

# Model Portfolio Risk Level 2

November 2020

Information in this factsheet is at the last valuation point in 30<sup>th</sup> November 2020 (except where indicated).

## Portfolio Overview

**Objective:** To provide a long-term total return above that of the UK Consumer Price Index (CPI) +1%

**Investments:** The portfolio will be actively managed and invest in multiple asset classes with a portfolio of collective investment schemes, commodity.

**Strategy:** The investment manager has the discretion to weight the portfolio towards any investment type, or geographical region, at any time provided it is compatible with the investment objective, risk parameters and policy of the portfolio as a whole.

## Key Facts

Investment Managers

Chris Fernyhough

John Mitchell

Alex Young

Entry Fees

None

Exit Charge

None

Fund Management Fee

0.40% + VAT

Performance Fee

None

## Portfolio Manager - Facet

Established in 1979, FACET Investment Management Limited is a provider of investment management services to both individuals and corporate clients. Our multi-asset class portfolios give exposure to a wide variety of opportunities and help to manage risk within portfolios. Historically Facet's model portfolios have consistently outperformed numerous established benchmarks and comparable indices.

## Key Investment Managers

Chris Fernyhough - Chris has over 15 years' experience managing multi-asset portfolios. Prior to becoming Managing Director of FACET, Chris worked at WH Ireland establishing their Bristol office. He also worked at Newland in the wealth management division. He holds a distinction in the PCIAM exam and is a Chartered Wealth Manager as well as holding Chartered FCSI status with the CISI

John Richard Mitchell - John has a career spanning over 40 years in both equities and bonds. He managed risk at Credit Suisse before moving to Royal London where he implemented risk for their first geared fund. John was also involved in the founding of Newland Financial where he was the compliance director.

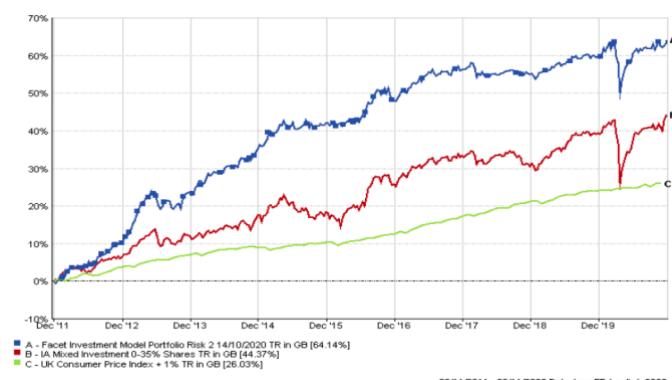
Alex Young - Alex has been in Financial Services with FACET for 20 years. He is a qualified IFA as well as holding IMC, a certificate in Discretionary Investment Management, a certificate in Securities Advice and Dealing and a diploma in Technical Analysis.

## Risk Report



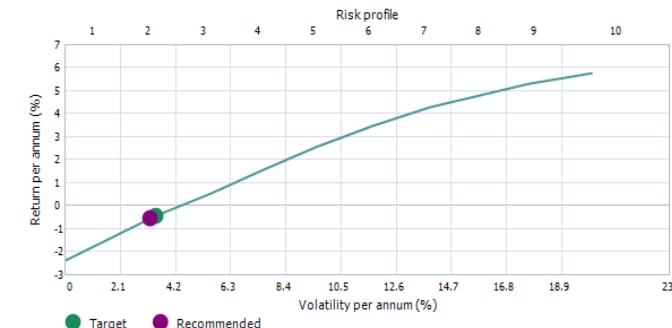
*The indicator is based on historical data and may not be a reliable indication of the future risk profile. The lowest category does not mean 'risk free'*

