

BALANCED MIXED ASSETS

BECKETT ASSET MANAGEMENT LIMITED

RISK PROFILE 5-6

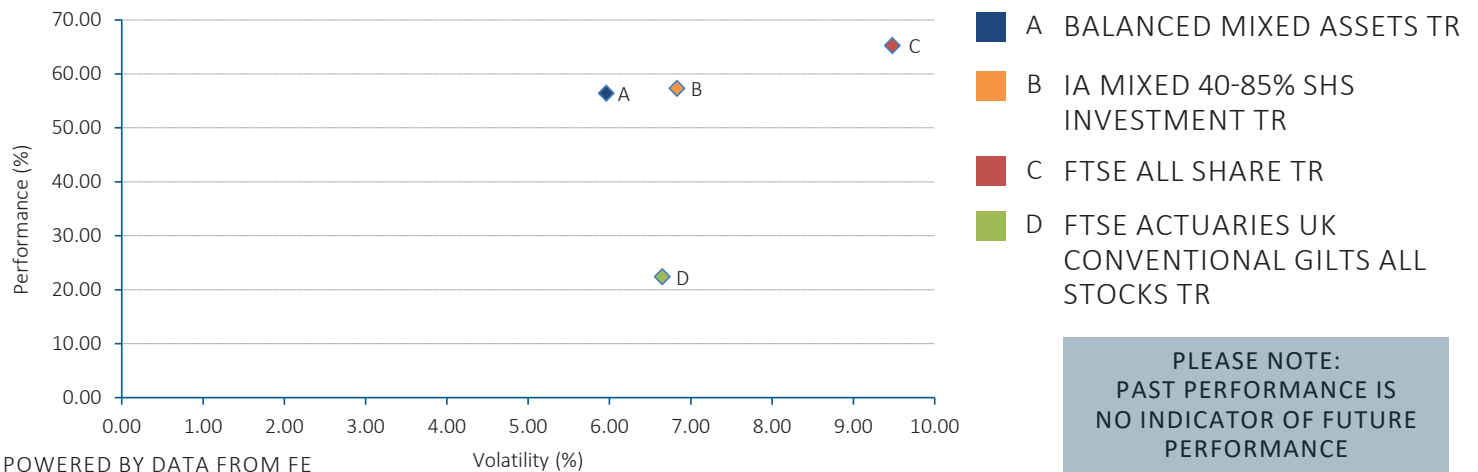
BALANCED MIXED ASSETS COMMENTARY

The model delivered a positive performance but we decided to make a few changes to the model at the end of the quarter.

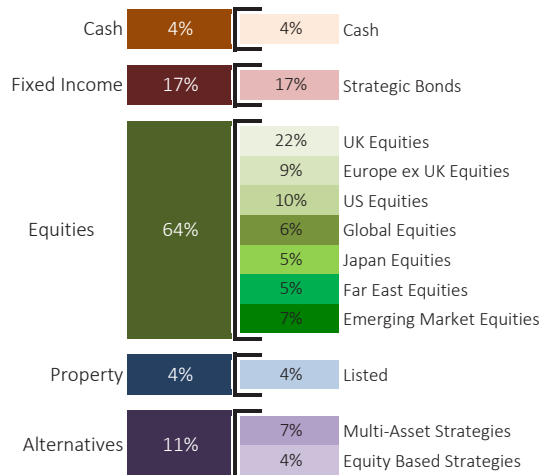
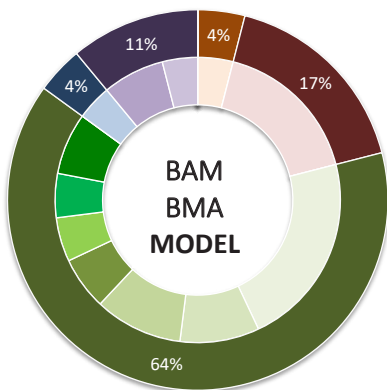
The first was to change the fund we use for our exposure to Asian equities. We sold our holding in the Newton Asian Income fund and invested the proceeds in the Old Mutual Asia Pacific fund. We have been more positive on Asia for some time and wanted to change the fund we own in the model to reflect this. The Newton fund is a reasonably defensive one whilst the Old Mutual fund is one we feel can offer better participation to any upside in Asian equity markets.

We also decided to sell our holding in the Aviva Target Income fund, which we have lost some conviction in over recent months. We used 2% of the 5% from the Aviva sale to top up our existing position in the Invesco Global Targeted Returns fund, which we have held for some time and been impressed with in varying market conditions. The final 3% from the Aviva sale will be used to top up our existing holding in the Schroder European Alpha Income fund, which reflects our more positive view on European equities and our belief that the process used by the manager is well placed to outperform the broader market.

TOTAL RETURN PERFORMANCE VS VOLATILITY OVER 5 YEARS (30/06/2012 - 30/06/2017)



PORTFOLIO COMPOSITION



PORTFOLIO COMPOSITION SHOWN IS AS JULY 2017. PLEASE NOTE THAT ASSET ALLOCATIONS MAY CHANGE OVER TIME.

