

Investment Objectives

Our objective is to outperform RPI UK + 4% over the medium to long term, keeping within the prescribed volatility limits whilst investing in low cost ETFs or Index funds for the core and active funds for the satellite positions.

To achieve the investment objective we deploy quantitative and qualitative techniques and extensive research that shape our macro economic and thematic views.

Investment Growth

Time Period: 01/01/2018 to 30/11/2021



Snapshot

Base Currency	Pound Sterling
12 Mo Yield	1.38%
Ongoing Charge	0.35%
Management Fee (VAT where applicable)	0.20%
Portfolio Cost	0.55%

Calendar Year Returns

Data Point: Return

	3Month	6Month	YTD	2020	2019	2018	Since Inception [01-01-2018]
AB Core Plus Balanced Growth	0.51	6.15	11.60	10.67	20.39	-2.23	45.37
IA Mixed Investment 40-85% Shares	-0.22	4.50	9.37	5.50	15.94	-6.07	25.65

Benchmark

Benchmark	UK RPI+4%
Comparator Benchmark	IA Mixed Investment 40-85%

Risk Profile

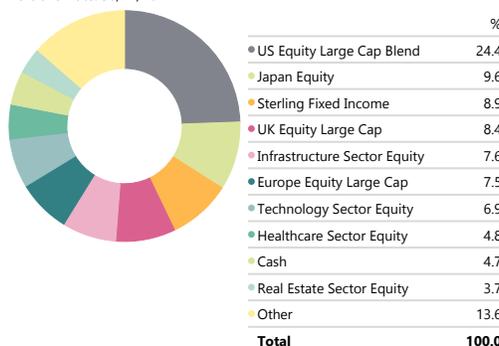
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Risk

	Sharpe Ratio	Std Dev
AB Core Plus Balanced Growth	1.46	5.24
IA Mixed Investment 40-85% Shares	1.18	4.57

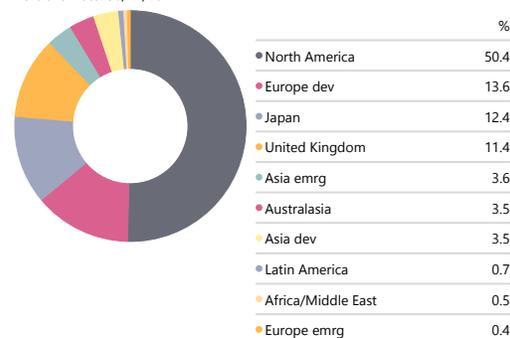
Asset Allocation

Portfolio Date: 30/11/2021



Equity Regional Exposure

Portfolio Date: 30/11/2021



Top 10 Holdings

Portfolio Date: 30/11/2021

Portfolio Weighting %	
16.95%	iShares North American Eq Idx (UK) D Acc
9.56%	Vanguard Jpn Stk Idx £ Acc
7.59%	First Sentier Glb Lstd Infra B GBP Acc
7.49%	Vanguard U.S. Eq Idx £ Acc
6.52%	Vanguard FTSE UK All Shr Idx Unit Tr£Acc
5.60%	Vanguard FTSE Dev €pe ex-UK Eq Idx £ Acc
4.81%	Janus Henderson Glb Tech Leaders I Acc
4.72%	CASH
4.33%	Schroder Global Healthcare Z Acc
3.67%	Fortem Capital Real Estate Idx Trck A £
71.24%	

Manager's Commentary

The last few days of the month reminded us, again, that the Covid-19 episode is not over yet. The equity markets made new highs during the month and then fell off a cliff during the last few days, citing the Omicron variant scare. This, coupled with Fed's Powell's comments on inflation and tapering, gripped the market with negative sentiment. Whilst we still do not have hard data on the effectiveness of vaccines, there is some suggestion that while the Omicron variant is highly transmissible, its effects may not be as severe as other variants.

Inflation remains a risk. The US CPI figures are due this week and will give a better understanding of the inflation picture. Interestingly, the Fed's Chair admitted in his testimony that inflation is here to stay a little longer than the Fed expected it to. Demand and supply dynamics are expected to find a lower equilibrium towards the middle of 2022. This, and the base effect, should help ease the high inflation numbers as we move beyond Q1 2022. On the US monetary policy front, as we had expected, monetary tightening is the theme for 2022. The Fed is gearing up to change the rate of tapering and the bond market is penciling in at least 2 rate hikes next year. The US economy has passed the "substantial further progress" test on the inflation front and with a healthy job market, registering 4.2% unemployment rate, it is probable that the rate increases are brought forward in 2022. The Bank of England is also expected to tighten policy rates early next year.

The increased pace of tapering, yet to be announced in December FOMC meeting, may result in some headwinds for the equity markets. The key indices are near an all-time high levels and technically overbought before the recent drawdown. We expect the equity markets to do well once the tapering news is digested and markets are not surprised with an accelerated pace of monetary tightening. China has been in a difficult position since the start of the year and President Xi's common prosperity drive. The PBOC (central bank) has recently implemented a reduction in the reserve ratio, in an effort to improve liquidity conditions, to help offset the Evergrande saga and the wider property market issues China is currently facing. We are monitoring the situation closely. The technology and clean energy sector posted positive returns this month despite the rout that gripped the market in the last few trading sessions due to Omicron discovery. We expect more data to trickle in the next few days.

Looking out from here, we still see some further risks in the short term from Omicron and tapering, in particular. On the plus side, however, the debt ceiling issues appear to have been navigated for now, which is helpful. Overall, we have a strong preference for equities over bonds from here, as well as selected commodities and will be looking to add to our favored markets as we move into 2022 on any renewed weakness.

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