BALANCED FUND GBP (C Class ACC)

FACTSHEET AND COMMENTARY

31 MAY 2023

FUND OBJECTIVE

The balanced Irish Collective Asset-management Vehicle (ICAV) aims to provide a return on your investment (achieved via increasing the value of the assets held within the portfolio) over a medium term investment horizon (5 years or more). The fund's investment structure is that of a "fund of funds" portfolio which seeks to provide investors with a diversified investment portfolio consisting of UCITS compliant funds or "collectives" from across the global investment universe. Collectives invested in within the fund can include 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, multi-asset, alternatives and cash.

The fund's benchmark comprises of 50% exposure to the Bloomberg Developed Market Large & Mid Cap Total Return Index, which the fund itself seeks to replicate as the appropriate level of risk exposure in normal market conditions. The fund retains the ability to move its weighting to risk assets according to market conditions to ensure its investors retain a flexible and diversified investment portfolio across all periods.

FUND INFORMATION

Portfolio Benchmark	Bloomberg Global EQ:FI 50:50
Inception Date	01 October 2019
Currency Options	GBP, USD & EUR
Accessibility	Direct, ISA, SIPP, & Life Wrap
Total Fund Size	£21m
Fund Manager	James Penny
Distribution Type	Accumulation
ISIN	IE00BJN5JG32
Sedol	BJN5JG3
AMC	0.15%
Underlying Fund OCF	0.76%

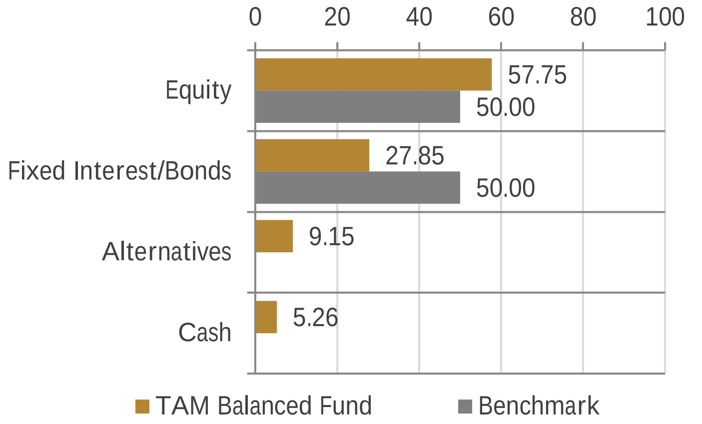
PERFORMANCE %

Cumulative Returns				
3 Month	6 Month	1 Year	3 Year	Inception
-1.69	-0.87	-4.25	3.54	1.59

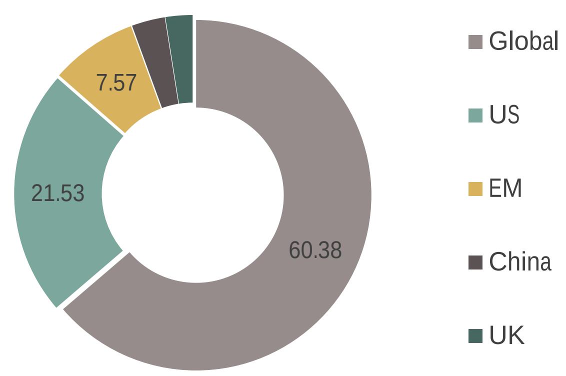
Calendar Year Returns				Annualised	
2020	2021	2022	2023 YTD	Return	Volatility
0.97	7.56	6.44	6.07	-9.43	-0.42

All performance figures are net of TAM's investment management charge, but gross of operating fees.

ASSET ALLOCATION %



REGIONAL EXPOSURE %



FUND ACTIVITY

Activity in the fund was subdued as the portfolio remained invested across the wider market in the pursuit of diversifying a wide range of risks.

Investments into funds classified as alternatives which lacked the ability to outperform this market were reduced in pursuit of increasing the portfolio's exposure to better and more opportune investments across both the equity and fixed income space, and for which there remain some significant options after 2022's bear market.

TOP 10 HOLDINGS %

1.	SSGA SPDR BB BARCLAYS GBL AGG BND ETF DIST	12.65
2.	JPM US RES ENC IDX EQ UCITS ETF GBP	10.51
3.	JP MORGAN GLOBAL BOND OPPS C ACC GBPH	9.75
4.	AMUNDI VOLAT WRLD FUND I2 GBP C	9.15
5.	PZENA GLB EXPANDED VALUE FUND A GBP	8.31
6.	LF HAVELOCK GLOBAL SELECT FUND A	7.37
7.	WELLINGTON US DYNM EQT FUND E-GBP	5.56
8.	SSGA SPDR BARCL US UCITS ETF	5.45
9.	BLACKROCK GLB UNCON EQTY FUND	5.44
10.	SPDR MSCI WRLD HEALTH CRE UCITS ETF	4.07

MARKET REVIEW

Markets in May were primarily governed by the anticipated resolution of the US debt ceiling which, whilst largely predicted, still managed to cause some volatility in both equity and fixed income. At the end of the month global equities were able to post a gain whilst global fixed income posted losses on the month as the positive result of the US debt ceiling negotiations favoured stocks and shares over bonds. Much in the same way as for the whole of 2023, almost all of the positivity was centred around tech stocks and mega cap US stock which have been driven higher on the hype around artificial intelligence and the perception that these stocks are now high quality rather than speculative tech stocks.

Bonds were unable to post gains in the month which was largely down to the more "risk on" mood in markets favouring equity investments whilst investors remained cautious about the path of inflation and interest rates. The UK bond market was a standout laggard as inflation numbers proved resilient prompting speculation that the Bank of England would have to keep raising rates further and higher than anticipated. The performance of the UK Gilt market is now trading back at prices not seen since the disastrous mini budget under Liz Truss's government.

European markets came under pressure as once again economic numbers surprised on the downside giving rise to fears of a sharper slowdown earlier than anticipated. Europe has remained a winner in 2023 so it was not entirely a surprise to see this winning investment taking a breather on lacklustre growth numbers.

All in all it was another month of US equities winning over international and within the US just a few mega cap tech names making gains. The market continues to remain very bifurcated in terms of what is winning and what is losing which is indicative of the underlying concern in investors mindsets about the global economy teetering on the edge of a recession with inflation rates remaining above 4%.

OUTLOOK AND STRATEGY

The outlook remains volatile but positive as the market continues to explore the odds of a recession versus just throwing in the towel and buying into the very hot rally being seen in US Tech stocks. Fundamentally stock performance has been dominated by US tech and investors not in this trade have been left behind. We anticipate this tech trend to begin to flatten off in favour of other sectors in the US rather than just mega cap tech should the positivity continue to run up.

On the other hand, the market is waiting for the trajectory of inflation to become clearer before committing to a long-term investment strategy. This will see investors continue to sit on the side lines in cash until they are more certain about where to deploy their dry powder. Should inflation become stickier we see a reversal of the hot tech rally in the US as well as negativity coming back into the bond market as investors once again adjust their long-term assumptions about all asset classes under a changing inflation scenario.

This remains a market in flux with all eyes on inflation and rates as an indicator about what will drive the next market recovery which is leading to sector volatility, short sharp rallies and sentiment flips on short term data. The prudent option from here is to not get drawn into chasing rallies but remaining diversified to protect against adverse shocks from this uncertain landscape.

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