

Client
Webinar
19/12/2022

Changes to how we
ensure your investments
are looked after in your
best possible interests



FINANCIAL • LIFE • PLANNING™

Why Now?

- Nearly 3 years of unprecedented global challenges from the Covid pandemic through to the war in Ukraine, high inflation and raised interest rates
- Not to mention that mini budget!
- Challenging market conditions with asset classes not behaving how they historically have and would be expected to
- Significant time and effort reviewing potential investment opportunities and alternative solutions over the last 6 months
- We believe now is the time to look for a Partner to assist with the investment decisions that we make on your behalf
- Providing greater investment diversity and speed of change when required
- At the size where we can add far more benefit to our clients than ever before by accessing different solutions
- Evolution not revolution



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Why YOU Asset Management?

- Strong Track Record
- Award Winning
- Outstanding Team
- Desire to work in partnership with us
- Same philosophy and beliefs as our business
- Far greater number of people monitoring, reviewing and managing the investment solutions
- More pro-active and instant alterations to solutions
- More robust processes and dedicated resources



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'Under the Bonnet' of YOU Asset Management

- **19th December 2022**

Agenda



- Introduction
- The Investment & Asset Allocation Committee – Purpose, meeting & report
- Strategic Asset Allocation
- Tactical Asset Allocation
- Fund Research/ Manager Changes
- Multi-Manager Analysis
- Implementation – Models/ Funds
- Compliance & Oversight
- Q & A

About us



Shane Balkham, Chief Investment Officer

- 25+ years in the industry
- Established the YOU flagship range of portfolios in 2004
- Undertaking research and building relationships with fund groups
- Managing a highly skilled and motivated team
- IFA origins – Built for IFAs by IFAs
- Investment Week Fund Manager of the Year Award Judge 2020/ 2021



Why YOU?



- Comprehensive investment options
- Investment team expertise
- Strong track record going back 18 years
- Clear communications
- Available on a broad range of platforms

Award-winning



BEST DISCRETIONARY FUND MANAGER

WINNER

BEAUFORT INVESTMENT



The judges for this category had a host of reasons why Beaufort Investment took the top prize for this new award. Its performance, literature and transparency proved to be the key differentiators from the other shortlisted DFMs.

Regarding its literature, one judge said: “If you’re going to show them to a customer, you want to see something like this.” Beaufort Investment’s quarterly reports were particularly highly regarded by the judges.

Its website shows true transparency over performance, how money is run and what is going on in the market in an “easy and straightforward” way.

One judge noted Beaufort Investment’s procedures under the Prod regulations really “hit the nail on the head”.

After 15 years in the market Beaufort Investment shows real “familiarity with the target market”, according to the judges.

money
marketing
AWARDS 19

BEST DISCRETIONARY FUND MANAGER

WINNER

Award-winning



- Finalist for Best Model Portfolio Service 2021 – Professional Adviser
- Winner of Best Specialist Multi-Asset Group of the Year 2020 – Investment Week
- Finalist for Boutique of the Year (£1bn-£5bn AUM) 2020 – Investment Week
- Highly Commended for Best DFM 2020 – Money Marketing Awards
- Finalist for Best Passive Manager 2020 – Money Marketing Awards
- Winner of Best DFM 2019 – Money Marketing Awards
- Shortlisted for the Citywire Regional Stars – South East 2017, 2018, 2020, nominated in 2019
- Shortlisted for Professional Advisor Model Portfolio Service 2019



The Investment Team



- Derrick Dunne, Chief Executive Officer (Chair)
- Shane Balkham, Chief Investment Officer
- Cormac Nevin, Fund Manager
- Chris Ayton, Fund Manager
- Millan Chauhan, Investment Analyst
- Ilaria Massei, Trainee Investment Analyst
- Steven Poulton, Director of Risk & Compliance
- Peter Griffin, Operations
- Nick Heath, Client Relationship Manager
- Stephen Watson, external member



Combined industry experience of over 100 years

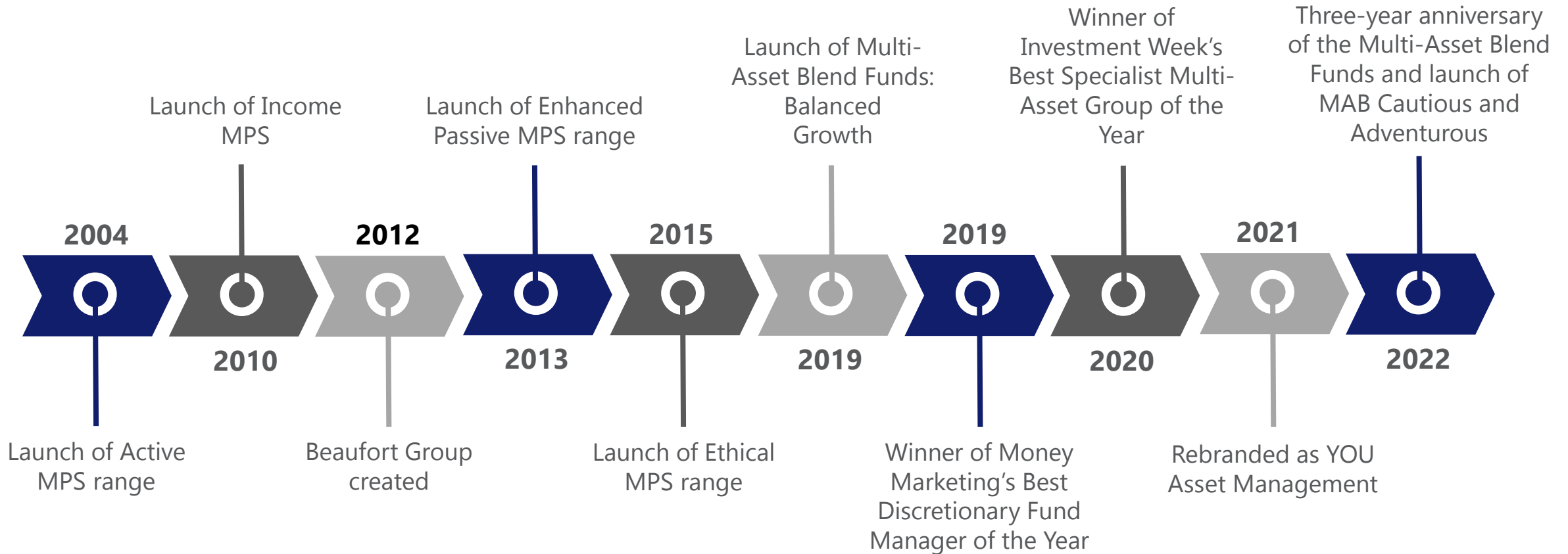
Our supporting team



- Investment administration
- Quality control
- Risk and compliance
- Marketing
- Finance



A comprehensive range of solutions





“99.2% of our clients’ assets have beaten their respective IA sector average over the last five years, ten years, 15 years, and since inception of Active MPS range.”

The calculation date quoted is **31st December 2021** and reflects the current composition and weighting of assets of the Active Portfolios as at that date. Past performance is not a guide to future investment returns. The value of investments and the income from them may fluctuate and you may not get back your original investment. All the performance information is based on unit holdings priced in GBP (Sterling) unless otherwise stated.

How we run money



We believe in:

- ✓ Globally diversified, multi-asset investing
- ✓ Strategic Asset Allocation as the single greatest determinant of investor returns
- ✓ Equities as the key driver of long-term returns and risk

We offer clients a robust and repeatable investment process built in 3 stages:

1. Strategic Asset Allocation
2. Tactical Asset Allocation
3. Fund Selection

Asset allocation

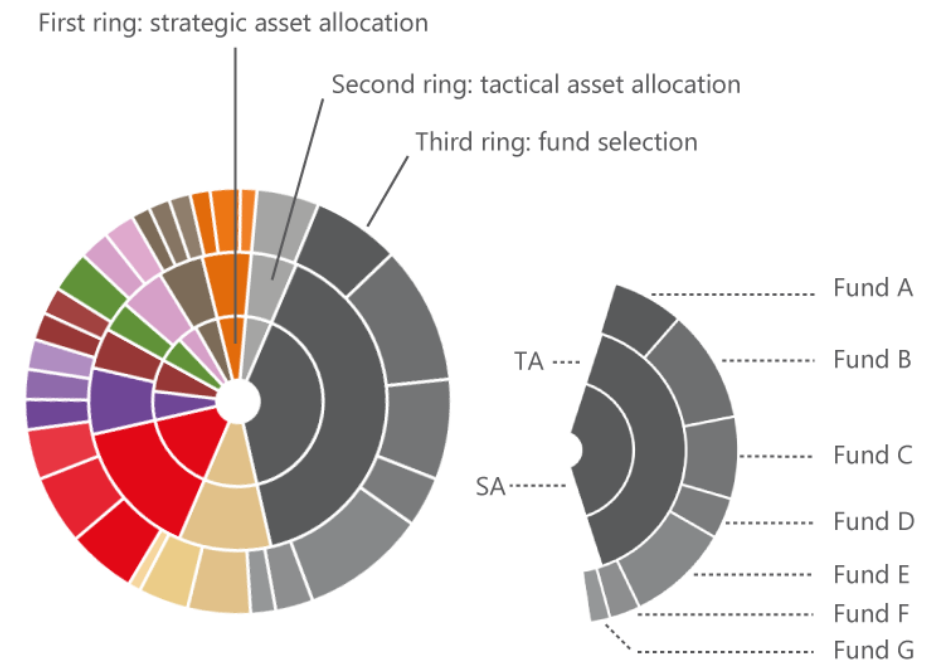


One step back – Risk profiling for your clients

- We take on the baton once you have made a key decision

Asset allocation is configured in 10 risk rated portfolios in each range (excluding Ethical & MAB Funds).

- Based on 10% equity increments
- Strategic allocation – largest driver of risk & return
- Tactical allocation – differs from strategic allocation to take account of short-term views



Strategic Asset Allocation (SAA)



- Single greatest determinant of returns
- The SAA reflects our long-term outlook based on expected returns
 - Time horizon of SAA is typically five years
 - We revisit our expected return assumptions annually, if events dictate
- Creates our assumption that the key driver of long-term returns is equities



Strategic Asset Allocation



This is our long-term view and should be the largest contributor to both long-term returns and risk. It is about appropriate levels of diversification across the risk profiles.

Asset Classes	Cautious	Balanced	Growth	Adventurous
UK Equity	5.5%	9.2%	14.8%	18.1%
US Equity	6.1%	10.1%	16.2%	19.8%
Europe ex-UK Equity	4.9%	8.2%	13.1%	16.1%
Japanese Equity	3.8%	6.3%	10.1%	12.4%
Global Emerging Market Equity	4.4%	7.3%	11.6%	14.2%
Global Developed Market Equity	5.3%	8.9%	14.2%	17.4%
Allocation to equities	30.0%	50.0%	80.0%	98.0%
Cash	5.0%	2.0%	2.0%	1.0%
Fixed Income	40.0%	24.0%	6.0%	0.0%
Property & Real Assets	10.0%	10.0%	4.0%	1.0%
Absolute Return	15.0%	14.0%	8.0%	0.0%
Allocation to diversifiers	70.0%	50.0%	20.0%	2.0%

The Investment and Asset Allocation Committee (IAAC)



Purpose, meeting & report

- Thorough institutional level governance on our investment decision-making
- Terms of reference for the committee
- Detailed reports:
 - The IAAC 'pack' runs to around 74 pages
 - This includes a supplementary report covering fees
 - Precise minutes are taken each month to record challenges and views
 - Action points are recorded and monitored
 - Any decisions made are recorded
- Compliance oversight
- Monthly meetings
- Inter-month meetings when needed for urgency



Tactical Asset Allocation (TAA)

- Takes account of our shorter-term views
- Typically reassessed on an ongoing basis, but usually looking at rolling quarters for timeline
- Identifies market mispricing and opportunities in which we can earn excess risk-adjusted returns
- Like the SAA, TAA can be event driven as well

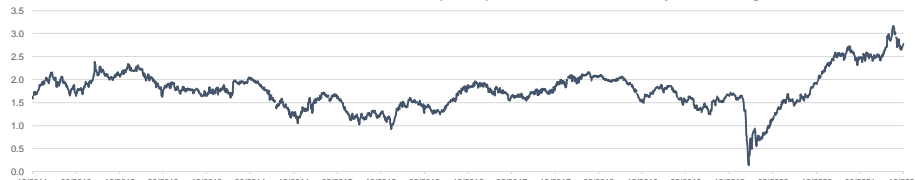
Asset Class Relative Value																								
Equity Market Valuation	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
In Aggregate	1	1	1	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Equity Market Valuation																								
United Kingdom	2	2	2	2	2	2	2	2	2	2	2	2	2	3	3	3	3	3	3	3	3	3	3	3
Sub-Asset Class view																								
United States	1	1	1	2	2	2	2	2	2	2	2	2	2	1	1	1	1	1	1	1	1	1	1	1
Sub-Asset Class view																								
Europe Ex-UK	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Sub-Asset Class view																								
Japan	2	2	2	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Sub-Asset Class view																								
Global Emerging Markets	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Sub-Asset Class view																								
Global Developed Markets	3	3	3	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Sub-Asset Class view																								
Fixed Income	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
Gilts	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Sub-Asset Class view																								
Global Treasuries	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Sub-Asset Class view																								
Global Investment Grade	3	3	3	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Sub-Asset Class view																								
Global High Yield	1	1	1	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	2	2	2	2	2	2
Sub-Asset Class view																								
Emerging Market Local Debt	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Sub-Asset Class view																								
Other Diversifiers	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
Absolute Return	3	3	3	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Sub-Asset Class view																								
Property & Real Assets	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Sub-Asset Class view																								
Cash	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2

TAA in the IAAC



Inflation Monitor:

5 Year US Breakeven Inflation Rate: Market Implied Expected Inflation over the next 5 years, on average



10 Year Constant Maturity US Treasury Yield

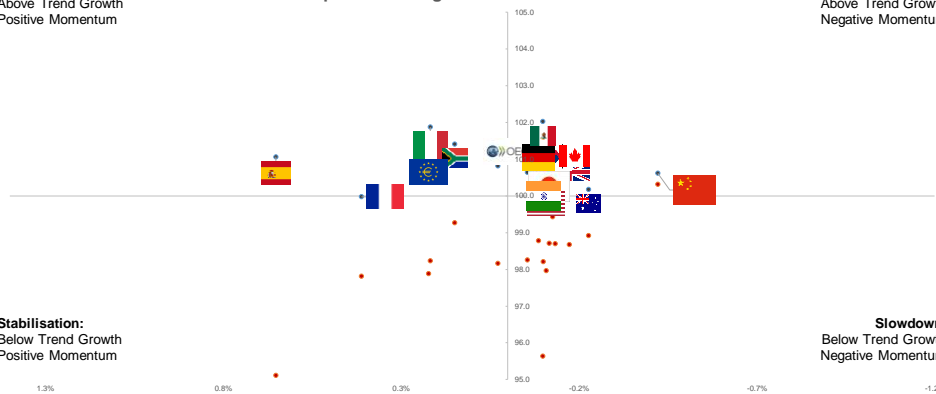


Macroeconomics:

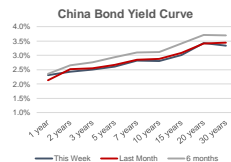
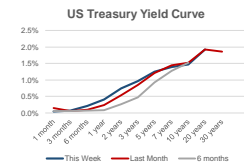
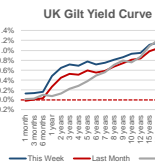
Acceleration:
Above Trend Growth
Positive Momentum



OECD Composite Leading Indicator: Macroeconomic Clock



Stabilisation:
Below Trend Growth
Positive Momentum



The composite leading indicator published monthly by the OECD, is designed to provide early signals on turning points in business cycles showing fluctuations in economic activity around its long term potential level. The 12 data points are the current CLI for each country, a measure of whether leading indicators are predicting above or below trend growth. The X axis plots the change in that country's CLI over the latest three months - providing a measure of momentum in economic activity. Flags indicate the country's current CLI, red dots indicate the CLI level measured for that country 12 months ago.

