

### INVESTMENT OBJECTIVE

To provide income and long term capital growth.

### STRATEGY RISK PROFILE AND SUITABILITY

The portfolio has a multi asset approach and will make use of different asset classes to achieve its objective.

The portfolio is managed with a moderate level of risk. The managers will employ the full range of actively managed Blenheim funds in the construction and running of the portfolio with the necessary risk controls to ensure the portfolio remains in line with its stated risk profile. The portfolio's exposure to equities will be limited to no more than 60% and the balance will be invested in a blend of other asset classes to maintain the moderate risk profile nature of the portfolio.

The portfolio is suitable for investors whom are looking for income and longer term (5 years plus) capital growth, and are prepared to accept a moderate level of risk, which is a higher level than Defensive Mixed assets portfolio and with the commensurate higher potential return, but lower than Global Equities.

### MANAGEMENT

The portfolio is managed by Beckett Asset Management's team of investment professionals: Samantha Owen, Tony Yousefian and Elliot Basford.

As well as deciding on asset allocation, the team also manages the underlying Blenheim range of funds. These are actively managed utilising a wide investment universe, in line with their investment objectives.

### BENCHMARK

ARC Sterling balanced Assets Private Clients Index is a suitable benchmark. This index has a targeted volatility band of 40% - 60% relative to World Equities.

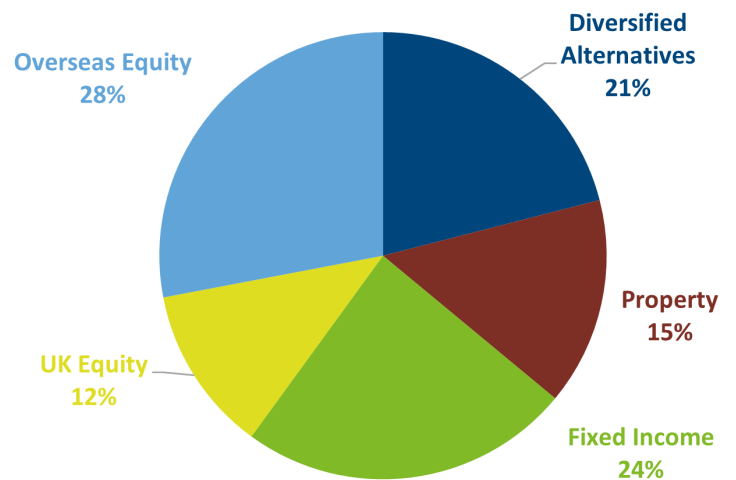
### INCOME YIELD

1.68%

### ONGOING CHARGES FIGURE (OCF)

0.79%

### PORTFOLIO COMPOSITION



### PORTFOLIO CONSTITUENTS

Blenheim Diversified Alternatives	21%
Blenheim Diversified Property	15%
Blenheim Fixed Income	24%
Blenheim UK Equity	12%
Blenheim Overseas Equity	28%

