Model Portfolio Risk Level 7 June 2022

Information in this factsheet is at the last valuation point on 30th June 2022 (except where indicated).

Portfolio Overview

Objective: To provide a long-term total return above that of the UK Consumer Price Index (CPI) +3%

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

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**
Annual Management Charge (AMC)	**0.40% + VAT**
OCF	**0.82% (in addition to AMC)**
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

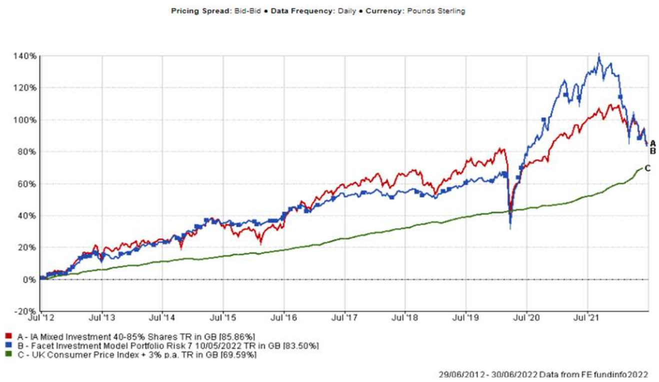
John Richard Mitchell - John has a career spanning over 40 years in both equities and bonds. He managed risk at Credit Suisse before moving to Royal London where he implemented risk for their first geared fund. John was also involved in the founding of Newland Financial where he was the compliance director.

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.

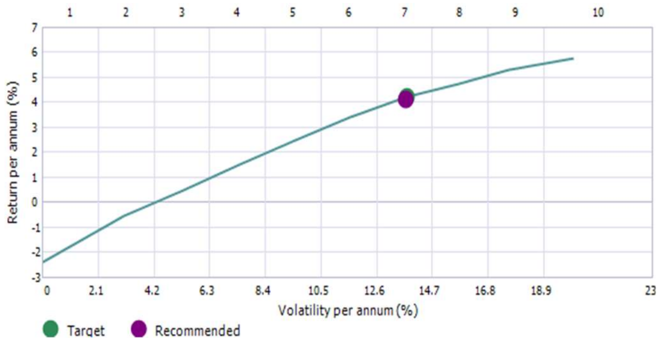
Risk Report

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'

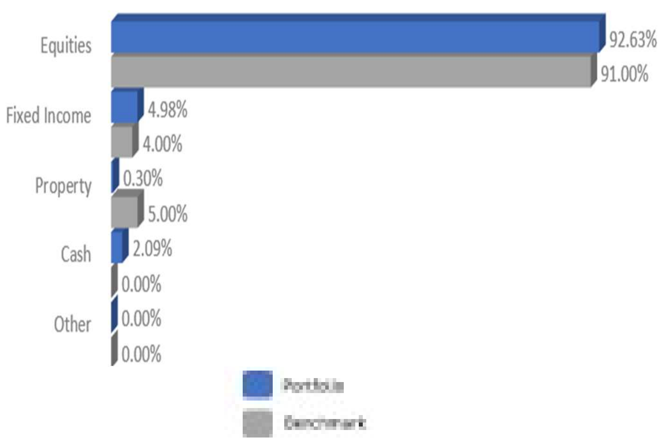
Facet Performance**



Efficient Frontier



Fund Breakdown by Asset Class



Top 5 Holdings

Holding	% of Portfolio
MI Chelverton UK Equity Growth	17.5%
Slater Recovery	17.5%
JPM US Select C Acc	9.5%
BlackRock Emerging Markets	7.5%
BNY Mellon US Equity Income	7.5%
	59.5%

Portfolio Manager's Comments

It was another difficult month for global stock and bond markets as the persistent rise in inflation threatened to derail global economies by throwing them into recession. Central banks, led by the US Federal Reserve, voiced a strong determination to combat inflation with interest rate hikes but were notably reluctant to back up the rhetoric with action. The Fed hiked rates by 0.75% to 1.75%; a bigger rise than the market was expecting. In contrast, the Bank of England followed suit with just a 0.25% rise which attracted criticism for being well behind the hawkish language used by the Bank since last November. The European Central Bank and Bank of Japan both chose to keep interest rates unchanged. The resulting US dollar strength against all major currencies fuelled higher inflationary expectations for the UK and eurozone. Sterling was a notable loser against the US dollar, falling 7.5% to $1.21 in just a month. However, as has become a familiar pattern this year, Sterling weakness, which is notionally good for UK exporters, gave some relative support to the main UK stock index heavy with energy, mining and global banking. UK stocks still fell 5.7% in June but compared favourably with the US stock market which fell 8.4%. Growth stocks led the falls, losing on average 20%, versus value stocks which lost half that. Overall, the fall took US stocks back to where they were in February last year. It also took valuations back down to historical averages and some bargain hunting was evident towards month end which stabilised markets a little. The inexorable rise in the price of Brent crude oil peaked at $124 per barrel in early June as economists dialled down their GDP forecasts. It ended the month at $116. Other economic indicators, such as consumer confidence, inevitably deteriorated in the face of the rising cost of living across the developed world. However, market attention is not currently drawn by headline economic statistics which, on the whole, are broadly stable – particularly employment and wages. As we enter the second half of the year, investors focus will be on the run up to the third quarter earnings season starting in early October. As a barometer of economic health of the US economy over the summer months, it is by far the most important earnings season in any year, but especially this year. Over the past 25 years, the US economy has repeatedly proved to be incredibly robust in its ability to weather turmoil and in its ability to recover. Investors will be conscious that companies have, for some time, been very cautious in their profit forecasts. Few are ready to call the bottom of the current downturn but there is a palpable sense that the bigger risk is to be out of markets altogether.

No amendments were made to this portfolio this month as it is believed that we are in a strong position to take advantage of any recovery in the market. However, we do still monitor the funds that make up this portfolio for any weakness.

Disappointingly the markets continue to be incredibly Bearish, which has led to further drops in performance. We still maintain that over a medium to long term, our investment theory and asset allocation strategy will prevail and produce good returns, however we appreciate that in the current climate this is causing short term poor performance. We believe that these are short term issues and will be resolved soon, however we are keeping a very close eye on global developments and are ready to alter our strategy should events force us to.

Portfolio Performance

	Facet Portfolio Risk 7	IA Mixed Investment 40-85% Shares	UK Consumer Price Index + 3%
1m	-5.35	-4.06	N/A
3m	-9.41	-7.20	5.10
6m	-19.13	-10.71	7.07
1yr	-19.94	-6.94	11.52
3yr	14.76	9.03	22.06
5yr	21.13	18.45	35.24
10yr	83.50	86.30	69.59

Issued by FACET Investment Management Limited, which is authorised and regulated by the Financial Conduct Authority. FRN: 131372.
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Registered in England No 01931757
One month CPI not available

**Using Facet Aviva Risk 3 performance pre-1st March 2020, and Facet Model Portfolio Risk 7 post 1st March. This is due to Facet only running risk models 1-4 as opposed to the new 1-10 risk models available now.