Market Returns: Week Ending:

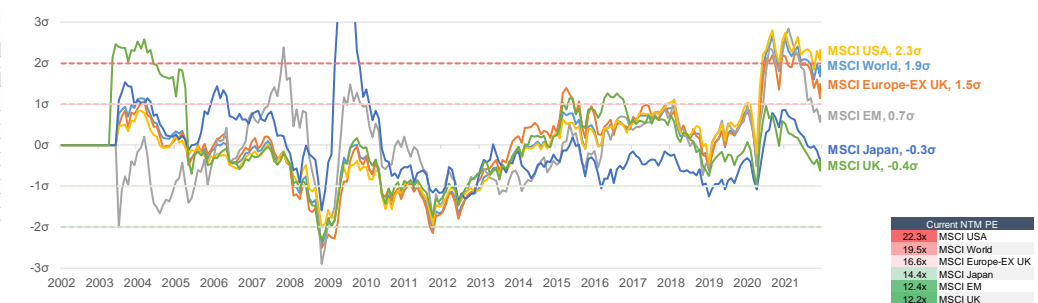
31/12/2021

	Last week	Month to Date	Year to Date	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Fixed Income:															
Barclays Global Aggregate	-0.9%	-2.5%	-3.8%	6%	3%	5%	-2%	22%	2%	7%	-4%	0%	6%	9%	-5%
Barclays Global Aggregate GBP H	-0.1%	-0.5%	-1.5%	5%	6%	0%	2%	4%	1%	8%	0%	6%	6%	5%	5%
Barclays Global Aggregate Credit	-0.7%	-2.0%	-2.3%	7%	6%	3%	0%	24%	2%	9%	-2%	6%	5%	9%	4%
Barclays Global Aggregate Credit GBP H	0.1%	-0.2%	-1.1%	7%	10%	-2%	4%	5%	0%	8%	0%	11%	5%	7%	14%
Barclays Global High Yield Corp	-0.7%	-0.7%	2.9%	5%	9%	3%	1%	36%	1%	6%	6%	14%	3%	17%	46%
Barclays Global High Yield Corp GBP H	0.1%	1.4%	3.5%	5%	12%	-4%	7%	15%	-3%	3%	8%	18%	3%	15%	61%
Barclays Global Treasury	-1.1%	-2.8%	-5.7%	6%	2%	6%	-2%	21%	2%	5%	-6%	-3%	7%	9%	-9%
Barclays Global Treasury GBP H	-0.2%	-0.8%	-2.0%	5%	6%	1%	1%	4%	2%	8%	0%	5%	6%	4%	1%
BAML Sterling Non-Gilts	-0.1%	-1.2%	-3.0%	8%	9%	-2%	4%	11%	1%	12%	1%	13%	7%	8%	11%
JPM GB-EM Global Comp (USD)	-0.7%	-1.1%	-2.8%	-2%	9%	0%	5%	33%	-12%	1%	-10%	10%	-1%	19%	8%
Equities (Unhedged GBP):															
MSCI ACWI	-0.2%	1.6%	19.6%	13%	22%	-4%	13%	29%	3%	11%	21%	11%	-7%	16%	20%
FTSE All Share	0.3%	4.7%	18.3%	-10%	19%	-9%	13%	17%	1%	1%	21%	12%	-3%	15%	30%
MSCI Europe Ex-UK	0.5%	3.9%	16.7%	7%	20%	-10%	16%	19%	5%	-1%	25%	16%	-15%	5%	18%
S&P 500	-0.2%	1.9%	28.1%	14%	26%	1%	11%	33%	7%	20%	29%	10%	2%	18%	12%
MSCI Emerging Markets	0.0%	-0.5%	-1.7%	15%	14%	-9%	25%	33%	-10%	4%	-4%	13%	-18%	23%	59%
MSCI AC Asia Pacific Ex-Japan	0.1%	-0.5%	-2.0%	19%	15%	-9%	25%	27%	-4%	9%	1%	17%	-15%	22%	54%
MSCI Japan	-1.4%	-0.5%	2.6%	11%	15%	-7%	13%	22%	16%	2%	25%	3%	-14%	19%	-5%
MSCI China	0.1%	-5.4%	-21.0%	25%	19%	-14%	41%	20%	-2%	15%	-2%	17%	-18%	8%	44%
MSCI ACWI Value	0.3%	3.8%	20.7%	-3%	16%	-5%	8%	34%	-1%	9%	20%	10%	-7%	14%	17%
MSCI ACWI Growth	-0.6%	-0.5%	18.2%	29%	28%	-2%	19%	23%	7%	12%	21%	12%	-7%	19%	22%
NASDAQ 100	-0.9%	-1.2%	28.7%	44%	34%	5%	23%	28%	16%	27%	34%	13%	4%	24%	38%
Equities (Local Currency):															
MSCI ACWI	0.7%	3.7%	20.9%	14%	26%	-8%	20%	9%	1%	9%	26%	16%	-6%	11%	29%
FTSE All Share	0.3%	4.7%	18.3%	-10%	19%	-9%	13%	17%	1%	1%	21%	12%	-3%	15%	30%
MSCI Europe Ex-UK	1.0%	5.2%	23.5%	1%	26%	-11%	14%	2%	8%	7%	23%	19%	-13%	4%	28%
S&P 500	0.9%	4.4%	28.2%	18%	31%	-5%	21%	11%	1%	13%	32%	16%	1%	14%	25%

Equities: Valuation Models

	Last week	Month
1.0%	1.0%	1.0%
0.8%	1.0%	1.0%
0.2%	3.0%	3.0%
1.1%	-3.0%	-3.0%
1.2%	5.0%	5.0%
0.3%	1.0%	1.0%
0.1%	1.0%	1.0%
-0.1%	1.0%	1.0%
-0.6%	-1.0%	-1.0%
-0.9%	-0.0%	-0.0%
-0.3%	-0.0%	-0.0%
-0.1%	-0.0%	-0.0%
-0.1%	-0.0%	-0.0%
-0.3%	-0.0%	-0.0%
-1.0%	-1.0%	-1.0%

1Y Forward P/E Ratio: Standard Deviations



Current NTM PE
22.3x MSCI USA
19.5x MSCI World
16.6x MSCI Europe-EX UK
14.4x MSCI Japan
12.4x MSCI EM
12.2x MSCI UK

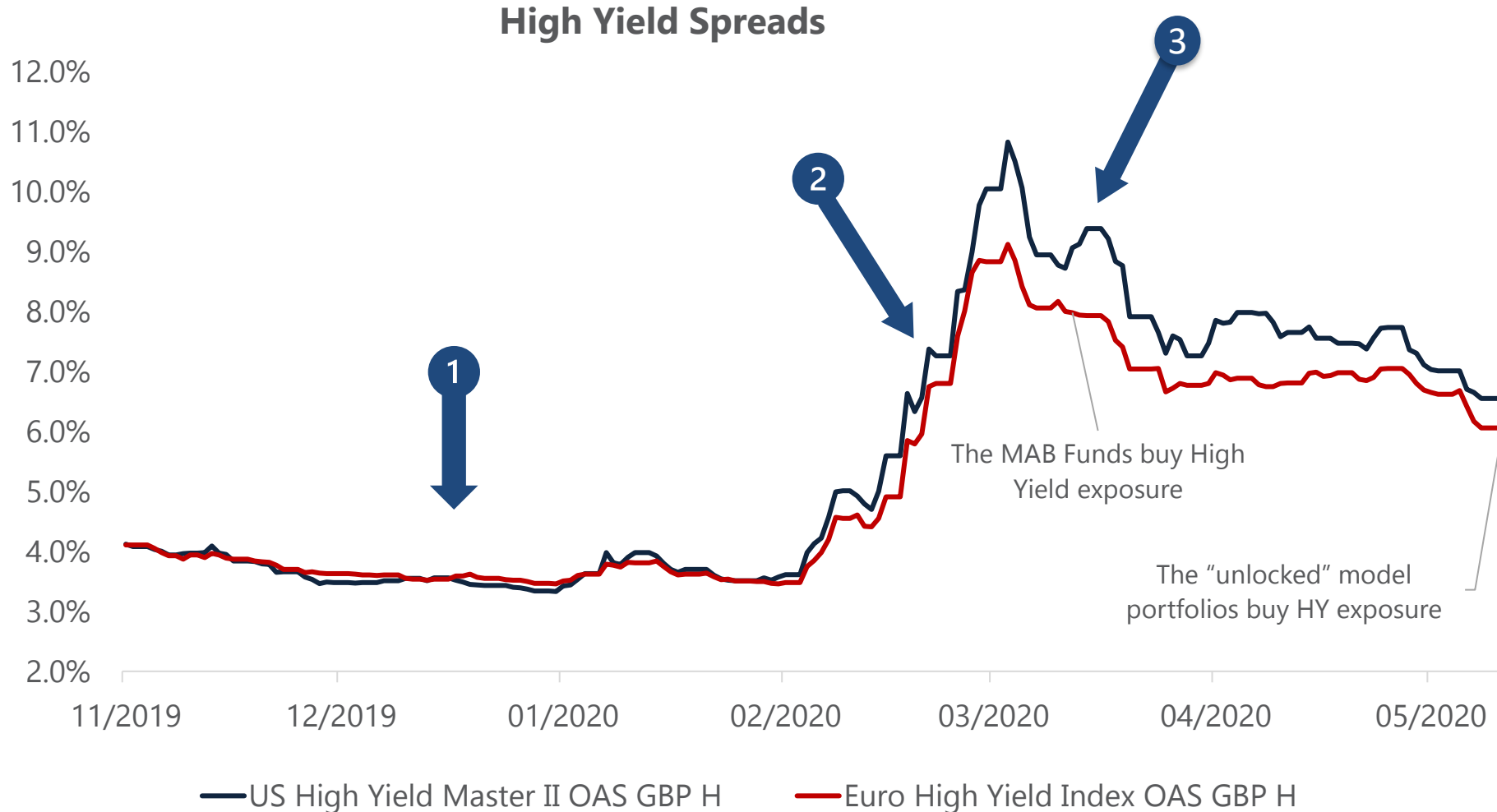
Return on Equity: Standard Deviations



Current RoE
19.5% MSCI USA
14.9% MSCI World
13.2% MSCI EM
12.2% MSCI Europe-EX UK
11.6% MSCI UK
9.0% MSCI Japan

Tactical Asset Allocation (TAA)

- Event driven example: an opportunity in high yield bonds



1. Monitor
2. Identify
3. Execute
4. Quantify

Performance review

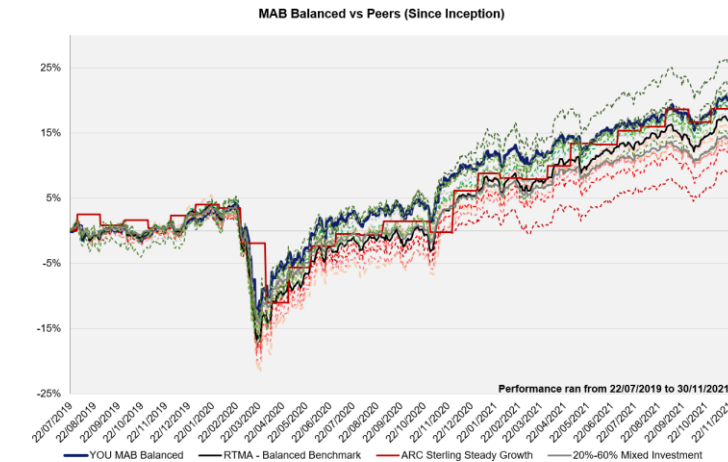


- By product line-up
- By manager, by manager combination
- We are looking for expected/unexpected results

Portfolio Level Performance & Risk – Active MPS											
1-month											
Performance	Active 1	Active 2	Active 3	Active 4	Active 5	Active 6	Active 7	Active 8	Active 9	Active 10	Active SI
Portfolio	0.0%	0.0%	-0.1%	-0.2%	-0.2%	-0.3%	-0.2%	-0.7%	-0.7%	-0.8%	-0.6%
Benchmark	0.2%	0.2%	0.2%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%
Relative	-0.2%	-0.2%	-0.3%	-0.5%	-0.5%	-0.6%	-0.5%	-1.0%	-1.0%	-1.1%	-0.9%
3-Month											
Performance	Active 1	Active 2	Active 3	Active 4	Active 5	Active 6	Active 7	Active 8	Active 9	Active 10	Active SI
Portfolio	-1.0%	-0.5%	-1.0%	-1.0%	-1.0%	-1.0%	-1.4%	-1.0%	-1.0%	-1.0%	-1.0%
Benchmark	-0.1%	-0.1%	-0.1%	0.2%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.2%
Relative	-0.9%	-0.8%	-0.9%	-1.2%	-1.4%	-1.4%	-1.8%	-2.0%	-2.0%	-2.0%	-1.7%
1-Year											
Performance	Active 1	Active 2	Active 3	Active 4	Active 5	Active 6	Active 7	Active 8	Active 9	Active 10	Active SI
Portfolio	2.1%	3.1%	4.4%	5.6%	8.0%	10.0%	10.9%	11.4%	12.0%	13.0%	6.2%
Benchmark	5.1%	5.1%	5.1%	9.0%	12.1%	12.1%	15.1%	15.1%	15.1%	15.1%	9.0%
Relative	-3.0%	-2.0%	-0.7%	-3.4%	-4.2%	-2.1%	-4.3%	-3.8%	-3.2%	-2.1%	-2.7%
1-Year											
Risk	Active 1	Active 2	Active 3	Active 4	Active 5	Active 6	Active 7	Active 8	Active 9	Active 10	Active SI
Volatility	2.0%	2.3%	2.6%	3.1%	3.6%	4.1%	4.8%	5.2%	5.6%	5.9%	3.5%
Tracking Error	1.3%	0.9%	1.7%	1.4%	2.0%	1.8%	2.4%	2.5%	2.6%	2.8%	2.0%
3-Year											
Performance	Active 1	Active 2	Active 3	Active 4	Active 5	Active 6	Active 7	Active 8	Active 9	Active 10	Active SI
Portfolio	8.8%	12.7%	16.5%	20.3%	25.5%	30.9%	36.4%	39.4%	43.7%	47.0%	14.1%
Benchmark	14.9%	14.9%	14.9%	21.2%	26.7%	26.7%	33.0%	33.0%	33.0%	33.0%	21.2%
Relative	-6.2%	-2.2%	-1.6%	-0.8%	-1.2%	-4.2%	-3.4%	-4.4%	-10.7%	-14.0%	-7.1%
3-Year											
Risk	Active 1	Active 2	Active 3	Active 4	Active 5	Active 6	Active 7	Active 8	Active 9	Active 10	Active SI
Volatility	4.3%	5.1%	6.1%	7.5%	9.0%	10.3%	11.8%	12.8%	13.7%	14.2%	9.9%
Tracking Error	2.1%	1.6%	2.6%	1.8%	2.4%	2.0%	2.5%	2.7%	3.3%	3.7%	3.7%
5-Year											
Performance	Active 1	Active 2	Active 3	Active 4	Active 5	Active 6	Active 7	Active 8	Active 9	Active 10	Active SI
Portfolio	13.1%	19.3%	23.4%	31.2%	39.8%	47.0%	54.6%	59.2%	65.6%	71.7%	25.6%
Benchmark	19.2%	19.2%	19.2%	28.9%	39.5%	39.5%	49.9%	49.9%	49.9%	49.9%	28.9%
Relative	-6.1%	-0.9%	-4.2%	-7.5%	0.3%	7.5%	4.6%	8.2%	15.7%	21.8%	-3.3%
5-Year											
Risk	Active 1	Active 2	Active 3	Active 4	Active 5	Active 6	Active 7	Active 8	Active 9	Active 10	Active SI
Volatility	3.5%	4.2%	5.0%	6.4%	7.8%	9.1%	10.1%	11.1%	11.9%	12.4%	8.2%
Tracking Error	2.0%	1.5%	2.5%	1.6%	2.0%	1.9%	2.2%	2.4%	3.2%	3.8%	3.1%



Peer Analysis Review: MAB Balanced Performance (Since Inception to 30th November 2021)



Summary:

- MAB Balanced Fund returned +18.3% since inception.
- MAB Balanced has 50% Equity vs the peer average of 58%.



