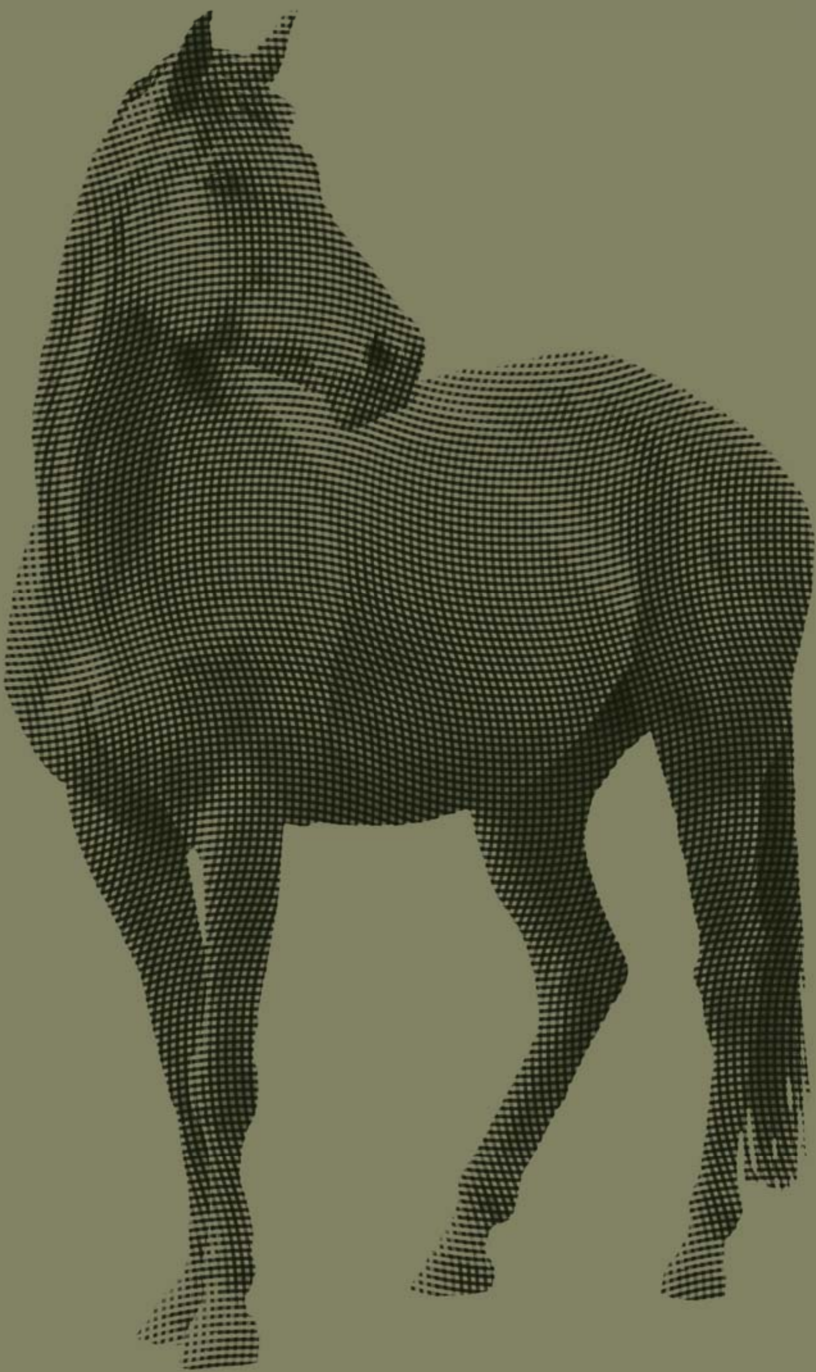
BALANCED BETA
PORTFOLIO

EDITION 28 January 2018

RISK

5



ESTATE CAPITAL

Balanced Investor

You are aiming for higher long term returns & accept some sustained periods of poorer performance.You accept the risk of a greater than moderate loss.

Potential return of 25.81% & potential loss of -15.63%

BALANCED BETA
PORTFOLIO

The Balanced Beta Portfolio is a passive growth strategy. It is aimed at medium to long term investors who are seeking above average capital growth from a balanced portfolio of mainly equity investments.

The chosen investment funds can invest in UK and overseas equities, commercial property, cash and fixed interest securities. Passive funds replicate the stockholdings of an underlying index. Since these funds track the composition and performance of the underlying index, there are low levels of human involvement and so the funds have a lower total expense ratio.

The Balanced Beta Portfolio performance is benchmarked against the average performance of the IA Mixed Investment 20%–60% sector and has a risk rating and investor profile of 5 out of 10. The Balanced Beta Portfolio is the Estate Capital default portfolio for regular pension contributions.

