

## Market and portfolio review

In July equity markets were mixed given renewed incidences of the coronavirus Covid-19 and concerns over its continued economic impact, in spite of further support from governments and central banks to deal with the crisis as well as some encouraging results from resilient companies. The change in plans to end the lock-downs in place has dampened demand, not least in the tourism sector, and limits the scope for a V-shaped economic recovery. The US Federal Reserve extended its emergency lending programme and then committed to maintain its current policy of asset purchases, while the European Union summit agreed the Next Generation EU €750bn recovery package. Markets are mulling over a combination of two-way pulls, over the likely course of the virus itself alongside its economic impact and over the likely implications of the measures taken by central banks or governments and their sustainability. There are potential benefits from greater spending on infrastructure but this comes with higher government borrowing and extended balance sheets. These are dependent on subdued inflation and low interest rates, which makes debt affordable for now; for example, in Italy debt is over 150% of GDP but the cost of servicing it might be as low as 2% of GDP. But there are inflationary pressures that might bring higher rates and greater challenges, against which defensive assets have gained in appeal. The price of gold in particular has reflected the risks and gained lustre, benefitting from the low or negative real interest rates that have weighed on the US Dollar.

For the portfolio the total return in July was +0.3%. Ninety One Global Gold was the largest contributor to performance at +0.38%, with Baillie Gifford Japanese Income Growth the largest detractor at -0.41%.

## Portfolio information

|                                     |              |
|-------------------------------------|--------------|
| <b>Launch date:</b>                 | October 2011 |
| <b>Initial charge:</b>              | Nil          |
| <b>Investment management fee:</b>   | 0.375% + VAT |
| <b>Ongoing Charge Figure (OCF):</b> | 0.66%        |
| <b>Dealing costs:</b>               | Nil          |
| <b>Portfolio yield:</b>             | 1.7%         |

### Platform availability:

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

## Investment objective

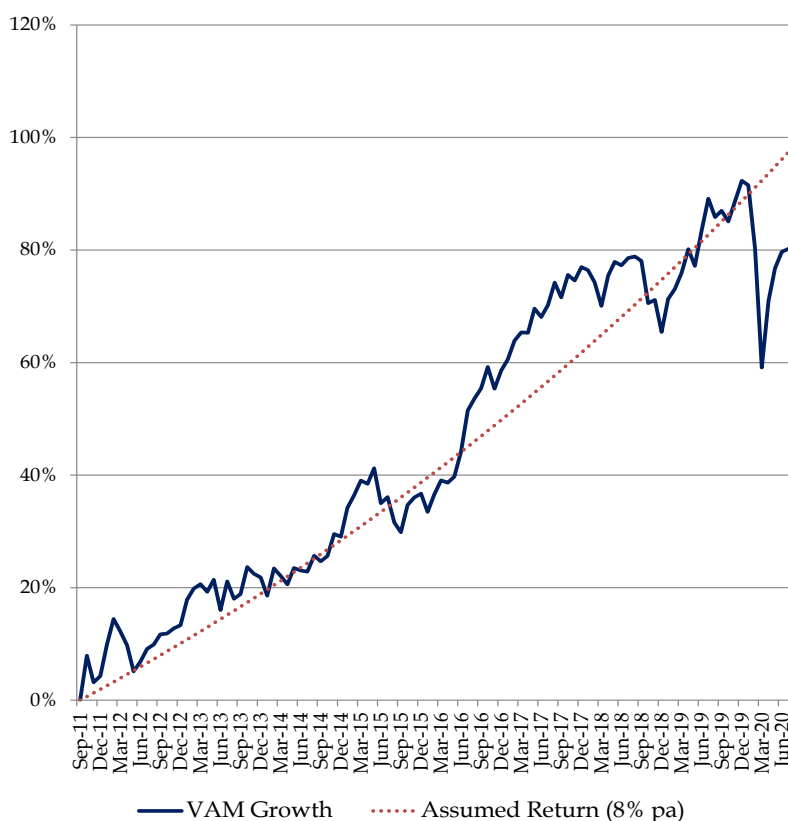
The Growth portfolio has assumed returns of 7-9% p.a. net of fees over a rolling three-year period. The investment manager has discretion to weight the portfolio towards any of the asset classes comprising bonds, equities, alternatives and cash provided that any such investment is compatible with the 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 0.25% and 0.05% respectively) calculated at each quarter re-balancing, as is the portfolio yield. As well as the regular quarterly re-balance we may re-position the portfolios on an ad hoc basis and at each occasion we assess the risk profile.

