

Model Portfolio Risk Level 2

August 2022

Information in this factsheet is at the last valuation point on 31st August 2022 (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 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	0.33% (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.

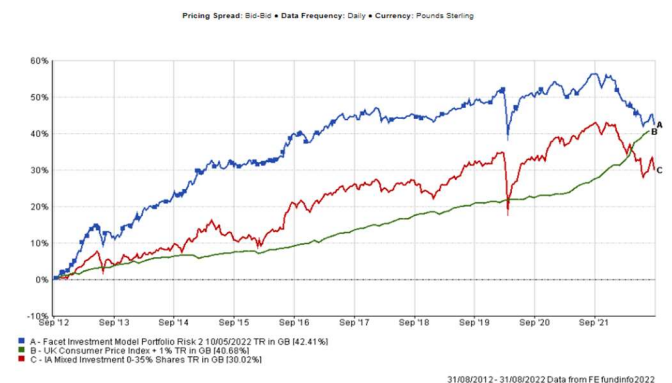
Alex Young - Alex has been in Financial Services with FACET for 20 years. He is a qualified IFA as well as holding IMC, a certificate in Discretionary Investment Management, a certificate in Securities Advice and Dealing and a diploma in Technical Analysis.

Risk Report

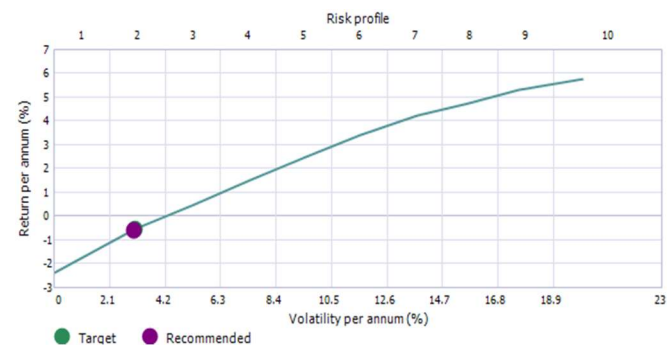


The indicator is based on historical data and may not be a reliable indication of the future risk profile. The lowest category does not mean 'risk free'

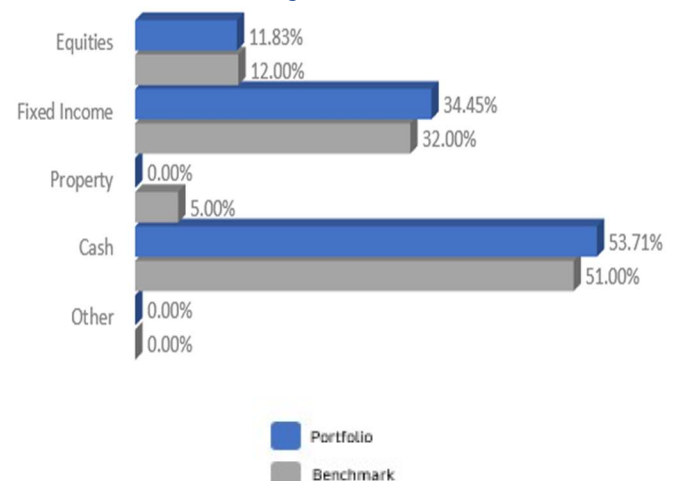
Facet Performance**



Efficient Frontier



Fund Breakdown by Asset Class



Top 5 Holdings

Holding	% of Portfolio
ASI Sterling Money Market	18%
BlackRock Cash	17.5%
Royal London Short Term Money Market	17.5%
iShares Gilts All Stocks Index	11%
M&G Global Macro Bond	5.5%
	69.5%

