

EPIM Cabot Passive Models

Latest commentary

The final quarter of 2020 was a good one for shares, with those in emerging markets outperforming the developed world. Investors took heart from the arrival of vaccines to combat the pandemic, and looked forward to economic recovery in 2021 as the vaccines roll out and permit relaxation of the current controls on social contact and business activity. Markets were underpinned by substantial spending and borrowing boosts from leading governments and from Central Bank action to keep interest rates very low and extend more credit. The pound was generally strong against other currencies so this reduced part of the overseas gains.

The winter has brought more bad news in the form of high caseloads and more deaths from Covid-19 on both sides of the Atlantic. Investors are looking through a likely poor performance for major economies in the first quarter of the year to something better thereafter. The election of Mr Biden as US President heralds more government spending and borrowing to boost things further in the USA, and a strong commitment to the green revolution with investment projects to speed transition to a net zero economy.

All the time governments and Central Banks feel the need to keep interest rates very low and to provide huge support to economies, investors are likely to remain optimistic despite the obvious damage being done to economies by anti-virus policies. Only if inflation were to pick up too quickly or economies to recover too sharply would the authorities be likely to reduce support, which would change the mood. We are also mindful of risks to the outlook such as virus mutations, material disruptions to vaccine rollouts, or policy missteps from government authorities. These markets are dependent on the current very benign climate created for shares by easy money and plenty of government assistance.

Risk Metrics - Annualised

	Max Drawdown			Sharpe			Volatility		
	1 year	3 year	5 year	1 year	3 year	5 year	1 year	3 year	5 year
EPIM Cabot Cautious	-6.51	-6.51	-6.51	0.31	0.48	0.78	5.91	3.97	3.89
EPIM Cabot Moderately Cautious	-10.63	-10.63	-10.63	0.28	0.44	0.79	8.94	6.16	5.76
EPIM Cabot Balanced	-14.83	-14.83	-14.83	0.32	0.46	0.84	12.72	8.96	8.31
EPIM Cabot Growth	-17.80	-17.80	-17.80	0.39	0.50	0.88	15.73	11.16	10.30
EPIM Cabot Global Equity	-20.83	-20.83	-20.83	0.36	0.48	0.87	18.72	13.35	12.34

Quarterly Contributors to Performance

EPIM Cabot Cautious

Top Contributors	Avg Wgt	Return	Contrib	Bottom Contributors	Avg Wgt	Return	Contrib
Vanguard Developed World ex UK Equity Inc Index Fund	13.37	7.65	1.03	Vanguard US Govt Bond Index Inc £ Hedged	17.78	-0.90	-0.16
L&G Sterling Corp Bond Index C Inc	19.30	2.19	0.42	iShares Index Linked Gilt Index Fund (UK)	2.77	-1.65	-0.06
iShares 100 UK Equity Index Fund (UK)	2.92	10.91	0.31	L&G All Stocks Gilt Index C Acc	7.29	-0.09	-0.01
Vanguard UK Short Term Investment Grade Bond Acc Index Fund	15.98	1.05	0.17	Cash Account [GBP]	2.70	-0.06	0.00
L&G Short Dated £ Corp Bond Index I Acc	8.05	1.65	0.13	L&G Global Inflation Linked Bond £ Hedged C Inc	9.85	1.22	0.12
Total	59.62	2.06	2.06	Total	40.38	-0.11	-0.11

EPIM Cabot Moderately Cautious

Top Contributors	Avg Wgt	Return	Contrib	Bottom Contributors	Avg Wgt	Return	Contrib
Fidelity Index US P Acc GBP Hedged	6.29	12.41	0.75	Vanguard US Govt Bond Index Inc £ Hedged	15.04	-0.90	-0.14
Fidelity Index Emerging Markets P Acc GBP Fund	4.90	13.40	0.62	Legal & General Global Infrastructure Index C Inc	1.15	-0.99	-0.01
L&G Sterling Corp Bond Index C Inc	17.64	2.19	0.38	Cash Account [GBP]	2.03	-0.06	0.00
Fidelity Index Pacific ex Japan P Acc GBP Fund	2.17	13.39	0.33	Legal & General Global Health & Pharma Index C Inc	1.43	1.00	0.02
Legal & General Global Technology Index Trust C Acc	3.98	8.12	0.32	Legal & General Pacific Index C Acc	0.47	1.82	0.05
Total	34.98	2.40	2.40	Total	20.12	-0.09	-0.09

