

RISK PROFILE: BALANCED (MEDIUM RISK)

DATE: 31 DECEMBER 2023

**PORTFOLIO OBJECTIVE**

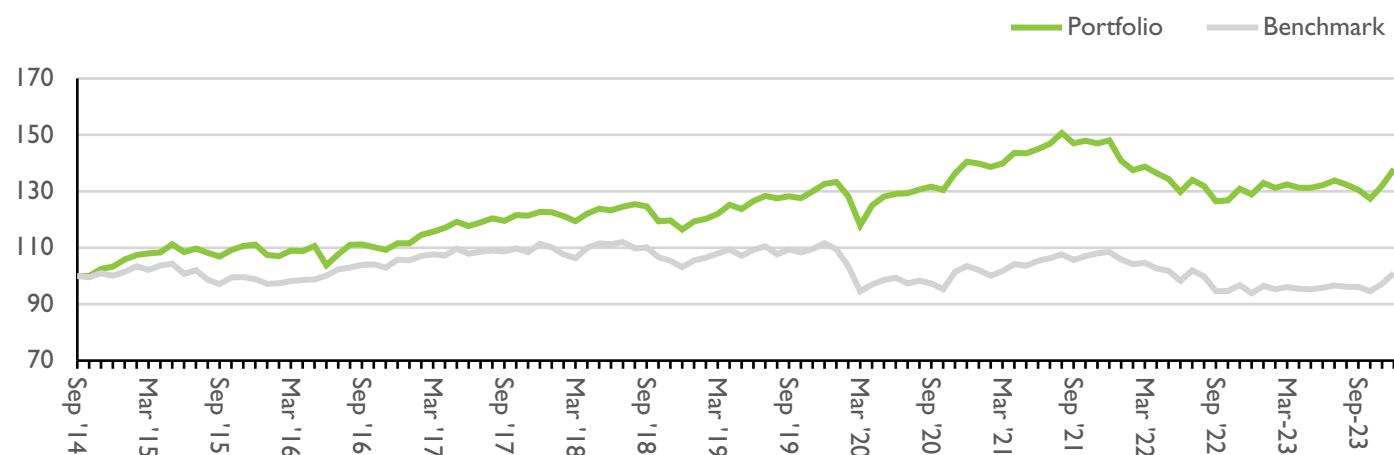
This model comprises sustainable investment vehicles including unit trusts, mutual funds and exchange traded funds (ETFs), whose managers aim to outperform their respective markets. Asset classes you could find in this portfolio are equities, government bonds, corporate bonds, alternatives, commodities and cash. Absolute return, multi-asset and property may all feature within the alternatives classification.

The portfolio seeks to generate capital growth over the medium term (5 years or more), with the aim of riding out short-term fluctuations in value. Portfolios will typically comprise 50% equity and 50% non-equity, though weightings may deviate within set parameters, allowing managers to react to market conditions.

**KEY INFORMATION**

Portfolio Benchmark	Bloomberg Global EQ:FI 50:50
Inception Date	01/09/2014
Minimum Investment	Any size
TAM Annual Management Charge	0.40%
TAM Platform Fee	0.25%
Underlying OCF	0.59%

Please note that the information in this document refers to the model directly on the TAM Platform. The model is also available on a range of other third party platforms where underlying holdings, performance and charges may vary. Please get in touch if you would like more information.

**PERFORMANCE**

Cumulative Return %						
	3 Month	6 Month	1 Year	3 Year	5 Year	Inception
Portfolio	5.63	4.29	6.99	-1.87	19.30	39.22
Benchmark	5.05	5.33	7.51	-2.48	-2.10	16.42
Difference	0.58	-1.04	-0.52	0.61	21.40	22.80
Calendar Year Returns %						
	2019	2020	2021	2022	Year To Date	
Portfolio	14.35	6.31	5.38	-12.97	6.99	
Benchmark	8.26	-7.27	4.79	-13.44	7.51	
Difference	6.09	13.58	0.59	0.47	-0.52	

All performance figures are net of TAM's investment management fee.