## Historical performance (as of 31st July 2020)

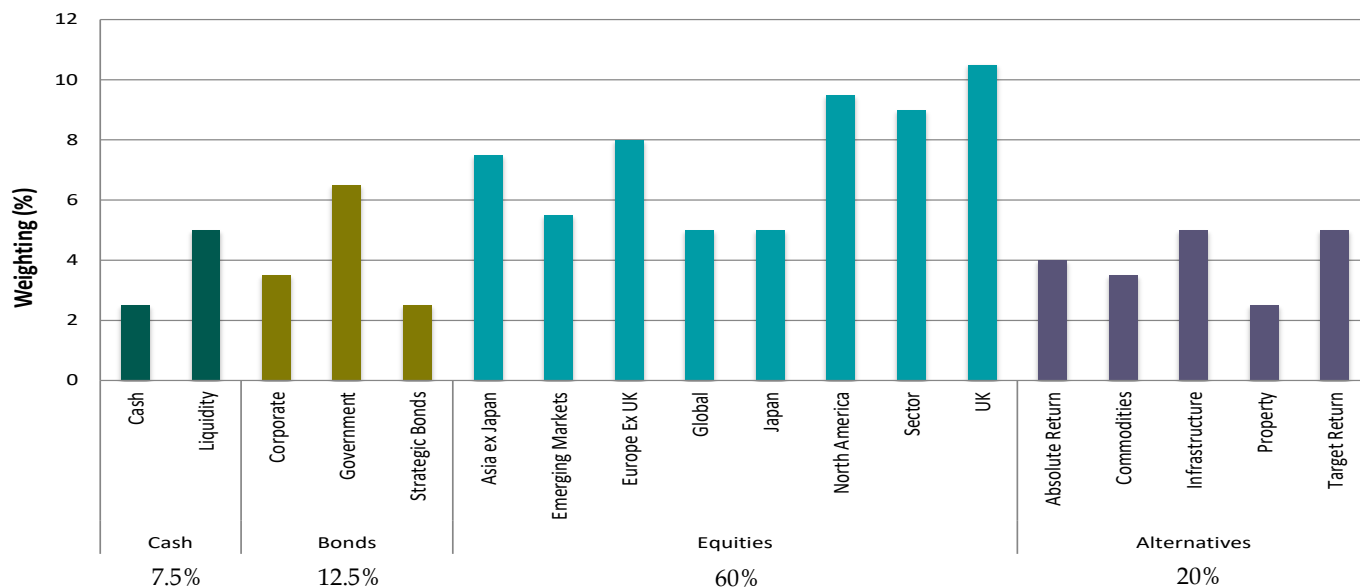
| Rolling    | 1 mth | 3 mth | 1 yr  | 3 yr  | From inception |
|------------|-------|-------|-------|-------|----------------|
| VAM Growth | +0.3% | +5.4% | -4.7% | +5.9% | +80.2%         |

| Annual     | 2016   | 2017   | 2018  | 2019   | 2020 to date |
|------------|--------|--------|-------|--------|--------------|
| VAM Growth | +16.0% | +11.6% | -6.5% | +16.3% | -6.3%        |



**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 assumed return is set at 8% 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 re-balance (which was implemented on 28th July 2020).

## Top 10 portfolio holdings (excluding cash)

| Weight | Holding                                | Weight | Holding                          |
|--------|--|--------|----------------------------------|
| 5.0%   | Fundsmith Equity                       | 4.5%   | Schroder Asian Income            |
| 5.0%   | HSBC American Index                    | 4.5%   | AXA Framlington Health           |
| 5.0%   | JPM Global Macro Opportunities         | 4.5%   | Polar Global Technology          |
| 5.0%   | Baillie Gifford Japanese Income Growth | 4.0%   | Crux European Special Situations |
| 5.0%   | Gravis UK Infrastructure Income        | 4.0%   | Fidelity Europe Ex UK 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 active 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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