

Risk Profile Description

This portfolio is likely to contain lower, medium and higher risk investments, including cash, government bonds, UK corporate bonds and other higher-income types of global bonds as well as UK commercial property. It will also be expected to contain some higher-risk investments such as shares, but held mainly in UK and other developed markets, and a small amount in other higher-risk investments such as shares in emerging markets.

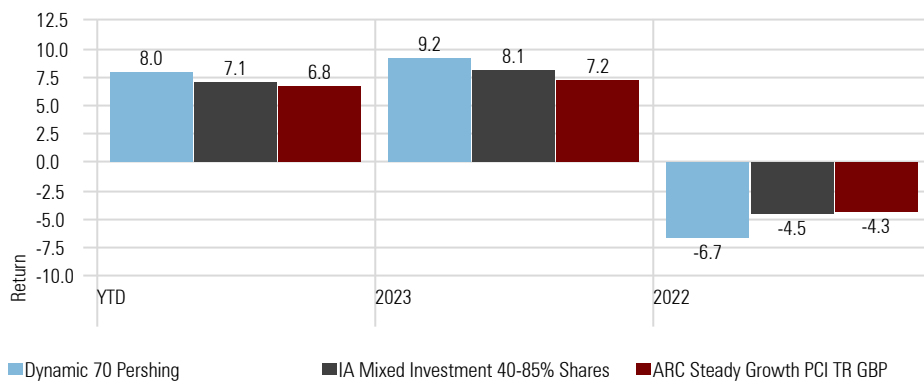
Cumulative Dynamic 70 Pershing returns of £100k invested

Time Period: Since Common Inception (08/03/2022) to 31/08/2024



Calendar Year Returns

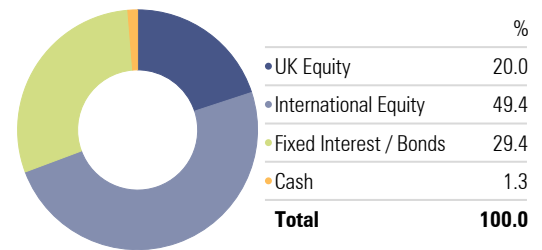
Calculation Benchmark: IA Mixed Investment 40-85% Shares



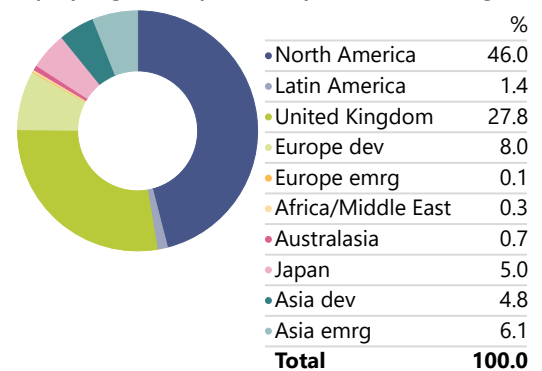
Dynamic 70 Pershing - Portfolio Information

Yield	1.76%
OCF	0.81%
Transaction Charge	0.11%
Investment Management Fee	0.30% + VAT
Rebalance	Quarterly
Benchmarks	IA Mixed Investment 40-85% Shares ARC Steady Growth PCI TR GBP

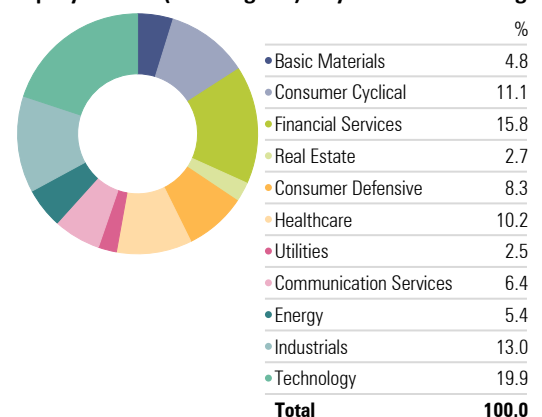
Asset Allocation - Dynamic 70 Pershing



Equity Regional Exposure - Dynamic 70 Pershing



Equity Sectors (Morningstar) - Dynamic 70 Pershing



Display Benchmark 1: IA Mixed Investment 40-85% Shares Display Benchmark 2: ARC Steady Growth PCI TR GBP			
Dynamic 70 Pershing Performance Metrics Portfolio Benchmark (IA) Benchmark (ARC)			
Max Drawdown	-12.86	-11.08	-8.82
Best Month %	4.65	4.23	4.29
Worst Month %	-7.45	-5.27	-4.98
Best Quarter	6.17	5.77	5.21
Worst Quarter %	-7.29	-7.53	-7.31

Portfolio Comments

The first half of August saw sharp declines in global markets. Commentators were not short of possible explanations for the pullback, starting with recession fears in the US economy, disappointment at the absence of new stimulus in China, fears of a broader regional war in the Middle East and expensive valuations for US technology stocks. However, markets snapped back with their best weekly move since late 2022, with major growth and defensive asset indices ending the month higher.

