of holdings: 24

Fees

Initial charge	£0
Investec annual management charge	0.20%
Current OCF of underlying investments*	0.54%

*The total MiFID II costs for the equivalent illustrative portfolio shown are 0.92%

Performance details



Performance vs benchmark

	1 month	3 months	6 months	1 year	2 years	3 years	5 years	Since Inception*	2017	2018	2019	2020	2021	YTD
Balanced (Net)	-1.1%	-0.2%	-4.4%	-1.0%	17.6%	18.3%	24.1%	46.9%	9.8%	-5.1%	13.8%	7.2%	9.8%	-5.5%
Balanced (Gross)	-1.1%	-0.2%	-4.3%	-0.8%	18.1%	19.2%	26.0%	50.3%	10.2%	-4.8%	14.2%	7.5%	10.1%	-5.4%
CPI + 2.5% (Gross)	2.7%	6.8%	8.7%	13.6%	18.9%	22.4%	34.2%	47.2%	5.5%	4.6%	3.8%	3.1%	7.9%	7.9%
Bespoke Benchmark	-0.3%	-0.2%	-1.5%	3.3%	18.8%	18.2%	25.6%	51.5%	9.2%	-4.6%	15.5%	1.2%	12.5%	-3.3%

In addition to the benchmark listed, the Balanced Strategy can also be compared to the ARC GBP Steady Growth Private Client Index (PCI). *27/02/2015

Past performance is not a guide to future performance. Source: Investec Wealth & Investment and Standard Life Hub 31/05/2022

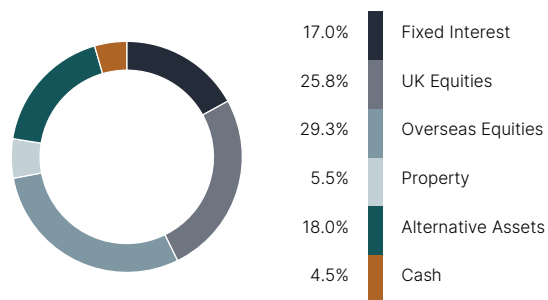
Bespoke Benchmark Asset Allocation

The benchmark for the portfolio reflects the strategic asset allocation (and long term objective) of your investments. The benchmark for the Balanced Strategy is as follows:

BoA ML Gilt 5-15 Years	Medium dated Gilts	7.5%
BoA ML UK Infl Lnkcd Gilt 1-10 Years	Inflation linked Gilts	5.0%
BoA ML Sterling Corporate Index	UK Corporate Bonds	7.5%
MSCI UK Equity IMI	UK Equities	30.0%
MSCI ACWI World Index Ex UK	International Equities	30.0%
MSCI UK IMI Liquid Real Estate	Property	5.0%
IWI Alternatives Composite	Alternative Investments	10.0%
BoE Base Rate (-0.5%)	Cash	5.0%



Asset allocation



Top 10 holdings

Rank	Investment	Percentage
1	NB Uncorrelated Strategies	12.0%
2	Vanguard FTSE 100 Index Unit Trust	7.0%
3	L&G US Index Trust	7.0%
4	JPM Global Macro Opportunities	6.0%
5	Schroder Global Cities	5.5%
6	Royal London Sterling Credit Bond Fund	5.0%
7	Lindsell Train UK Equity	5.0%
8	Liontrust UK Special Situations	4.8%
9	Jupiter UK Special Situations	4.5%
10	Man GLG Undervalued Assets Fund	4.5%

Investment commentary

Equity markets suffered for most of the month, before a seven-week losing streak was finally broken in the last week of May. The negative impact of inflation and higher interest rates on economic growth continued to weigh on valuations as corporate earnings are expected to slow. Prior to May, equity and bond returns were positively correlated with both asset classes experiencing capital losses. Correlation has now become negative reducing portfolio volatility. The correlation appears to be dependent upon the level of inflation, which in turn might depend upon central banks' willingness to stomach economic weakness and possibly higher unemployment. The short-term outlook for corporate margins and earnings is unclear and therefore more evidence of resilience will be required before adopting a less cautious stance, especially with geopolitical concerns rumbling in the background.

Fund Manager commentary

During May, our portfolio underperformed the benchmark index. Equity, Property and Alternative assets sold off over the period, which detracted from performance. Our Fixed Interest exposure performed better albeit not enough to offset weakness elsewhere. Within Equity, our position in Baillie Gifford American continued to weigh on performance as sentiment against high growth stocks continued. Our funds that have a clearly defined growth tilt were the weakest in the period. Our more value-orientated positions offered outperformance, however not enough to counteract the underperformance in the portfolio. The holding in Schroder Global Cities underperformed on the back of one of its largest positions (Prologis) selling off aggressively and JPM Global Macro fund underperformed due to its exposure towards equity-beta.

If you would like further information please do not hesitate to contact your local Business Development Director or email MP5onPlatforms@investecwin.co.uk and we will be pleased to assist you.

Please Note

- The asset allocation and holdings are indicative and due to the timing of your investment may not fully reflect the constituents of your own portfolio. The composition of the portfolio may also vary due to the availability of investments across the different platforms. Please refer to your Adviser for full details.
- Indicative performance only, calculated net of management fees and fund costs. The reduced AMC and target OCF figures were only applied from 31/03/2020 onwards, therefore past performance is net of the higher charges incurred. Platform charges and Adviser fees should be taken into consideration.
- Past performance is intended as a guide only, calculated using strategies on a single platform and so may vary dependant on your chosen platforms.
- The Bespoke benchmark constituents and allocations were amended on 31/12/2017. The benchmark returns reflect these new allocations from 31/12/2017 only. Prior returns are based on the previous benchmark.
- The MiFID II cost is made up of the OCF plus transaction charges and incidental costs related to fund holdings.
- The portfolio may invest in assets which are denominated in currencies other than sterling, and where this exposure is unhedged, the performance of the portfolio may be affected by fluctuations in currency exchange rates.

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