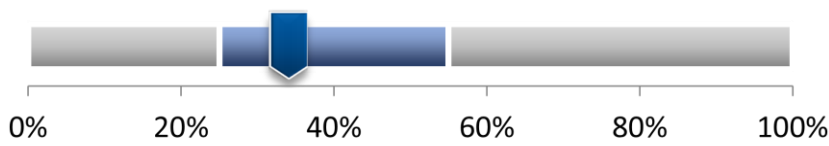


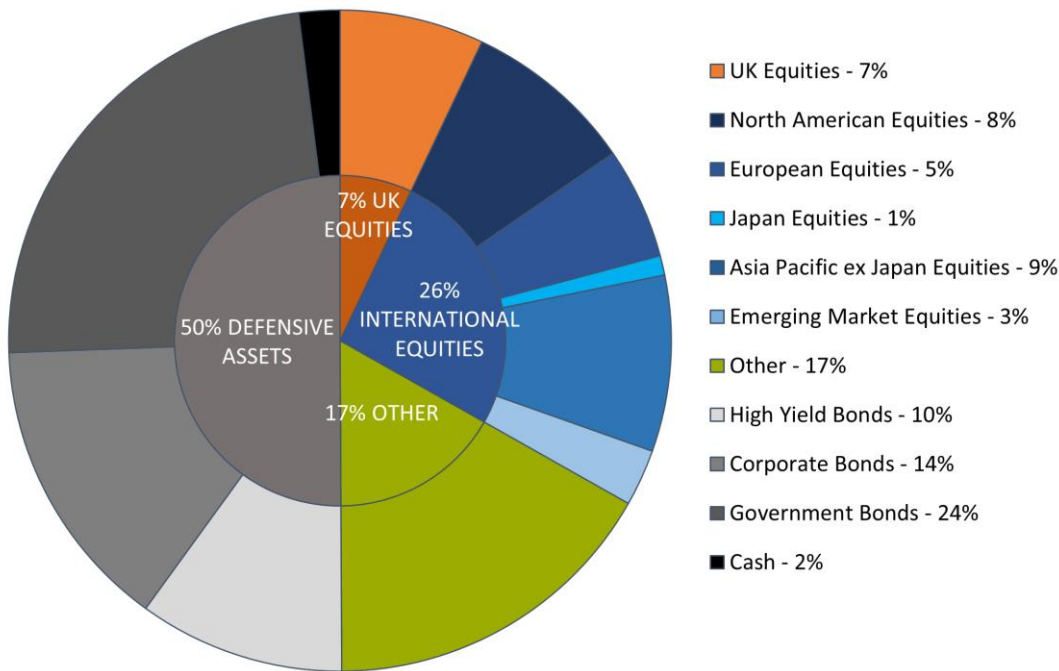
## PORTFOLIO DEFINITION

In order to provide you with a “Conservative” approach to Equity investment, we are recommending a portfolio with a minimum of 25% Equity exposure and a maximum of 55% Equity exposure. If the broad Equity market is looking very attractive, we may be at the higher end of the range, however if we are concerned about current Equity markets, we would expect to be at the lower end of this range. The remainder of the portfolio allocation will be made up from more defensive asset classes than Equities, such as Cash, Bonds and Commercial Property. The benchmark for this portfolio net return is Consumer Price Index Inflation plus 1% per annum, viewed over a rolling three year cycle.

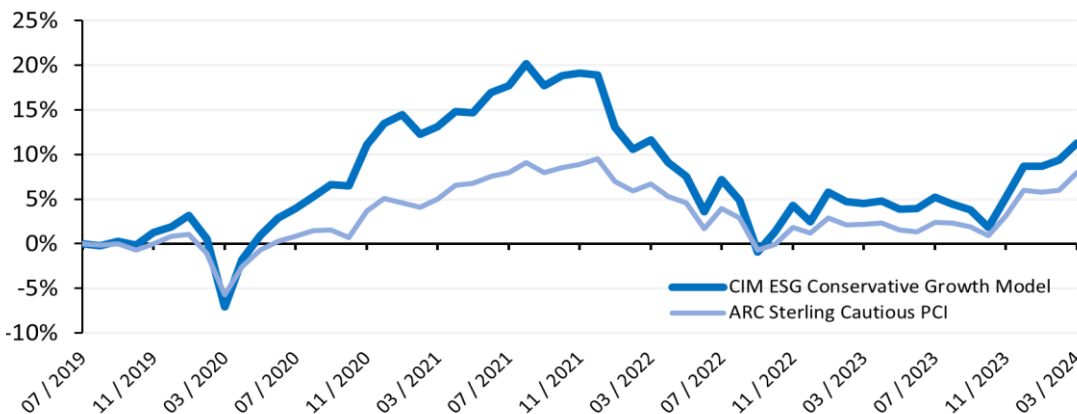
### EQUITY POSITIONING (Min 25%, Max 55%)



