Psigma Investment Management

MI Psigma Multi-Asset Fund of Funds

Growth Strategy

MAY 2021

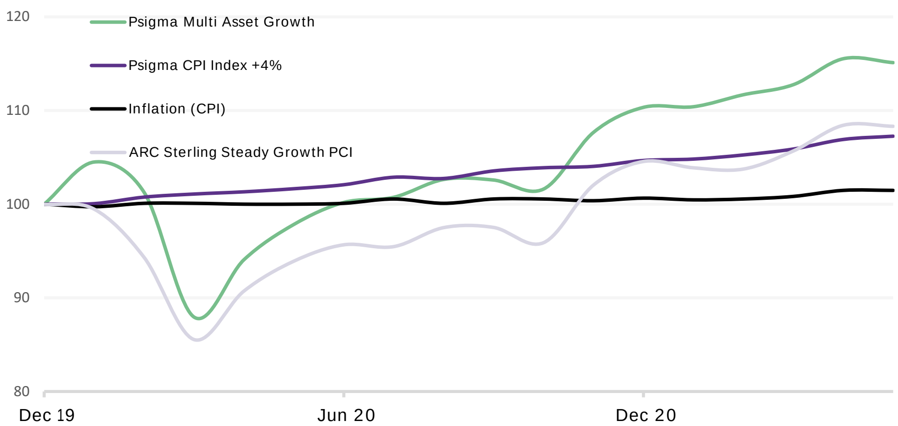
Overview

The Fund will seek investment opportunities globally and comprise, but not be limited to, a balanced blend of actively managed Equity Investment funds, Index Linked Gilts funds, Fixed Interest funds, Property funds, Commodity funds and Absolute Return funds established in Europe. The Fund will be further diversified with alternative investment strategies (limited to 20%), which should reduce the volatility historically associated with a purely equity-based portfolio.

Investment Objective

The Fund aims to preserve capital and deliver returns in line with the UK Consumer Price Index plus 4% (after Psigma fees), over a 10-year investment period, by investing in a range of other funds. The Fund aims to generate the returns through diversified investments with a maximum equity weighting of 75% and maximum higher risk fixed interest weighting of 15%.

Net Performance Chart



ARC data is confirmed until March 2021. From April 2021 to May 2021 the data is based on estimates from ARC and are subject to change.

Performance

CUMULATIVE NET PERFORMANCE

	1 Month	3 Months	6 Months	1 Year	ITD*
Strategy	-0.36%	3.07%	6.92%	17.66%	15.12%
Inflation	0.00%	0.92%	1.10%	1.47%	1.47%

Past performance is not a guide to future performance.

Inflation Source: CPI from the Office for National Statistics. Crown Copyright material is reproduced with the permission of the Office of Public Sector Information (OPSI). Reproduced under the terms of the Click-Use License.

Due to the delay in the announcement of the monthly CPI data, the CPI figure for the current month has been assumed to be flat and the CPI target has been calculated using the previous month's figure. The correct number of months for the performance period shown is included in the compound CPI target performance calculation.

Annual volatility statistics are reported on a rolling 12 month basis. Annual Volatility is a measure of the price variation of an investment over time. It is a contributor to defining the risk characteristics of a specific asset class or a portfolio of diverse investments.

#Underlying Fund Costs are external costs levied by third party fund managers for providing collective investment schemes for your investment portfolio and include: fund expenses incurred by third party fund managers, transaction costs (MiFID II) as a result of acquisition or sale of assets and incidental costs, which include third party performance fees.

*Inception to Date. Performance is measured from Inception Date, which is 31/12/2019.

Unless otherwise stated, all data is from Interactive Data as at 31/05/2021.

All performance figures shown on this factsheet are net of Psigma Investment Management.

defaqto 2021 GOLD DFM Service | defaqto EXPERT RATED DFM Bespoke 2013-2021 | defaqto EXPERT RATED DFM MPS Direct 2013-2021 | defaqto EXPERT RATED DFM MPS on Platform 2016-2021 | 3D 2021 PSIGMA INVESTMENT MANAGEMENT AWARDED BY ARC

STRATEGY CHARACTERISTICS

Launched	December 2019
Target Return	Inflation +4%
Max Equity	75%
Max Higher Risk Fixed Interest	15%
Estimated Yield	1.95%
Recommended Investment Period	10+ Years
ISA Eligible	Yes
Share Classes and type of shares*	A Accumulation Shares B Accumulation Shares
A Share Class ISIN	GB00BFZNVW71
B Share Class ISIN	GB00BFZNWW47
A Share Class SEDOL	BFZNVW7
B Share Class SEDOL	BFZNWW4

*Class B Shares are only available to clients via a platform.

