



Managed Portfolio Service

Socially Responsible Investing (SRI)

Balanced Strategy

AUGUST 2020

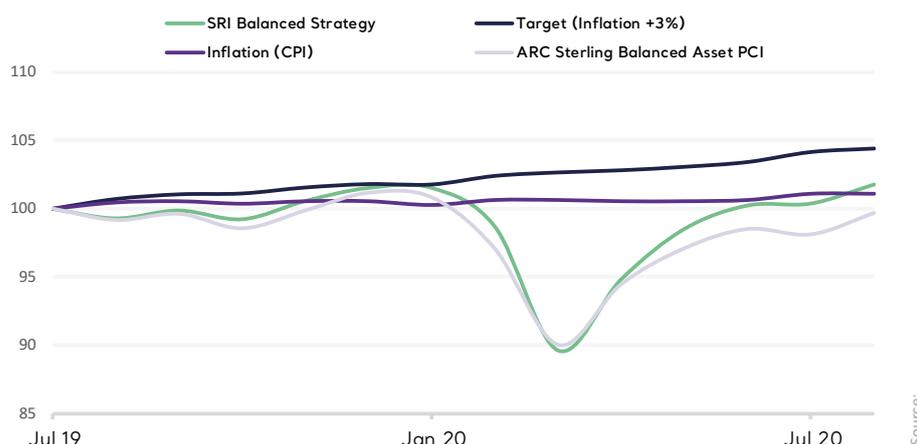
Overview

The Psigma SRI Balanced Strategy invests in a diverse range of asset classes and investments that adhere to the Psigma SRI framework*. The strategy uses a number of qualitative and quantitative inputs to decide on the asset allocation and holds underlying investments that aim to provide a societal benefit.

Investment Objective

This strategy aims to preserve your wealth above the rate of inflation. Given this target, it also attempts to generate balanced returns through diversified investments, in line with our SRI framework, with a maximum equity weighting of 60%.

Net Performance Chart



ARC data is confirmed until June 2020. From July 2020 to August 2020 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	1.39%	3.30%	3.15%	2.50%	1.79%
Inflation	0.00%	0.55%	0.46%	0.65%	1.11%

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.

*Product 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 July 2019.

Unless otherwise stated, all data is from Interactive Data as at 31/08/2020.

All performance figures shown on this factsheet are net of Psigma Investment Management fees (inc. VAT) and custody, settlement and execution charges.

*SRI FRAMEWORK

The SRI framework consists of the following components when assessing underlying holdings: Environmental, Social and Governance integration, Sustainability, Impact and Engagement. Using this framework supports the construction of a strategy that is exposed to our desired investment themes: Education, Clean Energy, Healthcare, Wellbeing, Innovation and Resource Efficiency. The SRI framework places an emphasis on positive inclusion, which naturally leads to negative exclusions.

STRATEGY CHARACTERISTICS

Launched	July 2019
Target Return	Inflation +3%
Max Equity	60%
Max Higher Risk Fixed Interest	15%
Estimated Yield	1.99%
Recommended Investment Period	7 Years
ISA Eligible	Yes

PORTFOLIO CHARGES

Psigma AMC (Ex VAT)	0.40%
Custody, Settlement & Execution	0.12%
Product Costs#	0.82%
Total Charges (Inc VAT)	1.42%

MINIMUM INVESTMENT

Minimum Portfolio	£50,000
Amounts Received over £50,000	Invested Immediately
Amounts Received under £50,000	Invested Weekly
Minimum trade size	£25

