Model Portfolio Risk Level 9 December 2022

Information in this factsheet is at the last valuation point on 31st December 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	**0.86% (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.

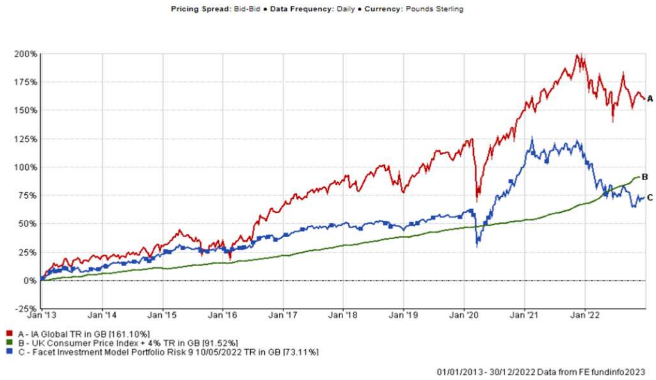
Risk Report

1	2	3	4	5	6	7	8	**9**	10

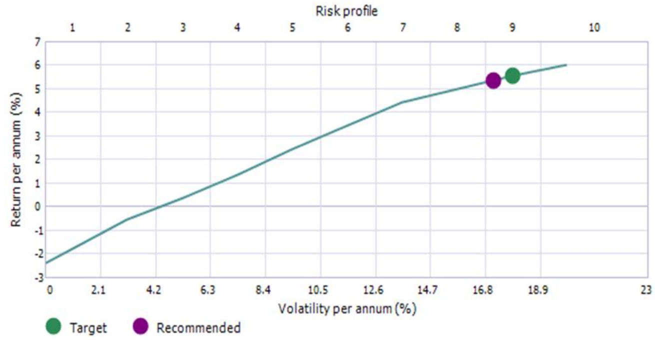
Lower risk → Higher risk

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'

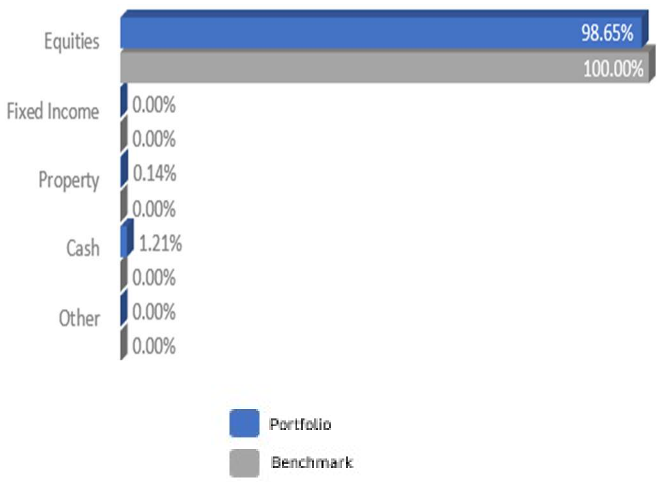
Facet Performance**



Efficient Frontier



Fund Breakdown by Asset Class



Top 5 Holdings

Holding	% of Portfolio
BlackRock Emerging Markets	21%
UBS Global Emerging Markets Equity	21%
Baillie Gifford Pacific	12.5%
Fidelity Asia Pacific Opportunities	12.5%
Salter Recovery P	6.5%
	73.5%

Portfolio Manager's Comments

After four consecutive interest rate hikes of 0.75%, the Federal Reserve lifted rates by just 0.5% in December to 4.5%. This came as US core inflation surprised markets with a year-on-year rise of 6% on the back of a lower-than-expected rise of just 0.2%. The US dollar fell slightly by 0.35% against Sterling but fell more against the DXY basket of currencies by 2.3%. However, Federal Reserve Chairman, Jerome Powell, maintained a hawkish tone, sending the message that stemming inflation remained their main objective. US 10-year yields moved higher into year-end to finish the month at 3.83% although the longer-term trend is still downwards and well off the high of over 4.25% back in October. The Bank of England followed the Federal Reserve with its own hike, raising the UK base rate by 0.5% to a 14-year high of 3.5%. Throughout the year, The Bank of England has found it difficult to raise rates as far and as fast as the Fed, conscious that UK household mortgages are impacted more immediately than US mortgages where-25 year fixed-rate mortgages are the norm. On the flip-side, other fundamental differences between the US and UK showed up in the annual performance of their respective stock markets. The UK index, more heavily weighted to energy and financials rose 1% compared to the US stock market which fell 20%. The poor performance of the US index was due mostly to the fall in the price of the huge growth/tech companies which fell out of favour exactly a year ago when central banks first started raising rates. Notable contributors to the fall in the US index were Apple, Amazon and Tesla which fell 27%, 50% and 65% respectively over the year. It has been a challenging year for investors having to navigate a combination of aggressive rate hikes, persistent inflation and, of course, the war in Ukraine, amid other geopolitical tensions. Whilst these issues have still not run their course, they are all at least better understood and more or less factored into the asset prices in stocks, bonds, commodities and property. As we start a new year, it is evident that the primary concern for investors has turned to the prospect of a recession, firstly in the USA but also UK and Europe. However, as we have seen in previous cycles, what is bad for consumers can be good for markets. A sharp downturn in the USA would almost certainly be met with swift and decisive action from the Federal Reserve and that action alone could act as a rising tide that lifts all boats.

December has shown a less favourable performance compared to November and our portfolio has reflected this. Higher Energy Prices and continued concern over the Ukraine crisis will have impacted combined with what is often a very quiet month in the markets. The investment committee continue to monitor the portfolio, looking for possible improvements we can make to our respective portfolios.

No changes have been made to this portfolio in December, we are of the opinion that many investments show significant outperformance in the years following poor and as such have positioned our portfolios to take advantage of any uplift. 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.

Portfolio Performance

	Facet Portfolio Risk 9	IA Global	UK Consumer Price Index + 4%
1m	-1.07	-2.59	N/A
3m	1.82	2.75	3.02
6m	-0.87	3.12	5.75
1yr	-18.50	-11.09	14.10
3yr	9.15	19.24	30.92
5yr	15.74	38.58	46.49
10yr	73.51	154.87	91.52

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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.

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 9 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 9 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