Model Portfolio Risk Level 9 November 2022

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

Portfolio Overview

Objective: To provide a long-term total return above that of the UK Consumer Price Index (CPI) +4%

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	**0.18% (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.

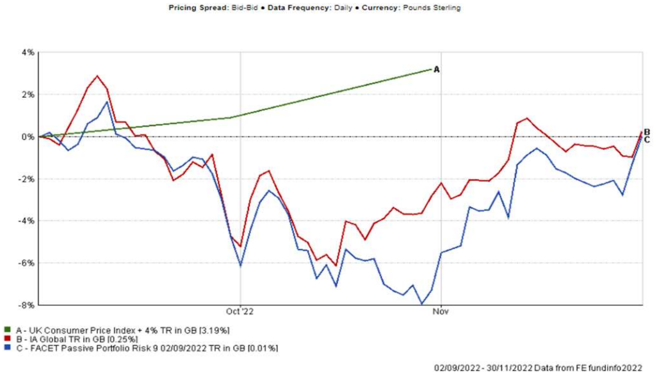
Risk Report

1	2	3	4	5	6	7	8	9	10

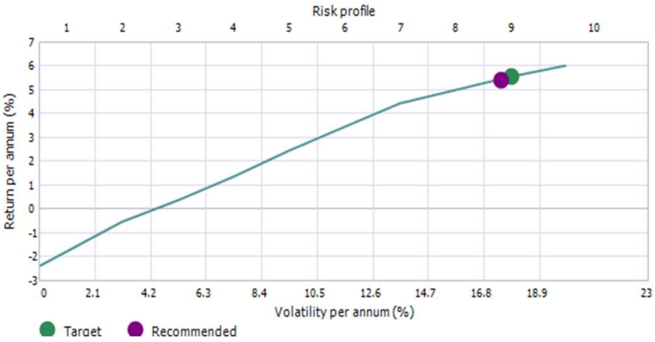
Lower risk → Higher risk

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'

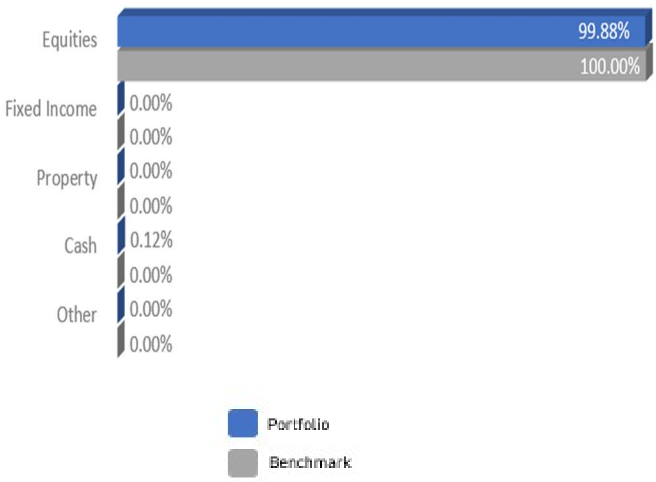
Facet Performance**



Efficient Frontier



Fund Breakdown by Asset Class



Top 5 Holdings

Holding	% of Portfolio
Fidelity Index Emerging Markets P	14%
iShares Core MSCI EM ETF	14%
iShares Edge MSCI EM ETF	14%
Fidelity Index Pacific ex Japan P	12.5%
HSBC Pacific Index C	12.5%
	67%

Portfolio Manager's Comments

The stock market rally, which began its recovery in mid-October, continued through November with US stocks up 5.6%. An easing of future inflation expectations was also good for US government bonds which rose 2.7%. Stocks and bonds in the UK and Europe followed suit; UK stocks rose 7.1%. The strong rebound in UK stocks was particularly surprising given the strength of Sterling which rose 5.4% against the US dollar. As we have seen throughout the year, a weaker Sterling has tended to support UK stocks relative to their US peers. However, the move was actually reflective of the fact that the US dollar weakened 5% against the basket of major currencies. The turn in the inexorable rise of the US dollar was a welcome relief for Asian stocks, and emerging market stocks in particular, which gained 15%. As we have seen almost every month this year, the strength of the US dollar has been attributable to the hawkish determination of the Federal Reserve to raise interest rates aggressively from 0.25% throughout the year. Trying to stem inflation, they raised rates another 0.75% in early November, taking the base rate up to 4%. However, the minutes of the meeting, released later in the month, contained what appeared to be an easing of the hawkish stance. It appeared that "a substantial majority" of the Federal Reserve's committee agreed that it would "likely soon be appropriate" to slow the pace of interest rate rises. This set up the prospect of a hike of only 0.5% at the December meeting. The softening in language was immediately supportive of the November rally in both stocks and bonds. The Bank of England may have felt compelled to match the November hike with their own 0.75% raise the day after the Federal Reserve, it is also likely to ease that pace in December. However, UK households are clearly more vulnerable to the rising cost of food, energy and mortgage costs than in the USA. The UK's Office for Budget Responsibility expects real household incomes to fall 7% over the next 30 months to April 2024. On this forecast, it seems likely the UK will fall back into a technical recession in 2023. However, UK retail sales recovered a little in October, rising 0.6% compared to the 1.5% monthly fall. Consumer confidence also appeared to stabilise, albeit weaker than a year ago. Nevertheless, given the softer stance that the main central banks now appear to be taking, stock and bond markets are prepared to look through the backward facing economic data, and sentiment improved markedly in November.

No changes have been made to this portfolio in November, our increased holding in Index Linked Gilts have continued to give us an improved rate of growth compared if we had allocated the 5% property allocation to a property fund. We have continued to avoid property funds due to concerns of the liquidity in the property sector. Any position changes made in the portfolios should not be taken as a buy or sell signal of any assets.

Throughout November, markets have shown a continued recovery and our portfolio has reflected this. However, this is no guarantee of a full recovery in the market. The investment committee continue to monitor the portfolio, looking for possible improvements we can make to our respective portfolios.

Portfolio Performance

	Facet Portfolio Risk 9	IA Global	UK Consumer Price Index + 4%
1m	8.62	2.10	N/A
3m		-0.34	4.07
6m		1.13	7.28
1yr		-7.03	14.26
3yr		24.97	30.43
5yr		45.01	46.32
10yr		169.96	91.57

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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One month CPI not available

**Using Facet Aviva Risk 4 performance pre-1st March 2020, and Facet Model Portfolio Risk 9 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.