RISK
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& potential loss of -15.63%.

5

ACTIVE
Managed daily by our personally selected fund managers.

36%

EQUITY
Held in risk to drive growth, vs the stability of bonds & property.

51%

FEES
The weighted total expense ratio for this portfolio.

0.46%

Risk

Prospective Risk Level

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

Historic Risk Level

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

A **risk level 5** investor should be prepared to accept annual returns somewhere **within the range of a -15.63% loss and a 25.81% gain** — returns within this range would be expected 95% of the time. It should be remembered that there is a 5% chance that **risk level 5** portfolios will experience an annual return outside this range — this means an investor may experience **losses greater than -15.63% or gains greater than 25.81%** at some point(s) during their investment in one year.

It is important to remember the figures are not intended to be and should not be taken as a projection of the likely returns from the portfolio risk levels. This is intended to support the risk discussion between an adviser and a client following the completion of a risk profile questionnaire. They show the implied volatility and mean expected return of risk levels 1 to 10 to two standard deviations in one year (ie all returns are expected to be between these extremes in 95 years out of 100; this is often described as a 95% confidence level). The figures shown are the expected arithmetic average returns and the ranges assume that returns are based on a log normal distribution. Figures are shown net of tax and underlying manager fees.

Range of Returns

Upper Return

25.81%

In 95 years out of 100, this is the highest expected level of return for a given level of risk. There is a 2.5% chance that returns could fall outside the upper return figure in one year.

Average of All Returns

5.09%

This is the average of all possible returns within a risk level in one year.

Lower Return

-15.63%

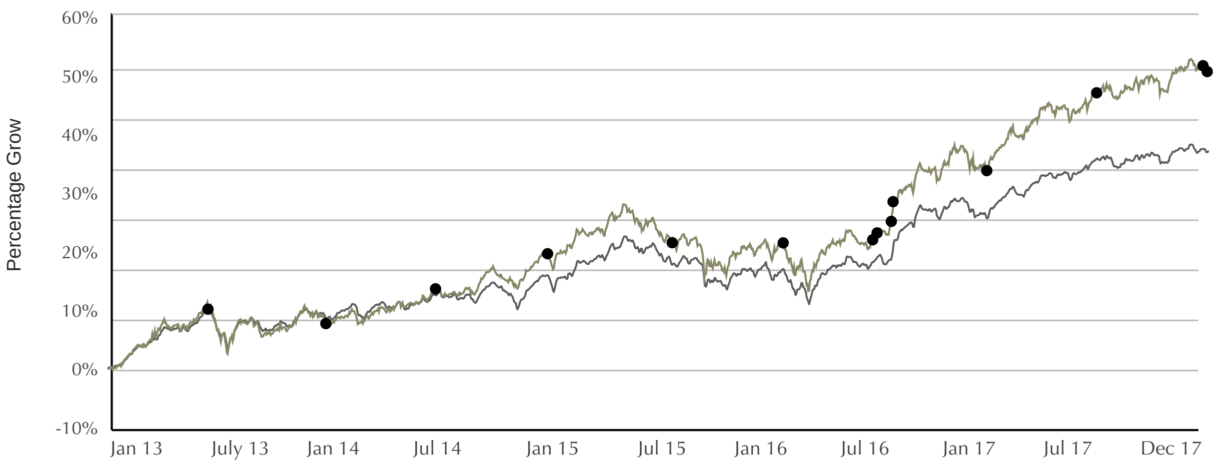
In 95 years out of 100, this is the lowest expected level of return for a given level of risk. There is a 2.5% chance that returns could fall outside the lower return figure in one year.

Asset Allocation

	Money Markets	*Fixed Interest*	*Property*	*UK Equity*	*US Equity*	*European Equity*	*Asian Equity*	*Japan Equity*	*Global Equity*	*Other Assets*
Balanced Beta	25%	16%	8%	7%	11%	8%	14%	3%	1%	7%
Benchmark IA Mixed Investment 20%-60%	8%	35%	2%	16%	5%	4%	4%	0%	11%	15%
Difference Portfolio vs Benchmark	17%	-19%	6%	-9%	6%	4%	10%	3%	-10%	-8%

Cumulative Performance Chart

KEY Balanced Beta Benchmark ● Automated Switch



Powered by data from FE

Cumulative performance chart shows % growth from 07/12/2012 to 06/12/2017 calculated using bid prices with income re-invested into the fund net of tax. The cumulative performance chart shows how the portfolio has performed against the benchmark taking into account the changing composition of the portfolio over the period of time shown.

