



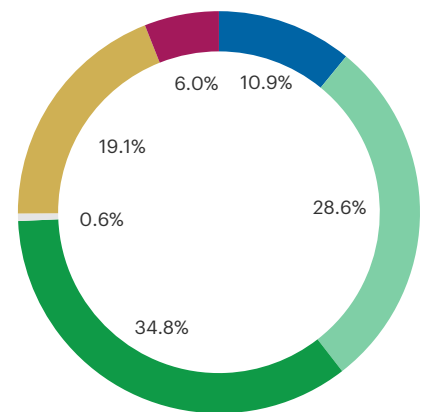
IFSL Equilibrium Defensive

Portfolio A Acc | April 2021

The Fund aims to increase the value of your investment over any rolling three year period 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 5 year period, the Fund aims to deliver an average of cash plus 3% per annum. Cash is measured as the Bank of England Base Rate for these purposes.

Manager	Equilibrium Investment Management LLP	ISIN	GBO0BMYC7159	Annual management charge (AMC)	0.25%
ACD	Investment Funds Services Limited	Sedol	BMYC715		
Fund type	Open Ended Investment Company (OEIC)	Holdings	29	Ongoing charges figure (OCF)	1.07%
Launch	2 February 2021	Fund size	£8.8m		

Liquidity	Sterling Cash & Money Market	7.6%
	Euro Cash & Money Market	1.4%
	US Dollar Cash & Money Market	1.9%
Short Dated Fixed Interest	Royal London Short Duration High Yield	3.9%
	TwentyFour Monument Bond Fund	4.1%
	iShares \$ TIPS 0-5 Yrs ETF	4.9%
	iShares £ Ultrashort Bond ETF	5.0%
	Janus Henderson Absolute Return Fixed Income	3.9%
	L&G Sterling Short Dated Bond Index	2.9%
	EdenTree Amity Short Dated Bond	4.0%
Fixed Interest	Allianz Strategic Bond	4.2%
	Nomura Global Dynamic Bond	3.9%
	Jupiter Strategic Bond	3.8%
	TwentyFour Dynamic Bond	3.8%
	Waverton Sterling Bond	3.8%
	Aegon High Yield Bond	5.3%
	Vanguard UK Investment Grade Bond Index	5.1%
	Royal London Short Duration Index Linked	4.8%
Property	Supermarket REIT	0.6%
Alternative Equity	Carmignac Long Short European Equity	3.1%
	Foresight UK Infrastructure Income	1.9%
	Lazard Rathmore Alternative	2.8%
	Foresight Global Real Infrastructure	1.9%
	Blackrock European Absolute Alpha	3.2%
	MontLake Crabel Gemini	2.8%
	Man GLG Absolute Value	3.3%
	UK Conservative Equity	Miton UK Multi Cap Income
UK Dynamic Equity	Lindsell Train UK Equity	2.1%
Global Established Equity	Morgan Stanley Global Brands	1.9%



Key recent changes

March 2021

From Cash

To EdenTree Amity Short Dated Bond

From Cash

To Supermarket REIT

From Cash

To Lazard Rathmore Alternative

Commentary

Ever since the first successful vaccine was announced, we have seen a change of direction in investment markets. In equities, of which there is only a small amount in this fund, we've a rotation away from the big tech stocks and other names which did very well from the pandemic, towards more "value" stocks. Some of these stocks are those which had previously been hit hard who stand most to gain from an economic recovery.

As expectations of a recovery take hold, we've also seen an increase in inflation expectations and expectations for future interest rate increases. Whilst we don't think rate hikes are likely for the next year or so, long term bonds are starting to price in future hikes.

Perhaps more importantly, central banks will likely taper their quantitative easing programmes before they hike rates, perhaps as soon as late 2021. All of this means bond yields have gone up and therefore prices have largely gone down. For example, the 10 year US government bond has gone from 0.95% pa at the end of last year to around 1.7% pa now, almost double the yield. This has had a knock on effect on corporate bonds, although these have held up much better given their higher starting yields.

Whilst there are plenty of fixed interest funds in Defensive, the portfolio has held up well given the circumstances. Our floating rate and inflation linked bonds generally gained, whilst some of our alternative equity funds also went up.

In terms of portfolio changes, we have recently added a small amount of property exposure through the Supermarket Income REIT. This holds supermarkets which generally provide a steady long term income which tends to go up with inflation.

Performance

Performance will be included once the fund passes its first anniversary.

Rolling total returns

-	-	-	-	-
-	-	-	-	-

Discrete annual total returns

-	-	-	-	-
-	-	-	-	-

Notes and risk information

All data is to 31 March 2021 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.

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

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

Equilibrium Investment Management LLP

Ascot House, Epsom Avenue, Handforth, Wilmslow, Cheshire, SK9 3DF

0161 486 2250 : askus@equilibrium.co.uk : www.equilibrium.co.uk

Equilibrium Investment Management LLP (a limited liability partnership) is authorised and regulated by the Financial Conduct Authority. Equilibrium Investment Management is entered on the Financial Services Register under reference 776977. Copyright Equilibrium Investment Management LLP. Not to be reproduced without permission.