

# Balanced

## S U C C E S S I O N

### 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 low cost ETFs.

The objective for the Balanced model portfolio is to provide moderate long-term total returns over and above sterling cash whilst exposing the investor to Moderate investment risk in accordance with their attitude to risk.

### Key facts

<b>Inception Date</b>	31/03/2009
<b>Indicative Yield</b>	2.4%
<b>Typical Growth / Defensive Split</b>	50:50
Annual Management Charge	0.20%
Total Ongoing Charges (of underlying funds)	0.19%
<b>Portfolio Total Ongoing Charge</b>	<b>0.39%</b>

Equity markets have been rallying for five months as investors look forward to a turn in the interest-rate cycle later this year. Both major US indices, the Dow Jones Industrial Average and the S&P 500, continue to hit new all-time highs.

Gains in US equities have been driven by a shift in the policy guidance from the Federal Reserve (Fed) in December. This dovish tone has been maintained, despite a recent uptick in US inflation as its “dot plots” indicate that members of the central bank’s policy committee continue to expect three interest-rate reductions this year.

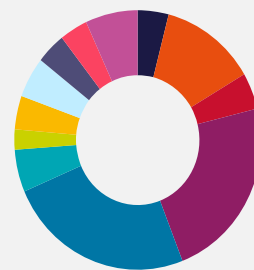
Bank of England governor Andrew Bailey said interest-rate cuts could come before inflation hits its 2% target. UK inflation fell to its lowest level in almost two-and-a-half years in February, as price rises for food and eating out slowed sharply. Markets expect the first UK interest-rate cut in the middle of the year.

The FTSE 100 has also rallied since November, but its performance has been more subdued compared with other indices. The index’s lack of technology companies resulted in a pedestrian rally when compared with Wall Street and valuations are generally lower than in the US market. However, the European Central Bank (ECB) is expected to be the first major central bank to cut interest rates.

Chinese equities have started to rebound from a lengthy period of weakness. However, the country’s economy is recovering from the Covid-19 pandemic slowly and there are still problems in its property sector. A court in Hong Kong ordered the liquidation of debt-laden Chinese property giant Evergrande after the developer repeatedly failed to come up with a plan to restructure its debts.

Market participants now think the US can engineer a soft economic landing as inflation is brought down to the Fed’s target level. The UK may need to keep interest rates “higher for longer” to curb inflation but, if another recession emerges in the UK, it is expected to be shallow.

### Asset Allocation



- Cash & Equivalent 4.0%
- Government Bond 12.5%
- Inflation Linked 4.5%
- Investment Grade Bond 23.0%
- High Yield 0.0%
- North American Equities 24.4%
- UK Equities 5.3%
- European Equities 2.5%
- Japanese Equities 4.2%
- Asia Pacific ex-Japan Equities 5.1%
- Global Emerging Market Equities 3.9%
- Global/Thematic Equities 0.0%
- Property 3.6%
- Infrastructure 6.9%

### Top ten holdings

	%
iShares Core S&P 500 UCITS ETF USD (ACC)	8.3
X-trackers S&P 500 Equal Wt (DR) 1C	8.1
X-Trackers S&P 500 UCITS ETF Hedged	8.0
L&G Short Dated Corp Bond Index C Inc	7.2
iShares \$ Treasury Bond 1-3yr UCITS ETF GBP Hgd Inc	5.7
Legal & General Sterling Corporate Bond Index C Inc	5.2
SPDR Morningstar Multi-Asset Gbl Infra UCITS ETF	5.0
Lyxor UK Government Bond UCITS ETF Dist	4.8
iShares US TIPS 0-5Y UCITS ETF GBP Hedged	4.5
Legal & General Japan Index C Acc	4.2

### Performance %

Discrete Performance	Mar 23 - Mar 24	Mar 22 - Mar 23	Mar 21 - Mar 22	Mar 20 - Mar 21	Mar 19 - Mar 20	3 yr Volatility
<b>Balanced</b>	11.9	-4.2	5.7	20.1	-4.3	8.4

Cumulative Performance	1m	3m	6m	1yr	3yr	5yr
<b>Balanced</b>	2.4	4.1	10.2	11.9	13.3	30.2