### ASSET ALLOCATION



### NET PERFORMANCE OF MODEL PORTFOLIO



Source: FE Analytics

**AMC:** The annual fee that CIM charge to manage the portfolio

0.12%

**OCF:** An Ongoing Charge Figure is made up of the annual management charge and a variety of other operating costs

0.41%<sup>1</sup>

0.42%<sup>2</sup>

1 Using 7IM platform

2 Using Transact platform

**YIELD:** A Yield is a natural income from the portfolio

1.80%

**FE RISK RATING:** A measure of risk relative to the leading 100 UK shares (which has a score of 100). For example, a score of 50 indicates the strategy has previously exhibited half of the volatility of this index.

54

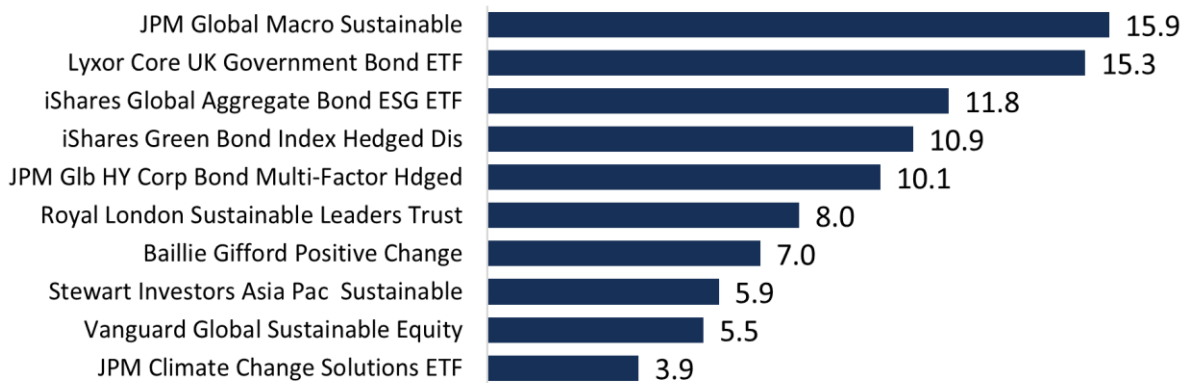


Cumulative Performance				
Portfolio	3 Months	6 Months	1 Year	3 Years
CIM ESG Conservative Growth	2.39	7.16	6.49	-1.63
ARC Sterling Cautious PCI	1.90	5.22	4.66	1.84
UK Consumer Price Index + 1%	0.71	1.26	4.48	24.95

Discrete Performance		
2021	2022	2023
4.77	-13.86	6.09
4.23	-7.60	3.68
6.46	11.61	4.97

\* net performance based on gross model performance adjusted for average AMC and a 0.25% platform charge. Source: FE Analytics

### TEN LARGEST STRATEGY RANGE HOLDINGS



### PORTFOLIO COMMENTARY

Investors remained in bullish mood during March, pushing equity markets higher. The rally has broadened out and is no longer being driven by the so-called 'Magnificent Seven' US technology stocks. Notably, Tesla and Apple declined sharply again this month. We had already taken action to reduce our exposure to these types of stocks within the portfolio. Undervalued stocks generally outperformed those with high earnings growth expectations.

Reasons for market participants to be optimistic during the month include inflation continuing to retreat and persistent economic growth in the US. US Federal Reserve chair Jay Powell said that the central bank is "not far" from cutting interest rates and easing monetary policy. Toward the end of the month, the Fed chose to keep interest rates unchanged but reiterated that they expect to cut rates by 0.75% by the end of the year. The European Central Bank also kept rates unchanged and lowered their inflation forecast. The Swiss National Bank unexpectedly cut interest rates by 25 basis points to 1.5%, as inflation fell to 1.2% in February. In contrast, the Bank of Japan chose to increase interest rates, for the first time since 2007, in a bid to help arrest the decline in the Yen, which dropped to its lowest level against the US dollar for 34 years.

Towards the end of February, we increased exposure to the JPM Climate Change Solutions and Vanguard Global Sustainable Equity funds, which have much less of a tilt towards growth stocks than the average ESG fund. This benefitted the portfolio in March as the funds enjoyed respective monthly gains of 4.6% and 4%.

Global government bond yields were relatively stable during the month with UK gilts outperforming, as the yield on the 10-year UK bond fell to 3.9%. As a reminder, falling bond yields indicate a rise in bond prices and a capital gain. This helped the Lyxor UK Government Bond ETF to a 1.7% increase.

