

JULY 2022

RISK PROFILE 4 | INCEPTION JUNE 2008

### 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.

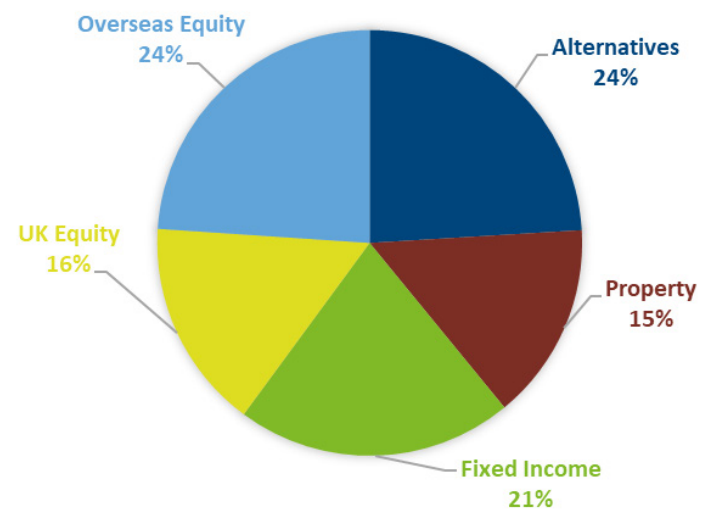
### INCOME YIELD

Income yield as at 30/06/22: 1.78%

### ONGOING CHARGES FIGURE (OCF)

0.66%.

### PORTFOLIO COMPOSITION



### PORTFOLIO CONSTITUENTS

Blenheim Diversified Alternatives	24%
Blenheim Diversified Fixed Income	21%
Blenheim Diversified Property	15%
Blenheim UK Equity	16%
Blenheim Overseas Equity	24%

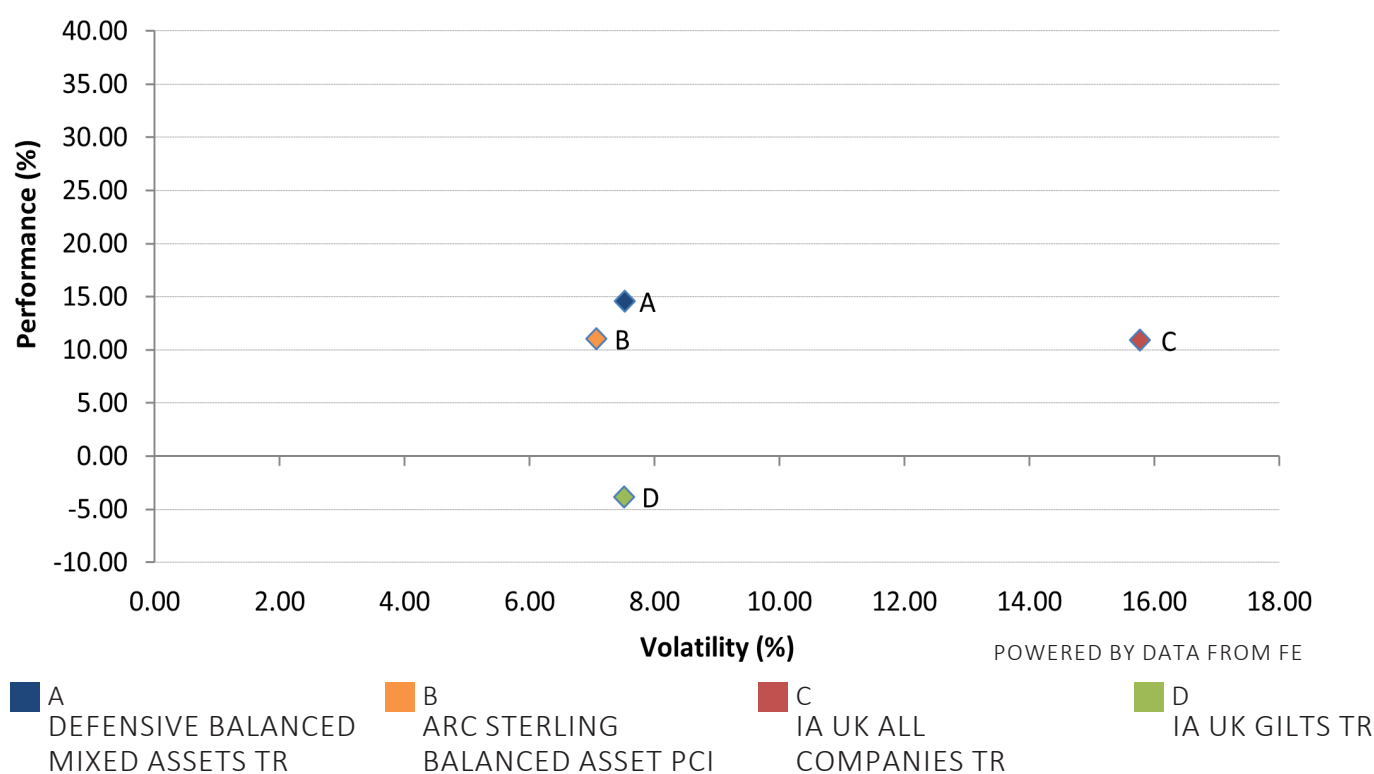
## MANAGER COMMENTARY

As the half-time whistle blows on 2022, few asset classes have made money. The churn in equities and fixed income in the quarter has been severe. The S&P 500 entered a technical bear market on the 13th June. A bear market is usually defined as a drop of 20% or more in a market index. Does that mean all the bad news is priced in? The answer is no one knows for sure. We deliberate if central bankers will relent on hikes before they have inflation under control; so far they seem fixed on course. But with tentative signs of inflation peaking, it reduces the pressure and the risk of a policy mistake.

The underlying attribution of returns, which made up a negative return for the quarter, was disappointing with varying levels of negative returns across all asset classes. This, however, has historical precedent: in periods of market dislocation, correlations between asset classes always rise as investors sell what has held up relatively well to fund the losses from other asset classes. The Portfolio was ahead of benchmark on a relative basis.

The negative return felt by the Portfolio represents a resetting of the investment landscape. Government Bonds now have an interest rate or 'yield' which is moving back towards reflecting a more normal era level. The depressed interest rate environment seen since the global financial crisis, which was dominated by quantitative easing and extraordinary monetary policy, may now be coming to an end. We are slowly beginning to deploy capital into risk assets very cautiously; as various investments have fallen meaningfully, their valuations have become more attractive. We are acting cautiously, with incremental purchases acknowledging the difficulty in timing investments.

## RETURN AND VOLATILITY 5 YEARS TO 30/06/22



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.