

EPIM Cabot Balanced

Investment objective and policy

These discretionary managed model portfolios offer risk-profiled investment solutions, all of which have a dynamic top-down asset allocation strategy implemented using low cost index tracking funds.

The investment objective for the EPIM Cabot Balanced Model Portfolio is to provide a long-term total return which is superior to inflation plus 2% returns. The performance of the model portfolio is not intended to track the rise (or fall) of any specific index.

Key facts

Inception Date	30/09/2012
Typical Growth / Defensive Split	50:50
Annual Management Charge	0.20%
Total Ongoing Charges (of underlying funds)	0.15%
Portfolio Total Ongoing Charge	0.35%

August was volatile, starting with a broad-based sell-off in equities as concerns that the US would fall into a recession mounted. However, these worries were overblown and equity markets generally recovered in the latter part of the month to end higher.

The sharp fall in the early part of the month was triggered by disappointing US employment data, as well as concerns about elevated technology-sector valuations. However, subsequent jobs data proved reassuring and the official estimate of US GDP growth in the second quarter was revised higher – to 3% from an initial reading of 2.8%. Subsequent data also helped soothe these fears surrounding the US economy and markets rallied.

Several of the ‘Magnificent 7’ fell after their earnings and outlook failed to meet elevated expectations. This included AI-chip market leader Nvidia. Bond markets also saw an increase in volatility after price gains over the summer. European shares, as represented by the Stoxx 600 index, hit a new all-time high in the last week of August.

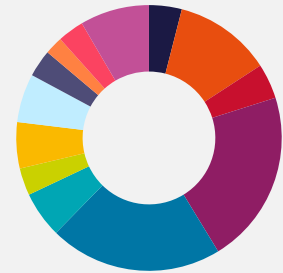
Commentary from Federal Reserve chair Jerome Powell helped convince markets that the interest rate cycle is likely to turn in mid-September. However, the central bank did not provide any clarification on how fast rates are likely to fall – and futures markets appear to have priced-in an optimistic view of the pace of interest-rate cuts.

At the end of July, the Bank of England (BoE) unexpectedly cut interest rates for the first time in more than four years. BoE governor Andrew Bailey warned that the move would not herald a rapid succession of further cuts.

The Bank of Japan’s surprise rate hike in July had a dramatic impact on the yen, which rallied sharply, resulting in a steep fall in Japanese stocks. Weakness in Chinese equities continued.

The US is expected to engineer a soft economic landing as inflation is brought down to the Fed’s target level – although the pace of interest rates cuts could potentially disappoint.

Asset Allocation



- Cash & Equivalent 4.0%
- Government Bond 11.8%
- Inflation Linked 4.3%
- Investment Grade Bond 21.2%
- North American Equities 21.1%
- UK Equities 5.6%
- European Equities 3.3%
- Japanese Equities 5.6%
- Asia Pacific ex-Japan Equities 5.9%
- Global Emerging Market Equities 3.3%
- Global/Thematic Equities 2.2%
- Property 3.2%
- Infrastructure 8.4%

Top ten holdings

	%
Fidelity Index US P Acc Hdg	9.2
Legal & General Global Infrastructure Index C Inc	8.4
L&G Short Dated Corp Bond Index C Inc	8.1
Vanguard UK Short Term Investment Grade Bond Index	8.1
Legal & General US Index C Inc	7.1
L&G All Stocks Gilt Index Trust C Inc	5.7
Vanguard Global Short Term Corp. Bond Index Inst. Plus Hdg Acc	5.0
Fidelity US Index Fund Inc	4.8
Legal & General Global Inflation Linked Bond Index C Inc	4.3
Vanguard US Government Bond Index Inv GBP Hedged Inc	4.3

Performance %

Discrete Performance	August 23 - August 24	August 22 - August 23	August 21 - August 22	August 20 - August 21	August 19 - August 20	3 yr Volatility
EPIM Cabot Balanced	13.1	2.0	-5.4	12.9	1.9	8.1
UK CPI + 2%*	4.3	9.0	12.3	4.0	3.1	-

Cumulative Performance	1m	3m	6m	1yr	3yr	5yr
EPIM Cabot Balanced	0.7	3.8	6.0	13.1	9.3	25.6
UK CPI + 2%*	0.0	0.7	2.8	4.3	27.6	37.0

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All data as at 31 August 2024

