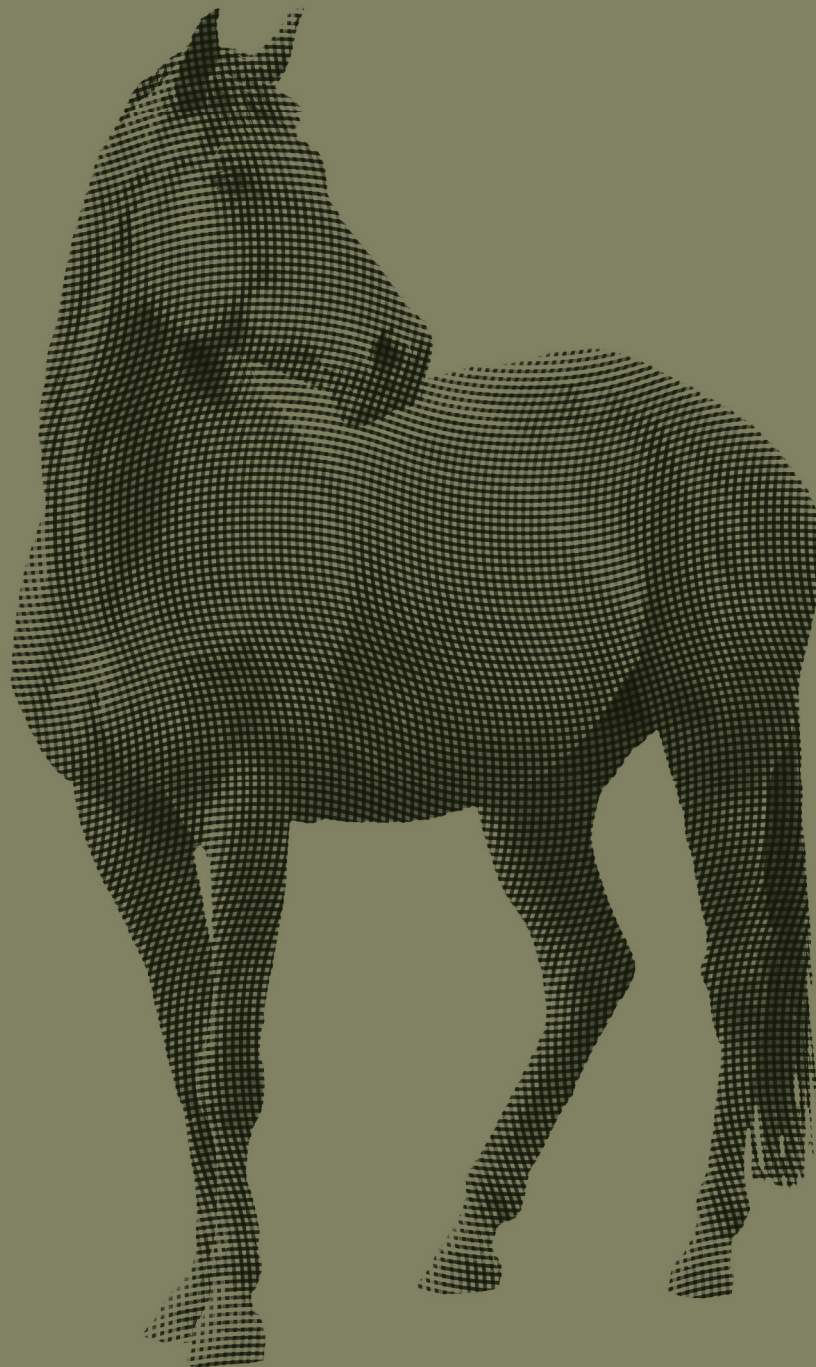


RISK

5



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 25.47%
& potential loss of -16.19%*

BALANCED BETA PORTFOLIO

EDITION 32 December 2019

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

Potential return of 25.47%
& potential loss of -16.19%.

5

ACTIVE

Managed daily by our personally
selected fund managers.

26%

EQUITY

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

48%

FEEs

The weighted total cost
for the portfolio including
management, trading &
research costs.

0.40%

Risk

Prospective Risk Level



Historic Risk Level



A **risk level 5** investor should be prepared to accept annual returns somewhere **within the range of a -16.19% loss and a 25.47% 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 -16.19% or gains greater than 25.47%** 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 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

25.47%

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

4.64%

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

Lower Return

-16.19%

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	8%	38%	5%	13%	19%	2%	11%	2%	2%	0%
Benchmark IA Mixed Investment 20%-60%	8%	37%	2%	14%	5%	4%	3%	0%	13%	14%
Difference Portfolio vs Benchmark	0%	1%	3%	-1%	14%	-2%	8%	2%	-11%	-14%

Cumulative Performance Chart

KEY Balanced Beta Benchmark ● Automated Switch



Powered by data from FE

Cumulative performance chart shows % growth from 25/11/2014 to 22/11/2019 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 22/11/2019