MAB Balanced vs Peers	
Brooks Macdonald Balanced	23.4%
Rathbone Strategic Growth Portfolio	20.7%
Vanguard Life Strategy 60% Equity	19.7%
YOU MAB Balanced	18.3%
Dimensional 60% Equity	17.4%
Tatton Blended Balanced	17.4%
SJP Balanced Managed	16.3%
LGT Vestra Volare Balanced	16.0%
7IM Balanced	14.8%
Brooks Macdonald Cautious Growth	14.4%
Liontrust MA Blended Intermediate	13.6%
BMO MM Navigator Balanced	13.4%
Psigma Multi Asset Balanced	11.7%
ASI MyFolio Multi Manager	11.6%
Quilter Investors Cirilium Balanced Portfolio	10.8%
Wellian Discovery Balanced	10.2%
Tilney Balanced Portfolio	6.9%
MAB Balanced vs Benchmark/Sectors	
ARC Sterling Steady Growth	19.0%
RTMA - Balanced Benchmark	15.0%
20%-60% Mixed Investment	12.6%

Proposing a new fund manager in the IAAC

Why change?

- Event driven:
 - Fund manager - Departure, team changes, change in responsibilities
 - Fund – Change in objective, style drift, persistent outflows, liquidity concerns
 - Corporate concerns - Mergers, shift in focus, high turnover of staff
- Unexpected behaviour:
 - Process - Change to process
 - Performance - Sustained under/outperformance
- Other:
 - Competitor - Better cost-efficient alternative
 - Nuances - Change in accessibility i.e. property

Proposing a new fund manager in the IAAC

Behind each fund

- Idea generation - meetings, conferences, sector screens, connections
- Analysis:
 - Quantitative – Refinitiv Datastream & FE Analytics (external), proprietary (internal)
 - Qualitative - Prospectus, RFP, presentation
- Meeting – clear agenda, structured, challenging
- Research note – template, consistent, comparable
- Circulation of information to the team – research note, PAM analysis
- Discussion & debate amongst investment team – email, phone, online meeting
- IAAC – research note, PAM analysis, challenges, questions
- Execution – immediate for MAB funds, model portfolios following month
- Ongoing review:
 - Quantitative - FE analytics (external), proprietary (internal)
 - Qualitative – regular meetings/calls

Proposing a new fund manager in the IAAC



Due Diligence

- Prospectus
- KIID
- RFP
- Report & accounts
- Fair value assessment
- Target market
- PAM analysis
- 3 & 5-year attribution
- Presentation
- Commercials
- Platform availability
- Other

20211007 Pacific AM - North of South EM All Cap

Date of Meeting: 20P September 2021
Date of Note: 7th October 2021

Panel: Dimitris / Partner & Portfolio Manager
 Christopher King / Sales Associate

Company Background:
 Pacific Asset Management was founded as the family office of Sir John Beckwith and have a range of single manager and multi asset product offerings for external investors. Pacific owns 45% of North of South Capital (who manage this fund) and also distribute their offering Pacific structured entities such as Loxton, River & Mercator. Through River Capital and Newby Capital. The AUM of Pacific AM is currently \$2.5bn and they are signatories to the UN PRI. Pacific's AUM has grown by \$1bn over the last 12 months, and they have a broad investor base of institutional and wealth management clients in Europe and the US.

Pacific Asset Management became a partner in the boutique emerging markets equities manager, North of South Capital in May 2017. North of South Capital was founded by Mark Latham in 2004, who is co-PM of the EM All Cap strategy with Karol. Prior to this Mark was head of emerging markets equities at Deutsche Asset Management for almost four years. Prior to that, he was a director, investment manager and emerging markets strategist at Energy Asset Management. Matthew holds an MBA from the University of Michigan and a BSc from Rutgers University. He is based in London.

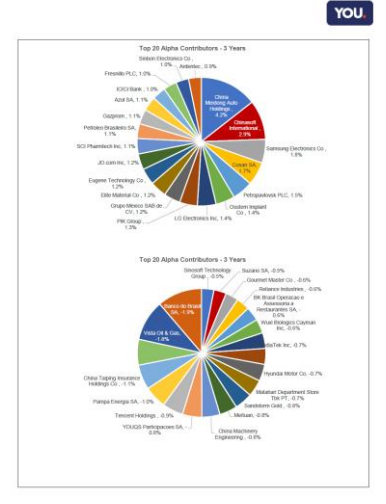
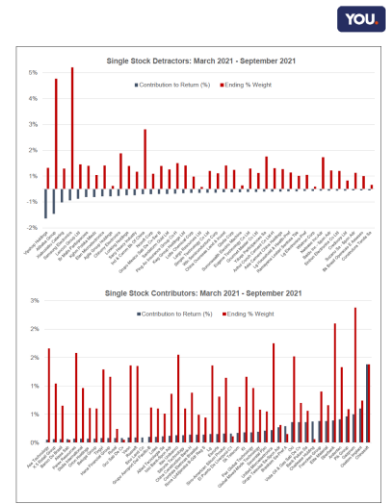
Karol is Portfolio Manager and Partner at North of South. He is responsible for stock selection, top-down allocation and portfolio construction. Karol also conducts quantitative analysis, company research, risk analysis and portfolio attribution and joined North of South in 2009. Prior to joining North of South Capital Karol worked as an Equity Derivatives Portfolio Manager at Dresdner Kleinwort. He has over 20 years' experience in equity and derivatives trading. He is based in London.

Key Facts:

- ALM Growth has been strong, growing from \$400m when we invested to \$600m today. They have also recently landed a \$150m pension fund which should be entering the fund imminently.
- Karol continues to impress me massively. Similar to Mike Scott at CIO or Mike Program at Barclays, the meeting doesn't involve a book etc and it's much more a lively interrogation of the portfolio (which he knows inside out) whereby I feel I'm not just learning about their holdings and processes but rather a simple conversation on multiple aspects of the EM and Global equity landscape.
- Continues to be a very strong blend with Ninety One APAC Franchise, and is well positioned for the current commodity and inflation-wary environment.

Performance:

- Performance has been strong, compounding of +11.3% annualised over three years vs +7.4% for the MSCI EM benchmark and +4% for the MSCI EM Value factor.
- CV or risk adjusted basis, performance has been strong vs the benchmark, producing a Sharpe of 0.7 over three years vs 0.5 for MSCI EM and an information ratio of 0.6 over the same period.
- Over three years, they have realised North of the grade of MSCI EM 40% of the domestic. They have contributed +50% to M&G Growth since implementation in April.



Conclusion/ Investment hypothesis

- Very happy to keep in place, they are well positioned for the current environment. Data quality and client service from Pacific AM is great.

Structure:	LCVC UCITS
ISIN:	IE00B0GK243
Currency Hedging:	No hedging
UK Reporting Status:	Yes
Domicile:	Ireland
AUM:	\$417m
Total YAM Holdings:	€28.2m

Existing Investor Base:

Investor Name	AUM (€M)	% of Total AUM
Wealth Manager	275,655,031.04	43.4%
Deutsche Bank	95,456,864.74	19.0%
Wealth Manager	74,261,151.01	11.1%
Prudential	49,068,065.18	7.8%
YOU Asset Management	38,244,088.84	6.8%
Prudential	24,000,000.00	3.9%
Wealth Manager	20,051,252.39	3.9%
Wealth Manager	19,977,476.13	1.1%
Wealth Manager	7,252,526.86	1.1%
Wealth Manager	1,203,303.79	0.2%
Total	638,778,858.85	100.0%

Liquidity Profile:

Aug 21 AUM	Days to Liquidate the Portfolio
0-1	1-7
1-10	10-30
30-100	30-180

Even at a reduced participation rate of 30% - 90% of the book can be liquidated in 7 days.

YAM Products: M&B Balanced, M&B Growth, Active MFS, Income MFS

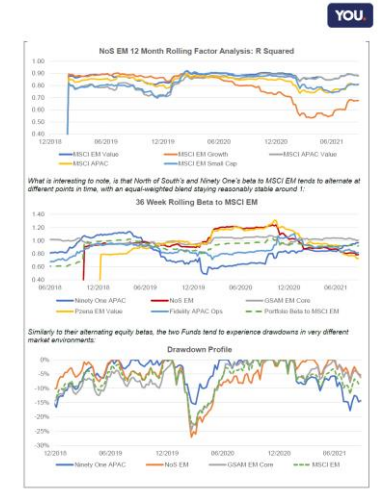
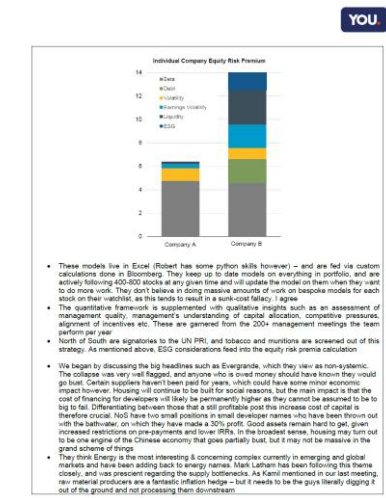
Quantitative & Qualitative

Research note: On file

3 and 5 year attribution: Attached

PRETTI score:

- Process: 3
- Return: 3
- Expense: 3
- Team: 3

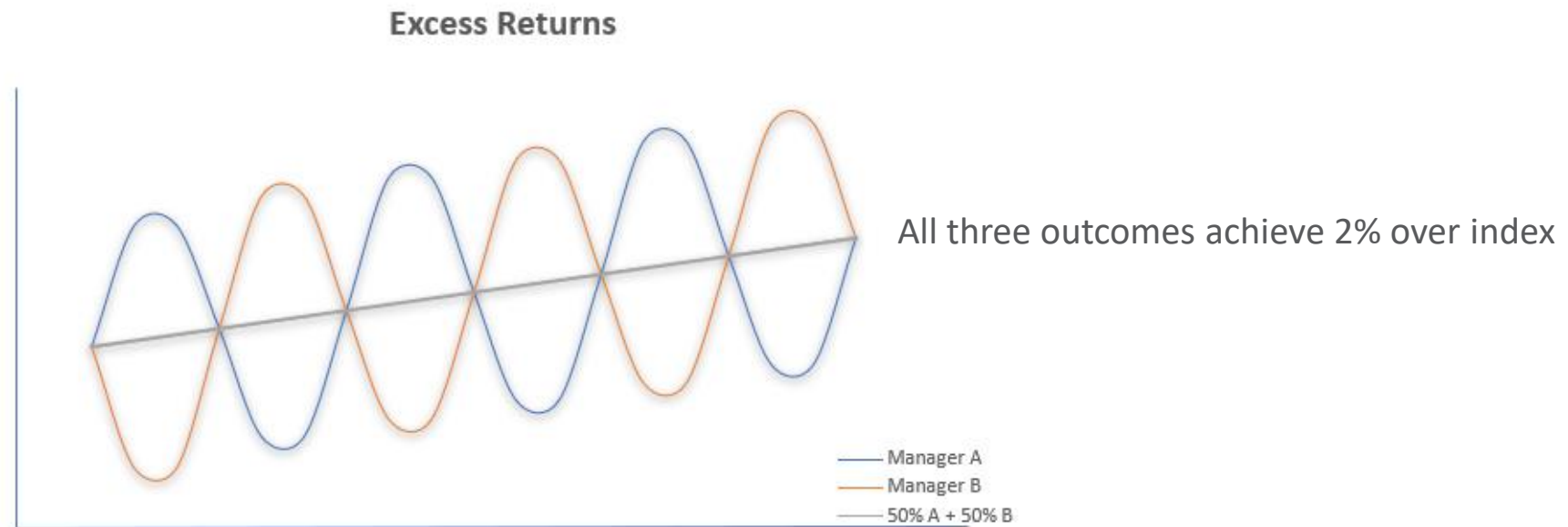


Process:

- The team applies an active, value-based approach combining top-down macro research and bottom-up company analysis to identify mispriced stocks, building a diversified portfolio (currently 88 stocks).
- Matt and Karol are experienced on the team by:
 - Mark Latham / (Strategy / Natural Resource Analyst & Partner) - Mark brings specialist knowledge to identify shifts in global economic trends, Recommendations stocks in natural resources sector.
 - Robert Holmes / (Senior Analyst and Partner) - Robert provides quantitative and qualitative company analysis and refines / develops customised stock models.
 - Arnold van Leeuwen / (Partner / COO) - Responsible for operational, compliance & infrastructure for the company.
 - Tony Hall / (Senior Analyst - 15 years' experience working with tech companies. Fluent Mandarin speaker. Covers technology and Asian stocks.
- The team has been unchanged since the inception of North of South in 2009.
- The NoS team are now managing peak assets, just under \$700m including sag mandates. They will take a breather from asset raising at \$1.5bn mark. The strategy has a strong institutional following including US Endowments, State Authorities, Managed Accounts and a Delaware account. There are also multiple wealth managers in the UK, Switzerland, and a growing number of German family offices. The strategy has recently been approved by AOCI, and they recently received their first tickle from a Cypriot pension fund.
- North of South have a process centred around three pillars:
 - (Overpricing) that value investing outperforms other styles over time, via buying equities whose income streams are priced below that of the market and peers.
 - Value needs to be seen in the context of the domestic risk-free rate.
 - Value needs to be assessed relative to the riskiness of the stock. Establishing a consistent methodology for measuring the equity risk premium is essential in this process.
- From a top down aspect, the country's cost of capital is critical as a starting point. This is typically measured by the 10 year government bond yield, and varies greatly across the EM landscape (eg 1% in Taiwan vs 10% in Turkey).
 - They believe markets tend to buy into nominal earnings growth rates when looking at EM equities, and associate growth-stock multiples with them. In reality, these nominal rates are driven by inflation and associated currency depreciation when translated into USD or GBP. Discounting at the local cost of capital adjusts for this.
 - This is monitored for 30+ countries, and allows them to make apples-to-oranges comparisons of countries across currencies. The local 10 year yield is the principal input into this CoC analysis.
- From a bottom perspective, the individual equity risk premium is calculated and monitored for each stock and includes inputs such as liquidity, volatility, earnings quality, valuation and qualitative ESG considerations. The discount rate for each stock is derived from these factors.

