

Market and portfolio review

The month of February saw equity markets rise on optimism over an improving economic outlook for 2021, although concerns over higher inflation brought increased volatility later in the month and impacted bond markets. The optimism comes with hopes that the worst effects of the Covid-19 pandemic will soon be over, as the vaccination programmes roll out across the world, if still at a varied pace. For now governments will continue to provide further support for businesses and individuals, as with the Chancellor of the Exchequer in his latest Budget. Central banks have continued to buy assets and to provide liquidity into the financial system. The US Federal Reserve has stressed the need to reach and maintain full employment, and expects that recent price rises would not be sustained. Commodity prices have certainly been on the up, with the oil price reaching its highest level in over a year. The yield on ten-year US Treasuries also reached its highest level in over a year, reflecting fears that inflation might rise too quickly and prompting some volatility. Sectors such as financials and commodities are seen as the beneficiaries of higher inflation and interest rates, and so have participated in what is known as the reflationary trade – which has helped the UK market given its sector composition, in spite of a stronger Sterling.

For the portfolio the total return in February was -1.0%. HSBC FTSE All-Share Index was the largest contributor to performance at +0.20%, with iShares Corporate Bond Index the largest detractor at -0.42%.

Portfolio information:

Launch date:	January 2020
Initial charge:	Nil
Investment management fee:	0.15% (+VAT)
Ongoing Charge Figure (OCF):	0.14%
Transaction costs:	0.05%
Incidental costs:	0.00%
Portfolio yield:	2.4%
Re-balancing strategy:	Quarterly
Platform availability:	Aviva

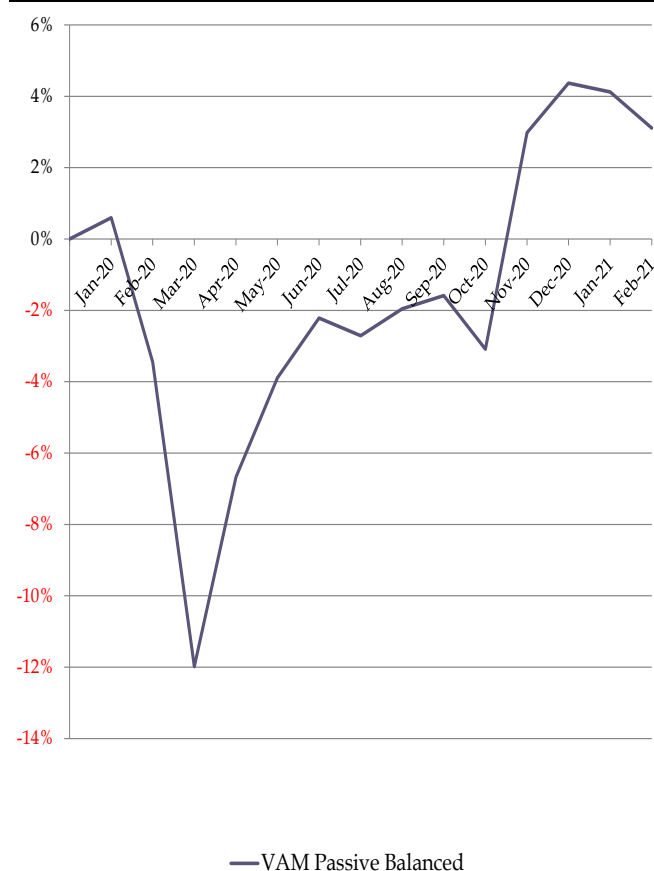
Investment objective:

Our MPS Passive models are intended to provide investors with a low-cost exposure to investment markets through a diversified portfolio of index-tracking funds. We expect to maintain a constant broad allocation to the asset class of Bonds, Equities, Alternatives and Cash while actively selecting the component funds.

The MPS Passive Balanced model has a bias to the UK as to one-half of the allocation to Bonds and one-third as to Equities. We re-set the international equity weightings annually at least to reflect a blend of market capitalisation and Gross Domestic Product for countries, which results in a higher relative weighting to developing economies than when based on market capitalisation alone. The portfolios include an allocation to alternative or real asset sectors such as infrastructure and real estate through equity-based tracker funds.