EPIM Cabot Balanced

Top Contributors	Avg Wgt	Return	Contrib	Bottom Contributors	Avg Wgt	Return	Contrib
Fidelity Index Emerging Markets P Acc GBP Fund	8.42	13.39	1.07	Vanguard US Govt Bond Index Inc £ Hedged	13.58	-0.90	-0.13
Fidelity Index US P Acc GBP Hedged	6.94	12.41	0.83	Legal & General Global Infrastructure Index C Inc	1.52	-0.98	-0.02
Fidelity Index Pacific ex Japan P Acc GBP Fund	3.56	13.40	0.55	Cash Account [GBP]	2.37	-0.06	0.00
Amundi Index MSCI North America - RHG (D)	4.44	12.68	0.55	Legal & General Global Health & Pharma Index C Inc	1.86	1.00	0.02
Legal & General US Index C Inc	7.24	5.62	0.41	Legal & General Pacific Index C Acc	0.76	1.82	0.08
Total	30.59	3.41	3.41	Total	20.11	-0.05	-0.05

EPIM Cabot Growth

Top Contributors	Avg Wgt	Return	Contrib	Bottom Contributors	Avg Wgt	Return	Contrib
Fidelity Index Emerging Markets P Acc GBP Fund	9.93	13.37	1.28	Vanguard US Govt Bond Index Inc £ Hedged	8.13	-0.90	-0.08
Fidelity Index US P Acc GBP Hedged	9.86	12.41	1.19	Legal & General Global Infrastructure Index C Inc	1.90	-0.98	-0.02
Amundi Index MSCI North America - RHG (D)	6.42	12.68	0.79	Cash Account [GBP]	1.96	-0.06	0.00
Legal & General US Index C Inc	9.11	5.62	0.52	Legal & General Global Health & Pharma Index C Inc	2.28	1.00	0.03
Fidelity Index Pacific ex Japan P Acc GBP Fund	2.73	13.40	0.42	Vanguard UK Short Term Investment Grade Bond Acc Index Fund	3.69	1.05	0.04
Total	38.04	4.21	4.21	Total	17.96	-0.03	-0.03

EPIM Cabot Global Equity

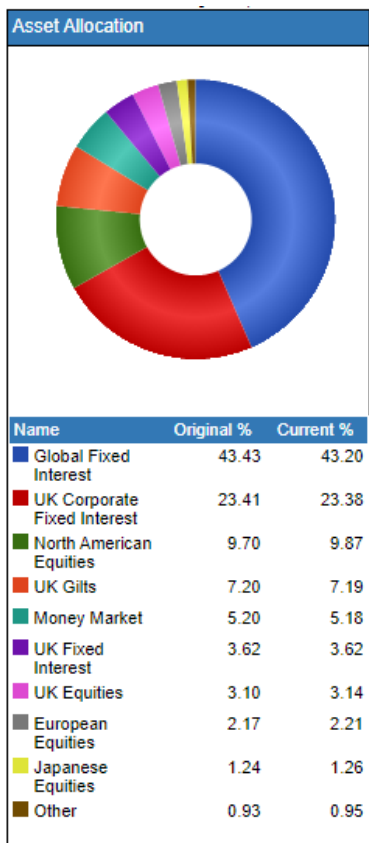
Top Contributors	Avg Wgt	Return	Contrib	Bottom Contributors	Avg Wgt	Return	Contrib
Fidelity Index Emerging Markets P Acc GBP Fund	9.96	13.37	1.29	Vanguard US Govt Bond Index Inc £ Hedged	5.02	-0.90	-0.05
Fidelity Index US P Acc GBP Hedged	10.48	12.41	1.27	Legal & General Global Infrastructure Index C Inc	2.26	-0.98	-0.03
Amundi Index MSCI North America - RHG (D)	8.02	12.68	1.01	Cash Account [GBP]	1.90	-0.06	0.00
Legal & General US Index C Inc	12.96	5.62	0.74	Vanguard Developed World ex UK Equity Inc Index Fund	0.42	5.90	0.03
iShares Continental European Equity Index Fund (UK)	6.12	9.63	0.59	Legal & General Global Health & Pharma Index C Inc	2.69	1.01	0.03
Total	47.54	4.90	4.90	Total	12.29	-0.01	-0.01