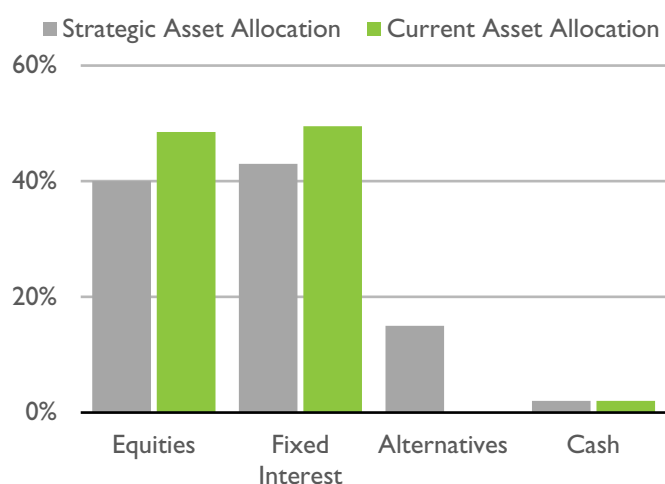
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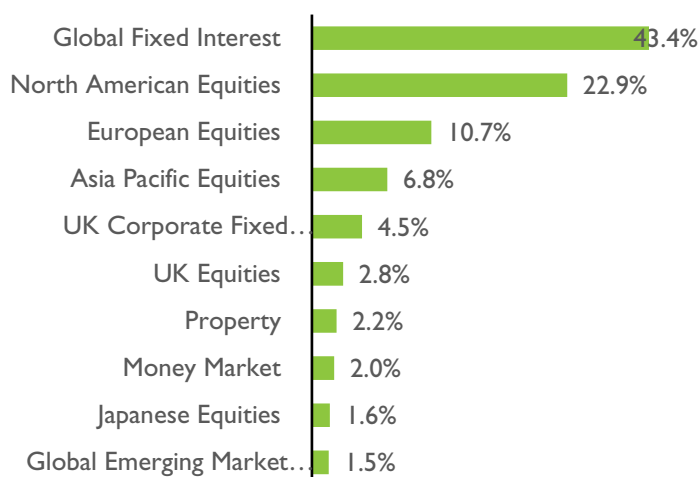
## RISK

	Volatility %			Maximum Drawdown %		
	1 Year	3 Years	5 Years	1 Year	3 Years	5 Years
<b>Portfolio</b>	7.65	7.71	8.52	-4.85	-16.03	-16.03
<b>Benchmark</b>	5.90	7.12	8.51	-2.13	-13.44	-15.88
<b>Difference</b>	1.75	0.59	0.01	-2.72	-2.59	-0.15

## STRATEGIC V CURRENT ASSET ALLOCATION



## TOP 10 ASSET ALLOCATION



## PORTFOLIO ACTIVITY

The Sustainable World portfolios underwent changes throughout Q4 which primed them for the long-term opportunities in this space, and our valuation conscious approach led to us being positioned well for a strong rally in November and December.

November saw the exiting of our climate market neutral fund, which was rotated into a position from an industry-leading sustainable fund house. Bryn Jones and Rathbone Greenbank's success in their UK-focused Ethical Bond fund gave us the confidence to introduce their newly launched global sustainable bond fund. This increase in bonds immediately boosted portfolios amid a strong rally in December.

On the equity side, the more interest rate sensitive areas of the sustainable universe began to look oversold in the start of December. We therefore rotated a portion of equity exposure from the quality and value funds we had been overweight, towards impact focused investments via a new position in a Regnan impact fund, and the Schroder Global Energy Transition fund. These funds returned a further 6 and 7% respectively in the two weeks before Christmas.

## TOP 10 PORTFOLIO HOLDINGS %

1)	Pictet Climate Government Bonds I Acc GBP	13.00
2)	Wellington Management Global Impact Bond Fund S H Acc GBP	10.00
3)	Rathbone Greenbank Global Sustainable Bond Fund F Acc GBP	7.50
4)	Vontobel TF Sustainable Short Term Bond Income Acc GBP	7.50
5)	CT Global Social Bond I Acc GBP	6.00
6)	Vontobel Mtx Sustainable Emerging Leaders N Acc GBP	5.50
7)	Pictet Global Environmental Opportunities I Acc GBP	5.50
8)	Regnan Sustainable Water & Waste F Acc GBP	5.50
9)	T. Rowe Price Global Impact Credit C9 Acc GBP	5.50
10)	Nomura Global Sustainable Equity F Acc GBP	5.00

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## QUARTERLY REVIEW

Markets in December continued November's strength to deliver more gains for clients. The extent of the "everything rally" in December helped to propel the fund higher into the end of the year which has been a welcome change to these challenging markets.

The drivers of December's strength continued on the view that central banks have finished with raising interest rates to combat inflation. The gain in the broad global equity market from December was just under 5% with sustainability focused investments within the fund returning more than this.

Bonds were also strong performers, with the likes of emerging market debt returning strongly in December. Government debt also put in a strong reversal with the likes of US treasuries rallying some 7%, and UK gilts rallying 9% from the October lows.

## QUARTERLY OUTLOOK

The steep end of year rally has served to price in around 4-6 interest rate cuts within developed economies for 2024, which we think is ambitious given services inflation remains strong, as does the jobs market. It seems prudent that the risk from here is that markets don't get an inflation rate continuing to come down to 2%. This could force central banks to rethink their commentary around 6 interest rate cuts next year, which should see some of the 2023 positivity come out of markets.

When it comes to equities, we remain bullish on funds investing in high quality and sustainable companies. We also think it makes sense to look towards areas of the equity market which remain undervalued, as opposed to those areas which have done so well in 2023, such as the 'Magnificent 7' AI tech stocks.

We are also reevaluating the notion of dividends as a source of core investment return rather than just income, which we see as a strong growth area for markets in the coming years.

## RISK RATINGS



## PLATFORM AVAILABILITY

The model is available on the following third party platforms:

7IM	Morningstar Wealth
Abrdn	Novia Global
Aviva	Nucleus
Embark	Quilter
Fidelity	Transact
M&G Wealth	

## AWARDS



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