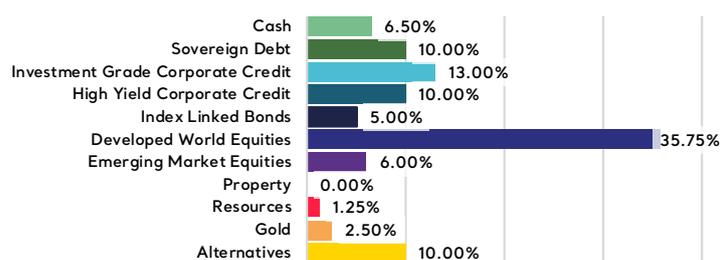
DISCRETE NET PERFORMANCE

	ANNUAL RETURN	ANNUAL VOLATILITY
2019*	1.54%	3.22%
2020	0.25%	12.75%



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

ASSET ALLOCATION



Market View

Broadly speaking, equity markets enjoyed another positive month of performance. However, the backdrop remains mixed. On the one hand, global economic data is improving, but remains patchy as the COVID-19 pandemic remains far from under control. It is becoming increasingly apparent that global populations are going to have to get used to living with the virus until a vaccine can be found. Despite that gloomy scenario, markets remain supported by global government and central banks who are providing abundant liquidity. One such bank, the US Federal Reserve, reaffirmed its commitment to keeping policy as loose as it needs to be. In terms of what this meant for markets, U.S. markets once again led the way in the developed world. However, returns to U.K. investors were punctuated a little by the strength of Pound Sterling vs the US Dollar. Against global peers, the U.K. market was once again a laggard, but did finish firmly in positive territory. European assets also performed well in the month, but for both U.K and European markets, it will be interesting in September to see how the resumption in "Brexit" talks progress. Japanese equities enjoyed an extremely strong month but were slightly shaken by news at the end of the month that Shinzo Abe had announced his resignation as prime minister due to long standing health issues. Emerging markets in aggregate were positive, but there were quite stark regional differences in performance. Asian equities performed well, but Latin American equities were poor, with Brazilian equities having a tough time as the country struggles to cope with the COVID-19 pandemic. Looking at the MSCI All Country World Index, the technology, consumer discretionary and industrials sectors were the best performing. The laggards in the period were from the energy and utilities sectors. In addition, "growth" remained far superior to "value" in terms of monthly return.

TOP FIVE HOLDINGS

FUND	ALLOCATION
TwentyFour Asset Backed Income	6.50%
Royal London Sustainable Leaders	5.50%
Aberdeen Standard UK Ethical Fund	5.50%
Neuberger Berman Short Duration EM Debt	5.00%
Allianz Gilt Yield	5.00%

There was a reversal in fortune for government bonds in August, as yields rose, meaning prices fell. The U.K. government bond index fell heavily to the tune of 3%. U.S. treasuries were also lower, but to a lower magnitude of around 1%. U.K. sterling corporate bonds finished in negative territory but did outperform government bonds markedly. This has narrowed the outperformance of U.K. government bonds over U.K. sterling corporate bonds year-to-date. Global high yield finished in positive territory and is now only slightly in negative territory for the whole of 2020. In emerging markets, it was again a tougher month for local currency debt, while hard currency bonds eked out a small positive gain. Focussing on commodities, gold bullion remained well bid in the early stages of the month, as it pushed above \$2000 an ounce. However, performance of the "yellow metal" did come off a bit as August progressed and prices broadly finished the month where they started. The long-term dynamics for gold bullion remain positive, in an environment where governments and central banks are throwing more and more capital at trying to offset the effects of COVID-19, thereby increasing already large debt piles.

Portfolio Activity

In the early stages of the month we took the decision to take profits in WisdomTree Physical Gold. We moved the allocation back down to its model weight. Given the strong run of performance for gold bullion we felt it was prudent risk management to lower our exposure. Other action in August saw us increase our position in the Allianz Gilt Yield fund.

Important information: This document is prepared for general circulation and is intended to provide information only. The information contained within this document has been obtained from industry sources that we believe to be reliable and accurate at the time of writing. It is not intended to be construed as a solicitation for the sale of any particular investment nor as investment advice and does not have regard to the specific investment objectives, financial situation, capacity for loss, and particular needs of any person to whom it is presented. The investments contained in this document may not be suitable for all investors. Prospective investors should consider carefully whether any of the investments contained in this document are suitable for them in light of their circumstances and financial resources.

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.

©2020 Psigma Investment Management. This document has been approved and issued by Psigma Investment Management. Psigma Investment Management is a trading name of Punter Southall Wealth Limited, which is authorised and regulated by the Financial Conduct Authority. Registered in England and Wales No. 5374633. FCA Registration No. 478840. Registered office: 11 Strand, London WC2N 5HR. A Punter Southall company.