



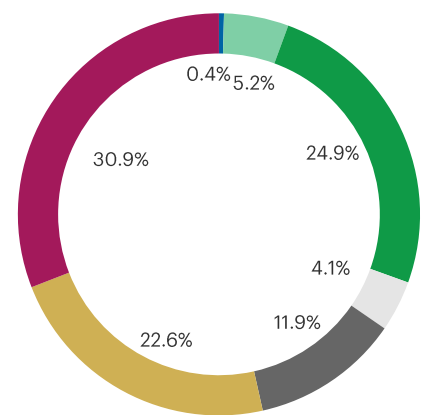
IFSL Equilibrium Balanced

Portfolio A Acc | December 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').

Manager	Equilibrium Investment Management LLP	ISIN	GBO0BYXHGX09	Annual management charge (AMC)	0.25%
ACD	Investment Funds Services Limited	Sedol	BYXHGX0		
Fund type	Open Ended Investment Company (OEIC)	Holdings	49	Ongoing charges figure (OCF)	1.06%
Launched	1 November 2017	Fund size	£447.7m		

Liquidity	Sterling Cash & Money Market	0.4%
Short Dated Fixed Interest	Royal London Short Duration High Yield	3.0%
	TwentyFour Monument Bond Fund	2.2%
Fixed Interest	Allianz Strategic Bond	4.1%
	Nomura Global Dynamic Bond	3.5%
	Royal London Extra Yield Bond	3.2%
	TwentyFour Dynamic Bond	4.5%
	Muzinich Asia Credit Opportunities	2.7%
	GAM Credit Opportunities	2.1%
	Waverton Sterling Bond	1.7%
	M&G Global Floating Rate High Yield	3.0%
	Property	Time Commercial Long Income
Supermarket Income REIT		0.9%
Primary Healthcare Properties		0.6%
Segro		0.6%
Civitas Social Housing		0.6%
Target Healthcare		0.6%
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	1.0%
	Alternative Equity	Lazard Global Listed Infrastructure
Carmignac Long Short European Equity		2.5%
Foresight UK Infrastructure Income		1.5%
Lazard Rathmore Alternative		4.0%
Foresight Global Real Infrastructure		2.0%
Blackrock European Absolute Alpha		2.5%
Legg Mason ClearBridge Global Infrastructure		1.7%
Man GLG Absolute Value		1.4%
Foresight Sustainable Forestry Co.		1.0%
BNP Dynamic Volatility Carry		4.1%
UK Conservative Eq.	Miton UK Multi Cap Income	3.3%
UK Dynamic Equity	Miton UK Value Opportunities	4.0%
	Liontrust Special Situations	3.2%
	Octopus UK Micro Cap Growth	1.8%
Global Established Equity	Baillie Gifford Japanese Co.	1.9%
	Miton European Opportunities	2.1%
	Baillie Gifford American	1.3%



Key recent 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
From Fixed Interest
To MontLake Crabel Gemini

October 2021

None

November 2021

From Montlake Crabel Gemini & Cash
To Foresight Sustainable Forestry Co. & BNP Dynamic Volatility Carry

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	2.5%
	Schroder Global Recovery	2.6%
	Lindsell Train Global Equity	2.0%
	L&G US Equity Responsible Exclusions	0.8%
Global Speculative Equity	Invesco China	1.1%
	Goldman Sachs India	0.9%
	Hermes GEM SMID	1.0%
	Baillie Gifford EM Leading Companies	1.2%
	Allianz China A-Shares	1.3%

Commentary

For the most part, November was a relatively calm month on the markets. That all changed in the final few days of the month when concerns rose about the Omicron variant of Covid-19. Markets fell as governments re-introduced travel restrictions, hitting the shares of airlines and oil & gas companies particularly hard. Before this news, markets had been worrying about inflation and believed that central banks were about to begin tightening policy. We had been expecting the Bank of England to put up rates in December, but unless we get some more certainty around Omicron before their next meeting, we now think they will hold off for now. The Federal Reserve has begun tapering quantitative easing and had been speculating about increasing the pace at which it slows - then stops - this stimulus, in the face of rising prices.

In portfolios, our recovery and value strategies were hit hardest by the stock market sell off whilst some of the technology positions (so-called "working from home" stocks) did better. In addition, we have a Defined Return product in portfolios that may kick out on 6 December if the market is above 7,348. We have been very close to this level but after the drop in markets this looks less likely, and so the price of this product fell sharply.

In the past month we made two changes to portfolios which we think will help guard against two alternative scenarios. Firstly, we have added a fund which we think will act as some protection against a further sharp drop in equities – the BNP Dynamic Volatility Carry fund. This fund is designed to do well in volatile markets, in particular when markets fall sharply. It is essentially a form of insurance, allowing us to take a more cautious position without reducing equity exposure. Secondly, we have added the Foresight Sustainable Forestry investment trust into portfolios. We participated in this Initial Public Offering into a fund which will buy both existing forestry, and plant new forests. Like property and infrastructure, this is a "real asset" which we think can provide a solid income with inflation protection, as well as having a positive environmental effect. The fund can enhance its income by selling carbon credits to firms who wish to offset their own emissions.

Performance

Rolling total returns

3 Months (31.08.21 to 30.11.21)	6 Months (31.05.21 to 30.11.21)	1 Year (30.11.20 to 30.11.21)	3 Years (30.11.18 to 30.11.21)	-
-0.82%	1.85%	8.73%	22.09%	-

Discrete annual total returns

2020 (31.12.19 to 31.12.20)	2019 (31.12.18 to 31.12.19)	2018 (31.12.17 to 31.12.18)	-	-
4.31%	13.79%	-4.12%	-	-

Notes and risk information

All data is to 30 November 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.

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