

Market and portfolio review

Investor confidence was rattled in January first by events in the Gulf and then by the new coronavirus outbreak even as the US signed a compromise agreement on the trade dispute with China and as corporate earnings generally met expectations. Equity markets mostly started the year well but then faltered, while fixed interest holdings rallied as bond yields again contracted. The potential impact on the global economy of the coronavirus that emanated from Wuhan is still unknown. China imposed the largest quarantine in history and the draconian measures should restrict the contagion but will impact economic output, already down to an annual rate of 6% so barely half that in 2003 when the SARS virus led to a sharp contraction in growth (if followed by a swift recovery). Then China accounted for some 4% of global GDP whereas in 2019 this had risen to 16%. The UK left the European Union forty-seven years after joining the Common Market and the country is for now in a sort of limbo until 31st December by when it should have a trade agreement. The Bank of England opted to keep interest rates unchanged although its Monetary Policy Committee said it was ready to cut if the post-election bounce in confidence fades. The US economy has been robust but growing at 2% rather than the 3% Donald Trump targets, and the focus is increasingly on the presidential election. GDP fell in the fourth quarter in both France and Italy; eurozone inflation has increased if still standing some way off the target rate of 2% for the European Central Bank, which is expected to provide a further stimulus. For the portfolio the total return for the month was -0.4%. iShares Index Linked Gilts was the largest contributor to performance at +0.14%, with Artemis Strategic Assets the largest detractor at -0.23%.

Portfolio information

Launch date:	October 2011
Initial charge:	Nil
Investment management fee:	0.375% + VAT
Ongoing Charge Figure (OCF):	0.66%
Dealing costs:	Nil
Portfolio yield:	2.4%
Re-balancing strategy:	Quarterly
Risk profiling:	Dynamic Planner

Platform availability:

Aegon; Ascentric; Aviva; Elevate;
FundsNetwork; Novia; Old Mutual; Standard
Life; Succession.

Investment objective

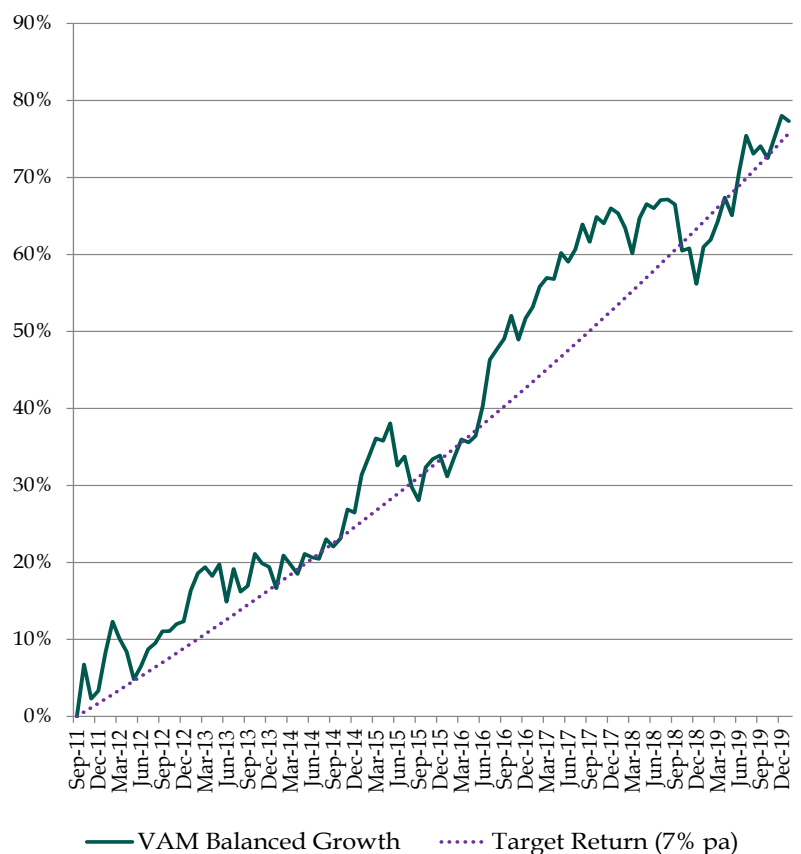
The Balanced Growth portfolio has assumed returns of 6-8% p.a. net of fees over a rolling three-year period and is expected to have a Dynamic Planner score of 6 or less. The investment manager has discretion to weight the portfolio towards any of the asset classes comprising bonds, equities, alternatives and cash provided that any such investment is compatible with the objectives.

The OCF represents the average charge of funds in which the portfolio is invested; it is an indicative figure (excluding transaction and ancillary costs which are 0.20% and 0.01% respectively) calculated at each quarter re-balancing, as is the portfolio yield.

