Wellian (HIS) Conservative Model

September 2023

Investment Objective

The Conservative model aims to provide a combination of long term capital growth and an income for investors who are willing to accept a low to medium level of risk by investing across global markets into a range of asset classes. Equity exposure within this portfolio will not exceed 40%. The portfolio's benchmark is the ARC Sterling Cautious PCI.

Commentary

Over the quarter, the DFM Conservative model returned 1.4%, outperforming the ARC Sterling Cautious PCI by 0.8%.
2023 has thrown up some unusual investment conditions and the third quarter continued the theme. Three months ago we highlighted the breadth of the market being incredibly narrow with large cap tech stocks being the driving force behind the strong market performance. During the quarter inflation (although falling) remains high, interest rates continued to rise and column inches referencing the word "recession" gathered pace. Although more than 50% of the indices (equity, bond, commodity) that we closely follow registered positive returns in the three months to 30 September, it is interesting to note that returns were more discriminate. For example, shorter-dated gilts (those with 5 years to maturity) delivered a positive return (approaching 3%), whereas gilts with a longer-dated maturity profile (more than 15 years) were near the bottom of the table with losses greater than 5%. The price of, and inflationary implications of Oil continues to dominate the headlines. In the third quarter, the oil price was up by almost a third and this will have knock-on effects for the global economy. Although trillions of dollars is earmarked to be invested in renewable energy projects for the next couple of decades, there is no escaping the fact that as a world we are still very reliant on oil (and will be for a long time to come). We find the portfolio remains suitable for a client looking to obtain a broad exposure of assets diversified by manager, investment style, geography and income.

Performance Summary as at 30th September 2023

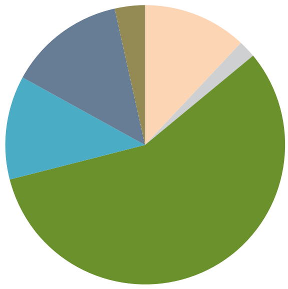
FE fundinfo

	1 MONTH	3 MONTHS	6 MONTHS	1 YEAR	3 YEARS	5 YEARS	SINCE INCEPTION DATE
Conservative Model	0.1%	1.4%	0.3%	6.8%	4.3%	6.9%	66.6%
ARC Sterling Cautious PCI	-0.4%	0.6%	-0.3%	2.7%	0.4%	5.3%	39.7%

Source: FE fundinfo & Hawksmoor. All figures quoted are on a total return basis with income reinvested and are gross of any Hawksmoor fees that may be deducted. Deduction of this charge will reduce the illustrated performance. All ARC benchmark figures are quoted net of fees.

Current Asset Allocation

Alternatives	**12.0%**
Cash	**2.0%**
Fixed Interest	**57.0%**
UK Equities	**12.0%**
International Equities	**13.5%**
Property	**3.5%**



Top 10 Holdings

Man GLG Sterling Corporate Bond	7.5%
Fidelity Strategic Bond	7.0%
Federated Hermes Unconstrained Credit	6.5%
Artemis Corporate Bond	6.0%
JPM Global Macro Opportunities	6.0%
L&G Short Dated Sterling Corporate Bond Index	6.0%
Royal London Corporate Bond	6.0%
WS Ruffer Diversified Return	6.0%
Morgan Stanley Global Brands Equity Income	5.5%
Royal London Short Duration Global High Yield Bond	5.0%

Model Details

Inception Date	30th April 2010
Number of Holdings	20
Underlying fund Ongoing Charge Figure (exc. fees) *	0.54%
Investment Management Fee	0.35%
Estimated Yield*	3.78%
3 Year Annualised Volatility	5.98%

** Based on the current portfolio weightings using the latest available data of the underlying funds. The yield is not guaranteed and may fluctuate.*

A central model is created for each of our model portfolios, where the performance summary, asset allocation, fund holdings, charges and yield quoted on this factsheet are based on the central model portfolio. Where the central model is replicated, such as through a platform, any individual portfolio is unlikely to be identical to that of the central model as a result of the timing of the investment or any restrictions of the platform provider. There may be some circumstances when certain investments (e.g. property funds) may not be readily realisable and investors may experience difficulty in selling the investment or in obtaining reliable information as to its value.

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