Multi-Manager analysis

- Seeks to blend Fund Managers that provide significantly **diverse exposures** within the asset class
- We want managers who will outperform in different ways or at different times
- The ideal scenario is that two or more managers add “alpha” but do so while having a low or negative correlation to one another
- The constant, automated monitoring of each managers’ exposure is critical to ensure our portfolios do not have unintended biases to a particular exposure or investment style



Multi-Manager analysis



Portfolio Weights:	Lightman European Value Opps	MAN GLG Euro Alpha	Schroder European Alpha Income	Invesco - European Equity Income	SW Mitchell European Fund
Asset Class Weights:	0%	25%	25%	25%	25%
Benchmark:	MSCI Europe Ex UK	MSCI Europe Ex UK	MSCI Europe Ex UK	MSCI Europe Ex UK	MSCI Europe Ex UK

	Fund 1	Fund 2	Fund 3	Fund 4	Fund 5
Year to Date Return:					
1 Year Return:	20.5%	15.1%	10.2%	10.2%	32.7%
3 Year Ann Return:	20.5%	15.1%	10.2%	10.2%	32.7%
5 Year Ann Return:		3.7%	3.5%	8.8%	
10 Year Ann Return:		9.2%	7.4%	5.6%	
Since Inception Ann Return:	6.2%	3.1%	12.8%	11.1%	7.3%
Year to Date Return Contribution:		1.0%	0.8%	0.6%	1.6%
1 Year Return Contribution:		1.0%	0.8%	0.5%	1.8%
3 Year Ann Return Contribution:		0.9%	0.7%	0.2%	2.0%
5 Year Ann Return Contribution:		0.2%	0.5%	0.4%	0.3%
Since Inception Ann Return Contribution:		0.2%	0.6%	0.6%	0.4%

Factor Performance	Europe Ex UK Momentum	Europe Ex UK Value	Europe Ex UK Quality	Europe Ex UK Min Vol	Europe Ex UK Growth
1 Year Return:	23%	13%	27%	16%	25%
3 Year Ann Return:	9%	4%	11%	9%	10%
5 Year Ann Return:	11%	6%	11%	10%	11%
10 Year Ann Return:	11%	5%	11%	9%	9%

	1 Year Ann Volatility:	3 Year Ann Volatility:	5 Year Ann Volatility:	10 Year Ann Volatility:	Ann Volatility Since Inception:	1 Year Ann Tracking Error:	3 Year Ann Tracking Error:	5 Year Ann Tracking Error:	10 Year Ann Tracking Error:	1 Year Ann Sharpe Ratio:	3 Year Ann Sharpe Ratio:	5 Year Sharpe Ratio:	10 Year Sharpe Ratio:	1 Year Ann Sortino Ratio:	3 Year Ann Sortino Ratio:	5 Year Sortino Ratio:	10 Year Sortino Ratio:	1 Year Ann Information Ratio:	3 Year Ann Information Ratio:	Ann Information Ratio Since Inception:	1 Year Ann Treynor Ratio:	3 Year Ann Treynor Ratio:	Ann Treynor Ratio Since Inception:	
Lightman European Value Opps	16.4%	16.4%	16.4%	16.4%	16.4%	9.0%	9.0%	9.0%	9.0%	0.5	0.3	0.2	0.2	0.2	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.3	0.1	0.1
MAN GLG Euro Alpha	10.8%	12.1%	12.1%	12.1%	12.1%	5.6%	5.6%	5.6%	5.6%	1.7	0.2	0.1	0.1	0.1	0.1	0.0	0.0	0.1	0.0	0.0	0.2	0.2	0.1	
Schroder European Alpha Income	10.7%	11.9%	11.9%	12.7%	12.7%	4.8%	4.8%	5.4%	5.9%	1.3	0.3	0.7	0.8	0.1	0.1	0.0	0.0	0.0	0.0	0.0	1.0	0.3	0.8	
Invesco - European Equity Income	10.3%	11.8%	11.8%	12.3%	12.3%	4.2%	4.2%	4.9%	4.9%	0.9	0.3	0.5	0.7	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.7	0.3	0.6	
SW Mitchell European Fund	17.7%	16.3%	16.3%	14.9%	14.9%	5.2%	5.2%	4.9%	4.9%	1.7	0.6	0.4	0.5	0.8	0.1	0.2	0.1	0.1	0.9	0.2	1.5	0.8	0.5	

	1 Year Upside Capture Ratio:	3 Year Upside Capture Ratio:	5 Year Upside Capture Ratio:	10 Year Upside Capture Ratio:
Lightman European Value Opps	81%	88%	92%	93%
MAN GLG Euro Alpha	86%	87%	92%	94%
Schroder European Alpha Income	78%	87%	92%	94%
Invesco - European Equity Income	74%	86%	91%	93%
SW Mitchell European Fund	62%	88%	92%	93%

Discrete Yearly Returns:	Lightman European Value Opps	MAN GLG Euro Alpha	Schroder European Alpha Income	Invesco - European Equity Income	SW Mitchell European Fund
2019	6.2%	20.5%	15.1%	10.2%	32.7%
2018	0.0%	-11.7%	-16.4%	-12.0%	-19.9%
2017	0.0%	0.0%	16.0%	14.2%	12.8%
2016	0.0%	0.0%	23.7%	21.3%	18.6%
2015	0.0%	0.0%	12.7%	6.2%	6.8%

Discrete Yearly Volatility:	Lightman European Value Opps	MAN GLG Euro Alpha	Schroder European Alpha Income	Invesco - European Equity Income	SW Mitchell European Fund
2019	15.4%	10.4%	10.2%	9.8%	17.0%
2018	0.0%	11.5%	11.2%	11.5%	14.6%
2017	0.0%	8.7%	8.0%	8.0%	7.1%
2016	0.0%	0.0%	13.4%	14.6%	18.9%
2015	0.0%	0.0%	11.4%	11.3%	15.2%

R Squared to Factors	Lightman European Value Opps	MAN GLG Euro Alpha	Schroder European Alpha Income	Invesco - European Equity Income	SW Mitchell European Fund
1 Year Europe Ex UK Momentum		21%	22%	25%	16%
3 Year Europe Ex UK Momentum			53%	53%	46%
5 Year Europe Ex UK Momentum			57%	54%	45%
10 Year Europe Ex UK Momentum					
1 Year Europe Ex UK Value		69%	72%	76%	58%
3 Year Europe Ex UK Value			77%	81%	56%
5 Year Europe Ex UK Value			76%	81%	55%
10 Year Europe Ex UK Value					
1 Year Europe Ex UK Quality		29%	32%	33%	24%
3 Year Europe Ex UK Quality			54%	52%	41%
5 Year Europe Ex UK Quality			57%	55%	43%
10 Year Europe Ex UK Quality					
1 Year Europe Ex UK Min Vol		24%	27%	31%	12%
3 Year Europe Ex UK Min Vol			57%	58%	54%
5 Year Europe Ex UK Min Vol			62%	60%	37%
10 Year Europe Ex UK Min Vol					
1 Year Europe Ex UK Growth		31%	27%	36%	27%
3 Year Europe Ex UK Growth			57%	59%	47%
5 Year Europe Ex UK Growth			62%	62%	50%
10 Year Europe Ex UK Growth					

Europe Ex-UK Equity Asset Class	Asset Class Benchmark	Asset Class Benchmark 2
100%	N/A	N/A
MSCI Europe Ex UK	MSCI Europe Ex UK	MSCI ACWI

Europe Ex-UK Equity Asset Class	Asset Class Benchmark	Asset Class Benchmark 2
19.6%	20.0%	21.7%
19.6%	20.0%	21.7%
4.0%	9.3%	9.9%
5.6%	9.3%	12.0%
0.0%	7.3%	11.0%
8.6%	7.3%	11.0%
(Portfolio Level)	N/A	N/A
	3.9%	N/A
	N/A	N/A
	0.8%	N/A
	1.1%	N/A
	N/A	N/A
	1.7%	N/A

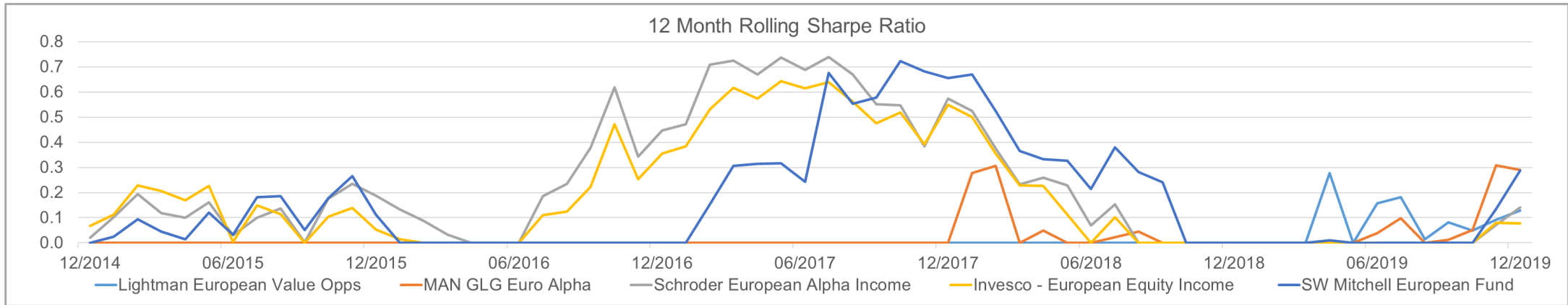
(Asset Class Level)	Asset Class Benchmark	Asset Class Benchmark 2
12.4%	8.3%	9.5%
12.3%	9.8%	9.8%
13.0%	10.8%	10.3%
13.0%	13.9%	10.9%
13.0%	13.9%	10.9%
7.1%	N/A	N/A
6.3%	N/A	N/A
6.9%	N/A	N/A
5.8%	N/A	N/A
1.4	2.2	2.1
0.4	0.8	1.0
0.4	0.5	1.1
0.5	0.5	1.0
0.7	1.8	1.4
0.1	0.2	0.2
0.1	0.2	0.2
0.1	0.1	0.1
0.3	N/A	N/A
0.0	N/A	N/A
1.2	N/A	N/A
0.3	N/A	N/A
0.5	N/A	N/A

Europe Ex-UK Equity Asset Class	MSCI Europe Ex UK	MSCI ACWI
19.6%	20.0%	21.7%
-15.0%	-9.9%	-3.8%
12.8%	18.6%	13.2%
10.1%	18.6%	18.6%
6.4%	5.1%	5.1%

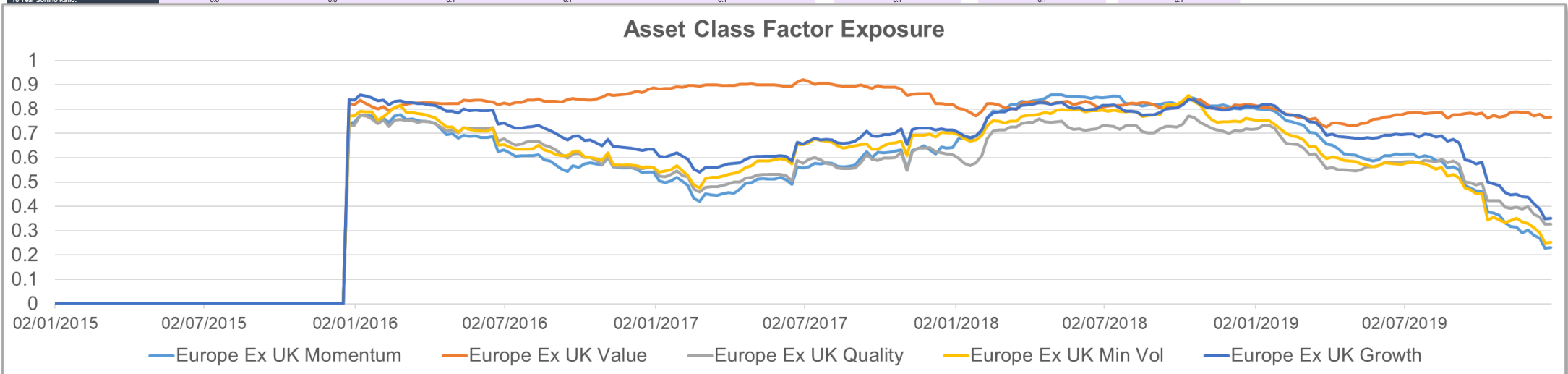
Europe Ex-UK Equity Asset Class	MSCI Europe Ex UK	MSCI ACWI
11.8%	7.9%	9.1%
12.2%	10.7%	11.6%
6.4%	7.1%	6.2%
11.7%	11.7%	10.0%
9.5%	12.6%	10.9%

Europe Ex-UK Equity Asset Class	MSCI Europe Ex UK	MSCI ACWI
21%	64%	
	77%	
	78%	
69%	75%	
	83%	
	86%	
29%	86%	
	81%	
	82%	
24%	66%	
	57%	
	82%	
30%	87%	
	59%	
	87%	

Multi-Manager analysis



Period	Lightman European Value Opps	MAN GLG Euro Alpha	Schroder European Alpha Income	Invesco - European Equity Income	SW Mitchell European Fund
1 Year Rolling Sharpe Ratio	0.5	1.7	1.3	0.9	1.7
3 Year Rolling Sharpe Ratio	0.3	0.2	0.3	0.3	0.4
5 Year Rolling Sharpe Ratio	0.2	0.2	0.7	0.4	0.4
10 Year Rolling Sharpe Ratio	0.2	0.1	0.8	0.5	0.5
1 Year Ann Sortino Ratio	0.2	1.0	0.6	0.5	0.7
3 Year Ann Sortino Ratio	0.1	0.1	0.1	0.1	0.1
5 Year Ann Sortino Ratio	0.0	0.0	0.1	0.1	0.1
10 Year Ann Sortino Ratio	0.0	0.0	0.1	0.1	0.1



Period	Europe Ex UK Momentum	Europe Ex UK Value	Europe Ex UK Quality	Europe Ex UK Min Vol	Europe Ex UK Growth
10 Year Europe Ex UK Quality					
1 Year Europe Ex UK Min Vol	24%	27%	31%	12%	
3 Year Europe Ex UK Min Vol		57%	58%	34%	
5 Year Europe Ex UK Min Vol		62%	60%	37%	
10 Year Europe Ex UK Min Vol					
1 Year Europe Ex UK Growth		31%	36%	27%	
3 Year Europe Ex UK Growth		57%	59%	47%	
5 Year Europe Ex UK Growth		62%	62%	50%	
10 Year Europe Ex UK Growth					

