

## PORTFOLIO DEFINITION

### Balanced

The portfolio aims to provide a combination of capital and income growth, with the lower risk element offering some protection against equity market volatility. It aims to grow the investment above inflation over the long term.

Returns are achieved through a broad spectrum of investments ranging from lower risk to higher risk. It is predominantly invested in lower risk and medium risk investments with only modest exposure to higher risk. It is a diversified multi-asset portfolio, with typically more than half of the portfolio invested in equity markets.

## MARKET UPDATE

Equity markets around the globe briefly declined at the start of August, following the publication of less encouraging US economic data, which raised concerns there is a chance the US may be heading for recession. At the same time, the Bank of Japan announced its biggest increase in interest rates for over 17 years. This added to the volatility as 'carry traders', who borrow in a low-interest rate currency (such as the Japanese Yen) and invest in a higher yielding currency, tried to exit their positions as the Yen strengthened.

Over the rest of the month, most markets recovered much of their lost ground following several developments. This included the Bank of Japan ruling out a further rise in interest rates while markets were volatile. There were also more positive labour market releases as well as data showing that the US service sector returned to growth in July.

The US Federal Open Market Committee did not have a scheduled meeting during August, but it now looks almost certain to start cutting rates in September. The Bank of England did meet in August, where it announced its first cut to interest rates since 2020. Expectations of significant rate cuts helped our bond holdings as well as the Invesco S&P 500 High Dividend Low Volatility ETF (+2.4% over August) as it has a high allocation to 'bond proxy' equity sectors that tend to do well when interest rates fall.

By the end of August, most of the holdings in the portfolio had increased in value. It is pleasing to see that the portfolio held up well against the early bout of volatility, yet still participated in the recovery to end the month with a positive return.

**Risk Range**  
The Portfolio Manager will actively manage the portfolio within target risk parameters for each profile. Please refer to Ermin Fosse for more information.

### Ten largest fund holdings (%)

Vanguard Global Emerging Markets	10.8
Man Alternative Style Risk Premia	10.8
Liontrust European Dynamic	10.7
iShares Edge MSCI World Min Vol	10.0
Amundi IS Prime Japan ETF	9.8
Invesco S&P 500 High Div Low Vol ETF	9.4
Fidelity Index UK	8.9
JPM Glb HY Corp Bond Multi-Factor Hdged	7.5
Vanguard Global Credit Bond Inst Hedged	7.3
Amundi Index Global Agg Hedged ETF	6.6
<b>Assets in top ten holdings</b>	<b>91.8</b>

### Ten largest asset class exposures (%)

North American Equities	16.9
European Equities	12.0
Japan Equities	10.9
Government Bonds	10.8
Other Alternatives	10.8
Corporate Bonds	9.3
UK Equities	9.1
High Yield Bonds	7.5
Asia Pacific ex Japan Equities	7.1
Emerging Market Equities	2.4

Cash includes cash held in underlying funds plus GBP held in model

<b>OCF</b>	<b>YIELD</b>
0.42%	1.79%
<b>FE RISK RATING</b>	<b>AMC</b>
56	0.12%
<b>PEAK TO TROUGH</b>	
-17.97%	

CUMULATIVE PERFORMANCE %					
PORTFOLIO	3 MONTHS	12 MONTHS	3 YEARS	5 YEARS	SINCE LAUNCH **
EF CIM Balanced *	2.27	11.82	7.21	25.46	126.05
Bank of England Base Rate	1.26	5.22	9.88	10.48	14.69
UK All Shares	2.40	16.98	24.35	37.89	142.43
UK Consumer Price Index	-0.07	1.90	19.36	23.43	41.44

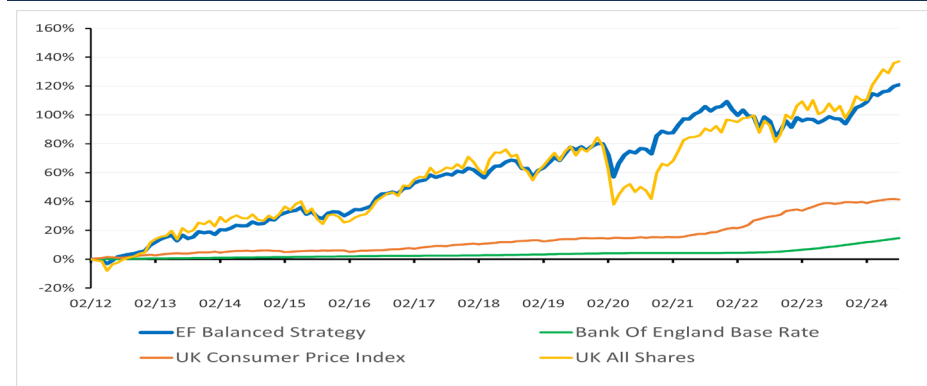
DISCRETE ANNUAL PERFORMANCE %					
PORTFOLIO	31ST AUG 2024	31ST AUG 2023	31ST AUG 2022	31ST AUG 2021	31ST AUG 2020
EF CIM Balanced *	11.82	0.86	-4.94	16.42	0.52
Bank of England Base Rate	5.22	3.77	0.63	0.10	0.45
UK All Shares	16.98	5.23	1.01	26.95	-12.65
UK Consumer Price Index	1.90	6.66	9.81	3.22	0.18