Cumulative Performance: % Growth to 06/12/2017

	6 months %	*1 year %*	*2 years %*	*3 years %*	*5 years %*
Balanced Beta	2.39	12.36	24.08	25.45	49.56
Benchmark IA Mixed Investment 20%-60%	0.95	8.70	16.40	17.75	36.10
Difference Portfolio vs Benchmark	1.44	3.66	7.68	7.70	13.46

Discrete Performance to Month End Shown: % Growth to 06/12/2017

	30/11/17	*30/11/16*	*30/11/15*	*30/11/14*	*30/11/13*
Balanced Beta	11.62	10.75	1.38	9.54	9.13
Benchmark IA Mixed Investment 20%-60%	8.27	7.47	1.37	5.73	9.43
Difference Portfolio vs Benchmark	3.35	3.28	0.01	3.81	-0.30

Individual Fund's Performance To 06/12/2017

Cumulative Performance: % Growth

Fund	*% Holding*	*Fund Manager*	*6 months %*	*1 year %*	*2 years %*	*3 years %*	*5 years %*
BlackRock Cash	22.00%	Bea Rodriguez	-0.50	-0.40	-0.10	-0.50	-0.50
Fidelity Emerging Asia	1.00%	Dhananjay Phadnis	6.70	25.90	58.61	56.46	94.90
First State Global Listed Infrastructure	3.00%	Peter Meany	-1.23	17.11	52.81	50.51	107.78
GAM Star Credit Opportunities	4.00%	Anthony Smouha	5.82	15.42	25.52	32.52	73.57
Henderson China Opportunities	1.00%	Charlie Awdry	13.72	34.64	68.04	74.80	140.14
Henderson UK Absolute Return	5.00%	Ben Wallace	0.55	3.37	5.35	12.59	40.28
Henderson UK Property PAIF Feeder	4.00%	Marcus Langlands	4.03	7.58	3.34	12.22	34.03
HSBC American Index	3.00%	HSBC Global Asset Mgt (UK) Ltd.	5.12	15.68	49.91	56.12	143.46
HSBC FTSE 250 Index	4.00%	HSBC Global Asset Mgt (UK) Ltd.	2.28	16.72	19.89	33.43	83.39
iShares Continental European Equity Index	7.00%	Kieran Doyle	1.82	25.17	41.14	40.56	83.84
iShares Emerging Markets Equity Index	3.00%	Kieran Doyle	4.81	20.20	55.88	34.52	-
iShares Japan Equity Index	3.00%	Kieran Doyle	4.74	16.87	41.77	57.48	112.52
Jupiter India	1.00%	Avinasha Vazirani	-0.49	20.71	49.67	58.75	116.73
Kames Investment Grade Bond	2.00%	Euan McNeil	1.52	7.51	14.22	17.44	32.54
L&G All Stocks Index Linked Gilt	6.00%	LGIM Index Fund Mgt Team	-1.01	4.59	24.29	26.13	50.59
L&G Pacific Index	6.00%	LGIM Index Fund Mgt Team	4.24	19.19	56.02	44.13	58.42
L&G UK Index	3.00%	LGIM Index Fund Mgt Team	0.54	13.58	26.20	25.56	56.11
L&G US Index	3.00%	LGIM Index Fund Mgt Team	5.07	15.58	48.78	54.58	142.37
Old Mutual Gbl Equity Absolute Returns	2.00%	Ian Heslop	7.62	7.71	11.01	14.55	44.21
Polar Capital Global Insurance	1.00%	Alec Foster	5.28	11.50	43.16	64.91	142.45
Royal London Short Duration Gbl High Yield Bond	2.00%	Azhar Hussain	0.70	2.64	6.60	11.35	-
Royal London Sterling Extra Yield Bond	2.00%	Eric Holt	4.64	16.04	24.75	27.45	57.65
Threadneedle UK Property	6.00%	Don Jordison	2.83	11.79	6.78	16.99	41.05
Vanguard FTSE Developed World ex UK Eq Indx	4.00%	The Vanguard Group, Inc. Europe Equity Index Team	4.37	16.47	45.47	50.26	113.82
Veritas Asian	2.00%	Ezra Sun	11.05	33.17	65.13	74.92	118.76

Performance Ratios Over 3 Years

Volatility	*Alpha*	*Beta*	*Sharpe*	*Information Ratio*	*Weighted Average TER*	*Max Loss*	*Max Gain*	*Negative Periods*	*Positive-Periods*
6.05	1.51	1.10	0.71	0.93	0.46	-4.15	12.05	12	24

Maximise your returns with a level of risk you're entirely comfortable with

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