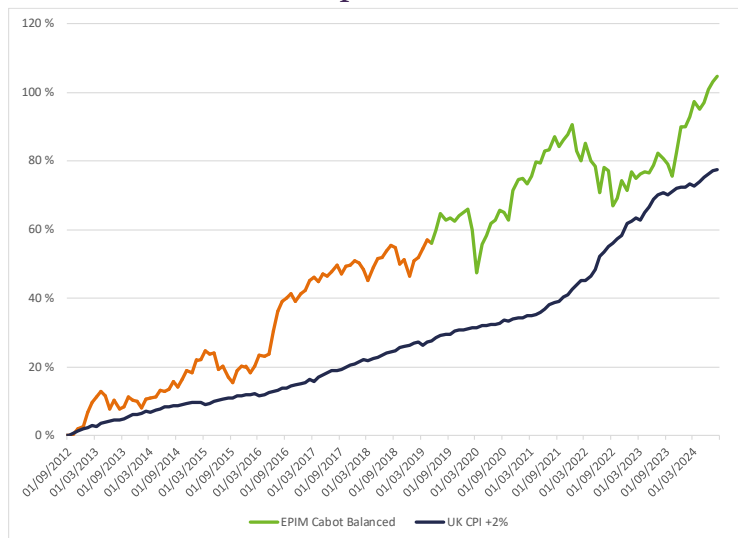
Source: Performance figures and ongoing charges are taken from FE Analytics. All holdings data is sourced from Bloomberg. Past performance is not a reliable guide to future performance. The performance is net of Eden Park Investment Management fees, with income reinvested. *UK Consumer Price Inflation figures quoted with a 1-month lag.

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Investment Team

The model portfolios are managed by Eden Park Investment Management, with investment advisory and management services provided by Charles Stanley. The team of portfolio managers and analysts have extensive experience, drawing upon the expertise of investment specialists, strategists and economists both internally and externally. The research team looks for the best Index tracking funds from the available passive universe.

Performance since Inception



Source: FE Analytics . Past performance is not a reliable guide to future performance. The performance is net of Eden Park Investment Management fees, with income reinvested.

Sub Manager MPS Proposition Ratings



FIND OUT MORE

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ACCOUNTS

- General Investment Account
- ISA
- SIPP
- Offshore Bond
- Onshore Bond

Minimum suggested Investment = £1,000
(subject to platform minimum requirements)

PLATFORMS

- Morgan Lloyd Invest
- SS&C Hubwise

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The value of investments, and the income derived from them, can fall as well as rise. Investors may get back less than invested. Returns may be affected by currency exchange rate fluctuations.

Performance is calculated on a Total Return basis using a notional portfolio in Financial Express Analytics. Performance is net of Eden Park Investment Management fees but not adviser fees nor platform costs. Any charges and fees applied by authorised intermediaries will be charged in addition to the charges shown. The Total Ongoing Charges Figure (TOC) is calculated by Financial Express Analytics using a weighted average of the underlying investments and represents underlying Ongoing Charges Figure plus Transaction costs plus Incidental costs for those holdings. Portfolios linked to this Model Portfolio may not exactly replicate the model due to the difference in timing of initial investment or rebalancing differences resulting from individual portfolio circumstances. The management and rebalancing of this Model Portfolio does not take Capital Gains Tax into consideration. This update has been prepared for information purposes only and does not constitute advice or a personal recommendation, nor does it constitute an invitation to purchase units or shares. The information on which the document is based is deemed to be reliable. Eden Park Investment Management has not independently verified such information and its accuracy or completeness is not guaranteed. Although Charles Stanley's information providers, including without limitation, MSCI ESG Research LLC and its affiliates (the "ESG Parties"), obtain information (the "Information") from sources they consider reliable, none of the ESG Parties warrants or guarantees the originality, accuracy and/or completeness, of any data herein and expressly disclaim all express or implied warranties, including those of merchantability and fitness for a particular purpose. The Information may only be used for your internal use, may not be reproduced or disseminated in any form and may not be used as a basis for, or a component of, any financial instruments or products or indices. Further, none of the Information can in and of itself be used to determine which securities to buy or sell or when to buy or sell them. None of the ESG Parties shall have any liability for any errors or omissions in connection with any data herein, or any liability for any direct, indirect, special, punitive, consequential or any damages (including lost profits) even if notified of the possibility of such damages. Eden Park Investment Management is authorised and regulated by the Financial Conduct Authority.