Multi-Manager analysis



Weekly Alpha Correlation:
20 Weekly Observations

Five Year Alpha:
MSCI EM

Five Year Alpha:

Combined Alpha:

Average Correlation:

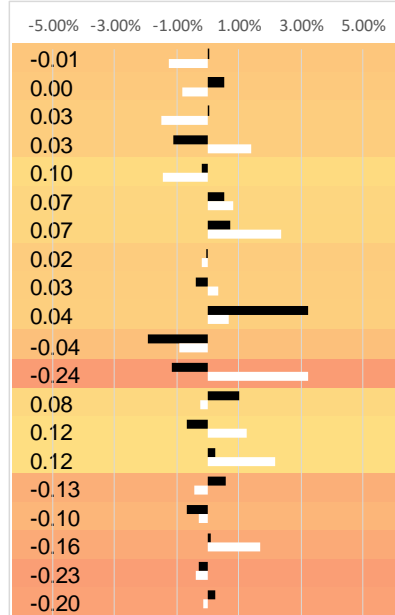
Max Correlation:

Minimum Correlation:

Absolute Return:

29/05/2020
22/05/2020
15/05/2020
08/05/2020
01/05/2020
24/04/2020
17/04/2020
10/04/2020
03/04/2020
27/03/2020
20/03/2020
13/03/2020
06/03/2020
28/02/2020
21/02/2020
14/02/2020
07/02/2020
31/01/2020
24/01/2020
17/01/2020

GSAM EM Core & Fidelity APAC Ops	
Five Year Alpha:	0.19%
Five Year Alpha:	7.20%
Combined Alpha:	7.39%
Average Correlation:	8.7%
Max Correlation:	56.0%
Minimum Correlation:	-50.2%



Weekly Alpha Correlation:
20 Weekly Observations

Five Year Alpha:
MSCI World

Five Year Alpha:

Combined Alpha:

Average Correlation:

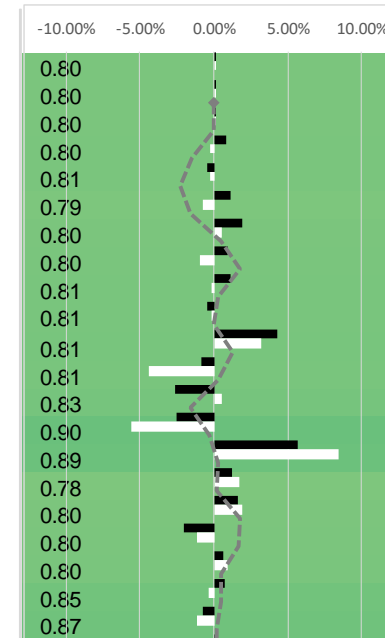
Max Correlation:

Minimum Correlation:

Absolute Return:

26/06/2020
19/06/2020
12/06/2020
05/06/2020
29/05/2020
22/05/2020
15/05/2020
08/05/2020
01/05/2020
24/04/2020
17/04/2020
10/04/2020
03/04/2020
27/03/2020
20/03/2020
13/03/2020
06/03/2020
28/02/2020
21/02/2020
14/02/2020
07/02/2020

T Rowe Global Focus Growth & Artemis Global Select	
Five Year Alpha:	5.08%
Five Year Alpha:	1.35%
Combined Alpha:	6.42%
Average Correlation:	79.0%
Max Correlation:	94.1%
Minimum Correlation:	57.3%



Multi-Manager analysis



Asset Class Benchmark:	Strategic Contribution:	3 Months	1 Year	ITD
S&P 500	US Equity	0.15%	1.25%	3.52%
FTSE All Share	UK Equity	0.19%	0.75%	1.13%
MSCI World	Global Developed Market Equity	0.09%	0.69%	2.41%
UK Consumer Price + 4%	Property & Real Assets	0.53%	1.26%	2.18%
MSCI Europe ex UK	Europe Ex-UK Equity	0.09%	-0.07%	1.51%
BoE ROW +2%	Absolute Return	0.10%	0.27%	0.87%
FE Interest 0.5%	Cash	0.00%	0.01%	0.03%
MSCI Japan	Japanese Equity	-0.01%	-0.11%	0.64%
MSCI Emerging Markets	Global Emerging Market Equity	-0.21%	-0.75%	0.52%
Barclays Global Aggregate GBP H	Fixed Income	-1.03%	-1.70%	-0.81%

Asset Class Benchmark:	Tactical Contribution:	3 Months	1 Year	ITD
FTSE All Share	UK Equity	0.05%	0.22%	0.75%
BoE ROW +2%	Absolute Return			0.06%
Barclays Global Aggregate GBP H	Fixed Income			0.05%
MSCI World	Global Developed Market Equity	0.00%	0.00%	0.01%
FE Interest 0.5%	Cash			
UK Consumer Price + 4%	Property & Real Assets			
MSCI Japan	Japanese Equity	0.02%	-0.01%	0.40%
MSCI Emerging Markets	Global Emerging Market Equity	0.00%	-0.05%	0.09%
MSCI Europe ex UK	Europe Ex-UK Equity	-0.03%	0.02%	-0.48%
S&P 500	US Equity	-0.13%	-0.43%	-0.36%

Asset Class Benchmark:	Current Funds:	CitiCodes	3 Months	1 Year	ITD
S&P 500	Fidelity Index US	G6IA	-0.14%	-0.21%	-0.24%
FTSE All Share	Fidelity Index UK	K41T	0.12%	-0.02%	0.01%
Barclays Global Aggregate GBP H	Vanguard Global Bond Index Fund	K1XL	0.05%	0.02%	0.04%
MSCI Japan	Fidelity Index Japan	K41W	0.03%	0.01%	-0.05%
MSCI Emerging Markets	Fidelity Index Emerging Markets	FPD9	-0.03%	-0.05%	-0.05%
MSCI World	Fidelity Index World	K5LA	0.01%	0.01%	0.00%
MSCI Europe ex UK	Fidelity Index Europe ex UK	K1XK	0.00%	0.01%	0.09%
UK Consumer Price + 4%	iShares Property Equity	K41V	0.19%	0.07%	0.22%

Asset Class Benchmark:	Active Contribution (Manager Level)	CitiCodes	3 Months	1 Year	ITD
MSCI World	Pzena Global Value	MU1W	0.06%	0.03%	0.56%
BoE ROW +2%	Allianz FIM	PA2J	-0.14%	-0.43%	-0.38%
MSCI Emerging Markets	Ninety One APAC Franchise	AED1	0.00%	-0.16%	-0.25%
S&P 500	Neuberger Berman US Small Value	DE1E	-0.05%	-0.13%	-0.12%
MSCI Emerging Markets	North of South EM All Cap	OTUC	0.05%	0.09%	0.08%
MSCI Europe ex UK	River & Mercantile European	R6EW	0.12%	0.10%	0.10%
MSCI Japan	Nikko AM Value	EAMS	0.03%	0.08%	0.30%
MSCI Japan	Matthews Asia Japan	MDRE	-0.02%	-0.07%	-0.06%
Barclays Global Aggregate GBP H	UBS China Bond	R2RM	0.24%	0.52%	0.58%
Barclays Global Aggregate GBP H	Janus Henderson Horizon Strategic Bond	QMRY	-0.08%	-0.04%	0.13%
Barclays Global Aggregate GBP H	ASI Short-Dated ILB Tracker	PZCZ	0.13%	0.33%	0.33%
MSCI Europe ex UK	BlackRock Continental Europe	00PA	-0.03%	-0.04%	0.10%
MSCI World	Brown Advisory Global Leaders	OYH2	-0.13%	-0.20%	-0.23%
BoE ROW +2%	Sanlam Multi Strategy	MP4Y	-0.06%	-0.21%	-0.03%
S&P 500	UBS US Growth	G5QY	-0.20%	-0.19%	-0.19%
UK Consumer Price + 4%	Gravis UK Infrastructure	E5JH	0.02%	-0.05%	-0.01%
Barclays Global Aggregate GBP H	MAN GLG High Yield Opps	QE9M	0.00%	0.25%	2.37%
FTSE All Share	Premier Miton UK Value Opps	ICDB	-0.25%	-0.69%	-0.58%
BoE ROW +2%	Fulcrum TEMN	UOMM	0.06%	0.09%	-0.07%

Model Return:
FE Return:

QF3B

Residual :

50/50: EnP 5/ Active 5:

MAB Balanced
Return Contribution:
Strategic Contribution
Tactical Contribution
Tracking Error/ Pricing Differential
Active Contribution
Residual :
Total Model Return:
Total FE Return:

	3 Months	1 Year	ITD
Strategic Contribution	-0.1%	1.5%	12.0%
Tactical Contribution	-0.1%	-0.3%	0.5%
Tracking Error/ Pricing Differential	0.2%	-0.2%	-0.1%
Active Contribution	-0.3%	-1.0%	2.6%
Residual :	0.0%	0.2%	2.1%
Total Model Return:	-0.2%	-0.1%	13.0%
Total FE Return:	-0.3%	-0.2%	12.5%

Strategic Contribution Excess
Tactical Contribution Excess
Total Return Excess
Total Return Excess (FE)
FE Returns with Zeros
50/ 50 Blend with Zeros
ARC Sterling Steady Growth PCI TR in GB
ARC Sterling Steady Growth Blanks
ARC Excess Retrun vs FE
ARC Excess Return vs RF
Enhanced Passive 5
Active 5
50/50 Blend
50/50 Blend - RF

ARCISSTG.N

1586760735.AP
1641475435.AP

Returns:
MAB Balanced
50/50: EnP 5/ Active 5:
ARC Sterling Steady Growth:

	3 Months	1 Year	ITD
MAB Balanced	-0.3%	-0.2%	12.5%
50/50: EnP 5/ Active 5:	-1.0%	-1.1%	9.8%
ARC Sterling Steady Growth:	-1.0%	-1.5%	8.7%

Volatility:
MAB Balanced
50/50: EnP 5/ Active 5:
ARC Sterling Steady Growth:

	1 Year	ITD
MAB Balanced	6.1%	9.6%
50/50: EnP 5/ Active 5:	6.2%	8.8%
ARC Sterling Steady Growth:	7.4%	10.3%

Compliance & oversight



- Ensures we invest to current regulatory standards
- Ensures we follow our internal processes
- Ensures we adhere to investment guidelines and constraints in each product range

Compliance Report (1)

November 2021:

- IFPR** – With the new rules coming into effect from 1st January, the concluding actions will be completed in December to ensure we are prepared for the new regime. With the capital requirement numbers completed by Mark Thomas and reviewed by Grant Thornton, we are able to complete a draft Internal Capital Adequacy and Risk Assessment document to contain the necessary elements which will become reportable in 2022. We have details of the regulatory reports due in 2022 and an initial review of the remuneration rule changes has been completed. A new remuneration policy and governance structure will be required although it will only become effective from the start of the first performance period after 1st January 2022.
- IFSL Audit Actions** – A Conduct Risk policy has been drafted to close off the final outstanding action from IFSL's audit.
- Passive Manager Notes** – Many of the manager notes on the passive funds will reach their 12 month expiry dates in December. The team proposed a change towards a quantitative basis for passive funds in the November IAAC but, until this is documented within the Investment Process Document, the existing framework does require a manager meeting and note. There are four active funds which will reach their 6 month expiry date in December and a number of meetings have been held with these managers. Lyn Francis has also confirmed that a diary appointment has been made with Hermes.
- ETFs** – Cormac Nevin has given a demonstration of the proposed [TradeWeb](#) trading processes for introducing ETFs to the Funds. A meeting has been arranged with Minerva in early December for an external review of these processes and to offer support on trade reporting, reconciliations, slippage, best execution monitoring and any other policies and controls we will need to put in place.

December 2021 (arising):

- IFPR – The concluding ac
- End of Year Reporting / and TCF. We will then const

Compliance Report (3)

Standing Reporting:

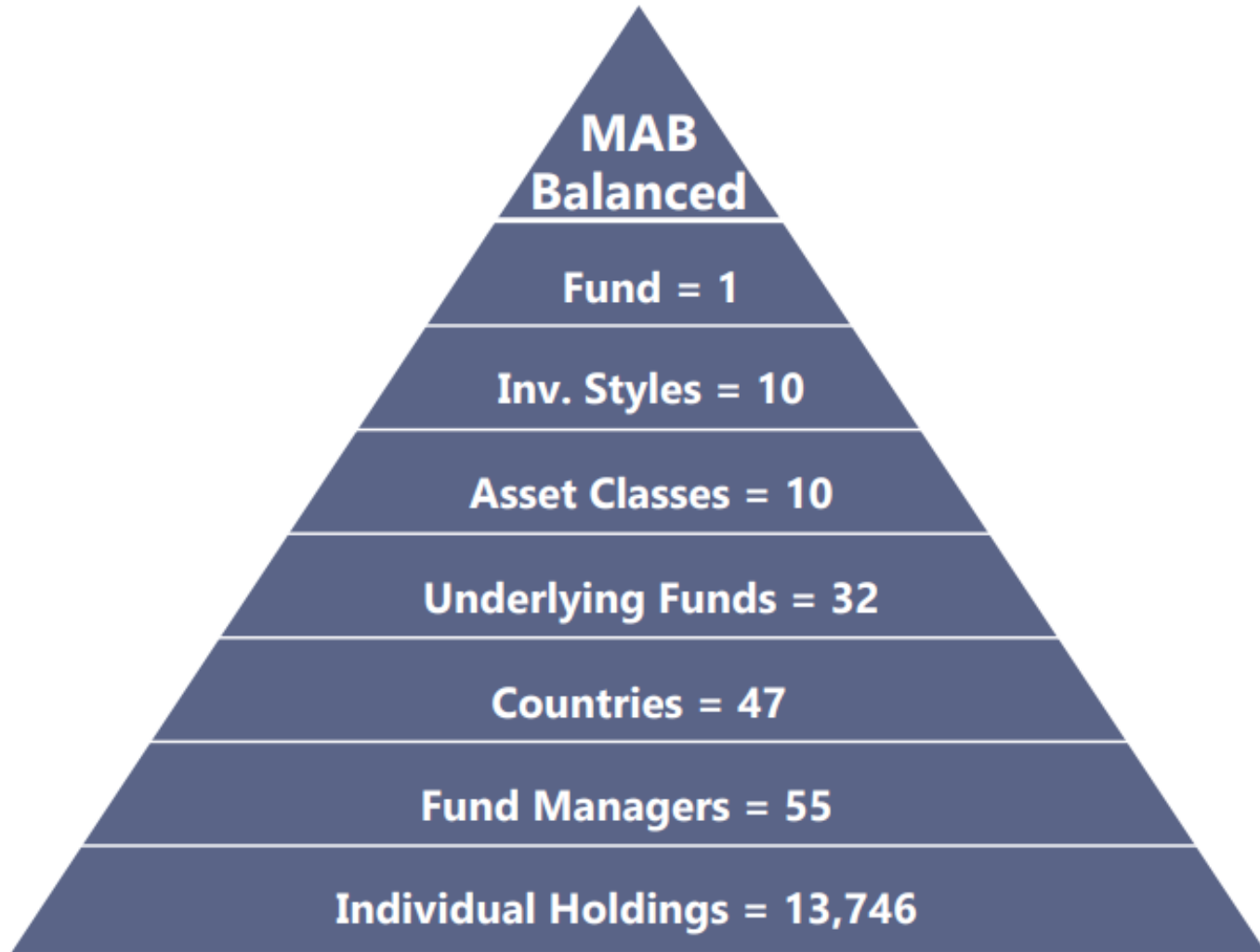
Breaches / exceptions	Trading	There was a re-balancing issue with Janus Henderson on Parmenion. This was resolved the following working day.
	Complaints	Nil
Personal Account Deals	Nil	
Inducements / gifts	Inducements are now being logged directly onto Zoho.	
Conflicts	Nil	
MiFID 10% drop notifications	Max. drawdown over past 3-month period:	Ethical Growth: -4.52% Active 10: -3.45% Enhanced Passive 10: -2.79%
	Reports Issued:	Nil

IFSL reporting to ensure compliance with contractual obligations:

Change in our ability to fulfil contractual obligations	No
FCA enforcement	Nil
Changes to PII contract	Nil
Acting in accordance with best execution	Yes
Changes to best execution policy	Nil
Change to shareholders	Nil
Breaches of sponsorship agreement	Nil
Failure / breach by the depositary	Nil
Changes to conflicts of interest	Nil
Appointment of agents	Nil

IFSL Quarterly Attestations:

System failures affecting pre-trade checks:	Nil
Purchase of new issues:	Nil
All trades within permitted investments:	Yes
Allocation policy used:	No
Market abuse reports:	Nil
Best execution achieved:	Yes
Dealing errors in Fund:	Nil
IT / critical system breaches:	Nil



as at 31/10/2022


Advantages of using Funds

- Increased Tax Efficiency
- Improved Frequency For Trading
- Less time "out of the market" when switching Underlying Funds
- Accurate monthly & quarterly reporting
- Wider range of specialist investments
- Carbon footprint offsetting
- Ongoing management in probate

Working with advisers and clients



Keeping you informed – client guides



Investment strategies explained

You will have developed a relationship with your financial adviser and discussed your financial goals, as well as completing a 'fact find' to understand more about what you are looking to achieve.

