

DEFENSIVE MIXED ASSETS PORTFOLIO

BECKETT ASSET MANAGEMENT LIMITED

OCT 2021

RISK PROFILE 2-3 | INCEPTION DEC. 2011

INVESTMENT OBJECTIVE

To provide capital growth in excess of UK inflation over a three-year rolling period.

STRATEGY, RISK PROFILE AND SUITABILITY

The portfolio has a multi asset approach and will make use of different asset classes to minimize the downside whilst providing an element of upside inline the stated objective.

The portfolio is managed on a low risk profile, (lower risk than global equities). 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 it's stated risk profile. The portfolio's exposure to equities will be limited to no more than 25% and the balance will be invested in a blend of other asset classes to maintain the low risk nature of the portfolio without restricting the potential returns in line with the investment objective.

The portfolio is suitable for investors whom have a low risk tolerance but wish to be able to maintain the real purchasing power of their investment over a medium to long term basis.

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

UK Consumer Prices Index plus 2% over a three year rolling period.

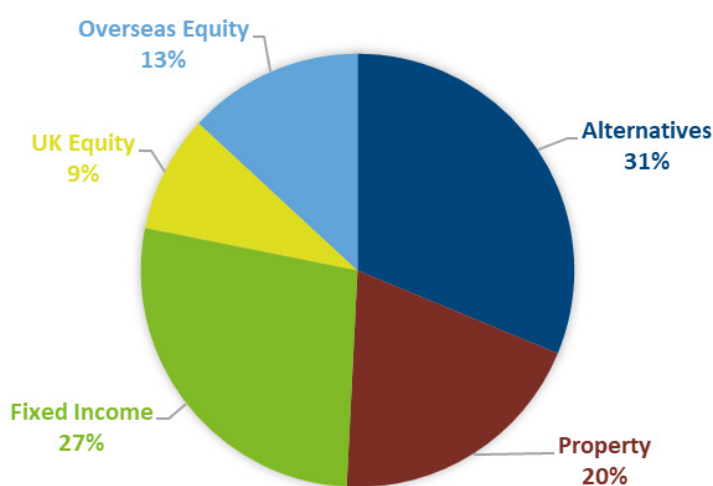
INCOME YIELD

Negligible. Any income is a by-product of the underlying investments and is not targeted by the managers.

ONGOING CHARGES FIGURE (OCF)

0.61%.

PORTFOLIO COMPOSITION



PORTFOLIO CONSTITUENTS

Blenheim Diversified Alternatives	31%
Blenheim Diversified Fixed Income	27%
Blenheim Diversified Property	20%
Blenheim UK Equity	9%
Blenheim Overseas Equity	13%

MANAGER COMMENTARY

The rally that began in Spring 2020 is looking long in the tooth and, with the quarter ending, September weighed on returns as we saw a red month for many asset classes. September was a month to forget for the White House too. Squabbles threatened to foil the President's agenda along with health fears which sent stocks into a nosedive. We expect decisions made by law-makers in the coming weeks and months to carry significant impact into 2022 and beyond as key policy changes are implemented and digested by markets. We could see a reigning-in of dominant technology platforms and increasing broader anti-trust/market concentration scrutiny leading into the 2022 midterm elections.

The third quarter of 2021 has been another strong quarter for this model with a return of positive 1.38%, (gross of adviser fee) which compares very favourably with the ARC Sterling Cautious PCI return of negative 0.21%.

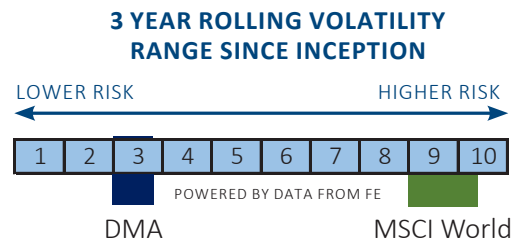
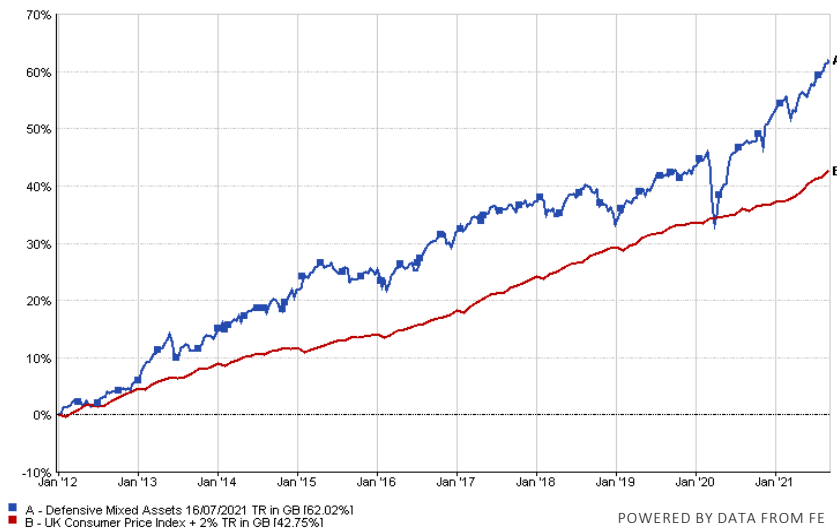
It was particularly pleasing to see that all the constituents of the model contributed positively to the total return, especially in the face of a very difficult quarter for fixed income assets with US Treasury Bond yields rising by some 14.6%. Rising bond yields means lower bond prices. However, the model's exposure to the Blenheim Diversified Fixed Income fund had a positive return of 0.89%, a vindication of the managers' ultra-cautious outlook for this asset class and for the remainder of 2021. Other positive contributors to the performance were UK equities with a return of 3.4% followed by alternative assets which ended the quarter plus 1.58%.

The overall model continues to be defensively positioned and, whilst the individual funds within the model are very actively managed, your managers remain comfortable with the current asset allocation.

RETURN AND VOLATILITY

The chart below represents the performance of the Defensive Mixed Assets model versus its benchmark of UK CPI + 2% from inception of the model to the last available UK CPI print. The graphic to the right of the bar chart highlights the range of three year realised volatility for the model since inception along with that of Global Equities, represented by the MSCI World index.

SINCE INCEPTION PERFORMANCE TO THE LAST CPI POINT



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.