

EPIM Cabot Balanced

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 Balanced Model Portfolio is to provide a long-term total return which is superior to inflation plus 2% returns. The performance of the model portfolio is not intended to track the rise (or fall) of any specific index.

In June, global equities, broad commodity indices and diversified property all ended the month higher. Elsewhere sovereign bonds rallied due to favourable market reception of Fed policy guidance and this supported the broad-based asset-price rally.

Guidance from the Fed's June policy meeting was initially viewed as hawkish and caused an unsettling spike higher in government bond yields and volatility in equities. When the bond market eventually settled down, longer-term yields fell on the back of declining inflation expectations – whereas short-term yields rose on the prospects for a slightly less accommodative interest-rate policy.

Up until the revised interest-rate guidance from the Fed, value stocks were very much in favour, but the decline in long-term bond yields and lower inflation expectations saw growth stocks outperform. If the surge in inflation is transitory, then any moderation in economic growth momentum should see quality growth stocks perform relatively strongly. However, should there be a structural shift higher in inflation then we would expect value stocks to outperform.

Turning to regional equity selection, Asian and emerging market returns have been disappointing in relative terms. Another wave of Covid-19 infections and low vaccination levels have been headwinds to growth. We have also seen tighter monetary policy in China, reflecting a desire to curb speculative excess, and active steps to limit the influence of some of China's biggest internet companies. Notwithstanding these headwinds, we feel the favourable valuation gap that has emerged compared with the rest of the world makes them attractive from a long-term perspective.

If we turn to the overall equity market outlook, at present an unusually high number of uncertainties present themselves and, reflecting this, we expect more modest returns in the second half of this year. However, given that we have yet to see the peak in economic activity and corporate earnings momentum, we feel it is a little too early to become more defensively positioned.

During the month, we added to the Legal & General Global Infrastructure Fund, reflecting our favourable view on this sector. This fund tracks listed infrastructure companies including transportation, energy and telecommunications companies. A key risk to the infrastructure asset class is that it has a high sensitivity to rising interest rates as the assets tend to be longer duration. As we did not want to materially increase the interest rate sensitivity of the portfolio overall, we trimmed the longer dated bonds in the model to fund the position.

Performance %

Discrete Performance	Jun-20 - Jun-21	Jun-19 - Jun-20	Jun-18 - Jun-19	Jun-17 - Jun-18	Jun-16 - Jun-17	3 yr Volatility
EPIM Cabot Balanced	13.3	0.7	5.9	4.4	13.4	8.9
UK CPI + 2%*	4.2	2.7	4.0	4.5	4.7	1.2

Cumulative Performance	1m	3m	6m	1yr	3yr	5yr
EPIM Cabot Balanced	2.1	4.3	5.0	13.3	20.9	43.2
UK CPI + 2%*	0.8	2.1	2.8	4.2	11.1	21.9

Source: APX and FE Analytics All data as at 30 June 2021

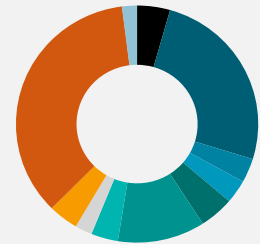
Past performance is not a reliable guide to future performance. The performance is net of Eden Park Investment Management fees, with income reinvested.

*UK Consumer Price Inflation figures quoted with a 1 month lag.

Key facts

Inception Date	30/09/2012
Typical Growth / Defensive Split	50:50
Annual Management Charge	0.20%
Total Ongoing Charges (of underlying funds)	0.18%
Portfolio Total Ongoing Charge	0.38%

Asset Allocation



■ UK Equities	4.4%
■ US Equities	25.4%
■ European Equities	3.3%
■ Japanese Equities	3.2%
■ Asian Equities	4.6%
■ Emerging Market Equities	11.7%
■ Global Equities	3.6%
■ Global Property	2.3%
■ Global Infrastructure	4.0%
■ Bonds	35.6%
■ Cash	2.0%

Top ten holdings

	%
Fidelity Index Emerging Markets P Acc GBP Fund	9
Vanguard US Govt Bond Index Inc £ Hedged	8
Fidelity Index US P Acc GBP Hedged	8
Legal & General US Index C Inc	8
L&G Global Inflation Linked Bond £ Hedged C Inc	8
Vanguard UK Short Term Investment Grade Bond Acc Index Fund	8
L&G Sterling Corp Bond Index C Inc	6
L&G Short Dated Corp Bond Index C Inc	6
Amundi Index MSCI North America - RHG (D)	5
Legal & General Global Technology Index Trust C Acc	5

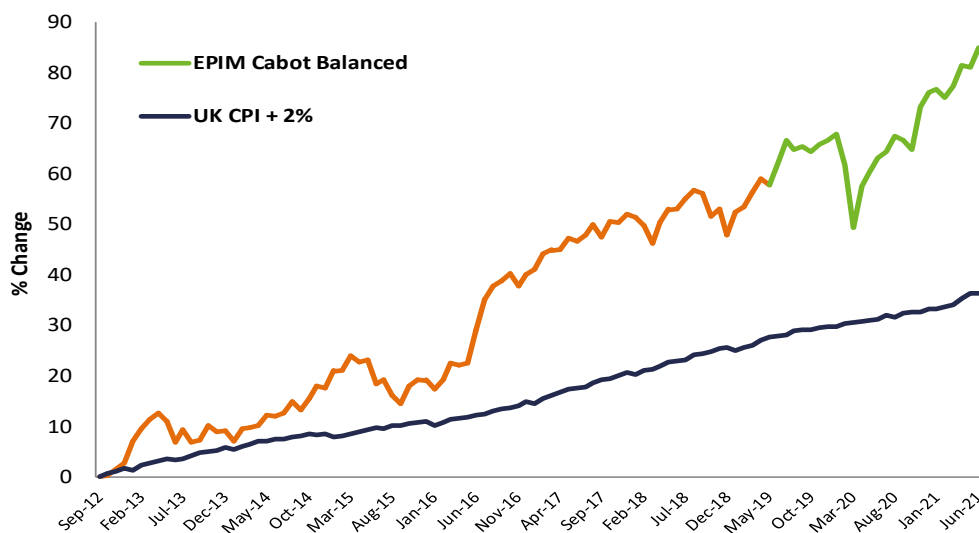
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EPIM Cabot Balanced

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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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.