

# MANAGED PORTFOLIO SERVICE FACTSHEET - CAUTIOUS BALANCED CPI +3% PORTFOLIOS... FOR THOSE WHO BELIEVE

## Q1 2024

### INVESTMENT OBJECTIVE

The Cautious Balanced portfolio is designed to achieve a total return in excess of the Consumer Price Index plus 3% per annum, over a rolling 7 year basis net of fees. The strategy is globally diversified and contains multi asset investments with a mandate of c. 40% equities. The remainder of the portfolio will be a mix of fixed income, property, alternatives and cash.

There is no guarantee that the objective will be met or that a positive return will be delivered over any time period. Capital at risk.

### ABOUT CHRISTIAN ETHICAL INVESTING

This portfolio contains carefully selected investment vehicles using our Christian Ethical criteria, which is fully underpinned by our seven Christian Pillars.

The pillars are linked to the United Nations Sustainable Development Goals (SDGs). Epworth supports the utilisation of the SDGs, but feel that without a robust theological underpinning, they risk being misused by corporations or organisations attempting to appear ethical.

### INVESTMENT MANAGER COMMENTARY

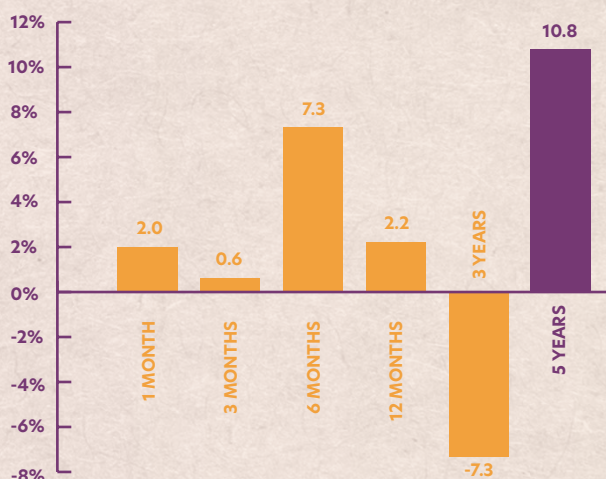
"After a bumpy start, this was a quarter where global equity markets were firm with investor concerns around inflation and interest rate policy abating amid some less hawkish rhetoric from central banks. It was again another strong quarter for the much vaunted "Magnificent Seven" albeit with some significant variation within this cohort. Pleasingly, positive performance was also evident across most equity sectors and we saw a strong rally in global small and midcaps from February. This environment was a helpful backdrop for sustainably oriented managers given their thematic approach tends to focus on small and midcap companies solving environmental or social challenges.

The quarter saw particular focus on water scarcity as an environmental challenge the world is struggling to

contend with. Countries like Mexico have had to adopt rationing in certain areas. While this issue has long been an endemic problem in emerging economies, over the past 12 months scarcity challenges have also been seen in both Europe and the US. Ultimately we have a nature based constraint on access to water. While a large chunk of the world's surface is covered by water, a small percentage of that is useable by agriculture or industry, and an even smaller amount is drinkable. Weather related challenges make this even more acute. Companies making products and services that help improve this dynamic are becoming increasingly important economic actors.

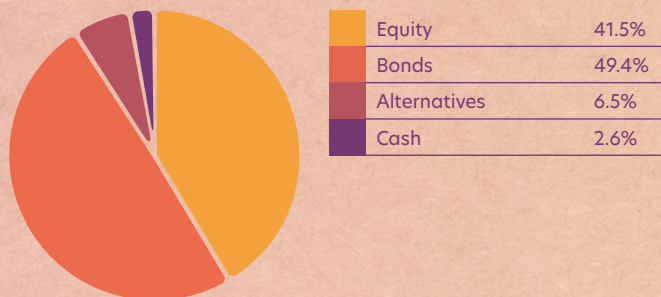
The strongest performing areas of the portfolio this quarter were varied with themes like healthcare, water and waste management, and robotics and AI performing well. We added to our highest conviction technology manager in January, and introduced a new more defensive equity manager in March. We continue to believe in the long term prospects for the innovation in the sustainable themes our managers target."

