



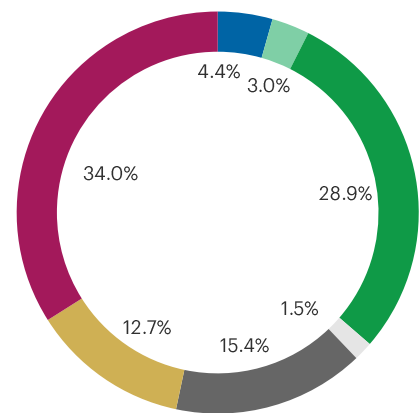
# IFSL Equilibrium Balanced

Portfolio A Acc | August 2020

The Fund aims to deliver returns greater than inflation over a minimum of 5 years, through a combination of capital growth, that is profit on investments, and income paid out of investments, such as interest and dividends, after any charges have been taken out of the Fund. However, there is no certainty this will be achieved. Over the longer term, any 10 year period, the Fund aims to deliver an average of inflation plus 5% per annum. Inflation is measured as the UK Consumer Prices Index for these purposes. The Fund will invest at least 80% in other funds and investment trusts (collectively 'Investment Funds').

<b>Manager</b>	Equilibrium Investment Management LLP	<b>ISIN</b>	GBO0BYXHQX09	<b>Annual management charge (AMC)</b>	0.25%
<b>ACD</b>	Investment Funds Services Limited	<b>Sedol</b>	BYXHQX0	<b>Ongoing charges figure (OCF)</b>	1.05%
<b>Fund type</b>	Open Ended Investment Company (OEIC)	<b>Holdings</b>	43		
<b>Launched</b>	1 November 2017	<b>Fund size</b>	£401.2m		

Liquidity	Sterling Cash & Money Market	2.8%
	Euro Cash & Money Market	0.8%
	US Dollar Cash & Money Market	0.8%
Short Dated Fxd Int	Royal London Short Duration High Yield	3.0%
Fixed Interest	Allianz Strategic Bond	4.6%
	Nomura Global Dynamic Bond	4.0%
	Jupiter Strategic Bond	4.0%
	Royal London Extra Yield Bond	4.0%
	TwentyFour Dynamic Bond	4.6%
	Muzinich Asia Credit Opportunities	2.1%
	GAM Credit Opportunities	2.0%
	Waverton Sterling Bond	3.6%
Property	Time Commercial Long Income	1.5%
Defined Returns	Societe Generale FTSE Autocall Dec 2017	2.9%
	JPM FTSE Autocall September 2018	2.4%
	BNP Paribas FTSE/S&P Autocall Feb 2020	1.8%
	Atlantic House Defined Returns	2.3%
	Credit Suisse FTSE/S&P Autocall Jan 2018	2.0%
	BNP Paribas FTSE Autocall Jan 2020	1.1%
	Morgan Stanley FTSE/S&P Autocall Mar 2019	0.9%
	Goldman Sachs FTSE/S&P Autocall Mar 2020	2.1%
Alternative Equity	H2O Multi-returns	2.4%
	Lazard Global Listed Infrastructure	3.0%
	Carmignac Long Short European Equity	2.8%
	Foresight UK Infrastructure Income	1.5%
	Lazard Rathmore Alternative	3.0%
UK Conservative Equity	Royal London UK Equity Income	1.3%
	Miton UK Multi Cap Income	2.5%
UK All Companies Equity	iShares FTSE 100 ETF	0.7%
	Vanguard FTSE 100 ETF	0.9%
UK Dynamic Equity	Lindsell Train UK Equity	2.2%
	Miton UK Value Opportunities	2.4%
	Polar Capital UK Value Opportunities	2.2%
	Chelverton UK Growth	2.3%
Global Established Equity	Baillie Gifford Japanese Co.	2.1%
	BlackRock European Dynamic	1.5%
	Lindsell Train Japanese Equity	2.0%
	Miton European Opportunities	1.5%
	Vanguard US Equity Index	2.3%
	Baillie Gifford American	1.3%
	Morgan Stanley Global Brands	2.7%
Global Speculative Equity	Invesco China	1.4%
	Schroder Asian Alpha	1.5%



## Key recent changes

### June 2020

**From** Mygale Event Driven

**To** Muzinich Asia Credit Opportunities & GAM Credit Opportunities

**From** Cash

**To** Waverton Sterling Bond

**From** Rathbones Income

**To** Global Established and UK Dynamic

No key changes were made in July

Please note that the fund percentages shown are subject to rounding which can mean that they do not add up to 100%.

Global Speculative Equity (continued)	Goldman Sachs India	1.0%	
	Hermes GEM SMID	0.9%	
	Baillie Gifford EM Leading Companies	1.3%	

## Commentary

After a strong recovery over the past few months, markets had something of a wobble towards the end of July.

An increase in new cases of the virus in a number of countries, coupled with some disappointing results from several companies, has given markets something of a "reality check".

To our minds none of this new data was a great surprise. However, seeing some of the earnings and economic numbers in black and white has been quite sobering. Markets dropped over the last week of the month, with the FTSE 100 falling below 6,000 for the first time since May.

We remain positive about stockmarkets if we are taking a one or two year view, but have always been wary of a short term pull back. Our general view is that markets are unlikely to re-test the lows of March given the amount of cash investors still hold. We expect many are waiting to "buy the dip" and would use volatility as a buying opportunity.

That said, the direction of the market will be largely determined by developments with the virus in the short term, and so we could see some large moves in either direction.

We have not made many changes to portfolios over the past month. In general, we retain a slight overweight exposure to equities when we factor in alternatives and defined returns. However, we are trying to balance this out with extra cash and high quality fixed interest, including government bonds.

We still see much of the best value in Asian stocks. Whilst we still think certain UK stocks look good value, concerns about Brexit talks could have an impact and is one reason the UK continues to underperform.

We also have a positive view on corporate bonds which generally provide higher yields than they did a few months ago.

## Performance

### Rolling total returns

3 Months (30.04.20 to 31.07.20)	6 Months (31.01.20 to 31.07.20)	1 Year (31.07.19 to 31.07.20)	-	-
5.46%	-4.85%	-2.07%	-	-

### Discrete annual total returns

2019 (31.12.18 to 31.12.19)	2018 (31.12.17 to 31.12.18)	-	-	-
13.79%	-4.12%	-	-	-

## Notes and risk information

All data is to 31 July 2020 and collated by Equilibrium Investment Management LLP. Performance data sourced from FE Analytics. The views expressed herein should not be taken as statements of fact or relied upon when making investment decisions.

Past performance is never a guide to future performance. Investments may (will) fall as well as rise and you may not get back your original investment. Changes in currency exchange rates or interest rates may have an adverse effect on the value of your investments.

Investment Fund Services Limited (IFSL) is the Authorised Corporate Director (ACD) of the IFSL Equilibrium OEIC. IFSL is registered in England No. 06110770 and is authorised and regulated by the Financial Conduct Authority. Registered office: Marlborough House, 59 Chorley New Road, Bolton, BL1 4QP. Copies of the Prospectus and Key Investor Information Document are available in English from [www.ifslfunds.com](http://www.ifslfunds.com) or can be requested as a paper copy by calling 0808 178 9321 or writing to IFSL at the above address. Investors should refer to these for further details on the fund's investment objectives, policy and associated risks.

The figures shown are subject to rounding which can mean that they do not add up to 100%.

AMC: Equilibrium Investment Management's fee. OCF: the overall cost of running the fund including the AMC.

### Equilibrium Investment Management LLP

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