

EPIM Cabot Cautious

Investment objective and policy

These discretionary managed model portfolios offer risk-profiled investment solutions, all of which have a dynamic top-down asset allocation strategy implemented using low cost index tracking funds.

The investment objective for the EPIM Cabot Cautious Model Portfolio is to provide a long-term total return which is superior to the UK CPI inflation rate. The performance of the model portfolio is not intended to track the rise (or fall) of any specific index.

Key facts

| | |
|---|--------------|
| Inception Date | 30/09/2012 |
| Typical Growth / Defensive Split | 10:90 |
| Annual Management Charge | 0.20% |
| Total Ongoing Charges (of underlying funds) | 0.11% |
| Portfolio Total Ongoing Charge | 0.31% |

July saw a wide spread of equity market returns – both by region and sector. US and European stocks were boosted by the strong cyclical pickup in growth and corporate earnings. At the time of writing just over half of S&P 500 companies had reported, with year-on-year earnings rising by roughly 90%. Much of this reflects last year's weak base effects, but they are still 20% ahead of expectations and show the strongest growth since 2009. Markets currently believe that the US Federal Reserve is in control of inflation and there is less near-term pressure to signal an earlier and potentially more disruptive removal of their accommodative policies.

Elsewhere, sentiment received further support from the success of the Covid-19 vaccination rollouts, which have significantly weakened the link between infections and hospitalisations. A common feature is the influence of the Delta variant on market sentiment. In Western markets, fears over its transmissibility and potentially higher levels of resistance to vaccination helped fuel a rally in sovereign bonds and, with it, outperformance of defensive sectors such as healthcare, utilities, and real estate – alongside secular growth stocks such as big tech. However, the more cyclically sensitive sectors, including financials, energy, and consumer discretionary, underperformed.

Asian markets have continued to struggle, with growth momentum relatively sluggish and the rollout of vaccines well behind the West. China's regulatory clamp down on big tech, private education providers and property leverage has only added to this negative sentiment. Notwithstanding shorter term Covid-19 related headwinds, it's certainly reasonable to expect a favourable narrowing of growth differentials with the West before the year end as vaccines are rolled out more broadly and lockdown measures are once again eased. Additionally, there are already signs that China is keen to repair some of the damage its regulatory crackdown on private industry has caused, by committing to targeted fiscal easing in the months ahead – and conveying a much more market friendly tone in the official press. Given the substantial relative valuation discount seen in emerging Asia, we feel that it is reasonable to expect a better relative performance in the months ahead.

The bond market rally, which saw UK 10-year treasury yields drop to 0.57%, led to strong performances across the fixed income holdings. In particular, longer dated securities such as the Legal & General Global Inflation Linked Bond Index and the Legal & General All Stocks Gilt Index Trust, posted strong returns on the back of falling bond yields.

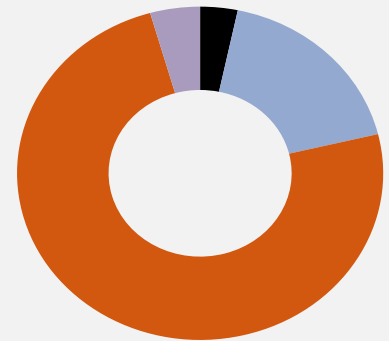
No changes were made to the model during the month.

Performance %

| Discrete Performance | Jul-20 - Jul-21 | Jul-19 - Jul-20 | Jul-18 - Jul-19 | Jul-17 - Jul-18 | Jul-16 - Jul-17 | 3 yr Volatility |
|----------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|--------------------|
| EPIM Cabot Cautious | 3.8 | 2.6 | 4.9 | 1.6 | 4.0 | 3.8 |
| UK CPI* | 2.5 | 0.6 | 2.0 | 2.4 | 2.7 | 1.1 |

| Cumulative Performance | 1m | 3m | 6m | 1yr | 3yr | 5yr |
|----------------------------|-----|-----|-----|-----|------|------|
| EPIM Cabot Cautious | 0.9 | 2.0 | 2.3 | 3.8 | 11.7 | 18.0 |
| UK CPI* | 0.5 | 1.7 | 1.9 | 2.5 | 5.2 | 10.6 |

Asset Allocation



- UK Equities 3.3%
- Global Equities 17.9%
- Bonds 74.3%
- Cash 4.4%

Top ten holdings %

| | |
|---|----|
| Vanguard Developed World ex UK Equity Inc Index Fund | 16 |
| Vanguard UK Short Term Investment Grade Bond Acc Index Fund | 16 |
| L&G Short Dated £ Corp Bond Index I Acc | 14 |
| Vanguard US Govt Bond Index Inc £ Hedged | 12 |
| L&G Sterling Corp Bond Index C Inc | 12 |
| L&G Global Inflation Linked Bond £ Hedged C Inc | 10 |
| Vanguard GI ShortTerm Bd Idx Inst Plus GBP Hgd Inc | 8 |
| Cash Account [GBP] | 4 |
| iShares 100 UK Equity Index Fund (UK) | 3 |
| L&G All Stocks Gilt Index C Acc | 3 |

