



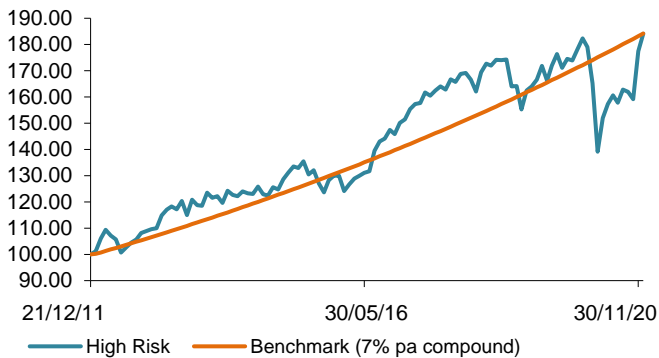
# Sydney Charles Retirement Annuity Trust Scheme

## High Risk Strategy – Q4 2020

### Investment Comment

The announcement of two effective vaccines in early November ignited world equity markets into a strong Q4 rally. The more cyclically exposed FTSE 100 index outperformed other indices over the quarter as a Brexit deal followed late in December causing sterling to rally to its highest level since early 2018. During 2020 the FTSE 100 index fell by 11.55% on a total return basis whilst the World Index rose by 12.74%, as investors saw the end of the pandemic and prospects of a strong economic recovery developed on the horizon. With a Brexit deal agreed and the US election behind us, equity markets will begin to look towards a recovery built on a more sustainable society yet with many Western economies still on uncertain ground. Long-dated bond yields have moved higher in recent months which may signal a more inflationary environment as the year goes on. This would support prospects for the UK which look attractive beyond Coronavirus as institutions reduce long-held underweights to the country and valuations remain attractive versus US and EU counterparts.

### Performance Details



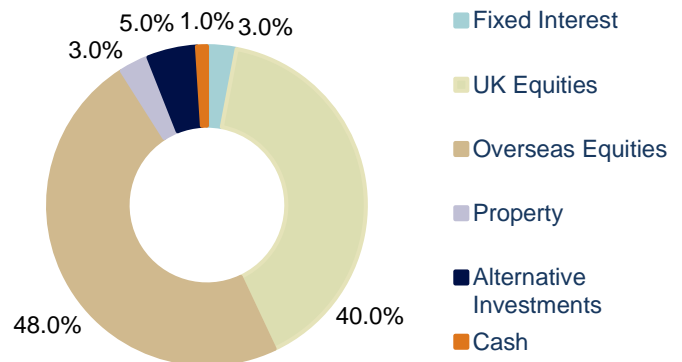
	High Risk Strategy	7% Per Annum Compound Growth
3 Months	13.7%	1.7%
2020	1.0%	7.0%
2019	17.5%	7.0%
2018	-8.1%	7.0%
2017	12.4%	7.0%
2016	15.5%	7.0%
Since inception (21/12/11)	84.1%	84.2%

Source: Old Mutual Usca/Investec Wealth & Investment

### Top 10 Holdings

1	AXA Framlington Monthly Income – U	5.0%
2	JOHCM UK Equity Income – U	5.0%
3	Jupiter UK Special Situations – U	5.0%
4	Threadneedle UK Equity Income – U	5.0%
5	BlackRock UK Smaller Companies – U2	4.0%
6	Royal London UK Equity Income – U	4.0%
7	Schroder Asian Alpha Plus – U2	4.0%
8	Lazard Global Equity Income – U	4.0%
9	Schroder European Alpha Plus – U2	4.0%
10	Schroder US Mid Cap – U2	4.0%

### Asset Allocation



### Please Note

- The asset allocation and holdings are indicative and due to the timing of your investment may not fully reflect the constituents of your own portfolio. Please refer to your adviser for full details.
- The indicative performance data is calculated net of the Investec Wealth & Investment annual management charge of 0.5% per annum (No VAT) and the underlying fund MiFID II ongoing charges of 0.94% per annum. Other associated charges are detailed overleaf.
- Performance is calculated on existing strategies and intended as a guide only.