\* CIM took over the management of this portfolio on 1st July 2022

\*\* Launch Date 1st February 2012

## PERFORMANCE GRAPH

Source FE Analytics 31st August 2024



- OCF - An Ongoing Charge Figure (OCF) is made up of the underlying fund manager's charge and a variety of other operating costs.
- YIELD - A Yield is income produced by the portfolio
- FE RISK RATING - A measure of risk relative to the leading 100 UK shares (which has a score of 100). For example, a score of 50 indicates the strategy has previously exhibited half of the volatility of this index.
- AMC - The annual fee that CIM charge to manage the portfolio.
- PEAK TO TROUGH- is also known as Maximum Drawdown. This represents the worst possible return over a period (July 2012 to August 2024) - for example, buying at the maximum price over the period and selling at the worst price.

### CHIEF INVESTMENT OFFICER



#### JONATHAN PROUT

Jonathan is a graduate of the University of Warwick and holds a number of certificates and qualifications in investment analysis, financial modeling, statistical analysis and quantitative finance. Prior to joining Chetwood, Jonathan held senior roles in major financial institutions, managing global investment strategies for over 20 years.

### PORTFOLIO DIRECTOR



#### MIKE EVANS

Mike is a graduate of Exeter University, where he studied Mathematics with Accounting. He has over 17 years' experience of working in the investment industry, and is a Chartered Financial Analyst (CFA). He has also passed the Investment Management Certificate (IMC).

### PORTFOLIO MANAGER



#### CHRIS FLINN

Chris joined Chetwood in 2022 as an Assistant Investment Manager. He has 5 years' experience of providing day-to-day oversight of Discretionary clients and fund research.

Chris holds the CISI Investment Advice Diploma and the Investment Management Certificate (IMC).

### PORTFOLIO ANALYST



#### KAYLEIGH CLACE

Kayleigh joined the team in July 2022 as a graduate of the University of Exeter, where she achieved a Master of Science with Honours in Mathematics with Finance degree.

### WHY CHOOSE CHETWOOD INVESTMENT MANAGEMENT?

Chetwood IM is a dedicated multi-asset investment manager that is trusted to direct the accounts of thousands of clients across the UK.

Clients trust us as the stewards of their capital due to the expertise we have acquired over many years.

Successful investing requires skill, experience and significant resources. We use the power of leading technology, research insights, active management and risk discipline. Our expertise has been forged by successfully navigating through the most challenging market environments.

With deep roots in the wealth management industry, Chetwood IM understands that our most important goal is to create successful investment outcomes for our clients. We recognise that it is strong returns delivered with diligent risk management that ultimately achieves our client's objectives.

The Chetwood IM investment process is founded on a structured and robust strategic asset allocation. We invest across multiple asset classes in order to access globally diversified sources of return. We use market leading technology to monitor our clients progress and ensure we incorporate the insights we learn to develop our investment process over time. Chetwood IM delivers the institutional approach shared by the largest and most sophisticated global investors to retail clients.

We combine our proven process with a deep passion for investments and a commitment to constantly improve the portfolio returns we can generate. Our investment edge is our ability to maximise our client's participation in the growth of markets whilst reducing the downside risk.

### INVESTMENT STRATEGY

The aim of the Balanced Portfolio is to grow the value of your original investment over the long term with an investment horizon of at least 5 years. The portfolio seeks to balance capital preservation with global equity market exposure. The strategy is actively managed and aims to outperform its respective benchmark. The portfolio may be more suitable for clients that are looking for capital accumulation.

### IMPORTANT INFORMATION

Chetwood Investment Management Limited is authorised and regulated by the Financial Conduct Authority. Our regulation details are set out in the FCA register: Firm Reference No: 835233.

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Quoted yields are based on the previous 12 months distributions to investors and are not guaranteed. Future distributions may differ and will be subject to market factors.

Risk factors should be taken into account and understood including (but not limited to) currency movements, market risk, liquidity risk, concentration risk, lack of certainty risk, inflation risk, performance risk, local market risk and credit risk.

Investors should be aware that past performance is not an indication of future performance, the value of investments and the income derived from them may fluctuate and you may not receive back the amount you originally invested.



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