Historical performance (as of 28th February 2021)

Rolling	1 mth	3 mth	1 yr	3 yr	From inception
VAM Passive Balanced	-1.0%	+0.1%	+6.8%	-	+3.1%

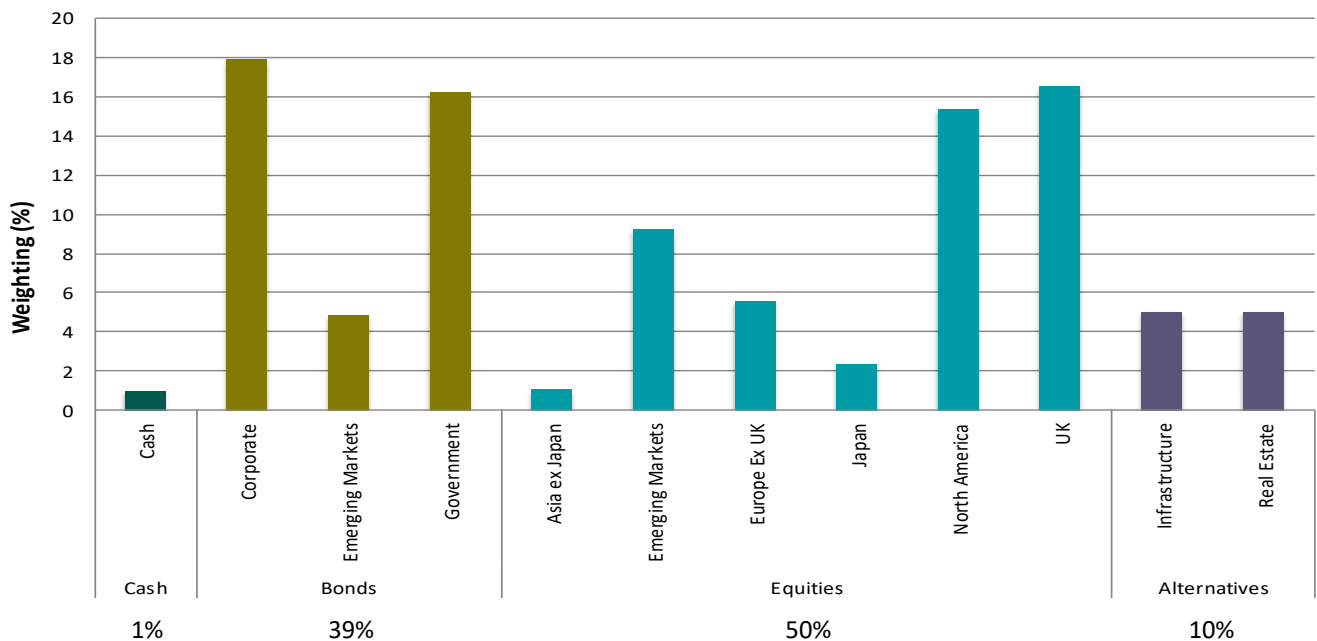


Please note that past performance is no guarantee of future returns and that capital in the portfolio is at risk of loss. The figures are based on a model and may vary between platforms if holdings differ due to availability. Performance is shown net of the OCF, transaction and ancillary costs and the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

Top 10 portfolio holdings

Weight	Holding	Weight	Holding
13.0%	iShares Corporate Bond Index	6.5%	Fidelity UK Index
10.0%	HSBC FTSE All-Share Index	5.6%	Fidelity Europe ex UK Index
10.0%	HSBC American Index	5.4%	Fidelity US Index
9.8%	Vanguard Global Bond Index Hedged	5.0%	L&G Global Infrastructure Index
9.2%	Vanguard Emerging Markets Stock Index	5.0%	L&G Global Real Estate Dividend Index

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 latest re-balance (which was implemented on 26th January 2021).

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 model portfolios for different mandates across active, passive and ESG offerings. 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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