Within this process, your adviser will gain enough knowledge and understanding of your goals to ensure you understand exactly what it means for your financial plan and its investment strategy.

Your financial adviser will work with you to select the most appropriate investment solutions for you. These will typically cover the following types of investment choices:

Understanding investment strategy

Diversification

Diversification is an important element of any investment strategy. It aims to maximise returns (within differing risk tolerances) by investing in different areas that would each react differently to the same event. This technique reduces risk by allocating investments across various financial instruments, industries, and other categories.

Active & Passive

Active investing allows fund managers to apply expertise and judgement to adjust portfolios for the purposes of return enhancement or risk management. With more resource applied, costs are higher for these strategies, which result in higher fees for clients. In addition, the average fund manager fails to beat the market, so you need to find one that does! Fund selection is therefore key to the outcome.

Passive investing seeks to build wealth gradually by replicating market performance in order to construct a well-diversified portfolio. It is an efficient way of generating market returns and has lower fees as a result. In replicating the market, the strategy buys assets that have risen in price and sells those that have fallen.

Ethical & Income

Ethical strategies combine investments in socially responsible, ethical, and environmental funds with a strategy for long term capital growth. All funds in this sector are independently monitored for consistency in their ethical and environmental credentials.

Income investing builds an investment portfolio to generate a sustainable and regular flow of income. This is a diversified portfolio which is invested in equities, bonds and other asset classes, in order to receive dividends, coupons, and other income payments. Although designed to target income over growth, it is important to understand that the income is not guaranteed and will fluctuate, depending on the economic conditions. The higher the income you are targeting, the more risk there is to the money you invested.

Defensive, Growth & Balanced

A defensive investment strategy is as conservative as the name suggests and will hold lower risk investments such as cash, bonds and absolute return assets. These are typically used for investments of a shorter-term nature where risk management is key.

A growth investment strategy is focused on generating strong returns over the long-term. Portfolios will be heavily biased towards holding shares. Diversification will be achieved through investment in listed shares across the globe, in large and small companies.

A balanced investment strategy is one that combines Defensive and Growth investments in a portfolio that aims to balance risk and return. Balanced portfolios combine shares, bonds and alternative investments.

Page 1 of 2 Helping you achieve your financial goals

Fund Selection Process

The team uses a combination of quantitative and qualitative methods to select suitable investments for inclusion in the Model Portfolio ranges and Multi-Asset Blend Funds. There are several stages to the selection process, which are detailed below:

1. Idea Generation

Investment ideas from a variety of sources:

- Weekly team meetings – the team meets every Monday for a broad discussion; new ideas will be discussed here first and the meeting provides a forum for an open and challenging debate.
- We produce a weekly market update which allows us to efficiently monitor markets, identify trends and review leading economic indicators. High-level minutes are recorded.
- Conferences – the team attends a variety of conferences, these are hosted by fund groups, investment banks and trade press. Notes are circulated to the team.
- Industry connections – the team values relationships and meets regularly with a variety of industry professionals. Notes are circulated at the attendee's discretion.
- Reading – the team reads a breadth of information such as broadsheets, trade press, research papers, thought pieces, white papers, industry blogs, etc. These are circulated amongst the team where appropriate.
- Sector screens – the team runs quarterly sector screens on all asset classes. This tool is used to review how funds we own are performing relative to their peer group, but also allows us to find new ideas for potential inclusion in the model portfolio ranges and Multi-Asset Blend Funds.

Initial research is conducted via FE Analytics. FE Analytics is a web-based analytical tool which is subscription based and enables us to access a large pool of data. We also use an additional feature provided by FE Analytics, FinXL, which enables us to extract data from FE Analytics.

In addition to FE Analytics, the team has built various proprietary internal models, which are linked to FE Analytics via FinXL. The team always strives for improvement and the analytical tools we use will continue to be developed to assist us in selecting investments for our clients.

When reviewing potential investments, the team has a medium to long term horizon and a fund will be considered for inclusion in relation to this timeframe.


While the team is unconstrained in how it explores ideas, i.e. there is no set format or universe that we use to source new ideas, a fund must have UK reporting status, which means it is typically an OEIC, Unit Trust and SICAV structure.

The Multi-Asset Blend Funds can also use ETFs. All funds must be priced and traded daily.

Fees are a key consideration; competitive fee structures are sought at the outset and we will negotiate further advantageous terms where available and appropriate.

“ When reviewing potential investments, the team has a medium to long term horizon ”

Page 6 of 8 Helping you achieve your financial goals



Advantages of using Funds

Funds have a number of beneficial advantages over model portfolios, a number of which are listed below. It should be noted that we provide a full look through of our Funds' underlying holdings on a monthly basis.

Fees

The Ongoing Charges Figure (OCF) of our Funds is 1.00% (regardless of the portfolio value). The charges for fund expenses and management will be collected within the Fund. That means you do not need to take income out to pay these charges – so you are not liable for that tax. There is NO additional DFM fee.

Increased tax efficiency

Inside the Fund, investments are bought and sold without triggering a Capital Gains Tax (CGT) event. This means a client is not liable for CGT on any gains until they sell some or all of their holdings within the Fund.

In addition, fixed interest income is treated as dividend income, not interest. Therefore, the income is not taxable because dividends are not taxable if held in a Fund. By contrast, the interest received from fixed interest funds held directly, would be taxable.

Improved frequency for trading

We can instruct daily trades on behalf of clients – this will carry substantial benefits for investments when the ability to act quickly and decisively is paramount (as happened in the COVID-19 crisis).

Less time "out of the market" when switching Underlying Funds

In Model Portfolios, when we sell a Fund and buy another, there is typically a delay of two to three days before the deal is processed by the platform. This means time out of the market when you could miss out on gains and end up paying more for your new investment. With the Fund, buys/sells/switches can be executed on the same day.

Accurate monthly & quarterly reporting

Clients receive regular reports on the detailed holdings within the Fund which is accurate to their individual return. All clients investing in the Fund get the same return in any given period. The accuracy of a model portfolio return depends on how well the investment decisions were carried out by the platform used by the client.

Wider range of specialist investments

Because investments are pooled in a Fund, it opens the door to buying a wider range of assets, including alternative investments and investment trusts.

Ongoing management in probate

In the unfortunate event that an asset owner dies, holdings in Funds simply continue to be managed as normal. The same cannot be said for model or advisory portfolios with an appointed DFM. In many cases platforms will freeze the models at current holdings until assets are released from probate, sometimes leaving an unmanaged portfolio for years. In other cases, platforms can sell down the holdings leaving the estate with uninvested cash until released from probate.

The information in this document is general in nature and does not constitute legal, tax or investment advice. We recommend that potential investors seek professional financial advice before making any investment. YOU Asset Management Limited is authorised and regulated by the Financial Conduct Authority. This document is designed for use by persons resident in the UK. The information contained in this presentation is intended for investment professionals only. The contents are not to be reproduced or distributed to the public or press. All statements concerning the tax treatment of products and their benefits are based on our understanding of current tax law and HM Revenue and Customs' practice. Levels and bases of tax relief are subject to change. Prior to investing, investors should ensure they have read and understood the Fund Prospectus, the Key Investor Information Document and the Supplementary Information Document.

Page 1 of 1 Helping you achieve your financial goals

Working with advisers and clients



Keeping you informed – weekly market commentary

The screenshot shows the top of the YOU website. On the left, there are social media icons for Facebook, Twitter, LinkedIn, Email, and a plus sign. The main header features the YOU logo, a 'Get in touch' button with an envelope icon, and a phone number '0345 241 5376'. Below the header is a navigation menu with links for Home, Why YOU?, How we Invest, Latest Reports, News, and Contact Us. The main content area is dominated by a large graphic with the text 'The World In A Week.' in a large, bold, blue font. To the right of this text is a collage of 15 individual headshots of people, arranged in a grid-like pattern. Below the graphic, the article title 'The World In A Week - Far East Market Frenzy' is displayed, followed by the date 'November 21, 2022'. The author's name, 'Written by Cormac Nevin.', is shown to the right. The article text begins with 'Global equity markets were broadly flat in local currency terms last week, however there was a significant weakening in the US Dollar vs Sterling and other currencies which left the GBP return for the MSCI All Country World Index down -1.6%.' and continues with 'The weakening dollar was driven by hopes that slowing economic data might prompt the Federal Reserve in the US to slow, pause, or even reverse its path of monetary tightening to combat inflation. This caused a rally in Emerging Market equities and Fixed Income which have come under significant'.

Working with advisers and clients

Keeping you informed – monthly factsheets



Factsheet | 31st October 2022
IFSL YOU Multi-Asset Blend Balanced Fund
 Accumulation - GBP

Objective
 The objective of the Fund is to increase the value of its investments over a minimum of five years, through a combination of capital growth, which is profit on an investment, and income, which is money paid out from an investment such as interest and dividends. The Fund is actively managed, which means the Investment Manager decides which investments to buy and when, and will invest at least 80% in other collective investment schemes, investment trusts and exchange-traded funds.

Performance summary to 31st October 2022
 The Fund performance figures are presented net of the Ongoing Charges Figure (OCF) and are compared to the IA Mixed Investment 20-60% index. This is a risk-based index measuring the performance of investment managers with similar investment characteristics to the MAB Balanced fund.

	MAB Balanced	IA Mixed Investment 20-60%
1 Month	-0.2%	0.6%
3 Month	-3.9%	-4.9%
6 Month	-6.5%	-6.9%
1 Year	-9.1%	-10.5%
3 Year	7.9%	0.5%
Since Inception	7.3%	0.4%

Past performance is not a guide to future performance. Investments may fall as well as rise and you may not get back your original investment.

Asset allocation & pie chart

Fixed Income	24.0%
Absolute Return	13.9%
UK Equity	11.0%
US Equity	10.1%
Property & Real Assets	9.9%
Global Developed Market Equity	8.9%
Global Emerging Market Equity	7.1%
Japanese Equity	7.1%
Europe ex-UK Equity	5.4%
Cash	2.6%

Key facts

Fund AUM	£131.6m
Fund NAV	107.3p
Number of Holdings	32
Ongoing Charges Figure	1%
Fund Launch Date	22nd July 2019
Domicile	United Kingdom
Base Currency	Pound Sterling
Fund Type	OEIC, NURS
Valuation Point	12 O'Clock GMT
Citi	QF38
ISIN	G800J022P70
SEDOL	BJ022P7
Fund Managers	Shane Balkham Cormac Nevin Chris Ayton

Management charges & fund charges:
 Annual Management Charge (AMC). This represents the cost of investing in the underlying Fund Manager and covers the direct, day-to-day costs of managing the Fund.

Ongoing Charges Figure (OCF): The OCF includes the AMC described above, as well as additional administrative costs of holding a Fund including administrative, legal, audit, depository and regulatory costs. Transaction costs may be charged in addition to the OCF.

Page 1 of 3

Factsheet | 31st October 2022
IFSL YOU Multi-Asset Blend Balanced Fund
 Accumulation - GBP

Commentaries

Market
 Domestic politics dominated the month of October. The volatile reaction by markets over the mini-budget saw Chancellor Kwasi Kwarteng reverse some of the planned measures. The planned axing of the 45p income tax rate was withdrawn and he was forced to bring forward the disclosure of his debt reduction plan to regain some fiscal credibility. However, this was not enough to save his job and after just 38 days in the role, Kwarteng was sacked. The sell-off in Sterling, the increase in the cost of government borrowing and mortgage rates, and the unprecedented intervention by the Bank of England, left his position untenable.

Jeremy Hunt was selected as Kwasi Kwarteng's replacement as Chancellor, but the chaos that had unfolded during October was to claim another political scalp. The pressure continued to mount for Liz Truss and her position as Prime Minister became unsustainable. After just 44 days as leader of the country, Truss resigned.

That left Rishi Sunak to be elected by the Conservative party as Prime Minister. Markets reacted with relief to Sunak's appointment and the retention of Jeremy Hunt as Chancellor, with long term gilts now having fully recovered the extensive losses triggered by the package of unfunded tax cuts announced by Truss's regime. Sterling also climbed back to \$1.16, although this was partially due to broader weakness in the US Dollar.

In China, President Xi Jinping tightened his grip on power at the Chinese Communist party's 20th national congress, securing a third term and likely beyond. He also successfully surrounded himself with loyal allies prompting fears of less checks and balances, a continued shift from market-friendly policies to ones promoting common prosperity and security, no change to Xi's economically damaging zero COVID policy and potentially more unfriendly geopolitical rhetoric.

Performance
 The Fund returned -0.2% for the month of October and since launch on 22nd July 2019 the Fund has now returned +7.3%. Our long-term Strategic Asset Allocation for the month was positive at +0.3%, while our tactical positioning was negative at -0.1%, primarily driven by our underweight to European ex UK equities.

Active fund manager alpha was also negative for the month at -0.2%. This was driven primarily by our position in UBS US Growth, however other detractors were Baillie Gifford Global Discovery, Invesco Bloomberg Commodity ETF, Lindsell Train UK Equity, and Ninety One APAC Franchise. This was partially offset by positive alpha from SparkChange EUA ETF.

