

BALANCED MIXED ASSETS

BECKETT ASSET MANAGEMENT LIMITED

RISK PROFILE 5-6

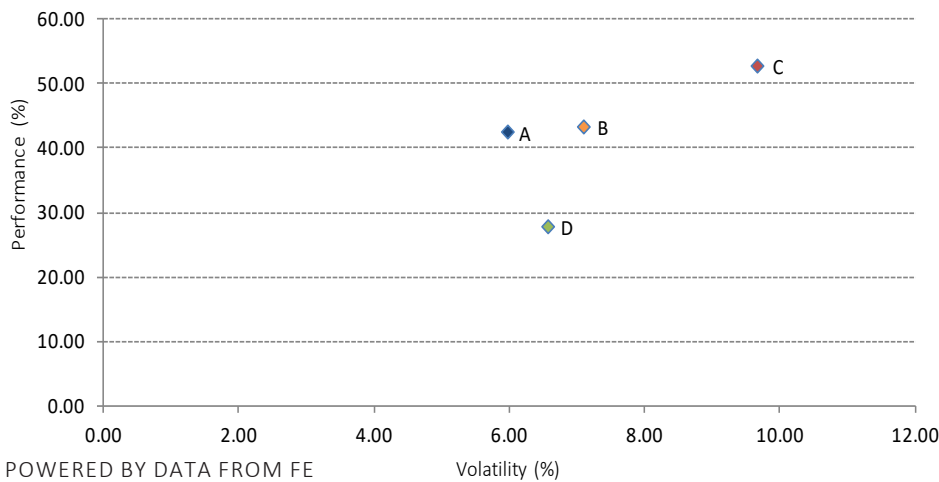
BALANCED MIXED ASSETS COMMENTARY

This strategy lagged the benchmark in the second quarter of 2018 but still delivered a solid return for the risk in the portfolio. We reduced Equities to 62% back in April and are happy to retain that weighting but have looked to shift our geographic and style focus a little with the following changes being implemented:

Blackrock Continental European Income has been sold (3%). This fund does not react well in times of monetary policy tightening with its reasonably strict income focus. We also trimmed Schroder European Alpha Income by 2%. 4% of the 5% resulting from the sales above are being allocated to Man GLG Continental European Growth and the remaining 1% to Japan. The Japanese equity market it typically a geared play on global growth and with the trade tariff situation this could increase sensitivity here but valuations are attractive and the Yen could provide some support. In the UK we have reduced the investment in the Standard Life UK Equity Income Unconstrained fund by 2% and allocated this to the more flexible Liontrust Special Situations fund. This does not materially alter the market cap or investment style skew of the UK assets, but provides the more flexible approach we are looking for.

In Fixed Income, the overall weighting is not changing however we are allocating 1% away from Jupiter Strategic Bond to TwentyFour Dynamic Bond, which we have been impressed with since adding it at the start of the year.

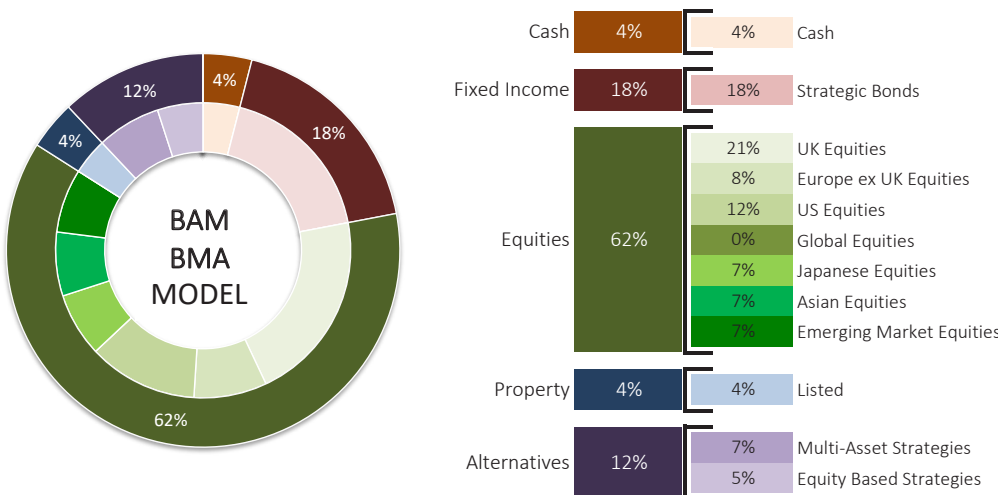
TOTAL RETURN PERFORMANCE VS VOLATILITY OVER 5 YEARS (30/06/2013 - 30/06/2018)



- A BALANCED MIXED ASSETS TR
- B IA MIXED 40-85% SHS INVESTMENT TR
- C FTSE ALL SHARE TR
- D FTSE ACTUARIES UK CONVENTIONAL GILTS ALL STOCKS TR

PLEASE NOTE:
PAST PERFORMANCE IS
NO INDICATOR OF FUTURE
PERFORMANCE

PORTFOLIO COMPOSITION



PORTFOLIO COMPOSITION
SHOWN IS AS JULY 2018.
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. 1.9% July 2018.

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

In the region of 0.82% but subject to change depending on the underlying funds.

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 62%.
- 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.

Country/Asset Class	Minimum Exposure	Maximum Exposure	Current Exposure	Diff
Fixed Income	15%	40%	18%	-
UK Equities	15%	50%	21%	-
Europe ex UK Equities	5%	15%	8%	▼
US Equities	5%	15%	12%	▲
Global Equities	0%	25%	0%	-
Japanese Equities	0%	10%	7%	▲
Asia Equities	5%	15%	7%	-
Emerging Market Equities	0%	15%	7%	-
Property	0%	15%	4%	-
Multi Asset Abs Return	0%	15%	7%	-
Equity Based Abs Return	0%	10%	5%	-
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.

- The strategy will hold a minimum of 10 different fund holdings and a maximum of 20.
- 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
UK FIXED INCOME		
Twentyfour Dynamic Bond	6%	▲
Jupiter Strategic Bond	7%	▼
Blackrock Strategic Bond	5%	-
UK INCOME		
Std Life UK Equity Income Unconstrained	4%	▼
UK GROWTH		
Chelverton UK Growth	5%	-
Jupiter UK Special Situations	6%	-
Liontrust UK Special Situations	6%	▲
EUROPE		
Man GLG Continental European Growth	4%	*
Schroder European Alpha Income	4%	▼
US		
Old Mutual North American	7%	-
Fidelity American Special Situations	5%	-
PROPERTY		
F&C Property Growth & Income	4%	-
JAPAN		
Baillie Gifford Japanese	7%	▲
FAR EAST		
Old Mutual Asia Pacific	7%	-
EMERGING MARKETS		
Std Life Global Emerging Markets Income	3%	-
Henderson EM Opps	4%	-
ALTERNATIVES		
Invesco Perpetual Global Targeted Return	7%	-
Jupiter Absolute	5%	-
CASH		
	4%	

*Represents new funds