

CARMIGNAC

MODEL PORTFOLIO 6

PORTFOLIO AIMS

The portfolio aims to achieve capital growth in excess of the target benchmark (CPI +3.5% per annum) over the medium to long-term through investment in collective investment funds providing exposure to equities (UK and international), fixed income (government and corporate), property and cash with an overall bias towards higher risk asset classes. The portfolio will contain a combination of actively managed Carmignac funds together with passive funds managed by a number of different investment companies.

DISCRETIONARY FUND MANAGER ANALYSIS (Source: RSMR)

MARKET ENVIRONMENT

In Q3 2023, financial markets were tumultuous as investors closely observed inflation and interest rates. Central banks enacted aggressive rate hikes, prompting market adaptations to the anticipation of prolonged higher rates. The Federal Reserve raised rates to 5.5% in July, hinting at additional increases in 2023 and fewer cuts in 2024. While headline inflation surged to 3.7% in July and August, core inflation declined to 4.3%. The Bank of England increased rates to 5.25%, with a narrow 5-4 split in the MPC but paused rates in September. This decision aligned with the drop in UK inflation in August, with the headline rate at 6.7% and core inflation at 6.2%. In Europe, interest rates reached 4.5% as inflation lingered above the 2% target at 4.3%. The ECB indicated that the September increase might conclude the current tightening cycle, though rates could remain elevated.

Interest rate-sensitive sectors within the Investment Association struggled, with the IA Infrastructure and IA UK Index Linked sectors experiencing the most significant setbacks. Conversely, commodities and natural resources thrived, buoyed by rising oil prices, while sustainable energy and renewable infrastructure lagged. India's economy stood out, with an annual GDP growth rate of 7.2% in 2022-23, and the World Bank projected a 6.3% GDP growth for 2023-24, driven by the service sector and increased investment.

PERFORMANCE COMMENTARY

All portfolios had positive performance over the third quarter and outperformed their benchmark comparators. Returns came from both equities and fixed income parts of the portfolios. In equities, the Carmignac Emerging Markets fund showed particularly strong returns that outpaced its sector. The portfolios' UK All Companies exposure and Japanese equities also performed well, outperforming; however, UK mid-caps underperformed on a relative basis. Elsewhere, the Asia passive exposure and Carmignac Global Equity Compounders funds both declined and underperformed their sector peers, whilst Carmignac European Leaders also fell but did manage to outperform. The US was mixed with positive performance from the main US index fund, whilst the currency hedged version returned a negative performance due to a weaker pound.

Cash and fixed income performance was positive over the quarter with the corporate bond exposure significantly outperforming the benchmark. The specific short duration positioning added value versus the wider market. The Carmignac Global Unconstrained bond fund did, however, underperform owing to the hedging of the currency and the weaker pound.

OUTLOOK AND INVESTMENT STRATEGY

We maintain a negative outlook on UK commercial property, but a positive view on real assets, which are sensitive to interest rates and therefore, could lead to potential shorter-term volatility. We have a negative view on multi-asset absolute return due to challenging performance, and a neutral view on cash despite nominal rate increases counteracted by high inflation. As the year-end approaches, we advise caution and emphasize the importance of a diversified and balanced approach for optimal client outcomes.

Asset class performance in Q3 2023 was slightly negative in local currency terms, but a reversal in the pound's strength boosted total returns for sterling investors. Our risk outlook remains neutral for Q4 2023, as central banks continue to raise interest rates and concerns about a global economic slowdown come into focus.

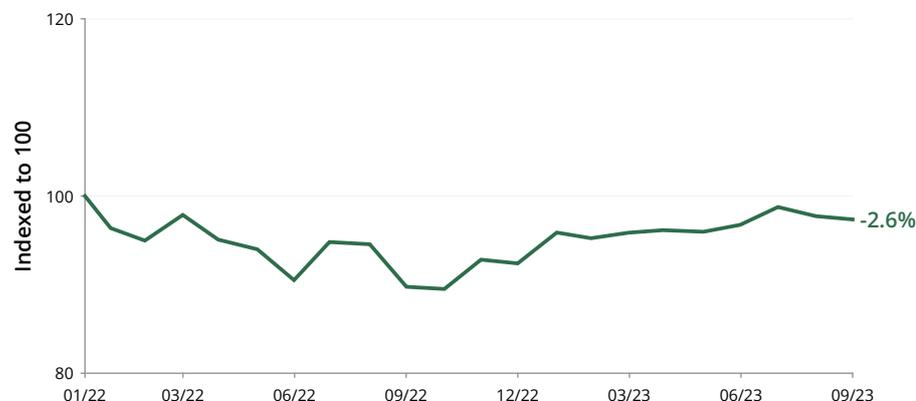
We maintain a neutral view on equities overall, with a positive outlook on Asia and Japan, and a slightly positive view on emerging market equities. We have a neutral view on US equities, but slightly negative views on UK and European equities. In fixed income, we have a neutral view overall, with a positive view on investment grade corporate bonds and neutral views on UK gilts, global government bonds, emerging market debt, and global index-linked bonds. We have a slightly negative outlook for UK index-linked gilts and low conviction on high yield due to potential rising default rates and challenging lending conditions.

