



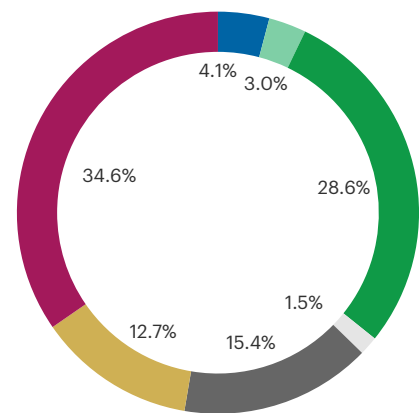
IFSL Equilibrium Balanced

Portfolio A Acc | September 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').

Manager	Equilibrium Investment Management LLP	ISIN	GB00BYXHQX09	Annual management charge (AMC)	0.25%
ACD	Investment Funds Services Limited	Sedol	BYXHQX0		
Fund type	Open Ended Investment Company (OEIC)	Holdings	43	Ongoing charges figure (OCF)	1.03%
Launched	1 November 2017	Fund size	£406.2m		

Liquidity	Sterling Cash & Money Market	2.6%
	Euro Cash & Money Market	0.8%
	US Dollar Cash & Money Market	0.7%
Short Dated Fxd Int	Royal London Short Duration High Yield	3.0%
Fixed Interest	Allianz Strategic Bond	4.5%
	Nomura Global Dynamic Bond	4.0%
	Jupiter Strategic Bond	4.0%
	Royal London Extra Yield Bond	4.0%
	TwentyFour Dynamic Bond	4.5%
	Muzinich Asia Credit Opportunities	2.0%
	GAM Credit Opportunities	2.0%
	Waverton Sterling Bond	3.5%
	Property	Time Commercial Long Income
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	1.9%
	Atlantic House Defined Returns	2.1%
	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	2.9%
	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	2.6%
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	2.5%
	Polar Capital UK Value Opportunities	2.3%
	Chelverton UK Growth	2.2%
	Global Established Equity	Baillie Gifford Japanese Co.
	BlackRock European Dynamic	1.5%
	Lindsell Train Japanese Equity	2.1%
	Miton European Opportunities	1.5%
	Vanguard US Equity Index	2.4%
	Baillie Gifford American	1.3%
	Morgan Stanley Global Brands	2.7%
Global Speculative Equity	Invesco China	1.5%
	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

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 the dip in markets in late July, most major equity markets picked up in August.

New outbreaks of the virus were contained with local lockdown measures although the imposition of quarantine requirements on travellers from a number of countries has meant the travel and tourism industry is struggling to return to previous levels of income.

The rise in markets means that the global index, the FTSE World Index, is now above where it started the year with a return of 3.6% since the end of 2019. This has been driven largely by the rally in the US stock market and, in particular, by the sharp rise in US technology stocks, as reflected by the technology-laden NASDAQ 100 Index which has returned over 38% so far this year.

In contrast, the recovery in the UK stock market remains relatively weak and despite returning a 2.4% gain in August, is 18.5% below the level it started 2020. Clearly, investors are reluctant to buy UK stocks until there is some clarity on the outcome of the Brexit transition which is due to finish at the end of the year.

This autumn will be an important time to gauge how companies can manage as many government support programmes finish. We will be closely watching the company results and important barometers like consumer confidence and employment trends.

We have retained our slight overweight position to equities, including the holdings of alternatives and defined returns. We believe that equity markets will continue to provide some of the best returns as economies continue to recover and the prospect of a vaccine could herald a more confident background for investors to commit capital.

Equities in the UK and Asia still have plenty of scope for good returns and valuations remain attractive.

In fixed-interest stocks, government bonds offer security but little value at current levels whilst we prefer corporate bonds given the higher yields and improved prospects for recovery.

Performance

Rolling total returns

3 Months (31.05.20 to 31.08.20)	6 Months (29.02.20 to 31.08.20)	1 Year (31.08.19 to 31.08.20)	-	-
4.33%	0.86%	0.86%	-	-

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 28 August 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 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.

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