



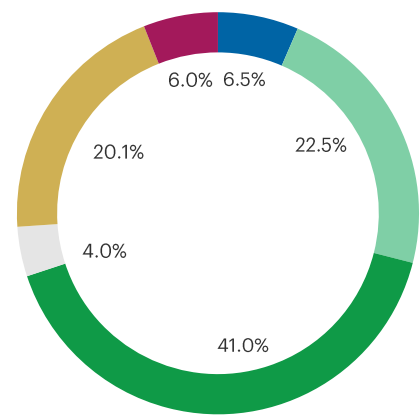
IFSL Equilibrium Defensive

Portfolio A Acc | August 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	30	Ongoing charges figure (OCF)	1.07%
Launched	2 February 2021	Fund size	£14.1m		

Liquidity	Sterling Cash & Money Market	4.2%
	US Dollar Cash & Money Market	2.2%
Short Dated Fixed Interest	Royal London Short Duration High Yield	5.2%
	TwentyFour Monument Bond Fund	5.0%
	iShares \$ TIPS 0-5 Yrs ETF	3.8%
	L&G Sterling Short Dated Bond Index	4.1%
	EdenTree Amity Short Dated Bond	4.4%
Fixed Interest	Allianz Strategic Bond	5.0%
	Nomura Global Dynamic Bond	5.0%
	TwentyFour Dynamic Bond	5.3%
	Waverton Sterling Bond	4.9%
	Aegon High Yield Bond	5.1%
	Vanguard UK Investment Grade Bond Index	2.9%
	Royal London Short Duration Index Linked	4.6%
	Royal London Extra Yield Bond	4.2%
	M&G Global Floating Rate High Yield	4.0%
	Property	Supermarket Income REIT
Primary Healthcare Properties		0.5%
Segro		0.5%
Civitas Social Housing		0.4%
Target Healthcare		0.5%
Alternative Equity	Time Social Long Income	1.3%
	Carmignac Long Short European Equity	3.2%
	Foresight UK Infrastructure Income	2.4%
	Lazard Rathmore Alternative	2.8%
	Foresight Global Real Infrastructure	2.0%
	Blackrock European Absolute Alpha	3.0%
	MontLake Crabel Gemini	3.0%
Man GLG Absolute Value	3.7%	
UK Conservative Equity	Miton UK Multi Cap Income	1.9%
Global Established Equity	Morgan Stanley Global Brands	2.1%
	Lindsell Train Global Equity	2.0%



Key recent changes

May 2021

From Jupiter Strategic Bond
To Short Dated Fixed Interest & Fixed Interest

From Vanguard UK Investment Grade Bond Index

To Primary Health Properties, Segro, Civitas Social Housing & Target Healthcare

June 2021

From Janus Henderson Absolute Return Fixed Interest

To M&G Global Floating Rate High Yield

July 2021

From Lindsell Train UK Equity

To Lindsell Train Global Equity

From Short Dated Fixed Interest & Fixed Interest

To Time Social Long Income

Commentary

There have been signs that the pace of the recovery from the Covid-related slump is starting to moderate. Here in the UK we have had our “freedom day” meaning that many of the pandemic-rules have been dropped, but this does not appear to have led to a “big bang” of economic activity.

People remain relatively cautious and we therefore expect slower, more drawn out growth rather than a sharp upturn. There remains a risk that rules could be reintroduced if the NHS comes under more pressure, and isolation rules continue to have an economic impact.

In other parts of the world too, we are seeing signs that growth has slowed. The recent GDP growth figures from the US were slightly disappointing, but the American economy is now back above pre-pandemic levels. The UK still has some way to go to achieve the same feat.

We have also seen a slowdown of growth in China, which could have a significant impact on the global economy. In addition, the Chinese authorities are being particularly interventionist which has had an impact on our Chinese holdings. They have effectively outlawed private companies from making profits from most forms of education.

They are also interfering with some of the big tech companies which have such an impact on Chinese society, in the same way the likes of Google and Facebook can be so influential in the West.

The potential for such intervention is simply a fact of investing in emerging markets. Even Western governments are looking to rein in big tech, but this is a more drawn-out process introducing new tax and anti-trust legislation. Whilst we hold little emerging market exposure in the Defensive fund, this could have a knock on effect to other asset classes.

In the portfolio, we have slightly increased our exposure to real estate investment trusts this month, reducing exposure to fixed interest. This gives us somewhat more inflation protection in the event that the temporary spike in prices we are seeing turns into something more long term.

Overall, we are trying to keep a good balance of investments which benefit from a continuing recovery, but also those which would be more resilient should we see a further downturn.

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 30 July 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%.

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