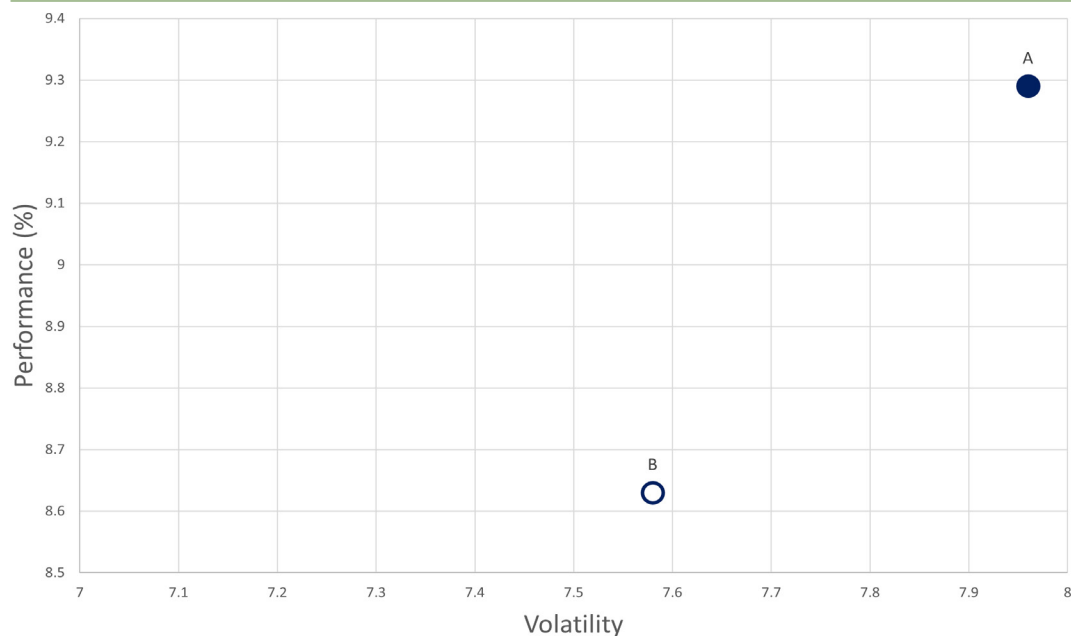
## MANAGER COMMENTARY

In Q4 the strategy produced a small positive return. In a reversal of last quarter, the UK Equity exposure was the biggest contributor. This was followed by Alternatives, Overseas, then Fixed Income. Only Property was a detractor. Appetite for stocks revived a little in Q4, with the Dow Jones index, for example, posting its largest monthly gain since 1976 in October. This mini rally carried on into November as US inflation finally started to cool. However, in December, Fed Chair Powell took a sledgehammer to expectations that interest rates would peak sooner rather than later. Asia rallied somewhat at the end of the year, led by China as they relaxed some of their stringent Covid 19 rules. We now dare to hope that we are at last into a post-pandemic era. Still, China's reopening is likely to be bumpy, with infections rising initially before hopefully stabilising around the lunar new year of the Rabbit.

During the quarter we rebalanced the headline asset allocation of the model to take advantage of the move in bond yields by reducing Alternatives slightly in favour of Fixed Income. We also trimmed the UK exposure in favour of Overseas. Under the bonnet in the Blenheim funds, we continue to have preference for large-cap, defensive UK assets. We have added Gold to Alternatives, and we are now starting to add to corporate bonds within Fixed Income. We have switched the Japan exposure in Overseas to be fully exposed to the movement of the Yen. We have bought into a new Global Listed Property holding in the Property fund, following in-depth due diligence with the manager, who anecdotally is very excited that he may be launching the strategy at (or close to) the bottom of the market. We had been tracking the offshore version of this fund for some time, and this is the onshore launch of that strategy. There are some significant discounts to NAV (net asset value) in the listed property company space. While we cannot be sure about the NAV, we are confident those discounts are too large and will narrow, which gives us an opportunity to make returns.

We look forward to 2023 with optimism as the investment environment slowly returns to normality, having been turned upside down. That isn't to say economies are off to the races; there could be stagnation or even shrinkage in developed world economies, but headline CPI (inflation) figures have started to slow their ascent. We enter the most anticipated recession in living memory, but the slowdown is expected to be much less painful than past recessions.

## RETURN AND VOLATILITY 5 YEARS TO 31/12/22



● A  
DEFENSIVE BALANCED  
MIXED ASSETS TR

○ B  
ARC STERLING  
BALANCED ASSET PCI

SOURCE: FE ANALYTICS

INVESTMENTS ARE INTENDED FOR THE LONG TERM. THEIR VALUE IS NOT GUARANTEED AND MAY GO DOWN AS WELL AS UP. THE VALUE OF INTERNATIONAL HOLDINGS MAY ALSO BE AFFECTED BY THE FLUCTUATION IN THE VALUE OF STERLING AGAINST OTHER CURRENCIES. PAST PERFORMANCE IS NO GUIDE TO FUTURE RETURNS. THIS DOCUMENT SHOULD NOT BE CONSTRUED AS AN OFFER DOCUMENT OR SOLICITATION AND IS CIRCULATED BECAUSE THE CONTENTS MAY BE OF INCIDENTAL INTEREST. THE OPINIONS STATED ARE THOSE OF BECKETT ASSET MANAGEMENT LTD, WHICH IS AUTHORISED AND REGULATED BY THE FINANCIAL CONDUCT AUTHORITY.