

Market and portfolio review

January saw significant volatility in markets as central banks moved to deal with a persistently higher rate of inflation. The potential conflict over Ukraine added to the pressure and to the recalibration of risk, as Russia's ambitions were one notable factor in higher energy prices, a substantial component of higher costs for consumers and companies. In the US the consumer prices index (CPI) was up by 7% over 2021, the largest increase since 1984; in the UK the CPI reached 5.4% in December. Central banks have made it clear that controlling the rate of inflation is again their main concern, following a robust recovery in economic growth and employment. The US Federal Reserve will end its purchase of bonds in March and start a series of increases in interest rates, while the Bank of England has already raised rates. As monetary policy tightens the International Monetary Fund has reduced its forecast for global economic growth in 2022 from 5.9% to 4.4% given also continued uncertainty over the coronavirus variants, disruption to supply chains and weakness in the Chinese property market. There has been pressure on richly-rated shares, as higher long-term interest rates reduce the present value of future cashflows, and a rotation into more inflation-sensitive sectors such as commodities and financials, which has favoured the UK. Much will depend on the overall level of corporate profits as well as politics.

For the portfolio the total return in January was -3.0%. BlackRock World Energy was the largest contributor to performance at +0.21%, with HSBC American Index the largest detractor at -0.36%.

Portfolio information

Launch date:	October 2011
Initial charge:	Nil
Investment management fee:	0.3%
Ongoing Charge Figure (OCF):	0.59%
Transaction costs:	0.14%
Ancillary costs:	0.01%
Dealing costs:	Nil
Portfolio yield:	1.6%

Platform availability:

Aegon; Ascentric; Aviva; Elevate; Novia; Quilter (formerly Old Mutual); Standard Life; Succession; FundsNetwork.

Investment objective

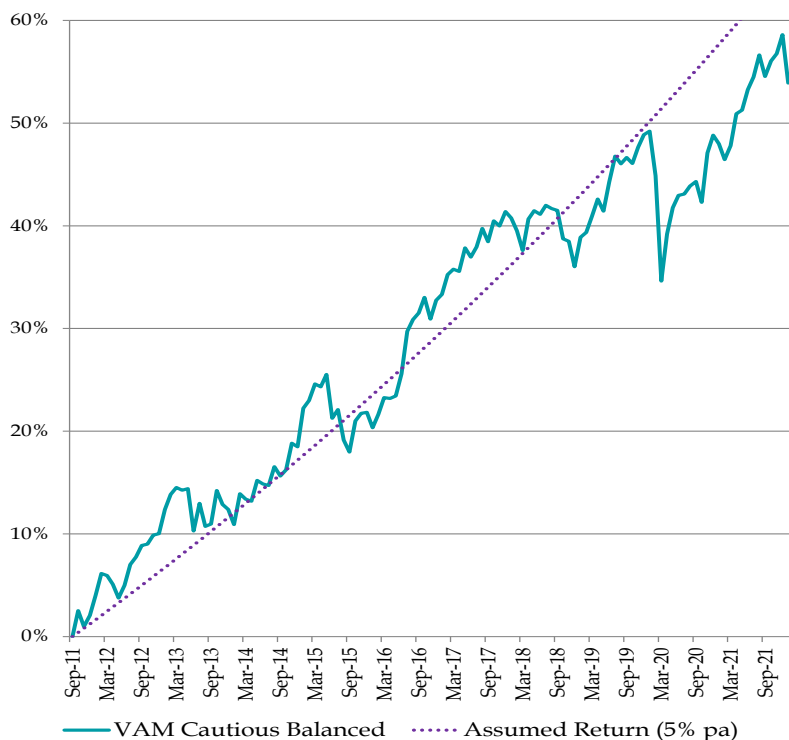
The Cautious Balanced portfolio has assumed returns of 4-6% p.a. net of fees over a rolling three year period. The investment manager has discretion to weight the portfolio towards any of the asset classes comprising bonds, equities, alternatives and cash provided that any such investment is compatible with the objectives.

The OCF and other costs represent the average charge of funds in which the portfolio is invested; it is an indicative figure calculated at each quarter 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 January 2022)

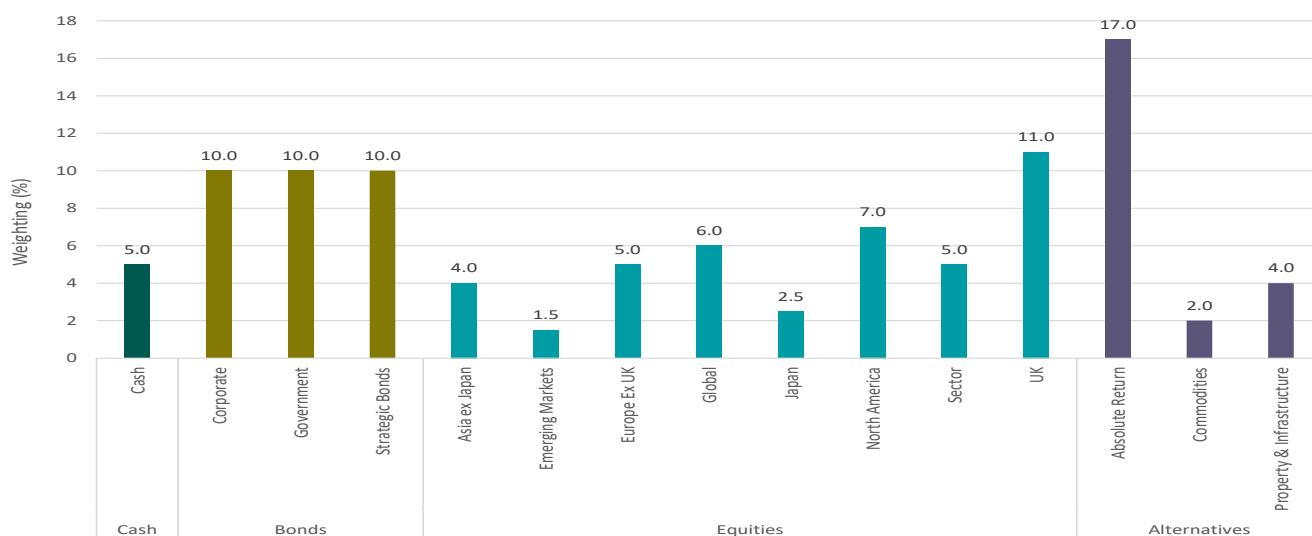
Rolling	1 mth	3 mth	1 yr	3 yr	From inception
VAM Cautious Balanced	-3.0%	-1.4%	+4.0%	+10.8%	+53.9%

Annual	2017	2018	2019	2020	2021
VAM Cautious Balanced	+6.5%	-3.8%	+9.4%	-0.0%	+6.6%



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 investment management fee was 0.375% until end June 2021 (0.37% on those platforms that only calculate to two decimal places) and it was liable to VAT until end March 2021, so equivalent to 0.45%. The assumed return is set at 5% 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 latest re-balance (which was implemented on 31st January 2022).

Top 10 portfolio holdings (excluding cash and money market funds)

Weight	Holding	Weight	Holding
8.0%	HSBC FTSE All-Share Index	5.0%	Nomura Global Dynamic Bond
5.0%	Rathbone Ethical Bond	5.0%	CG Absolute Return
5.0%	Royal London Short Duration Credit	5.0%	Trojan Fund
5.0%	Fidelity Global Inflation-Linked Bond	5.0%	Tellworth UK Select
5.0%	Allianz Strategic Bond	4.0%	Fidelity Global Enhanced Income

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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