All data as at 31 March 2024

Source: FE Analytics

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

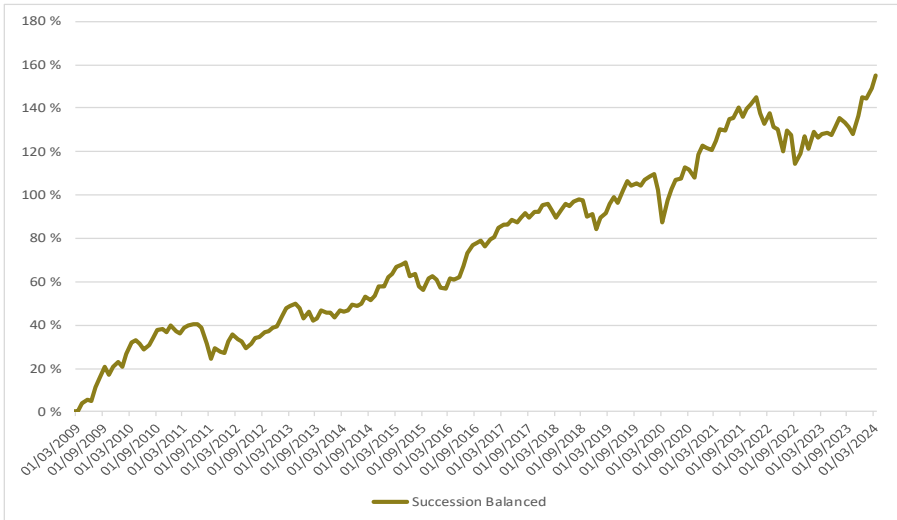
## Investment Team

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 Index tracking funds from the available passive universe.

## Risk Profile and ESG Ratings

The Balanced Model Portfolio targets a moderate risk and return. The Portfolio is invested in a range of defensive and growth asset classes. The Portfolio is not hedged and therefore will be exposed to currency fluctuations arising from any international investments.

## Performance since Inception



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

MSCI  
ESG RATINGS



CCC B BB BBB A AA AAA

### FIND OUT MORE

020 7739 8200  
[ist@charles-stanley.co.uk](mailto:ist@charles-stanley.co.uk)  
[www.charles-stanley.co.uk](http://www.charles-stanley.co.uk)

Charles Stanley & Co. Limited  
55 Bishopsgate  
London  
EC2N 3AS

### ACCOUNTS

- General Investment Account
- ISA
- SIPP
- Offshore Bond

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

### PLATFORMS

- Succession
- Transact

## Important Information

Certain information ©2023 MSCI ESG Research LLC. Reproduced by permission

**The value of investments, and any income derived from them, can fall as well as rise and may be affected by exchange rate variations. Investors may get back less than invested.** Since the 31st of March 2021, performance was calculated on a Total Return basis using a notional portfolio in Financial Express Analytics. Before the 31st of March 2021, performance was calculated on a Total Return basis using a notional portfolio in Advent Portfolio Exchange (APX). Performance is net of Charles Stanley investment management fees but not adviser fees nor platform costs. Any charges and fees applied by platforms and/or authorised intermediaries will be charged in addition to the charges shown. The Total Ongoing Charges Figure (TOC) is calculated on a periodic basis using a weighted average of the most recent publicly available Total Ongoing Charges for the underlying investments as at the date of the factsheet. This includes the underlying funds' Ongoing Charges Figure plus Transaction costs plus Incidental costs. Please note that whilst we endeavour to show all charges associated with specific funds, sometimes this is not possible due to the information not being made available by the fund provider. In such cases transaction or incidental cost information may be missing. The Indicative Yield is provided for guidance purposes only and is calculated on a periodic basis using a weighted average of the most recent publicly available income yields for the underlying investments. Yields for the underlying funds, and thus for the strategy, are likely to differ in the future. The Indicative Yield does not represent guaranteed income. Portfolios linked to this Model Portfolio may not exactly replicate the model due to the difference in timing of initial investment or rebalancing differences resulting from minimum transaction size limits on platforms. The management and rebalancing of this Model Portfolio does not take Capital Gains Tax into consideration. This factsheet has been prepared for information purposes only and does not constitute advice or a personal recommendation, nor does it constitute an invitation to purchase units or shares. The information on which the document is based is deemed to be reliable. Charles Stanley has not independently verified such information and its accuracy or completeness is not guaranteed. Although Charles Stanley's information providers, including without limitation, MSCI ESG Research LLC and its affiliates (the "ESG Parties"), obtain information (the "Information") from sources they consider reliable, none of the ESG Parties warrants or guarantees the originality, accuracy and/or completeness, of any data herein and expressly disclaim all express or implied warranties, including those of merchantability and fitness for a particular purpose. The Information may only be used for your internal use, may not be reproduced or disseminated in any form and may not be used as a basis for, or a component of, any financial instruments or products or indices. Further, none of the Information can in and of itself be used to determine which securities to buy or sell or when to buy or sell them. None of the ESG Parties shall have any liability for any errors or omissions in connection with any data herein, or any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. Charles Stanley & Co. Limited is authorised and regulated by the Financial Conduct Authority.