	6 months %	1 year %	2 years %	3 years %	5 years %
Balanced Beta	3.82	8.84	7.00	20.53	36.52
Benchmark IA Mixed Investment 20%-60%	3.18	7.61	5.03	13.94	24.82
Difference Portfolio vs Benchmark	0.64	1.23	1.97	6.59	11.70

Discrete Performance to Month End Shown: % Growth to 22/11/2019

	31/10/19	31/10/18	31/10/17	31/10/16	31/10/15
Balanced Beta	7.52	-0.45	10.21	13.51	3.06
Benchmark IA Mixed Investment 20%-60%	6.42	-1.74	6.84	9.71	3.27
Difference Portfolio vs Benchmark	1.10	1.29	3.37	3.80	-0.21

Individual Fund's Performance To 22/11/19

Cumulative Performance: % Growth

<i>Fund</i>	<i>% Holding</i>	<i>Fund Manager</i>	<i>6 months %</i>	<i>1 year %</i>	<i>2 years %</i>	<i>3 years %</i>	<i>5 years %</i>
Artemis Strategic Bond	5.00%	Alex Ralph & James Forster	3.19	7.22	5.47	14.37	25.03
AXA US Short Duration High Yield Bond	1.00%	Carl Whitbeck	1.44	4.67	4.51	7.53	13.04
BlackRock Gold & General	1.00%	Evy Hambro & Tom Holl	20.38	30.05	9.85	8.95	50.95
First State Global Listed Infrastructure	2.00%	Peter Meany & Andrew Greenup	4.53	18.39	18.06	33.86	77.33
Franklin UK Equity Income	3.00%	Colin Morton, Ben Russon & Mark Hall	3.79	12.66	9.55	24.22	45.45
HSBC American Index	7.00%	HSBC Gbl Asset Mgt (HSBC Inv)	7.43	19.09	26.89	43.22	99.01
iShares Global Property Securities Equity Index	5.00%	Kieran Doyle	3.05	14.84	18.39	27.13	60.97
iShares Japan Equity Index	2.00%	Kieran Doyle	10.66	10.99	6.40	22.57	72.39
iShares North American Equity Index	7.00%	Kieran Doyle	7.25	19.18	26.13	42.47	93.86
iShares UK Equity Index	10.00%	Kieran Doyle	2.38	10.13	7.19	21.90	35.69
Janus Henderson Strategic Bond	3.00%	John Pattullo & Jenna Barnard	4.97	10.77	8.32	15.67	23.64
M&G Global Macro Bond	1.00%	Jim Leaviss & Claudia Calich	3.19	6.41	1.62	5.26	-
Polar Capital Global Insurance	1.00%	Nick Martin	3.17	16.74	23.02	36.42	107.16
Royal London Short Duration Credit	1.00%	Paola Binns	2.69	5.57	6.40	11.95	19.08
Royal London Short Duration Gbl High Yield Bond	5.00%	Azhar Hussain & Stephen Tapley	1.48	3.81	5.02	7.93	16.82
Royal London Short Term Money Market	7.00%	Craig Inches & Tony Cole	0.35	0.74	1.26	1.47	1.91
Threadneedle High Yield Bond	3.00%	Barrie Whitman & David Blackhouse	3.43	7.90	7.71	16.37	25.21
Vanguard Emerging Markets Stock Index	3.00%	Europe Equity Index Team	5.56	11.11	-1.75	26.66	42.50
Vanguard FTSE Developed World ex UK Eq Indx	4.00%	Europe Equity Index Team	7.52	17.49	19.27	37.44	81.27
Vanguard Global Bond Index	4.00%	Global Fixed Income Team	3.94	8.57	6.53	9.12	15.54
Vanguard Global Small Cap Index	1.00%	Europe Equity Index Team	4.68	11.65	9.55	24.64	72.87
Vanguard Pacific ex-Japan Index	8.00%	U.S. Equity Index Team	-0.06	13.17	9.26	24.99	49.43
Vanguard UK Government Bond Index	4.00%	Global Fixed Income Team	4.77	10.34	9.76	13.17	27.46
Vanguard UK Investment Grade Bond Index	10.00%	Global Fixed Income Team	4.46	9.83	7.79	13.96	26.82
Vanguard US Government Bond Index	2.00%	Global Fixed Income Team	3.68	7.82	4.24	5.24	8.18

Performance Ratios Over 3 Years

<i>Volatility</i>	<i>Alpha</i>	<i>Beta</i>	<i>Sharpe</i>	<i>Information Ratio</i>	<i>Weighted Average TER</i>	<i>Max Loss</i>	<i>Max Gain</i>	<i>Negative Periods</i>	<i>Positive-Periods</i>
5.18	1.78	1.02	0.42	1.17	0.40	-3.04	6.98	14	22

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

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