Portfolio Manager's Comments

The global stock market rally that started in June, came to an abrupt end in August in response to rising interest rates, rising inflation and the threat of recession. Following the Federal Reserve's hike of 0.75%, bringing the base rate up to 2.5%, there was no meeting in August and, ahead of the Jackson Hole meeting of central bankers at the end of the month, markets had little forward guidance to go on. The Bank of England continued their cautious approach, following the Fed's hike with just a half-point rise to 1.75%. This was not well received given that UK inflation hit a 40-year high in July of 10.1%. There emerged a feeling that central banks have given up trying to give reliable guidance in the face of steeply rising inflation and have retreated to a data dependent meeting-by-meeting approach. Furthermore, the decision not to follow the Fed's move added to the yawning gap between base rates which, in turn, attracted investors to a stronger and stronger US dollar at the expense of Sterling which fell 3.8% to \$1.17. Other major currencies fared a similar fate with the Euro lagging the US dollar by 2% and the Yen 4.5% - a 24-year low. The acceleration in the rise of interest rates also sparked concern for consumer confidence on both sides of the Atlantic and fears that a cost of living crisis could lead to a recession. Global stock markets responded to the deteriorating outlook with US stocks falling 4.25%. As seen throughout this year, UK stocks held up relatively better due to a weaker Sterling helping the export-heavy index, which fell just 1.87%. National and international geopolitics added to uncertainty in markets. The UK government remained in limbo awaiting a final vote between Rishi Sunak and Liz Truss for the next prime minister. Without knowing the taxation policies a new leader will take, it was perhaps understandable that the Bank of England took a wait-and-see stance. The polling for the September election in Italy took a lurch to the right with a relatively unknown candidate, Georgia Meloni, emerging as the favourite to lead a new euro-sceptic coalition, to the general dismay of the leaders of the European Union. However, the main concern in Europe remained the prospect of Russia cutting off gas supplies to Germany. Despite this, the global price of Brent crude fell 5.7% to \$95.64 per barrel; the fall being largely attributable to the likelihood of a drop in economic activity in the developed world feeding through to lower GDP. Looking ahead, September could prove to be a pivotal month as the "base effect" could mark the point where year-on-year inflation figures begin to fall. If that leads to just an easing of future interest rate hike expectations, it will be a welcome relief to volatile markets.

Whereas no amendments were made to this portfolios in August, while inflation remains high we intend to make changes in September for additional allocation into Index Linked Gilt funds. We have made the decision to utilise our Strategic Asset Allocation for property, which we have avoided due to concerns of the liquidity in the property funds

Throughout August the markets have shown more weakness and our portfolio has reflected this. 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 could still cause 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 2	IA Mixed Investment 0-35% Shares	UK Consumer Price Index + 1%
1m	-2.46	-2.81	N/A
3m	-2.31	-3.06	1.57
6m	-4.90	-5.31	6.22
1yr	-9.25	-9.87	10.27
3yr	-4.44	-2.33	16.33
5yr	-2.12	2.33	23.92
10yr	41.80	29.04	40.68

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

Further information is available from:

FACET Investment Management Ltd 2 Charlwood Court County Oak Way Crawley RH11 7XA

Registered in England No 01931757

One month CPI not available

****Using Facet Aviva Risk 1 performance pre-1st March 2020, and Facet Model Portfolio Risk 2 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.**

IMPORTANT INFORMATION This document has been produced by FACET Investment Management Limited for information only and represents the views of the investment manager at the time of writing. It should not be construed as Investment Advice. No investment decisions should be made without first seeking advice. The Model Portfolio Risk Level 2 is managed by Facet Investment Management Limited, which is authorised and regulated by the Financial Conduct Authority. Before making an investment, you should ensure that you have read and understood the relevant Key Investor Information documents, for all the underlining funds within the portfolio

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.

All performance figures are cumulative and do not include external or FACET charges

The models are available on a range of platforms and as such holdings, charges and performance may vary

The ongoing charges figure (OCF) show is correct as at the date of this factsheet but will vary in future depending on the holdings within the Model. Portfolio Expense - The portfolio expense is calculated using the weighted value of the Ongoing Costs Ex Ante of the portfolio constituents. Where the Ongoing Costs Ex Ante is not available the OCF is used, and where this is not available the TER is used