

# MANAGED PORTFOLIO SERVICE FACTSHEET - INCOME CPI +2%

## PORTFOLIOS... FOR THOSE WHO BELIEVE

### Q3 2024

#### INVESTMENT OBJECTIVE

The Income portfolio is designed to achieve a total return in excess of the Consumer Price Index plus 2% per annum, over a rolling 5 year basis net of fees. The strategy is globally diversified and contains multi asset investments with a mandate of c. 20% 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.

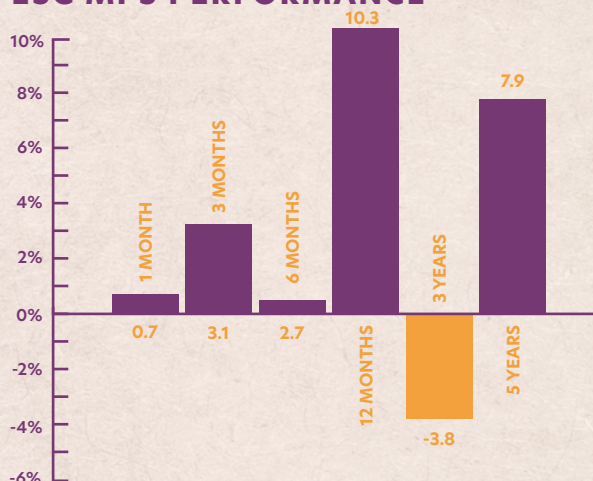
#### INVESTMENT MANAGER COMMENTARY

"Despite considerable volatility in both early August and early September, we arguably saw a more "orderly" backdrop for investors this quarter. The equity pattern from early July saw a broadening out of equity performance beyond the much publicised "Magnificent Seven" megacap stocks. We saw strong performance in more defensive sectors like healthcare, utilities and consumer staples, better performance in small and midcaps, and a more challenging environment for megacap technology stocks. We also saw bond markets prove robust and offer portfolios attractive defensive characteristics during the equity wobble. A market that finally saw the much anticipated cuts in interest rates from various central banks seemed relieved the inflation concerns of the past few years were abating.

This backdrop proved a more constructive one for sustainable investors, with relative underweights to megacap technology and relative overweights to smaller companies proving to be beneficial. The strongest performing areas of the portfolio were the exposures to water and waste management and oncology themes which proved to be very resilient during the equity market volatility of early August. We also saw strong performance from our infrastructure investments which benefitted from the market rotation into more interest rate sensitive sectors like utilities.

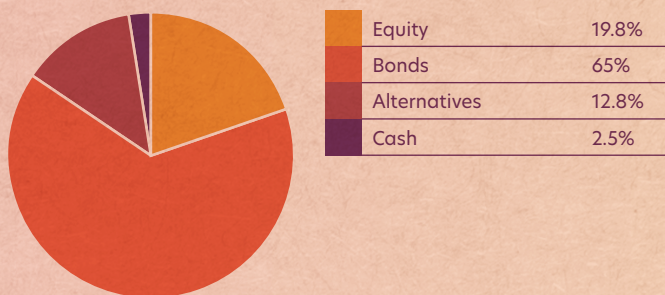
Climate policy has been notably absent from the various public battles between the two candidates for the US Presidency this November but arguably the combination of clarity on who is in charge of the world's biggest economy and the broader effects of interest rate cuts should provide a degree of comfort for investors in this space. Energy transition spending continues to be very strong. According to the International Energy Agency (IEA), global investment in clean energy is likely to hit nearly \$2tn this year. This is more than was spent in 2023 and nearly double the amount that was spent on fossil fuels."

#### UNDERLYING CANACCORD GENUITY ESG MPS PERFORMANCE

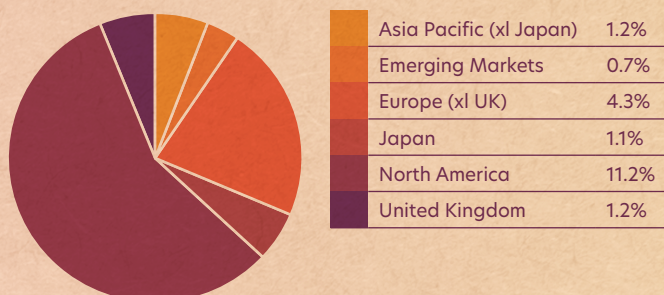


Source: Canaccord Genuity Wealth Management September 2024, Actual performance of ESG Risk Profile #3 Portfolio. The 5 year figure is simulated portfolio performance.

## 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

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## TOP 10 HOLDINGS

	THE TOP 10 HOLDINGS	WEIGHTING (%)
1	Brown Advisory Global Sustainable Total Return Bond Fund	9.2
2	Liontrust Sustainable Future Monthly Income Bond Fund	7.8
3	Legal & General All Stocks Gilt Index Trust	7.6
4	iShares USD Treasury 7-10 YR UCITS	7.1
5	Trojan Ethical Fund	6.8
6	Rathbone Ethical Bond	6.1
7	UBS Sustainable Development Bank Bond ETF	6.0
8	iShares USD TIPS 0-5 UCITS	5.8
9	MI TwentyFour Investment Funds Asset Backed Income	5.5
10	Canaccord Genuity Thematic ESG Fund	5.0

## NEXT STEPS

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



### Simon Woolnough

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FUND AWARDS 2022

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

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