



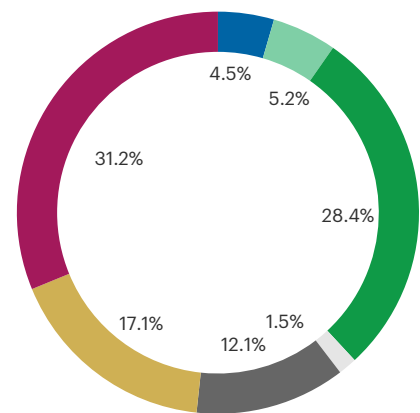
# IFSL Equilibrium Balanced

Portfolio A Acc | May 2021

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>Fund type</b>	Open Ended Investment Company (OEIC)	<b>Holdings</b>	47	<b>Ongoing charges figure (OCF)</b>	1.04%
<b>Launched</b>	1 November 2017	<b>Fund size</b>	£442.7m		

Liquidity	Sterling Cash & Money Market	3.8%	
	Euro Cash & Money Market	0.2%	
	US Dollar Cash & Money Market	0.5%	
Short Dated Fixed Interest	Royal London Short Duration High Yield	3.0%	
	TwentyFour Monument Bond Fund	2.2%	
Fixed Interest	Allianz Strategic Bond	4.4%	
	Nomura Global Dynamic Bond	4.0%	
	Jupiter Strategic Bond	4.0%	
	Royal London Extra Yield Bond	3.2%	
	TwentyFour Dynamic Bond	4.5%	
	Muzinich Asia Credit Opportunities	2.8%	
	GAM Credit Opportunities	2.0%	
	Waverton Sterling Bond	3.4%	
	Property	Time Commercial Long Income	1.0%
		Supermarket Income REIT	0.5%
Defined Returns	Societe Generale FTSE Autocall Dec 2017	2.6%	
	JPM FTSE Autocall September 2018	2.5%	
	BNP Paribas FTSE/S&P Autocall Feb 2020	1.5%	
	Atlantic House Defined Returns	0.9%	
	Credit Suisse FTSE/S&P Autocall Jan 2018	2.2%	
	BNP Paribas FTSE Autocall Jan 2020	1.2%	
	Morgan Stanley FTSE/S&P Autocall Mar 2019	1.1%	
Alternative Equity	Lazard Global Listed Infrastructure	2.0%	
	Carmignac Long Short European Equity	2.5%	
	Foresight UK Infrastructure Income	1.5%	
	Lazard Rathmore Alternative	4.5%	
	Foresight Global Real Infrastructure	2.5%	
	Blackrock European Absolute Alpha	2.5%	
	Legg Mason ClearBridge Global Infrastructure	1.7%	
UK Conservative Eq.	Miton UK Multi Cap Income	2.5%	
UK Dynamic Equity	Lindsell Train UK Equity	2.4%	
	Miton UK Value Opportunities	2.5%	
	Polar Capital UK Value Opportunities	2.4%	
	Chelverton UK Growth	2.4%	
	Liontrust Special Situations	2.5%	
Global Established Equity	Baillie Gifford Japanese Co.	1.5%	
	BlackRock European Dynamic	1.0%	
	Lindsell Train Japanese Equity	1.2%	
	Miton European Opportunities	1.2%	
	Vanguard US Equity Index	0.8%	
	Baillie Gifford American	1.2%	



## Key recent changes

### February 2021

**From** Schroder Asian Alpha Plus

**To** Allianz A Shares

**From** Cash

**To** Supermarket REIT

### March 2021

**From** Goldman Sachs FTSE/S&P Autocall

**To** Alternative Equity

**From** iShares US MSCI Small Cap ETF

**To** Schroder Global Recovery

### April 2021

No key changes were made in April.

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

Global Established Equity (continued)	Morgan Stanley Global Brands	1.4%
	Schroder Global Recovery	2.6%
Global Speculative Equity	Invesco China	1.5%
	Goldman Sachs India	0.9%
	Hermes GEM SMID	0.9%
	Baillie Gifford EM Leading Companies	1.2%
	Allianz China A-Shares	1.0%

## Commentary

In the past month non-essential shops have re-opened, along with pubs and restaurants for outside dining only. Luckily for publicans the weather has largely been good! If we are to believe the evidence of our own eyes and judge based on how busy shops and pubs are, then our economy is in the midst of a strong recovery. This is also backed up by hard evidence in the form of business surveys – globally as well as here in the UK - many of which are at the highest levels they have been in years.

This recovery story continues to play out in markets, with the FTSE 100 breaching the 7,000 in the past month for the first time since the pandemic. We continue to believe the UK has some catching up to do and particularly favour smaller companies which have most to gain from an ongoing recovery.

Looking at the US market we have noted some excellent company results, notably from the big technology firms. More generally, most earnings figures are coming in either in line with or often ahead of what analysts had estimated. However, the companies are not necessarily seeing the reward in terms of share price movements. Generally, markets are either not reacting or are reacting slightly negatively to earnings reports, unless they are significantly ahead of expectations. This backs up our view that some markets have got a bit ahead of themselves, with prices rising faster than expected earnings. We would not be surprised if we saw something of a correction in coming months, but we expect this would be a buying opportunity rather than a concern.

Expectations for a recovery have also been reflected in the bond market where yields have risen this year. However, these have largely stabilised for now. We still expect rates to be held at close to zero for the next year or two. However, central banks will have to start discussing when they begin to taper quantitative easing in the next few months. We continue to position the fund relatively cautiously, with more than usual in fixed interest and short dated fixed interest. We have recently added to property in the form of the Supermarket Income REIT and continue to look at opportunities in the specialist property space, which we believe can provide a good yield and some inflation protection.

## Performance

### Rolling total returns

<b>3 Months</b> (29.01.21 to 30.04.21)	<b>6 Months</b> (30.10.20 to 30.04.21)	<b>1 Year</b> (30.04.20 to 30.04.21)	<b>3 Years</b> (30.04.18 to 31.03.21)	-
3.95%	13.31%	20.08%	17.13%	-

### Discrete annual total returns

<b>2020</b> (31.12.19 to 31.12.20)	<b>2019</b> (31.12.18 to 31.12.19)	<b>2018</b> (31.12.17 to 31.12.18)	-	-
4.31%	13.79%	-4.12%	-	-

## Notes and risk information

All data is to 30 April 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](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.

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

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