Starting with the economic picture, a particular focus was the collapse of the yen carry trade. The cause of the volatility was the Bank of Japan’s surprise interest rate hike from 0.1% to 0.25%. Although a small jump, it had a powerful impact on the yen which rallied sharply against major currencies. For some time, some global investors have counted on a falling yen, borrowing at a low interest in the currency to buy assets offering a higher yield. With US interest rate expectations concurrently fading on a weak employment reading, an unwinding of this carry trade took place. This provoked a dramatic selling of Japanese equities, which at one point fell 20% before mounting a comeback.

Later in the month however there was then some better economic news for investors from the US Federal Reserve. Speaking at Jackson Hole, Jerome Powell sent a clear signal that the Fed stands ready to cut interest rates and this helped ease market fears that persistent high interest rates might cause a recession in the world’s largest economy. This news helped major markets close the month higher.

In terms of inflation, the trends remain unchanged in most countries: a slow deceleration in headline inflation and improved inflation expectations but concerns about service sector inflation. Interestingly the Bank of England recently unveiled its own measure of “supercore” inflation (services, excluding administered prices, rents, holiday travel and volatile items) which might warrant more attention for the rest of this year.

On the back of this economic data, the market is pricing in about 0.5% off UK interest rates and oscillating between 0.75-1.25% off US rates by year end currently.

Turning to growth assets and the technology sector, putting Nvidia to one side, five of the ‘Magnificent 7’ major stocks reported revenue or profits growth of 5-22% in Q2, with Tesla reporting a loss. Whilst these are perfectly decent numbers, they are not so strong as to justify their very high valuation point.

Looking at factor performance over August, the Quality and Momentum factors were the best performing, whilst Small-Cap stocks were the relative laggards as more economically sensitive areas suffered in the wake of more negative sentiment around economic growth in the US and beyond.

Turning to defensive assets, they once again acted as a hedge for volatile growth assets, with correlations moving into negative territory.

In summary, the economic consensus sees a ‘Goldilocks scenario’ appearing, where growth and inflation data are low enough to warrant a series of interest rate declines across the Western economies, but not too low so as to indicate an actual recession or downturn in corporate profits. Valuations matter little to momentum driven investors, but US stocks remain very expensive on a historical basis. The high point is approaching for political risks in the US due to the short-term election uncertainty, so as ever, time in the market remains key, as does the need to hold a diversified portfolio of assets.

Benchmark Disclaimers

The IA (Investment Association) sector is used as the comparator. This is considered appropriate for investors to use when comparing performance as the sector is made up of funds with a similar asset allocation as defined by the IA. The sector is not constructed as an index, therefore as funds enter or leave, the sector composition can change, but it is considered that the sector remains a useful and relevant comparator for investors to assess performance within a relevant peer group.

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Dynamic 70 Pershing - Holdings

Holdings	Equity Style Box	Portfolio Weighting %
MGTS Progeny Dynamic Equity GBP Acc		70.00
MGTS Progeny Dynamic Bond GBP Acc		30.00

Dynamic 70 Pershing - Underlying Holdings

Underlying Holdings	Equity Style Box	Portfolio Weighting %
HSBC American Index C Acc		8.14
Fidelity Index US P Acc		8.10
Vanguard U.S. Eq Idx Ins Pl £ Acc		6.51
Vanguard Glb Bd Idx Ins Pl £ H Acc		5.00
Invesco UK Enhanced Index UK Z Acc		4.99
Vanguard UK Govt Bd Idx Ins Pl £ Acc		4.20
T. Rowe Price US Smrl Cm Eq CAccGBP		3.91
HSBC US Multi-Factor Eq Instl A Acc		3.72
JPM Global Corporate Bond C Acc		3.59
Vanguard Global Credit Bond Ins GBPH Acc		3.58
Fidelity Index Japan P Acc		3.52
Invesco Global Emerg Mkts (UK) M Acc		3.34
Polar Capital Em Mkts Stars SX Acc		3.32
Artemis Corporate Bond I Acc GBP		3.20
M&G Strategic Corporate Bond GBP PP Acc		2.89
BlackRock European Dynamic FD Acc		2.85
FTF Martin Currie UK Rising Div W Acc		2.79
FTF Martin Currie UK Equity Income W Acc		2.77
Liontrust Special Situations I Acc		2.72
Man GLG Sterling Corp Bd Instl Acc F		2.30
iShares Up to 10YrsIdxLnkdGltIdx(UK)SAcc		2.27
Fidelity European I Acc GBP		2.13
Jupiter Merian Asia Pacific I GBP Acc		2.09
Invesco UK Opports (UK) Z (Acc)		2.00
IFSL Evenlode Income C Acc		1.98
Fidelity Asia Pacific Opps R GBP Acc		1.39
JOHCM UK Equity Income Y GBP Acc		1.37
Polar Capital UK Value Opports I Acc		1.36
PIMCO GIS Low Avrg Dur Instl GBPH Acc		1.15
Vanguard Glb Corp Bd Idx Ins Pl £ H Acc		0.92
Royal London Short Duration Gilts Z Inc		0.91
GBP Cash		0.52
GBP Cash		0.46

Morningstar Style Box - Dynamic 70 Pershing

Portfolio Date: 31/08/2024

Morningstar Equity Style Box™			Market Cap	%
Large	Value	Blend	Market Cap Giant %	38.6
			Market Cap Large %	29.0
			Market Cap Mid %	22.2
Mid			Market Cap Small %	8.9
			Market Cap Micro %	1.3
Small				