STRATEGY DESCRIPTION

This strategy seeks a total return from investing in blend of income and growth generating assets, using a fund of funds approach to investment. The strategy invests in a blend of different assets, which will include Equities as well as Fixed Interest and Property. The portfolio is comprised of funds that invest across a range of geographical areas. The funds are selected on a discretionary basis from a number of top fund management houses.

This strategy is particularly suited to those investors seeking a combination of a regular income and longer-term capital growth (5 years plus). Investors can also opt to reinvest the investment income that is generated. Investors should be prepared to accept a medium level of investment risk.

INCOME YIELD

Income yield of this strategy is currently c. 2.6% July 2017.

STRATEGY BENCHMARK

The performance of the strategy will be measured against the IA Mixed Investment 40-85% Shares over a rolling three-year period.

CHARGES ON WRAP

OCF for underlying funds 0.75%. This does not include the advisor or platform charge.

RISK CONTROLS AND INVESTMENT STRATEGY CHARACTERISTICS

- The strategy will always have a minimum and a maximum exposure as defined below. Maximum equity exposure restricted to 85% of the Fund and is currently 64%.
- This strategy can invest in overseas assets which can be positively or negatively impacted by changes in the relative valuation of currencies if the currency is not hedged.
- The strategy will hold a minimum of 10 different fund holdings and a maximum of 20.

Country/Asset Class	Minimum Exposure	Maximum Exposure	Current Exposure	Diff
UK Equities	15%	50%	22%	-
North American Equities	5%	15%	10%	-
European Equities	5%	15%	9%	▲
Japanese Equities	0%	10%	5%	-
Far East Equities	5%	15%	5%	-
Global Equities	0%	25%	6%	-
Emerging Mkts Equities	0%	15%	7%	-
Fixed Interest	15%	40%	17%	-
Property	0%	15%	4%	-
Multi Asset Abs Return	0%	15%	7%	▼
Equity Based Abs Return	0%	10%	4%	-
Cash	0%	10%	4%	-

THE INVESTMENTS MENTIONED IN THIS REPORT ARE INTENDED AS LONG-TERM INVESTMENTS. SOME OF THEM MAY GO DOWN AS WELL AS UP AND YOU THEREFORE MAY NOT GET BACK THE FULL AMOUNT INVESTED. WHERE INVESTMENTS ARE DENOMINATED IN FOREIGN CURRENCIES, CHANGES IN THE RATE OF EXCHANGE MAY HAVE AN ADVERSE EFFECT ON THE VALUE OR PRICE OF THE INVESTMENT IN STERLING TERMS. PAST PERFORMANCE IS NOT NECESSARILY A GUIDE TO FUTURE PERFORMANCE. THIS DOCUMENT SHOULD NOT BE CONSTRUED AS AN OFFER DOCUMENT OR SOLICITATION AND IS CIRCULATED BECAUSE THE CONTENTS MAY BE OF INCIDENTAL INTEREST. THE OPINIONS STATED ARE THOSE OF BECKETT ASSET MANAGEMENT LTD, WHICH IS AUTHORISED AND REGULATED BY THE FINANCIAL CONDUCT AUTHORITY.

- No individual holding will account for more than 17% of the strategy.
- No investment house will have more than 3 funds represented within the strategy.
- The policy of the strategy is to be managed on a “fully invested” basis.
- In addition to mainstream Unit Trust / OEIC funds, the strategies may also invest, where appropriate, in: Boutique investment house funds, Alternative investment funds (FAIFS), Investment Trusts, Structured Products, Tracker-type investments and ETFs.

BALANCED MIXED ASSETS CONSTITUENTS

		Diff
ALTERNATIVES		
Invesco Perpetual Global Targeted Return	7%	▲
Jupiter Absolute	4%	-
UK FIXED INTEREST		
M&G Global Macro Bond	4%	-
Jupiter Strategic Bond	8%	-
L&G Dynamic Bond	5%	-
UK INCOME		
Rathbone Income	6%	-
Std Life UK Equity Income Unconstrained	6%	-
Unicorn UK Income	4%	-
UK GROWTH		
Jupiter UK Special Situations	6%	-
PROPERTY		
F&C Property Growth & Income	4%	-
US		
JPM US Equity Income	6%	-
Fidelity American Special Situations	4%	-
EUROPE		
Blackrock Continental European Income	3%	-
Schroder European Alpha Income	6%	▲
JAPAN		
Baillie Gifford Japanese	5%	-
GLOBAL		
First State Global Listed Infrastructure	6%	-
FAR EAST		
Old Mutual Asia Pacific	5%	*
EMERGING MARKETS		
Std Life Global Emerging Markets Income	3%	-
Henderson EM Opps	4%	-
CASH		
	4%	

*Represents new funds