

# SUSTAINABLE WORLD BALANCED MODEL PORTFOLIO

31st December 2018



## OBJECTIVE

This portfolio is designed for investors with a moderate risk profile seeking reasonable rates of total return over the long term, some of which will come by way of income. The portfolio provides an actively managed and diversified spread of investments giving access to opportunities across global financial markets. However, while being actively managed in its asset allocation, the portfolio will have a minimum allocation to equities of 40% and a maximum of 70%, together with a minimum allocation to fixed income and cash of 20%. The portfolio is invested in funds managed in a 'responsible', 'sustainable' and/or 'positive impact' manner (collectively 'ethical' funds), providing exposure to fixed income, equity markets and alternative assets.

The portfolio's returns will be shown relative to the IA Mixed Investment 40-85% Shares sector, however it is important to note that this sector consists of funds with greater investment flexibility and structurally different asset allocation guidelines. The portfolio aims to outperform this sector average over the medium term.

## RISK RANGE

Current Hawksmoor  
Risk Score 4.4



On a scale of 1-10, with 1 being low risk and 10 being high risk, Hawksmoor would anticipate the collection of funds within the portfolio to expose an investor to a level of risk in the range of 4-6.

## ASSET EXPOSURE RANGES

Current exposure to equities 58%



The portfolio will have exposure to Equities of between 40% and 70%.

Current exposure to fixed  
income and cash 42%



The portfolio will have a minimum exposure to Fixed Income and Cash of 20%.

## PERFORMANCE

There is insufficient performance data to display. This model portfolio was launched on 16/07/2018.

## PORTFOLIO SUMMARY

There were no changes made to the portfolio during the quarter.

The best performing fund was EdenTree Amity Short Dated Bond (+0.1%) and the worst performing fund was Kames Ethical Equity (-17.1%).

## COMMENTARY

During the quarter, Sustainable World Balanced (-7.9%) performed in line with its IA Mixed Investment 40-85% Shares sector average (-7.9%) comparator. October and December were both particularly challenging months for global financial markets. Our UK equity exposure fared relatively poorly during the quarter, as evidenced by our worst performing fund, Kames Ethical Equity (-17.1%). After leading the way in terms of performance since the portfolio's inception in July, our global equity funds were not immune to stock market falls during the quarter, as evidenced by Liontrust Sustainable Future Global Growth (-10.2%). More pleasingly, our corporate bond exposure has again held up relatively well in a tough environment for fixed income assets, led by EdenTree Amity Short Dated Bond (+0.1%).

## RATINGS/AWARDS

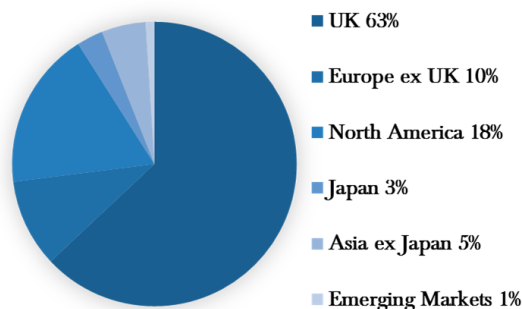


*Performance figures and charts sourced from Financial Express Analytics (total return, bid to bid, excluding fund rebates and excluding fees applied by the platform and adviser, but including Hawksmoor's fees without the VAT). These figures refer to the past and past performance is not a reliable indicator of future results.*

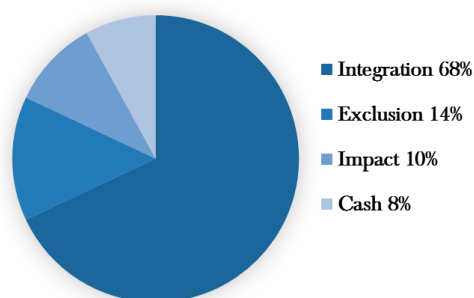
# PORTFOLIO BREAKDOWN

<b>Fixed Income</b>	<b>33.0%</b>
<b>Corporate</b>	<b>33.0%</b>
EdenTree Amity Short Dated Bond	7.0%
EdenTree Amity Sterling Bond	9.0%
Liontrust Sustainable Future Corporate Bond	9.0%
Rathbone Ethical Bond	8.0%
<b>Equities</b>	<b>59.0%</b>
<b>UK</b>	<b>22.0%</b>
EdenTree Amity UK	6.0%
Janus Henderson UK Responsible Income	6.0%
Kames Ethical Equity	5.0%
Liontrust Sustainable Future UK Growth	5.0%
<b>Global</b>	<b>37.0%</b>
Baillie Gifford Positive Change	4.0%
EdenTree Amity International	9.0%
BMO Responsible Global Equity	9.0%
Liontrust Sustainable Future Global Growth	9.0%
WHEB Sustainability	6.0%
<b>Cash</b>	<b>8.0%</b>
<b>Total</b>	<b>100%</b>

## Geographic Breakdown



## Hawksmoor Classification



**Exclusion** – The fund has a comprehensive negative screening process in place covering environmental, social and governance criteria. We have scrutinised the quality of this screening process.

**Integration** – Building on the above, the fund incorporates a positive screening process in search of companies demonstrating positive characteristics and exposed to positive themes.

**Impact** – More specialist in nature, the fund actively seeks companies making a positive impact to the environment and/or to society.

## OTHER INFORMATION

<b>Historic Yield:</b>	2.1%
<b>Hawksmoor Annual Management Charge:</b>	0.3% +VAT
<b>Ongoing Charge of underlying funds:</b>	0.8%
<b>Platform Availability:</b>	Novia, Standard Life

**Portfolio Managers:** James Clark and Dan Cartridge

James is a Senior Fund Analyst at Hawksmoor Investment Management. He manages the firm's private client Buy List including a subset of ethical investments. James has 11 years of industry experience.

Dan is a Fund Analyst at Hawksmoor Fund Managers. He supports the management of our Vanbrugh, Distribution and Global Opportunities funds and our range of Model Portfolios. Dan joined Hawksmoor in November 2016 and holds the IMC.

## CONTACT DETAILS

### Business Development Team

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## RISK WARNINGS AND OTHER INFORMATION

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