There were no asset allocation changes made during the month, however we did execute some changes to the underlying funds. Within the Absolute Return asset class, we switched Allianz Fixed Income Macro for Pacific G10 Macro Rates. The change was prompted by team changes within Allianz, as well as falling assets and lacklustre performance. The Pacific fund blends well with the incumbent funds and looks well placed for the current macro environment. Within the UK Equities asset class, we switched Premier Miton UK Value Opportunities for Vanguard FTSE 250 ETF. The change was prompted by the announcement of the fund manager's retirement, which has reduced our conviction in the fund. The Vanguard ETF has been introduced to maintain our exposure to the attractively valued UK mid-cap segment of the market.

The Fund remains highly diversified, and we maintained the broad Active/ Passive split within the Fund for the month, with a 60% preference towards Active managers.

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Factsheet | 31st October 2022
IFSL YOU Multi-Asset Blend Balanced Fund
 Accumulation - GBP

Holdings as at 31st October 2022

Fund	Asset Class	Weight
Vanguard Global Aggregate Bond ETF	Fixed Income	12.4%
Lycor Core UK All Cap ETF	UK Equity	5.9%
Sarlam Multi Strategy	Absolute Return	5.1%
Clearbridge Global Infrastructure	Property & Real Assets	4.4%
Invesco S&P 500 ETF	US Equity	4.4%
Fulcrum Thematic Equity Market Neutral	Absolute Return	4.4%
Pacific G10 Macro Rates	Absolute Return	4.4%
Janus Henderson Horizon Strategic Bond	Fixed Income	4.2%
Amundi Prime Japan ETF	Japanese Equity	3.9%
HSBC MSCI EM ETF	Global Emerging Market Equity	3.4%
MAN GLG High Yield Opportunities	Fixed Income	3.1%
UBS China Bond	Fixed Income	3.0%
Neuberger Berman US Small Cap Intrinsic Value	US Equity	2.9%
Lycor Core MSCI World ETF	Global Developed Market Equity	2.8%
UBS US Growth	US Equity	2.8%
Vanguard Europe ex-UK ETF	Europe ex-UK Equity	2.7%
Cash	Cash	2.6%
Vanguard FTSE 250 ETF	UK Equity	2.5%
Lindsell Train UK Equity	UK Equity	2.5%
Pzena Global Value	Global Developed Market Equity	2.4%
Brown Advisory Global Leaders	Global Developed Market Equity	2.4%
AQR Managed Futures	Property & Real Assets	2.2%
Invesco Bloomberg Commodity ETF	Property & Real Assets	2.2%
North of South EM All Cap	Global Emerging Market Equity	1.9%
Ninety One APAC Franchise	Global Emerging Market Equity	1.8%
Matthews Asia Japan	Japanese Equity	1.6%
Nikko AM Value	Japanese Equity	1.6%
Blackrock Continental Europe	Europe ex-UK Equity	1.4%
River and Mercantile European Fund	Europe ex-UK Equity	1.4%
Baillie Gifford Global Discovery	Global Developed Market Equity	1.2%
ASI Short-Dated ILB Tracker	Fixed Income	1.2%
SparkChange Physical Carbon EUA ETF	Property & Real Assets	1.1%
		100.0%

Fund Managers

Shane Balkham, Chief Investment Officer E: shane.balkham@YOU-Asset.co.uk	Cormac Nevin, Fund Manager E: cormac.nevin@YOU-Asset.co.uk	Chris Ayton, Fund Manager E: chris.ayton@YOU-Asset.co.uk
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More information & how to invest:
 Web: www.YOU-Asset.co.uk
 Tel: 0345 241 5376
 ACD: Investment Fund Services Limited
 Email: enquiries@YOU-Asset.co.uk

Awards: Professional Adviser AWARDS 2021, Professional Adviser AWARDS 2020, Specialist Investment Awards 2020, Finalist Investment Awards 2022.

Investment Platforms: You can also invest in this Fund via one of our Investment Platforms: 198, AI Bell, Acornic, Aviva, Canada Life, Charles Stanley (except), Chancemen, Evers, F&I Wealth, Hulse, Huxley, Paragon, Quilter, Standard Life, Triant, UBS, Vanguard, YOU Platform.

Important information: All data is correct as at 31st October 2022 and provided by investment funds' service provider (IFSP). The information in this document is general in nature and does not constitute legal, tax or investment advice. We recommend that potential investors seek professional financial advice before making any investment. This document is designed for use by persons resident in the UK and is not for re-production. All figures are in GBP and show Total Returns net of OCFs. Past performance is not a guide to future performance. Investments may fall as well as rise and you may not get back your original investment. Changes in exchange rates or interest rates may have an adverse effect on the value of your investments. IFSP is the Authorized Corporate Director (ACD) of the IFSL YOU Multi-Asset Blend Funds. IFSP is authorised and regulated by the Financial Conduct Authority. Copies of the Prospectus and Key Investor Information Document are available from www.YouFund.com. Investors should refer to these for further details on the fund's investment objectives, policy and associated risks. Issued by YOU Asset Management which is authorised and regulated in the UK by the Financial Conduct Authority.

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Working with advisers and clients

Keeping you informed – quarterly reviews



Active | April 2022



Quarterly Review

What did happen?

Three things dominated the beginning of 2022. One was something we expected, and one was something that completely took us by surprise. Then there was one that was the continuation of an existing risk and very familiar to all of us.

Taking the latter first, 2022 has not completely eradicated the continuing effects of COVID-19. While many regions of the world have dispensed with any COVID restrictions, China continues to follow a zero-tolerance approach to the pandemic. As recently as last month, China unveiled the most significant lockdown measures since sealing off Wuhan over two years ago, splitting the region in two, as they initiate mass testing in April.

This is becoming a unique approach, as the country attempts to eliminate any cases despite the obvious economic and social costs. The difficulty lies in the highly communicable nature of the Omicron variant and that China has a significant percentage of its elderly unvaccinated. Heading into the current outbreak, over 40% of China's over 80's remain unvaccinated, although the number of recorded deaths remains relatively low. This is a highly political issue, with President Xi Jinping emphasising the need to minimise the impact on the economy, while portraying a country that has kept the virus at bay.

In a country where the government is seen as all powerful, failure of strategy is unthinkable. That is why the manufacturing and non-manufacturing data published last month is important. It paints a picture of market conditions contracting, marking the first time that both of these sectors have shrunk simultaneously since 2020. Together with COVID-19 cases confirmed in 28 of the 31 provinces, and lacklustre signs of economic growth, the probability of stimulus measures in China increases, putting it in a different direction to the rest of the world.

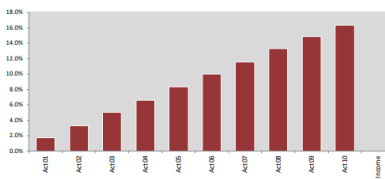
The one that was the surprise was of course Russia's invasion of Ukraine. The conflict was unpredictable and has wreaked havoc on humanity and economies. Uncertainty will continue and although sanctions appear to be working, it would be foolhardy to predict the outcome of this conflict. Talks in Turkey have helped dampen the shock, as shown by a positive month for some markets in March. However, the conflict looks likely to last longer than previously had been hoped.

Although Russia's share of world growth is negligible, its share of commodities is not. The significant role that Russia plays in world commodities may constrain an already tight supply, which would put upward pressure on prices. Energy prices have already risen sharply, and it will be important to monitor how that affects

consumer confidence. There will be pressure on governments to ease the squeeze on income price controls lapse. If stay high then it could drag on global growth. Europe where gas prices significantly than in the

Inflation had been fore around April and May, undoubtedly create see volatility spike. It extrapolate this data to case scenarios, exacerbating and struggling supply central banks to remain continue on the path o rates.

US Equity

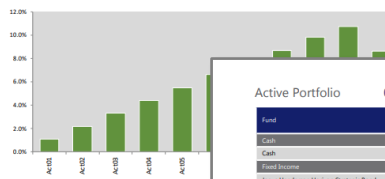


US Equities were down by -2.2% over the first quarter of 2022, with the S&P 500 having its first negative quarter since Q1 of 2020 which marked the start of the COVID-19 pandemic. During this volatile period, we have seen US CPI rise to 7.9%, the Federal Reserve commence its forward guidance around interest rate hikes and finally Russia's invasion of Ukraine. These themes are somewhat interlinked with the invasion by Russia elevating energy prices further with the price of Crude Oil briefly surpassing \$120. Global supply chains were already fragile, but the Russian invasion only exacerbated the situation with consumers directly impacted by surges in their energy and transport bills.

The Federal Reserve's attempts to curb inflation resulted in interest rates being raised by 0.25% to 0.5% with the dot plot projection leaning towards further hiking at its remaining meetings.

Finally, there was the one that we

Europe Ex-UK Equity



European Equities (ex-UK) retraced -7.4% during the first quarter of 2022, making it the worst performing asset class during the period. Russia's invasion of Ukraine was one of the biggest tailwinds for the asset class with the Eurozone having significant exposure to Russia's oil and gas. Russia plays a dominant role as an energy producer, supplying approximately 40% of Europe's total gas requirements. The EU has already begun to sanction Russia by restricting imports of coal, however this could materially impact the likes of Germany who is heavily reliant on Russia's supply. Europe remains highly vulnerable to price and supply shocks and the EU's management of the situation will be a difficult task going forward as further sanctions could cause a decline in economic activity and potentially cause a period of stagflation.

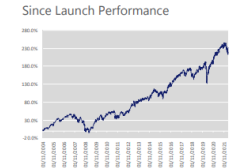
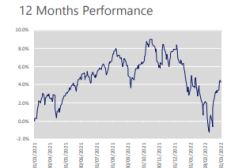
Quarterly Review

Active Portfolio 06

Asset	Fund Weight %	Qtr	1 Year
Cash	2.0	0.0%	0.0%
Fixed Income	2.0	0.0%	0.0%
Janus Henderson Horizon Strategic Bond	4.0	-6.0%	-2.9%
UBS China Bond	2.0	0.2%	1.7%
Federated Hermes Unconstrained Credit	4.0	-5.2%	-3.0%
Man GLD High Yield Opportunities	5.0	-2.5%	3.5%
Emerging & Global Income	2.0	0.0%	0.0%
Global UK Infrastructure Income	4.0	2.5%	13.9%
Schroder Global Cities Real Estate	4.0	-2.8%	18.0%
PMCO Commodity Real Return	2.0	26.0%	52.8%
Altimira Return	0.0	0.0%	0.0%
Spartan Multi Strategy	5.0	-1.2%	2.8%
Alliant FIM	5.0	-4.8%	-8.8%
Falcon Thematic Equity Market Neutral	3.0	3.4%	3.1%
UK Equity	0.0	0.0%	0.0%
TB Everide Income	3.0	-4.7%	9.3%
Premier Miton UK Value Opportunities	4.0	-12.0%	-5.8%
Praxinos UK Managers' Focus	4.0	-5.9%	6.5%
Pillar Capital UK Value Opportunities	3.4	-6.3%	5.3%
US Equity	0.0	0.0%	0.0%
Neuberger Berman US Small Cap M	2.5	-1.6%	10.2%
UBS US Equity	2.5	-1.8%	19.7%
UBS US Growth	2.5	-5.0%	22.4%
Loomis Loomis Small US Equity Leaders	2.5	-4.2%	13.4%
Europe Ex-UK Equity	0.0	0.0%	0.0%
Blackrock Continental European Equity	4.0	-11.7%	12.5%
River and Mercantile European Fund	2.6	-5.6%	9.2%
Japanese Equity	0.0	0.0%	0.0%
Matthews Asia Japan	4.9	-11.9%	-6.7%
Nikko AM Asian Value	4.9	0.2%	2.9%
Global Emerging Markets Equity	0.0	0.0%	0.0%
GSAM Emerging Markets COBE Equity	2.7	-0.1%	-2.4%
North of South EM All Cap	3.0	-1.3%	-2.3%
Ninety One Asia Pacific Franchise	3.0	-8.0%	-14.8%
Global Developed Market Equity	0.0	0.0%	0.0%
Brown Advisory Global Leaders	4.4	-5.2%	10.1%
Parus Global Value	3.2	4.6%	11.7%
Loomis Global Dividend	2.5	-2.5%	8.5%

This Portfolio invests in a variety of assets to obtain diversification. It is suitable for investors for whom returns are more important than capital protection.

	QTR	1YR	3YR	5YR	LAUNCH	ANNUALISED
Act06 Portfolio	-3.3%	4.3%	25.7%	34.7%	230.8%	7.1%



Asset Class	Strategic (%)	Tactical (%)
Cash	2	2
Fixed Income	15	15
Property & Real Assets	10	10
Absolute Return	13	13
UK Equity	11.1	14.4
US Equity	12.1	10
Europe ex-UK Equity	9.8	6.6
Japanese Equity	7.6	9.8
Global Emerging Market Equity	8.7	8.7
Global Developed Market Equity	10.7	10.5



Working with advisers and clients



Keeping you informed – adviser and client seminars

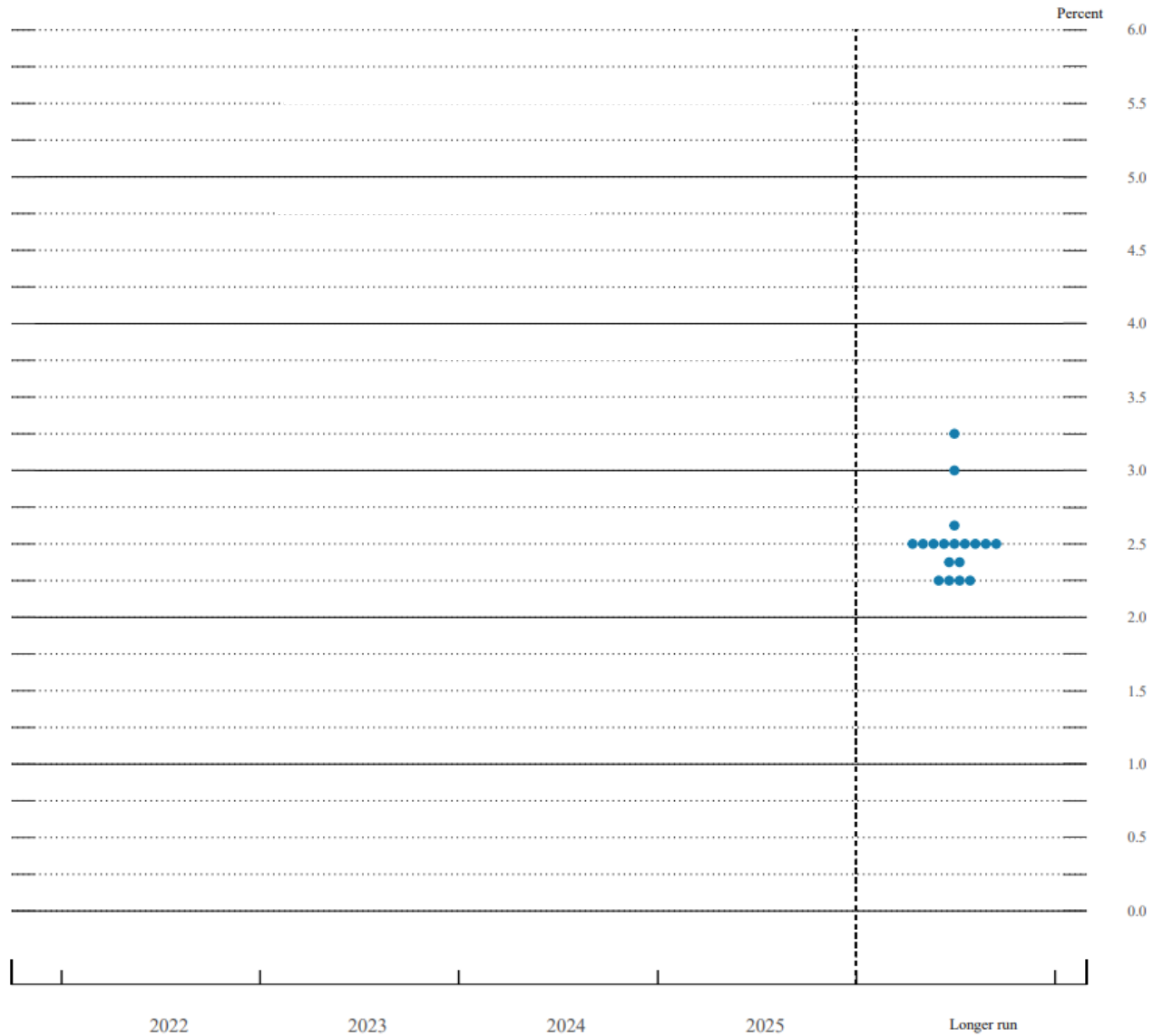


- Investment webinars and seminars for advisers
- Investment webinars and seminars for clients
- Client meetings
- Direct access to the YOU investment team

