



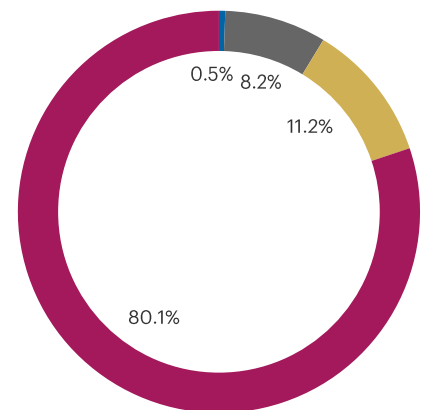
IFSL Equilibrium Global Equity

Portfolio A Acc | October 2021

The Fund aims to provide capital growth, that is, to increase the value of your investment, over a minimum of 5 years. However, there is no certainty that this will be achieved. The fund will have exposure to at least 80% in shares of companies (equities), in any geographic sector. The Fund will invest at least 70% in other funds and investment trusts (collectively 'Investment Funds').

Manager	Equilibrium Investment Management LLP	ISIN	GB00BMZN3Z32	Annual management charge (AMC)	0.25%
ACD	Investment Funds Services Limited	Sedol	BMZN3Z3		
Fund type	Open Ended Investment Company (OEIC)	Holdings	33	Ongoing charges figure (OCF)	1.23%
Launched	19 June 2020	Fund size	£91.3m		

Liquidity	Sterling Cash & Money Market	0.5%
Defined Returns	Societe Generale FTSE Autocall Dec 2017	1.4%
	JPM FTSE Autocall September 2018	0.8%
	BNP Paribas FTSE/S&P Autocall Feb 2020	1.0%
	Atlantic House Defined Returns	2.5%
	Credit Suisse FTSE/S&P Autocall Jan 2018	0.2%
	BNP Paribas FTSE Autocall Jan 2020	1.2%
	Morgan Stanley FTSE/S&P Autocall Mar 2019	1.1%
	Alternative Equity	Lazard Global Listed Infrastructure
Foresight UK Infrastructure Income		2.5%
Foresight Global Real Infrastructure		3.0%
Legg Mason ClearBridge Global Infrastructure		1.9%
Carmignac Long Short European Equity		1.3%
UK Conservative Equity	Miton UK Multi Cap	4.3%
UK Dynamic Equity	Miton UK Value Opportunities	8.1%
	Chelverton UK Growth	1.5%
	Merian Chrysalis Inv Co.	3.0%
	Octopus UK Micro Cap Growth	2.8%
Global Established Equity	Baillie Gifford Japanese Co.	4.0%
	Miton European Opportunities	4.3%
	Vanguard US Equity Index	1.4%
	Baillie Gifford American	2.8%
	Morgan Stanley Global Brands	3.8%
	S&W Artificial Intelligence	2.4%
	Schroder Global Recovery	6.4%
	HG Capital Trust	2.8%
	The Schiehallion Fund	1.0%
	Lindsell Train Global Equity	5.6%
	L&G US Equity Responsible Exclusions	1.4%
Global Speculative Equity	Invesco China	4.4%
	Goldman Sachs India	3.7%
	Hermes GEM SMID	6.0%
	Baillie Gifford EM Leading Companies	5.0%
	Allianz China A-Shares	5.4%



Key recent changes

July 2021

No key changes

August 2021

No key changes

September 2021

From Chelverton UK Growth

To Octopus UK Micro Cap Growth

From Vanguard US Equity Index

To L&G US Equity Responsible Exclusions

Commentary

We have seen a volatile few weeks in the stock market. In early September, investors became concerned that a large Chinese property developer might default on some of their bonds. Evergrande is highly indebted and is facing a “liquidity crunch” meaning they are struggling to pay even the interest on their debts. The issue is not just what happens to Evergrande but the possible knock-on effect of any default on individuals and institutions both inside and outside of China. For now, the Chinese government seems to have engineered a way to stop a disorderly default, ensuring those within China continue to receive their money. Meanwhile, the company has missed some payments on the bonds held by non-Chinese institutions.

Chinese growth is also slowing and this is being worsened by the issues in the energy market which is affecting us here in the UK. In China, we have actually seen “electricity rationing” as gas and coal prices increase. Also moving markets is the expectations that interest rates may go up sooner than expected in both the US and the UK. With the ongoing issues in supply chains and energy markets, inflation remains high and is likely to move higher before it comes down.

This has seen government bonds sell off on both sides of the Atlantic, which has in turn had a knock-on effect to other asset classes. In particular, as we have noted previously, the big tech stocks are highly sensitive to changes in bond yields, falling when yields rise. We have reduced fixed interest exposure recently and moved a portion to “floating rate” bonds where the yield increases when rates increase.

We have increased exposure to “real assets” such as property and infrastructure, where the income tends to increase as inflation rises. Even these have not been immune given the impact that rising borrowing cost can have on such assets but they should give us some longer term inflation protection. One of the few assets which have done well in this environment is our global recovery equity fund. This is one of our few funds which has more “old industry” stocks, such as energy and mining, which benefit from rising commodity prices.

Performance

Rolling total returns

3 Months (30.06.21 to 30.09.21)	6 Months (31.03.21 to 30.09.21)	1 Year (30.09.20 to 30.09.21)	-	-
0.08%	8.00%	24.50%	-	-

Discrete annual total returns

-	-	-	-	-
-	-	-	-	-

Notes and risk information

All data is to 30 September 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.

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

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

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

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