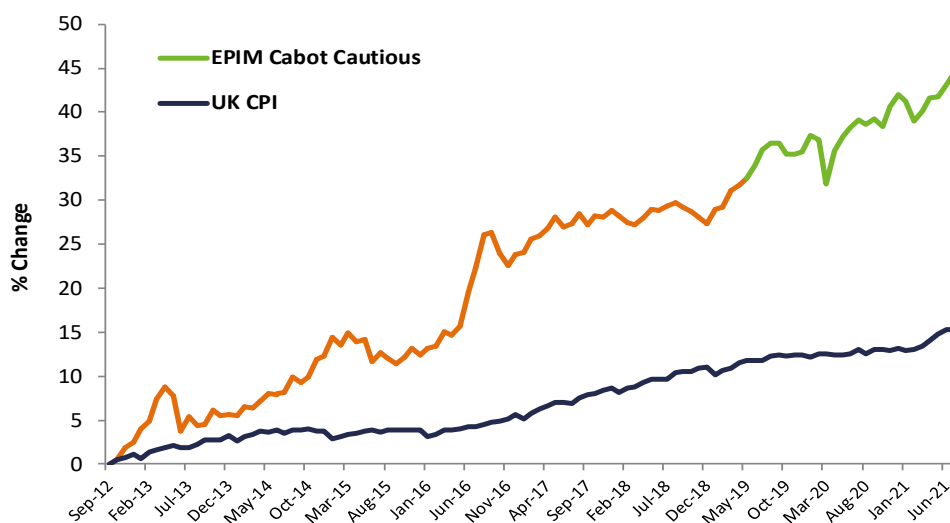
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EPIM Cabot Cautious

Investment Team

The model portfolios are managed by Eden Park Investment Management, with investment advisory and management services provided by Charles Stanley. The team of portfolio managers and analysts have extensive experience, drawing upon the expertise of investment specialists, strategists and economists both internally and externally. The research team looks for the best Index tracking funds from the available passive universe.

Performance since Inception



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

Sub Manager MPS Proposition Ratings

MSCI
ESG RATINGS



CCC B BB BBB A AA AAA

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FIND OUT MORE

01275 404 880

enquiries@edenparkim.co.uk

Eden Park Investment Management Ltd

The Pavilions

Eden Park

Ham Green

Bristol

BS20 0DD

ACCOUNTS

- General Investment Account
- ISA
- SIPP
- Offshore Bond

Minimum suggested Investment = £1,000
(subject to platform minimum requirements)

PLATFORMS

- Morgan Lloyd Invest
- Hubwise

Important Information

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. Since the 31st of March 2021, performance was calculated on a Total Return basis using a notional portfolio in Financial Express Analytics. Before the 31st of March 2021, performance was 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. The Total Ongoing Charges Figure (TOC) is calculated on a periodic basis using a weighted average of the most recent publicly available Total Ongoing Charges for the underlying investments as at the date of the factsheet. This includes the underlying funds' Ongoing Charges Figure plus Transaction costs plus Incidental costs. Please note that whilst we endeavour to show all charges associated with specific funds, sometimes this is not possible due to the information not being made available by the fund provider. In such cases transaction or incidental cost information may be missing. The Indicative Yield is provided for guidance purposes only and is calculated on a periodic basis using a weighted average of the most recent publicly available income yields for the underlying investments. Yields for the underlying funds, and thus for the strategy, are likely to differ in the future. The Indicative Yield does not represent guaranteed income. 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. This factsheet has been prepared for information purposes only and does not constitute advice or a personal recommendation, nor does it constitute an invitation to purchase units or shares. The information on which the document is based is deemed to be reliable. Eden Park Investment Management has not independently verified such information and its accuracy or completeness is not guaranteed. Although Charles Stanley's information providers, including without limitation, MSCI ESG Research LLC and its affiliates (the "ESG Parties"), obtain information (the "Information") from sources they consider reliable, none of the ESG Parties warrants or guarantees the originality, accuracy and/or completeness, of any data herein and expressly disclaim all express or implied warranties, including those of merchantability and fitness for a particular purpose. The Information may only be used for your internal use, may not be reproduced or disseminated in any form and may not be used as a basis for, or a component of, any financial instruments or products or indices. Further, none of the Information can in and of itself be used to determine which securities to buy or sell or when to buy or sell them. None of the ESG Parties shall have any liability for any errors or omissions in connection with any data herein, or any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. Eden Park Investment Management Limited is authorised and regulated by the Financial Conduct Authority.