## Facet Performance\*\*

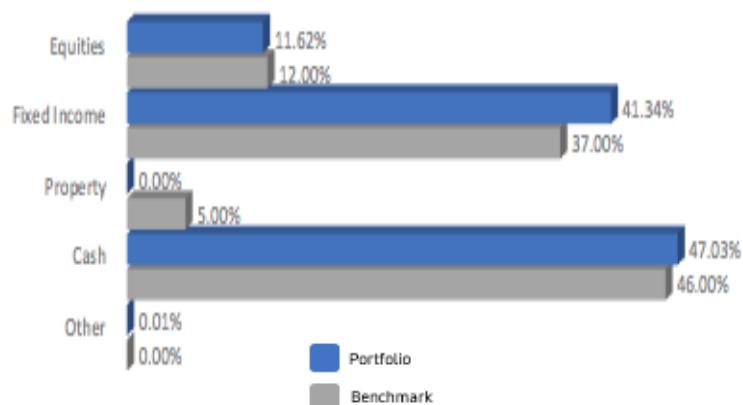


30/11/2011 - 30/11/2020 Data from FE fundinfo 2020

## Efficient Frontier



## Fund Breakdown by Asset Class



## Top 5 Holdings

Holding	% of Portfolio
ASI Sterling Money Market	16%
BlackRock Cash	15.5%
Royal London Short Term Money Market	15.5%
iShares Gilts All Stocks Index	11%
M&G Global Macro Bond	7%
	<b>65%</b>

## Portfolio Manager's Comments

What a difference a month makes. The doom and gloom of a second national lockdown is nearly behind us and it has been a month of positive news story after positive news story. The US election kicked off the month with Joe Biden almost certainly becoming the US President-elect. Nevertheless, that did not come without its ups and downs, and the roller-coaster ride was visible in the US markets which rocketed up on numerous occasions and fell back down immediately after. In contrast, the UK markets cautiously rose from the 3rd November with very few setbacks.

The significant movement of the month, however, which turned the US election news into fish and chips paper, was the breakthrough of a potentially successful COVID-19 vaccine, created by Pfizer/BioNTech. The claims that this vaccine was more than 90% effective in preventing COVID-19 were all the markets needed to rally, with the UK markets growing 4.4% in under 40 minutes. Understandably, they then corrected itself slightly, but the strong movement was too much, and the markets stayed around the 6,250-6,300 mark.

Overall, the UK rose by 12.35% and the US also rose, albeit a slightly smaller increase of 9.87%.

Something very interesting occurred during the vaccine rally. The stocks that were thriving during the first national lockdown known as the "Stay-at-home" stocks all seemed to fall and rather significantly, and the companies that had collapsed were picking up strength once again. Analysts are calling this "Returning to the norm" with shares in technology boomers like Zoom closing 17.4% lower, along with Amazon falling 5.1% and Shopify dropping 13.6%. These stocks did recover as the month continued and are looking strong once again.

Lastly in this packed month, we saw Boris Johnson reveal his plan to revert back to the Tier system in England, with the majority of the country in either Tier 2 (High Alert) or Tier 3 (Very High Alert). Only 3 places avoided the stricter Tier 2 or 3 category, being Cornwall, Isle of Wight and the Isle of Scilly.

## Portfolio Performance

	Facet Portfolio Risk 2	IA Mixed Investment 0-35% Shares	UK Consumer Price Index + 1%
<b>1m</b>	<b>1.09</b>	<b>3.46</b>	
<b>3m</b>	<b>1.67</b>	<b>2.77</b>	<b>0.25</b>
<b>6m</b>	<b>2.13</b>	<b>4.92</b>	<b>0.97</b>
<b>1yr</b>	<b>2.51</b>	<b>3.17</b>	<b>1.48</b>
<b>3yr</b>	<b>5.19</b>	<b>8.56</b>	<b>7.37</b>
<b>5yr</b>	<b>15.15</b>	<b>21.76</b>	<b>14.23</b>
<b>18th July 2011 *</b>	<b>69.30</b>	<b>42.53</b>	<b>28.32</b>

\*Start date of portfolio

*Issued by FACET Investment Management Limited, which is authorised and regulated by the Financial Conduct Authority. FRN: 131372.*

*Further information is available from:*

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*Registered in England No 01931757*

\*\*Using Facet Aviva Risk 1 performance pre-1st March 2020, and Facet Model Portfolio Risk 2 post 1<sup>st</sup> March. This is due to Facet only running risk models 1-4 as opposed to the new 1-10 risk models available now.

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Slight deviations in the underlying assets for this portfolio may be required subject to availability of investments on the investment platform you are with. Not all platforms have our preferred investment choices available. In this instance, appropriate substitutions will be made.

**WARNINGS** The Model Portfolio Risk Level 2 is subject to normal stock market fluctuations and other risks inherent in such investments. The value of your investment and the income derived from it can go down as well as up, and you may not get back all the money that you invested. Investments in overseas equities may be affected by changes in exchange rates, which could cause the value of your client's investment to increase or diminish. You should regard their investment as medium to long term. Past performance is not a guide to future performance. Every effort is taken to ensure the accuracy of this data, but no warranties are given. Some of the funds within the portfolio could in exceptional circumstances be subject to a temporary suspension.