PSIGMA FUND CHARGES (Direct) – A Share Class

Annual Management Charge	0.50%
Underlying Fund Costs#	0.93%
Total	1.43%

PSIGMA FUND CHARGES (via platform) – B Share Class

Annual Management Charge	0.35%
Underlying Fund Costs#	0.93%
Total	1.28%

The total Psigma cost via platform excludes platform fees.

MINIMUM INVESTMENT

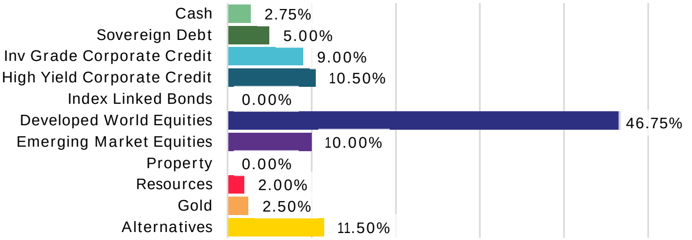
Minimum Investment	£1,000
Subsequent	£1,000
Minimum trade size	£25

DISCRETE NET PERFORMANCE

	ANNUAL RETURN	ANNUAL VOLATILITY
2020*	10.34%	18.35%
2021	4.33%	6.42%

For more details please contact us on +44 (0)20 3327 5450 or businessdevelopment@psigma.com

ASSET ALLOCATION



TOP FIVE HOLDINGS

FUND	ALLOCATION
Artemis Income	7.75%
Royal London UK Equity Income	7.75%
L&G UK Index Trust	6.25%
River & Mercantile World Recovery	5.75%
TwentyFour Asset Backed Income	4.00%

Market View

Risk assets were positive in May, as the successful progression of the COVID-19 vaccination rollout is allowing economies across the globe to continue to normalise. Monetary and fiscal policy remains extremely accommodative and this, coupled with economies reopening, has seen a decent bounce in economic activity. Projections for economic growth in the second half of the year are extremely strong. This did, however, begin to cause some fears that this will lead to a surge in inflation, and that central banks may be forced to "pump the breaks" which could prematurely choke off any economic recovery. For now, central banks have been firm in their rhetoric that policy will remain loose and that interest rates would be on hold for some time. Investors continue to monitor this dynamic very closely, with many feeling a policy mistake could be the biggest risk moving forwards for markets.

In the developed world, the best performing region in local currency terms was the Eurozone, which has really begun to get its act together in terms of its COVID-19 vaccination rollout programme. The UK also enjoyed a positive month, with there being little to choose from between the larger cap FTSE 100 and more domestically focussed FTSE 250 in terms of return. Japanese markets started poorly but recovered through the month to end higher, while US equity markets also made good ground once again. Returns within emerging markets were also strong, with weakness in the US Dollar being beneficial to the asset class. In terms of the shape of overall global markets, "value" resumed its outperformance vs "growth", as these areas continued to benefit from expectations of stronger economic growth and inflation. From a sector standpoint, energy and banks were the best performing while the technology and consumer discretionary sectors found it a more challenging period. For UK investors, it was a particularly strong month for Pound Sterling and this had the effect of severely crimping the returns of their overseas investments.

Within the fixed income universe, core government bond yields in the US and UK were little changed but did finish lower (prices gained). However, it wasn't a benign month, as yields initially rose on much higher than expected US inflation data. Headline US consumer price inflation rose 4.2% year-on-year, the highest level since 2008 and stoked fears of much higher and more persistent inflation that would require central banks to tighten policy. Yields moved back south in the latter parts of the month with markets also digesting a disappointing US jobs report. Corporate credit also enjoyed a positive month, with both investment grade (UK and US) and global high yield posting positive returns. Over the course of 2021, corporate credit has comfortably outperformed their sovereign counterparts in the US and UK. Emerging market debt also made good returns in May, as like emerging market equities, the asset class benefited from a weaker US dollar. Turning to commodity markets, the broad index eked out a small positive return in May, with precious metals being the strongest component following a strong month for both gold and silver.

Portfolio Activity

We have not made any trades this month. Our policy remains one of patience, trying to find attractive long-term opportunities that are thrown up by volatility. We believe that the strategy is at present adequately positioned, with an appropriate mix of long-term value and short-term dependability.

In respect of all trading costs, recommended minimum investment levels and all other associated costs above those stated by Psigma, please contact your Financial Adviser or Platform provider. The terms and conditions of each Platform provider differ.

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Investment risk:

- The value of investments and the income from them can fall as well as rise. An investor may not get back the amount of money that he/she invests. Past performance is not a guide to future performance.
- Foreign currency denominated investments are subject to fluctuations in exchange rates that could have a positive or adverse effect on the value of, and income from, the investment.
- Investors should consult their professional advisers on the possible tax and other consequences of their holding any of the investments contained in this publication.

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