Please remember that past performance is not a reliable guide to the future and that previous periods of favourable performance will not necessarily be repeated in the future.

## High Risk Strategy

Stock Name	Portfolio %
<b>FIXED INTEREST</b>	<b>3.0</b>
M&G Global Floating Rate High Yield – U	3.0
<b>UK EQUITIES</b>	<b>40.0</b>
Artemis Income – U	3.0
AXA Framlington Monthly Income – U	5.0
BlackRock UK Smaller Companies – U2	4.0
HSBC FTSE 250 Index – U	3.0
JOHCM UK Equity Income – U	5.0
Jupiter UK Special Situations – U	5.0
Royal London UK Equity Income – U	4.0
Threadneedle UK Equity Income – U	5.0
TM Crux UK Special Situations – U	3.0
Unicorn UK Income – U	3.0
<b>OVERSEAS EQUITIES</b>	<b>48.0</b>
AXA Framlington American Growth – U	2.0
AXA Framlington Health – U	3.0
Fidelity China Consumer – U2	3.0
Schroder Asian Alpha Plus – U2	4.0
Man GLG Japan CoreAlpha Equity – U	3.0
Baillie Gifford Japan Smaller Companies – U	2.0
JP Morgan Europe Smaller Companies – U	3.0
Lazard Global Equity Income – U	4.0
Loomis Sayles US Equity Leaders – U	3.0
M&G Global Dividend – U	2.0
Schroder European Alpha Plus – U2	4.0
Schroder Small Cap Discovery Fund – U2	3.0
Schroder US Mid Cap – U2	4.0
Lazard Emerging Markets – U	3.0
GS Emerging Markets Equity Portfolio – U	2.0
TM Cerno Global Leaders – U	3.0
<b>UK PROPERTY</b>	<b>3.0</b>
Schroder Global Cities Real Estate Income – U2	3.0
<b>ALTERNATIVE INVESTMENTS</b>	<b>5.0</b>
Fortem Capital Progressive Growth – U	2.0
Janus Henderson UK Absolute Return – U	3.0
<b>CASH</b>	<b>1.0</b>
Invesco Money (UK) – U	1.0
<b>TOTAL</b>	<b>100.0</b>

U – Unbundled (clean) share class of the fund  
 U2 – Preferential (super-clean) share class of the fund

## Target Market Assessment

The offering is a discretionary model portfolio service. The investment strategy is typically suitable for Retail Clients able to bear loss of their capital in order to achieve income/capital growth over a 7-year period. The service and investment strategy is not suitable for those investors who cannot bear capital loss. Advice must be sought before the service is distributed.

## Other Associated Charges

Sydney Charles and IQ-EQ each levy an Annual Management Charge of 0.7% and 0.5% per annum (No VAT) respectively, totalling 1.2%.

Detailed below are the Old Mutual Wealth charges based on the client investment values:

Account Value	Account Value	Charge (%)
First	£25,000	0.50
£25,001 to	£100,000	0.35
£100,001 to	£500,000	0.30
£500,001 to	£1,000,000	0.25
	Over £1,000,000	0.15

The MiFID II ongoing costs for this model is currently estimated at 0.94% and is included within the fund prices and not charged separately. This can change at any point, and is not guaranteed to be accurate.

## Strategy Details

### Structure

A high risk portfolio may be up to 100% invested in higher risk assets.

### Volatility

This mandate has a target volatility that is 90% of the UK equity market.

### Time Horizon

A high risk portfolio is only suitable for those prepared to invest for the long term, typically a minimum of seven years.

## Fund Managers

The portfolio is managed by Oliver Battersby and Peter Birchall.

Oliver is a Senior Investment Director managing assets on behalf of private individuals, trusts and personal pension schemes. Oliver also sits on our global investment strategy group and the asset allocation committee.

Peter is a Divisional Director and team leader responsible for managing portfolios on behalf of individuals, trusts and pension funds.

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Belfast	02890 321002	Edinburgh	0131 226 5000	Liverpool	0151 227 2030
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