PORTFOLIO UPDATE

All portfolio data as at 30/09/2023 unless otherwise stated.

FUND PERFORMANCE SINCE LAUNCH

Performance 10/01/2022 — 30/09/2023



CUMULATIVE PERFORMANCE

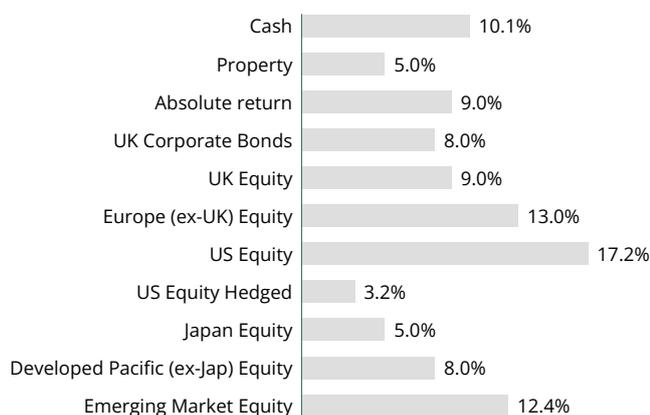
Since 30/12/2022	5.4%
1 Year	8.5%
Since 10/01/2022	-2.6%

SINGLE YEAR PERFORMANCE

2022	-7.6%
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Gross of Annual Service Fees

STRATEGIC PORTFOLIO ALLOCATION



PORTFOLIO SUMMARY

Inception / Launch Date	10/01/2022
Reference Indicator	CPI +3.5% per annum
Discretionary Fund Manager Name	RSMR Portfolio Services
Asset Allocation Adviser	Carmignac Gestion Luxembourg
Platform Availability	Aviva, Fidelity, Transact, Nucleus, Abrdn, Quilter, 7IM

CHARGES

Annual Service Fees	0.21%
OCF of Underlying Investments (as of 10/01/2022)*	0.46%

MODEL PORTFOLIO HOLDINGS

FP Carmignac Global Equity Compounders	18.1%
iShares Pacific ex Japan Equity Index	12.0%
FP Carmignac Emerging Markets	11.1%
Royal London Short Term Money Market	10.1%
HSBC FTSE All Share Index	7.8%
Fidelity Index US	7.1%
iShares Corporate Bond Index	7.1%
FP Carmignac Unconstrained Global Bond	6.7%
Fidelity Index Japan	6.3%
Vanguard UK Short-Term Investment Grade Bond Index	3.8%
Fidelity Index US Hedged	3.4%
FP Carmignac European Leaders	2.4%
SONIA Lending Rate GBP	2.0%
HSBC FTSE 250 Index	1.9%

RISK RATING TARGET



* Exclude transaction charges and incidental costs related to underlying investments.

Sources: RSMR at 30/09/23. This document is intended for investment professionals and should not be relied upon by private investors or any other persons. It does not constitute personalized investment advice and must not be treated as a recommendation or an offer or solicitation for investment. The Discretionary Fund Manager of the model portfolio is RSMR Portfolio Services Limited, a limited company registered in England and Wales under Company number 07137872. Registered office at Number 20, Ryefield Business Park, Belton Road, Silsden BD20 0EE. RSMR Portfolio Services Limited is authorised and regulated by the Financial Conduct Authority under number 788854. © RSMR 2021. RSMR is a registered Trademark. Carmignac Gestion Luxembourg is the asset allocation adviser of RSMR for the construction of the model portfolio and does not have investment discretion over, or place trade orders for, any portfolio or account derived from this information. Investing involves risk. Past performance is not a guide to future performance. The value of investments and any income from them can fall as well as rise, is not guaranteed and your clients may get back less than they invest. The market value of, and the income derived from, the model portfolio may fluctuate in accordance with the values of the investments held by the portfolio, exchange rates between sterling and the currencies in which underlying investments are denominated, and other market conditions. References to specific securities and their issuers are for illustrative purposes only and are not intended and should not be interpreted as recommendations to purchase or sell such securities. There is no guarantee that risk ratings will remain static. The model portfolio is mapped against a selection of third party risk profiling tools to assist professional financial advisers as part of suitability assessments for their clients. Such tools are however only one aspect of professional financial advisers' suitability process and other such as their clients' investment term / horizon and knowledge and experience should also be considered.