



## Investment Managers

Alternative Assets	10%
Wellington	
Steve Gorman	
Diversified Bond	7%
Multimanager	
Payden & Rygel, TwentyFour, BlueBay, Man Group	
Gilts	10%
Wellington	
Haluk Soykan	
Global Growth	6%
Multimanager	
EdgePoint, Magellan, Sands Capital, Select Equity	
Global High Yield Bond	10%
Multimanager	
Oaktree, Capital Four, BlueBay	
Global Quality	7%
Multimanager	
Select Equity, Artisan Partners, Sands Capital, Impax, J O Hambro, Magellan, Ninety One	
Index Linked Gilts	10%
Blackrock	
Francis Rayner	
Investment Grade Corporate Bond	10%
Multimanager	
Loomis Sayles, Columbia Threadneedle	
Multi Asset	20%
Multimanager	
Invesco, Payden & Rygel, Schroders	
UK Absolute Return	10%
Blackrock	
Nigel Ridge	
Yield	
Life	2.2%

## Investment Objective & Risk

The portfolio seeks to provide investors whose attitude to risk lies towards the lower end of the risk spectrum and aims to provide a positive return, after charges, over a rolling 5-year period. The strategy is to invest primarily in fixed interest investments and alternative investments (which may include derivatives, commodities, currency and property), with exposure to a portfolio of global equities. Investments in these asset classes can fall as well as rise in value and it is possible that the portfolio will show losses from time to time. Whilst the mandate is to achieve a positive return, this cannot be guaranteed and you may get back less than you invested.



Your St. James's Place Partner can provide you with a copy of 'Understanding the balance between risk and reward', which explains investment risk and our risk ratings in more detail.

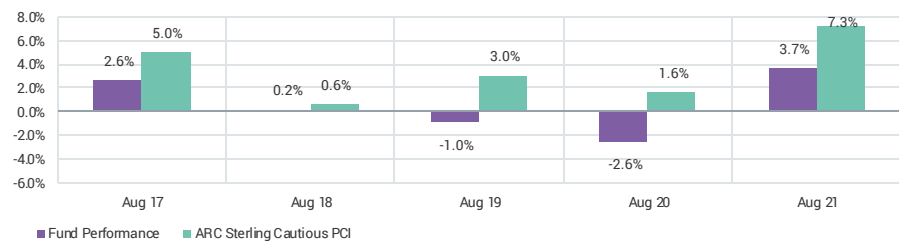
## Quarterly Commentary as at 30 June 2021

Global equities performed strongly in Q2 2021 as investors witnessed strong earnings growth and a continued vaccination rollout. Emerging Markets in general also continued to perform well, supported by higher commodity prices. There are, however, still areas of rising COVID cases, most notably in India and Japan, with associated mobility restrictions causing these markets to fare less well. From a style perspective, growth stocks were back in favour outperforming more value orientated approaches. Bond investors experienced a tumultuous but overall positive second quarter of 2021. Despite higher inflation data coming through, Central Banks re-iterated their view that any inflation will be transitory. Most notably in the US, the Federal Reserve retreated from previous indications that they were happy for inflation to run persistently above target, calming investors and bringing stability to markets.

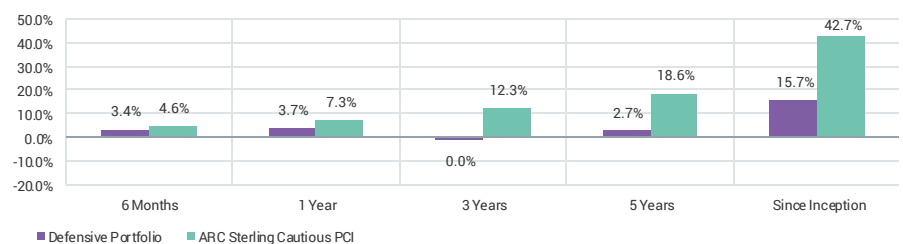
The portfolio delivered a good return in the second quarter, bringing performance into positive territory for the year to date. The Global Growth and Global Quality funds were the strongest performers as their respective 'style-orientation' returned to favour. The only detractor was the UK Absolute Return fund, where performance was adversely impacted from exposure to the Consumer Staples sector, where the manager holds a short position in a recent takeover target.