Historical performance (as of 31st January 2020)

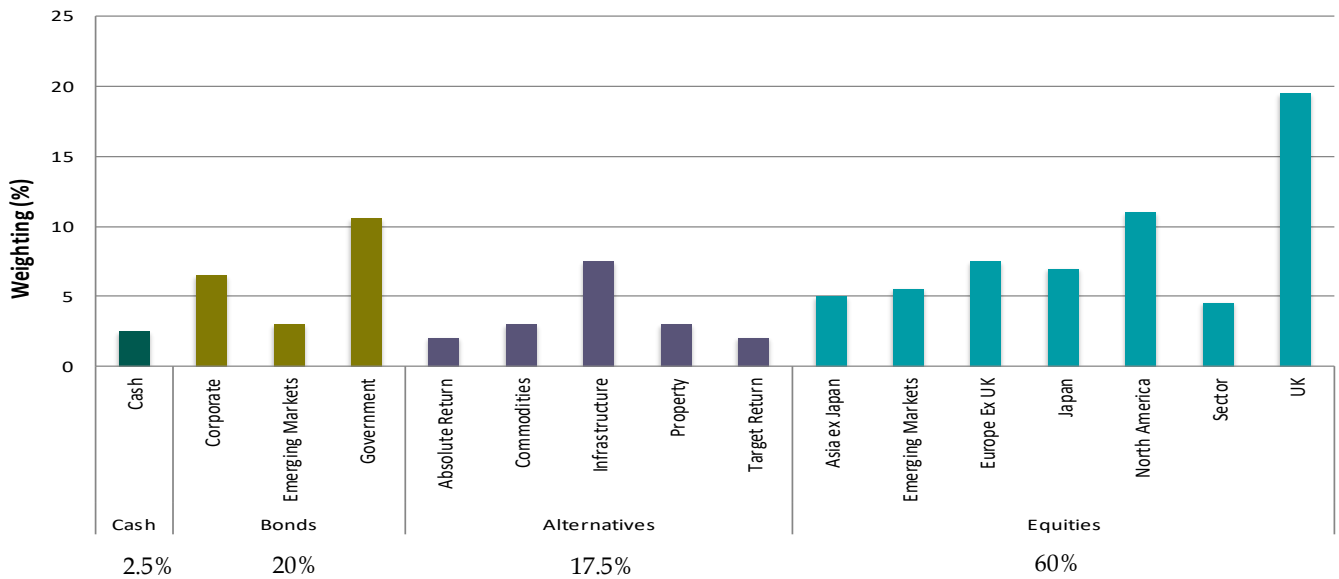
Rolling	1 mth	3 mth	1 yr	3 yr	From inception
VAM Balanced Growth	-0.4%	+2.8%	+10.1%	+15.8%	+77.3%

Annual	2016	2017	2018	2019	2020 to date
VAM Balanced Growth	+13.3%	+9.4%	-5.9%	+14.0%	-0.4%



Please note that past performance is no guarantee of future returns and that capital in the portfolio is at risk of loss. The figures are based on a model and may vary between platforms if holdings differ due to availability. Performance is shown net of the OCF, transaction and ancillary costs and the investment management fee (deducted monthly) but gross of platform (and adviser) fees; it is calculated using Financial Express with Bloomberg for contribution analysis and assumes no frictional dealing costs nor any delay during model rebalancing. The target return is set at 7% p.a. compounded monthly.

Asset allocation*



*This is based upon VAM's classification of each holding by asset class and sector, taking into account the holding's investment strategy, and does not purport to aggregate the asset distribution of each holding's underlying investments, which may vary from that represented above. The asset allocation and top 10 holdings are shown as of the quarterly re-balance (which was agreed in January 2020 and implemented in early February 2020).

Top 10 portfolio holdings (excluding cash)

Weight	Holding	Weight	Holding
5.0%	HSBC FTSE All-Share Index	4.5%	Crux European Special Situations
5.0%	Schroder Asian Income	4.5%	Man GLG Undervalued Assets
5.0%	JPM US Equity Income Hedged	4.0%	Gravis UK Infrastructure Income
5.0%	HSBC American Index	4.0%	Baillie Gifford Japanese Income Growth
4.5%	Evenlode Income	4.0%	Vanguard US Government Bond Index

About Vintage Asset Management

Vintage Asset Management (VAM) is an independent and boutique discretionary fund management company which was established in 2008. We provide bespoke portfolio management for private clients, companies and trusts advised by financial intermediaries for whom we offer a model-based Managed Portfolio Service on a number of platforms. This service comprises a range of strategies for Cautious, Cautious Balanced, Balanced, Balanced Growth and Growth mandates as well as a Balanced Income offering. Our investment philosophy aims to achieve a steady return for clients whilst maintaining a focus on capital preservation. VAM is authorised and regulated by the Financial Conduct Authority (FCA) with number 489408 for investment business in the UK only. More information about VAM's business and investment services can be found on our website or please feel free to contact a member of the team.

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