Elsewhere, commodity prices were broadly strong. Cocoa prices rose above \$10,000 per tonne for the first time, more than doubling in two months, due to poor harvests in Africa. The price of gold and crude oil also continued to climb higher, with the former exceeding \$2,200 per troy ounce for the first time.

In general, we have enjoyed a good start to the year. For now, we retain a conservative stance as our expectations that growth stocks will underperform have started to play out.

### CHIEF INVESTMENT OFFICER

JONATHAN PROUT



Jonathan is a graduate of the University of Warwick and holds a number of certificates and qualifications in investment analysis, financial modeling, statistical analysis and quantitative finance. Prior to joining Chetwood, Jonathan held senior roles in major financial institutions, managing global investment strategies for over 20 years.

### PORTFOLIO DIRECTOR

MIKE EVANS



Mike is a graduate of Exeter University, where he studied Mathematics with Accounting. He has over 17 years' experience of working in the investment industry and is a Chartered Financial Analyst (CFA). He has also passed the Investment Management Certificate (IMC).

### ASSISTANT INVESTMENT MANAGER

CHRIS FLINN



Chris joined Chetwood in 2022 as an Assistant Investment Manager. He has 5 years' experience of providing day-to-day oversight of Discretionary clients and fund research. Chris holds the CISI Investment Advice Diploma and the Investment Management Certificate.

### INVESTMENT ANALYST

KAYLEIGH CLACE



Kayleigh joined the team in July 2022 as a graduate of the University of Exeter, where she achieved a Master of Science with Honours in Mathematics with Finance degree. Kayleigh passed the Level I CFA exam in August 2023.

### INVESTMENT OBJECTIVE

The aim of the portfolio is to grow the value of your original investment over the long term primarily through capital growth and some income. The portfolio will mainly invest in a portfolio of equities and bonds selected from global markets. The portfolio is actively managed which means that the Investment Managers will choose the investments, currencies and markets held in the portfolio, but always with the aim of remaining within agreed risk tolerances.

### WHY CHOOSE CHETWOOD INVESTMENT MANAGEMENT?

Chetwood Investment Management believe in sensible evidence-based investing, which means we believe in learning from history but we are also careful not to assume similar patterns will always occur in the future.

We build robust portfolios by blending the best actively managed funds that we can find with lower cost passive investments in an appropriate way. In developed markets, such as the UK, US and Europe, passive funds are typically used in liquid areas of the market to gain exposure to equity returns, but at a fraction of the price of an active fund manager. The simple difference is that the investment team selects a passive fund to buy a favoured index of stocks (without an additional fund manager (ie an active fund) deciding which stocks to overweight, underweight – or not hold at all. A passive fund therefore has a lower level of charges.

We develop and maintain a view on current and future market expectations in order to create portfolios that look to add significant value against a simple tracking portfolio. We also use sophisticated quantitative analysis and modelling to complement our own investment judgement and experience. This enables us to create a range of portfolios focussed on long term real returns for our clients

We have multiple ways of adding value for our clients including strategic asset allocation, shorter-term tactical asset allocation and by using our expertise to choose third-party actively managed funds that can add an additional layer of return.

Each of our portfolios typically consists of a core component and a tactical component. The core element comprises of assets we expect to hold for the longer term to express our desired strategic asset mix. We will also use the core to invest in actively managed funds where we have strong faith that they can deliver a good return net of additional costs. The core portfolio is expected to have very low turnover. In the tactical part of the portfolio, we hold funds that we believe can perform well in the immediate market and economic environment. We expect these positions to have a shorter holding period, typically 3-6 months. These could be funds that invest in particular regions of the world, sectors of the market or have other characteristics that we favour.

All of our portfolios are constructed to be diversified and to manage risk to an appropriate level for each client. The result should be a smoother path and more consistent returns for investors.

### IMPORTANT INFORMATION

This document is produced by Chetwood Investment Management Ltd, solely for use by authorised and qualified professional financial advisers. Chetwood Investment Management Ltd is authorised and regulated by the Financial Conduct Authority.

Past Performance is no guarantee of future performance. The value of an investment and the income from it can fall as well as rise and investors may get back less than they invested.

Quoted yields are based on the previous 12 months distributions to investors and are not guaranteed. Future distributions may differ and will be subject to market factors.

Risk factors should be taken into account and understood including (but not limited to) currency movements, market risk, liquidity risk, concentration risk, lack of certainty risk, inflation risk, performance risk, local market risk and credit risk.

The information on this factsheet is intended to provide information only and should not be interpreted as advice. Chetwood Investment Management recommend that investors seek professional advice before making any investment to ensure that the product is suitable and can achieve their objectives.