### UNDERLYING CANACCORD GENUITY ESG MPS PERFORMANCE

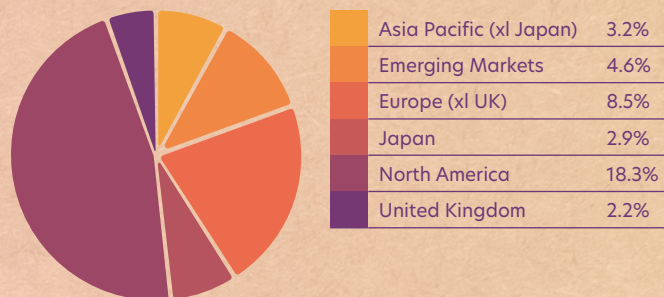


Source: Canaccord Genuity Wealth Management March 2024, Actual performance of ESG Risk Profile #4 Portfolio.

## ASSET ALLOCATION



## SPREAD OF GLOBAL EQUITY INVESTMENTS



## FUND DETAILS

- Available through the Abrdn, AVIVA and Transact Platforms
- MPS Charge 0.40%

## ABOUT CANNACORD GENUITY WM

Canaccord Genuity Wealth Management (CGWM) is an award-winning wealth manager and is part of the wider Canaccord Genuity group, a global investment business. Their approach to investing is complementary to Epworth's and as such they are able to run our Managed Portfolio Service (MPS) with us, and for us. This partnership allows the Christian Ethical approach to be managed in the most efficient and cost effective way.

## ABOUT THE MANAGER

Patrick Thomas set up and is responsible for our range of environmental, social and governance (ESG) portfolios. Patrick chairs the ESG Committee. He also sits on the firm's Portfolio Construction Committee, Fund Selection Committee and Alternatives Committee.

He specialises in managing investment portfolios for intermediaries, trusts, charities and pension funds, specialising in discretionary mandates. Patrick is a chartered Wealth Manager and a Chartered Fellow of the CISI.



### Patrick Thomas

Head of ESG Portfolio Management  
 ✉ patrick.thomas@canaccord.com  
 ☎ 020 7523 4988



## TOP 10 HOLDINGS

THE TOP 10 HOLDINGS	WEIGHTING (%)
1 iShares USD Treasury 7-10 YR UCITS	6.4
2 iShares USD TIPS 0-5 UCITS	5.8
3 Legal & General All Stocks Gilt Index Trust	5.1
4 Baillie Gifford Responsible Global Equity Income	5.0
5 Rathbone Ethical Bond	4.6
6 Royal London Ethical Bond Fund	4.3
7 FP WHEB Sustainability Fund	4.2
8 MI TwentyFour Investment Funds Asset Backed Income Fund	4.2
9 RobecoSAM Global SDG Credits	4.1
10 PIMCO GIS Emerging Markets Bond ESG Fund	4.1

## NEXT STEPS

Please go to our website or contact Simon Woolnough, for more details.



### Simon Woolnough

Head of Business Development  
 ✉ s.woolnough@epworthim.com  
 ☎ 020 7496 3639



**EPWORTH INVESTMENT MANAGEMENT**  
 BEST CHARITY INVESTMENT FUND  
 MANAGEMENT FIRM - UK

This document is for professional advisers only and is not for onward distribution to private clients. It is for information purposes only and is not to be construed as a solicitation or an offer to purchase or sell investments or related financial instruments. This has no regard for the specific investment objectives, financial situation or needs of any specific investor. Investors should make their own investment decisions based upon their own financial objectives and financial resources and, if any doubt, should seek advice from an investment adviser. Investment involves risk. The value of investments and any income from them can go down as well as up and you may not get back the amount originally invested. Past performance is not a guide to future performance. Investors should note that actual portfolio returns may be different to the returns of the managed portfolio. Levels and bases for taxation may change. Epworth Investment Management Limited ("Epworth") is authorised and regulated by the Financial Conduct Authority (FCA Registered Number 175451). It is incorporated in England and Wales (Registered Number 3052894), with a registered office at 9 Bonhill Street, London EC2A 4PE and is wholly owned by the Central Finance Board of the Methodist Church. The information contained herein is based on materials and sources that we believe to be reliable, however Epworth Investment Management makes no representation or warranty either expressed or implied, in relation to the accuracy, completeness or reliability of the information contained herein. All opinions and estimates included in this document are subject to change without notice and Epworth Investment Management is under no obligation to update the information contained herein.