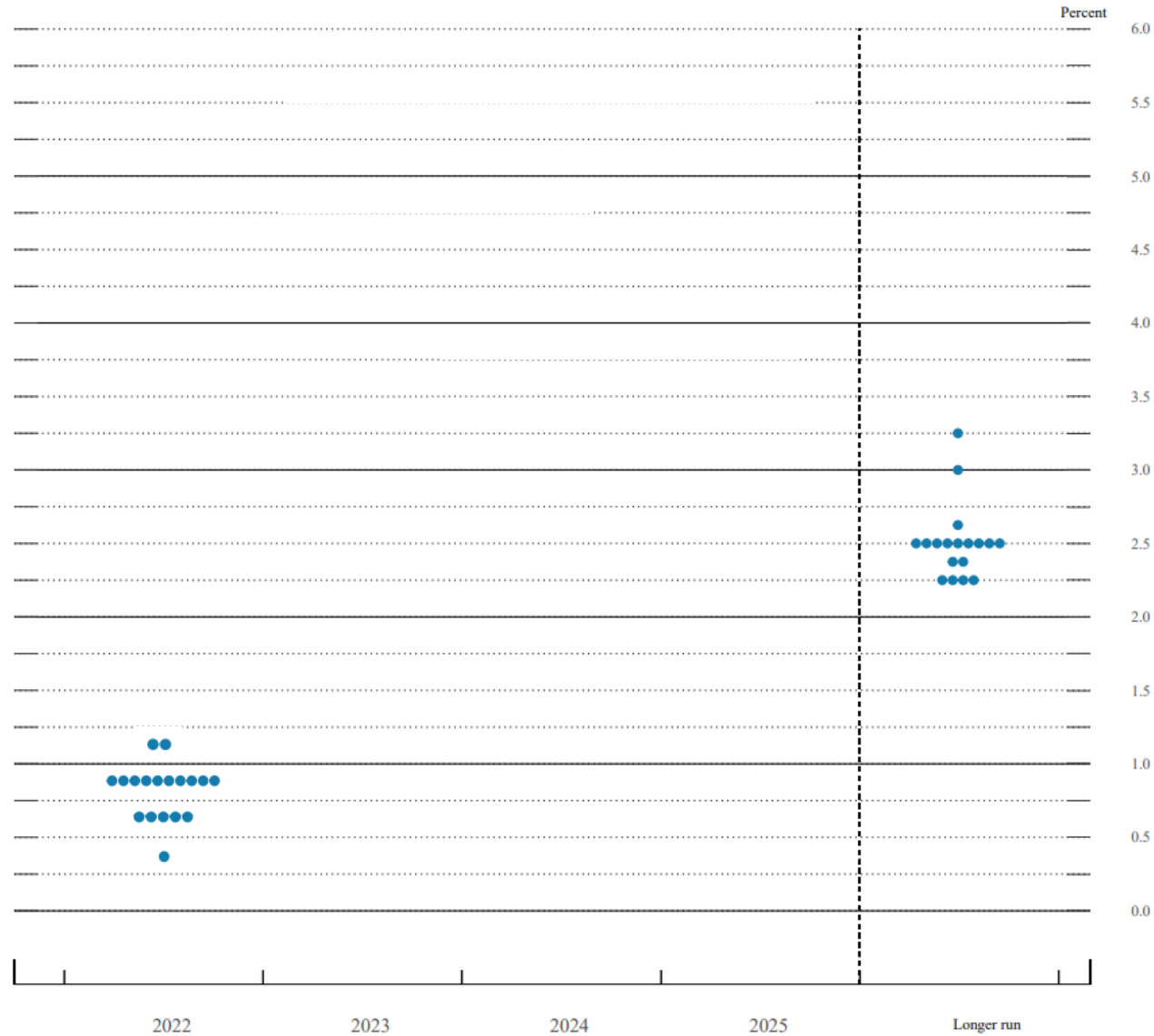


Macro economic outlook

Outlook – Triple peaks for 2023?

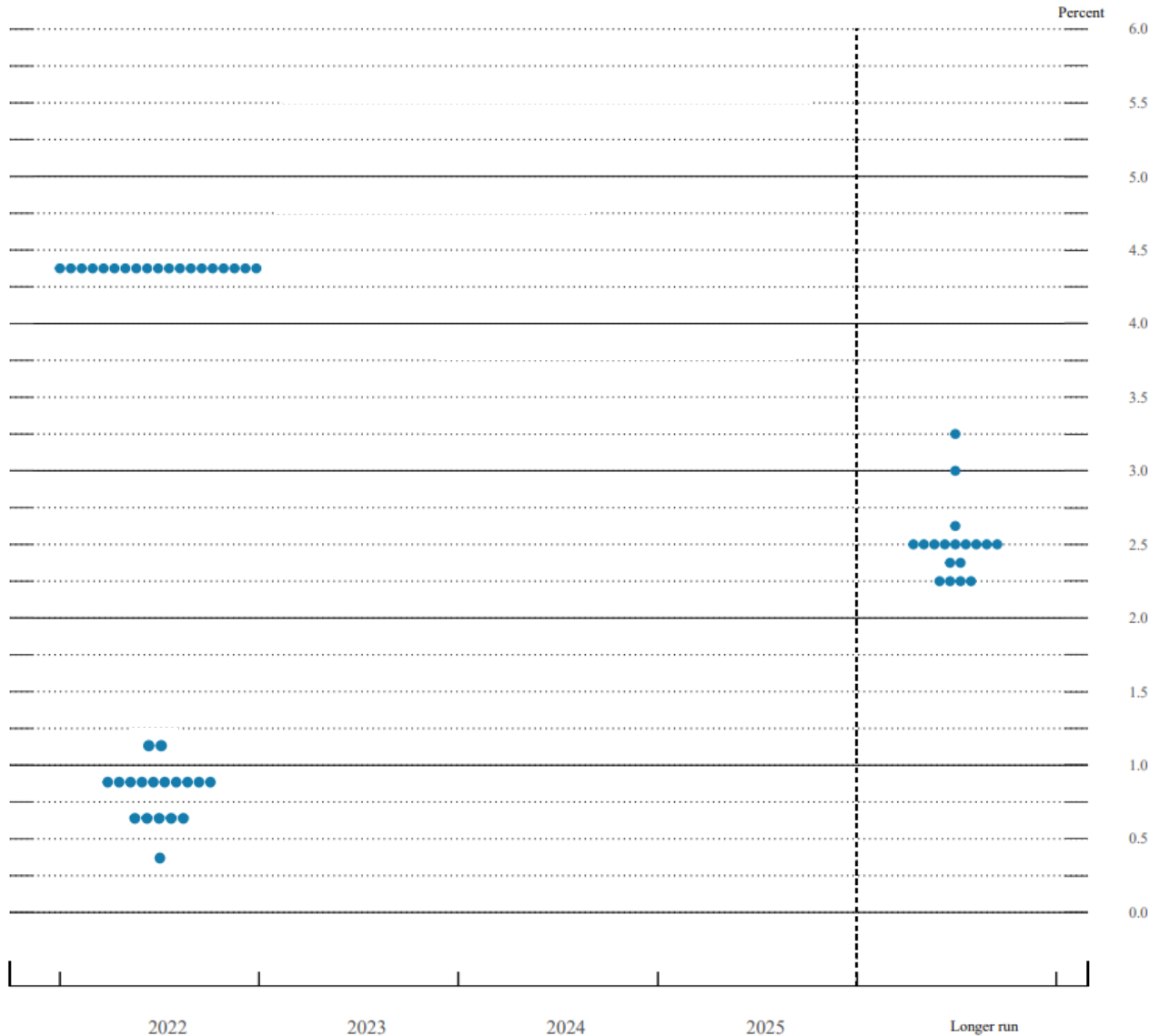


Outlook – The forecast in the US is for further rate hikes



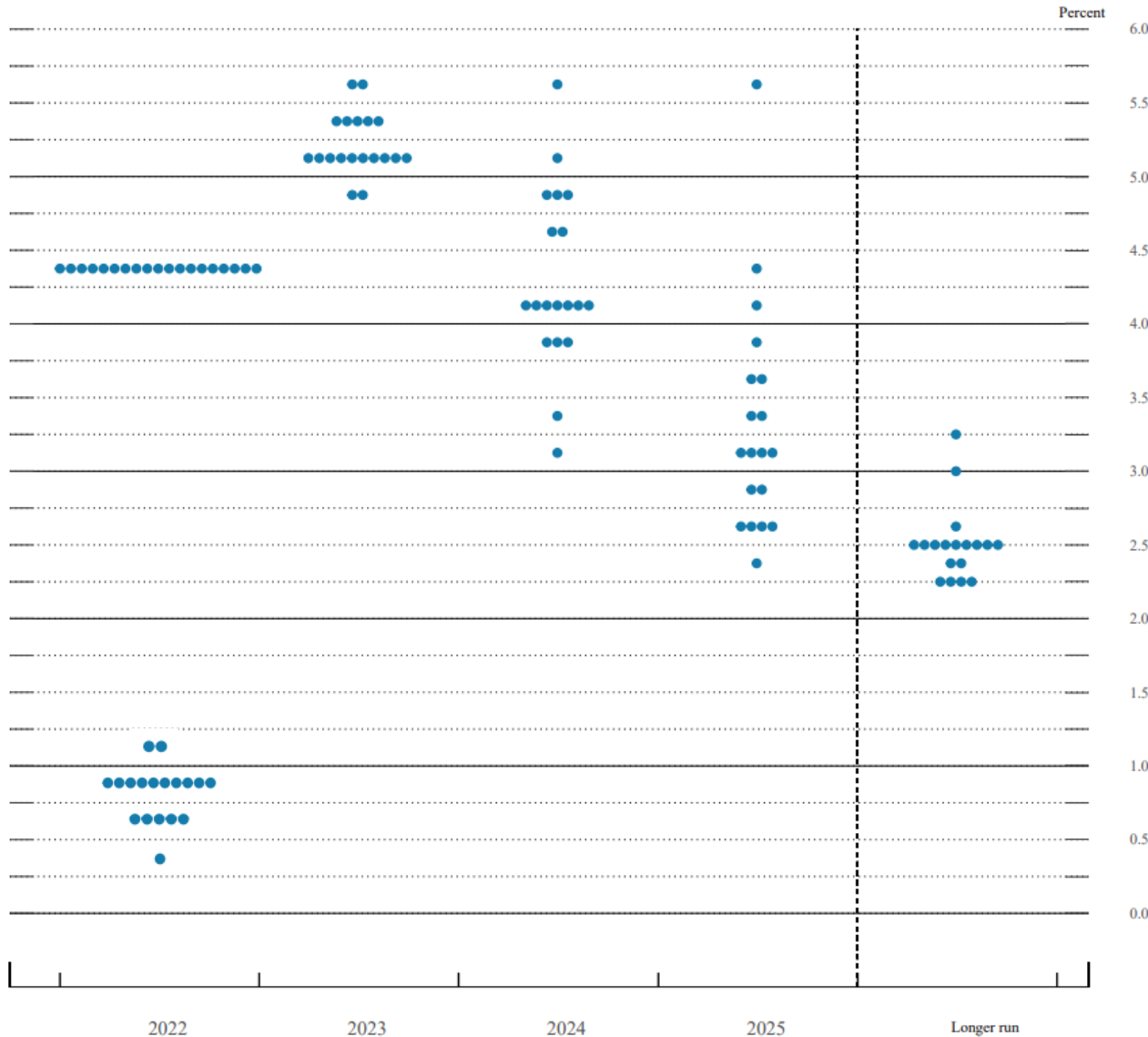
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Outlook – The forecast in the US is for further rate hikes



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- We moved from 3 expected rate hikes at the beginning of the year and ended up with 17.

Outlook – The forecast in the US is for further rate hikes



- All the economic restructuring ended up being brought forward into 2022.
- We moved from 3 expected rate hikes at the beginning of the year and ended up with 17.
- It is likely that we will see peak inflation, peak interest rates, and peak US dollar strength in 2023.
- This creates a more favourable backdrop going forward.

- Q & A

Important Information



The Active Portfolios, one to ten were launched on 1st November 2004 (Equip Portfolios were renamed Active Portfolios on 1st October 2019). The Income Portfolio was launched on 1st November 2010. The Enhanced Passive Portfolios were launched on 2nd April 2013. The Ethical Portfolios were launched on 1st April 2015. The calculation date for all performance figures quoted is to 30th November 2022, unless otherwise stated. Past performance is not a guide to future investment returns. The value of investments and the income from them may fluctuate and you may not get back your original investment. All the performance information is based on unit holdings priced in GBP (Sterling) unless otherwise stated. Fund percentage growth is calculated with income re-invested back into the fund net of tax. For fund or sector average benchmarks the percentage growth is also calculated net of tax. Index benchmarks will not normally include re-invested income at all. Performance is bid to bid. The benchmarks used in this publication are Asset Risk Consultants Private Client Indices, unless otherwise stated. If you have moved portfolios during the quarter or have not been fully invested in the portfolio for the entire quarter, then the performance figures quoted in the review will not be the same as you have experienced. Performance can vary depending on the dates on which switches are carried out may be considerably different to that quoted. YOU Asset Management are authorised and regulated by the Financial Conduct Authority. YOU Asset Management is registered in England No. 06150317. Registered office: Building 2, Watchmoor Park, Riverside Way, Camberley, GU15 3YL. All the information contained in the communication is believed to be reliable but may be inaccurate or incomplete. Any opinions stated are honestly held but are not guaranteed and should not be relied upon. This is not a buy, sell or hold recommendation for any particular investment.

Summary

- A great fit for our clients investment needs at this time
- Added expertise, experience and dedicated resource on the investments
- Potential for improved performance especially during challenging market conditions
- Unique Seminars/Webinars will be run quarterly just for our clients
- Your adviser will be in touch over the next week to discuss feedback



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