

Blended 3

Blended MPS

Investment objective and policy

These discretionary managed model portfolios offer risk-profiled investment solutions, all of which have a dynamic top-down asset allocation strategy implemented using active and passive funds.

The investment objective for the Blended 3 Model Portfolio is to provide a long-term total return which is superior to the UK CPI inflation rate plus 2%. The performance of the model portfolio is not intended to track the rise (or fall) of any specific index.

Key facts

Inception Date	Sep-18
Fees	
AMC	0.25%
Total Ongoing Charges of Underlying Investments	0.34%
Portfolio Total Ongoing Charges	0.59%

European equity markets outperformed the US in January, marking a divergence from their recent performance profile.

Donald Trump's return to the White House was supportive for US equities, but the emergence of Chinese artificial intelligence (AI) company DeepSeek, called into question the US technology sector's ability to deliver against elevated expectations.

One of Mr Trump's first acts when granted the keys to the Oval Office was to reverse many climate initiatives. These included the US's immediate withdrawal from the Paris Agreement on climate change and a promise to "drill, baby, drill" to increase the country's output of oil and gas.

Mr Trump repealed a 2023 memo from predecessor Joe Biden barring oil drilling in 16 million acres in the Arctic. The new president promised to fill up strategic oil reserves and export US energy all over the world.

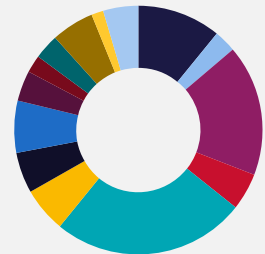
The new president pledged to raise tariffs of 25% on Mexican and Canadian goods from the start of February, as he targets illegal immigration and drug smuggling. However, he postponed these measures following action at the borders by both US neighbours. New tariffs were raised against Chinese goods, although they were lower than threatened in his campaign, news which supported Chinese equities.

Concerns about the inflationary aspect of the new administration's policies remain. Also proposed are mass deportations that will make low-skilled workers scarce, and tax cuts that are likely to increase or support consumer spending. Some tariffs against European goods are also expected. This resulted in some bond-market volatility, but there was a softer-than-expected US inflation number in December. Commodity prices generally rose, with the gold price hitting an all-time high.

The European Central Bank once again cut interest rates in January, making four cuts so far in its easing cycle. Inflation is now at its target level, although the Eurozone economy remains weak.

Fourth quarter company earnings have generally been supportive of equity markets, but only about one third of businesses have issued statements so far.

Asset Allocation



- Government Bond 11%
- Inflation Linked Bond 3%
- Investment Grade Bond 17%
- High Yield Bond 5%
- North America 25%
- Japan 6%
- Europe 5%
- UK 7%
- Asia Pacific ex-Japan 4%
- Global Emerging Market 2%
- Property 3%
- Infrastructure 6%
- Private Equity / Debt 2%
- Cash & Equivalent 5%

Top ten holdings

Top ten holdings	%
L&G US Index Trust	7.8
Xtrackers S&P 500 Equal Weight UCITS ETF	7.5
iShares GBP Corporate Bond 0-5yr	7.1
M&G Japan PP Inc GBP	5.8
Axa Sterling Credit Short Duration Bond	5.5
Man GLG High Yield Opportunities Professor	4.8
MI Charles Stanley Equity Fund	4.8
L&G Sterling Corporate Bond Index	4.5
Lyxor FTSE Actuaries UK Gilts	3.7
iShares Core S&P 500	3.7

Performance %

Discrete Performance	Jan 24 - Jan 25	Jan 23 - Jan 24	Jan 22 - Jan 23	Jan 21 - Jan 22	Jan 20 - Jan 21	3yr Vol. Annualised
Charles Stanley Blended 3	10.8	4.5	-4.4	1.6	9.1	8.4
UK Consumer Price +2%	4.6	6.1	12.2	7.5	2.7	-

Cumulative Performance	1 month	3months	6months	1yr	3yr	5yr	Since Inception *
Charles Stanley Blended 3	2.2	3.5	3.9	10.8	10.7	22.7	28.4
UK Consumer Price +2%	0.5	1.5	2.1	4.6	25.0	38.0	44.3

Source: FE Analytics as at 31/01/2025

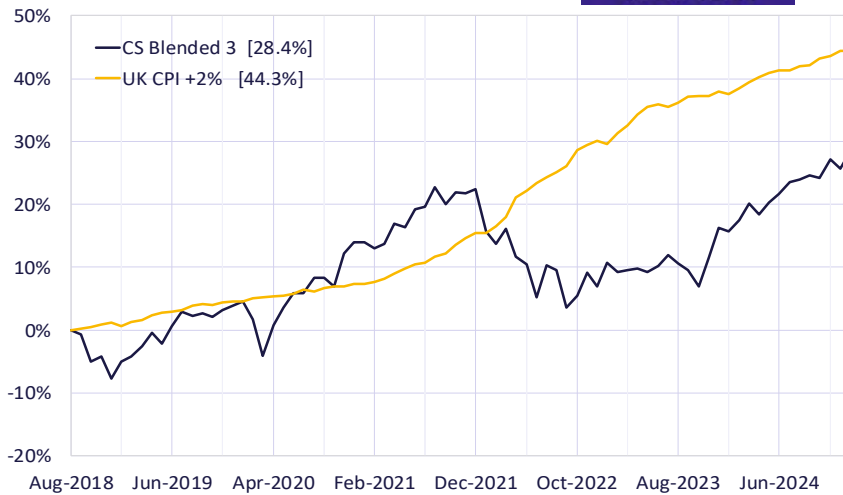
Past performance is not a reliable guide to future performance. The performance is net of Charles Stanley investment management fees, with income reinvested.

UK Consumer Price Inflation figures quoted with a 1 month lag. * Inception: 31st August 2018

Investment Team

The model portfolios are managed by the Charles Stanley Asset Management Division. The team of portfolio managers and analysts have extensive experience, drawing upon the expertise of investment specialists, strategists and economists both internally and externally. The research team looks for the best funds from the available active and passive universe.

Performance since Inception



Source FE Analytics. Past performance is not a reliable guide to future returns. The performance is net of Charles Stanley investment management fees, with income reinvested.

Risk Profile and ESG Ratings



FIND OUT MORE

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ACCOUNTS

- General Investment Account
- ISA
- SIPP

Minimum suggested Investment = £10,000
 (subject to platform minimum requirements)

PLATFORMS

- Standard Life
- Transact
- Aviva
- AJ Bell
- Quilter
- Fidelity
- Nucleus

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