Source: APX All data as at 31 December 2020

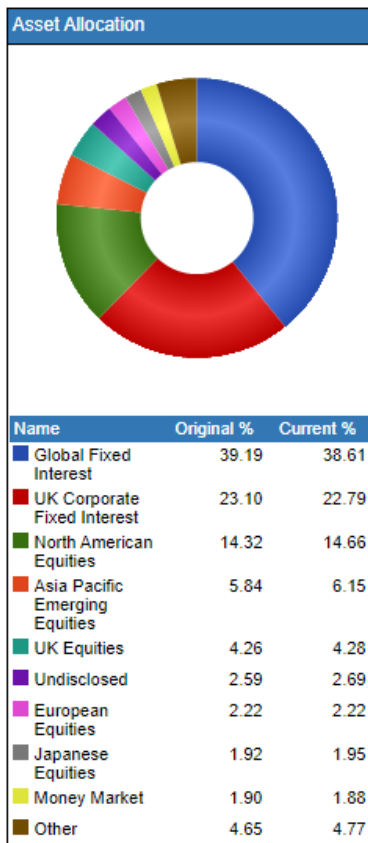
Past performance is not a reliable guide to future performance. The performance is net of Eden Park Investment Management fees, with income reinvested.

Asset Allocation

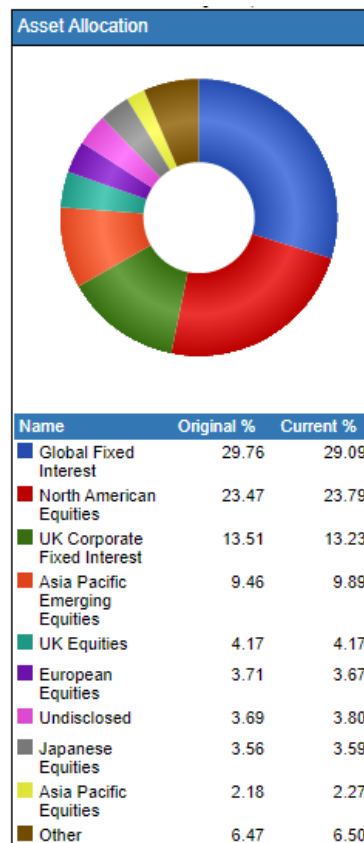
EPIM Cabot Cautious



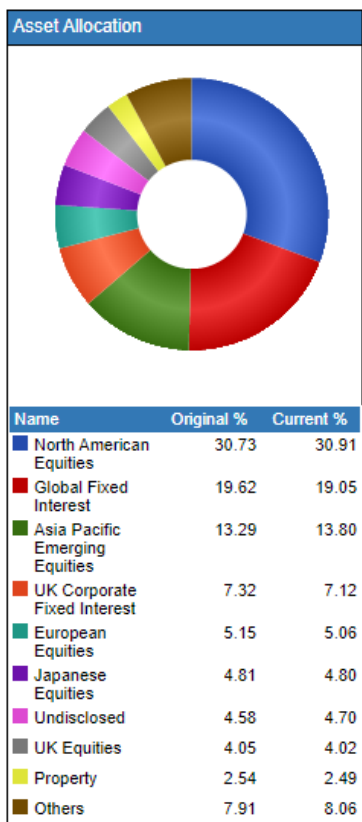
EPIM Cabot Moderately Cautious



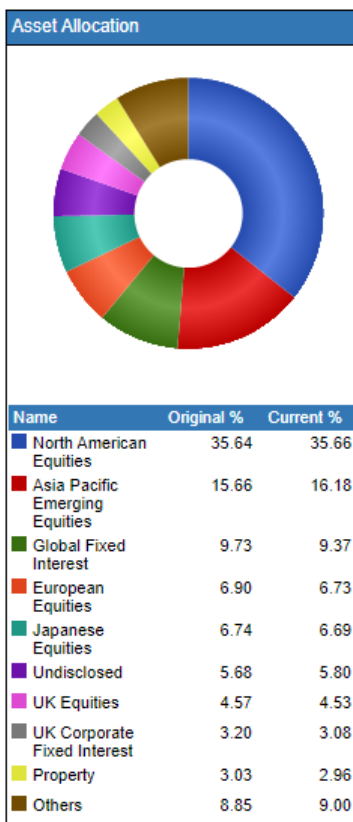
EPIM Cabot Balanced



EPIM Cabot Growth



EPIM Cabot Global Equity



The value of investments, and any income derived from them, can fall as well as rise and may be affected by exchange rate variations. Investors may get back less than invested.

Performance is calculated on a Total Return basis using a notional portfolio in Advent Portfolio Exchange (APX). Performance is net of Eden Park Investment Management fees but not adviser fees nor platform costs. Any charges and fees applied by platforms and/or authorised intermediaries will be charged in addition to the charges shown. Portfolios linked to this Model Portfolio may not exactly replicate the model due to the difference in timing of initial investment or rebalancing differences resulting from minimum transaction size limits on platforms. The management and rebalancing of this Model Portfolio does not take Capital Gains Tax into consideration.

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