## Portfolio Performance

### Discrete Annual Performance



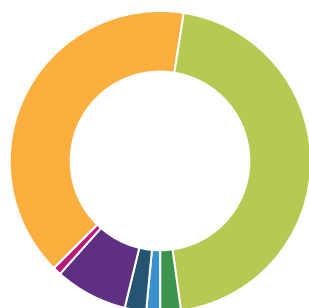
### Cumulative Performance



Performance data source: Financial Express/St. James's Place. Data as at 31 Aug 2021. All figures are percentage growth on a bid to bid basis for accumulation units, income reinvested and in fund currency. Please be aware that past performance is not indicative of future performance. Portfolio fund allocations are not rebalanced automatically. Client Portfolios are likely to have different fund allocations and, therefore, individual investment experience may vary.



### Asset Allocation



Other Equities	0.0%
Asia & Pacific Equities	1.5%
European Equities	2.3%
North American Equities	7.8%
UK Equities	0.9%
Property	0.0%
Alternatives	40.0%
Bonds	45.3%
Cash	2.2%

### Performance 12 months ending (%)

Current Funds	Launch Date	31 Aug 2021	31 Aug 2020	31 Aug 2019	31 Aug 2018	31 Aug 2017
Multi Asset	06 Feb 2012	3.2%	-2.0%	-1.8%	0.8%	3.6%
UK Absolute Return	06 Apr 2010	0.7%	-0.5%	1.7%	-2.1%	1.2%
Alternative Assets	18 Aug 2008	2.8%	-13.6%	-8.3%	-1.1%	1.1%
Diversified Bond	02 Nov 2015	4.7%	-0.4%	1.2%	-0.6%	3.1%
Gilts	01 Jan 1992	-2.3%	-0.6%	2.8%	-2.3%	-2.0%
Investment Grade Corporate Bond	16 Mar 2009	1.5%	-0.8%	-0.7%	0.3%	2.3%
Global Quality	08 Jan 2007	16.8%	4.0%	8.6%	8.4%	9.7%
Global High Yield Bond	06 Apr 2010	4.6%	-1.6%	3.8%	-1.4%	3.1%
Index Linked Gilts	06 Feb 2012	1.0%	-2.5%	5.4%	-1.4%	0.3%
Global Growth	06 Nov 2017	17.1%	6.5%	6.7%		
Previous Funds	Launch Date	31 Aug 2021	31 Aug 2020	31 Aug 2019	31 Aug 2018	31 Aug 2017
Global Managed	31 Jul 2006	22.9%	-5.1%	0.8%	5.5%	13.8%
International Equity	03 Apr 2000	5.1%	3.7%	13.4%	12.2%	12.9%
UK & International Income	18 Oct 2010	22.5%	-10.8%	-0.7%	3.7%	9.5%
UK Equity	01 Jan 1992	31.6%	-15.8%	-14.0%	0.9%	-1.8%

### History of fund allocation (%)

	21 Sep 2020	21 Jan 2019	02 Nov 2015	10 Nov 2014	07 Oct 2013	10 Apr 2012
Multi Asset	20	35	40	40	15	15
UK Absolute Return	10	15	15	15	15	15
Alternative Assets	10	15	10	10	10	10
Diversified Bond	7	10	10	-	-	-
Gilts	10	10	10	10	10	10
Investment Grade Corporate Bond	10	10	10	-	10	10
Global Quality	7	5	5	5	10	-
Global Managed	-	-	-	-	-	5
Index Linked Gilts	10	-	-	10	15	15
Global High Yield Bond	10	-	-	10	10	10
International Equity	-	-	-	-	5	-
UK & International Income	-	-	-	-	-	5
UK Equity	-	-	-	-	-	5
Global Growth	6	-	-	-	-	-



## General Risks

- The value of these investments, and the income generated by them, will be affected by changes in interest rates, general market conditions and other political, social and economic developments, in addition to the specific attributes relating to the assets in which they invest.
- The fund price of units and the income may go down as well as up and you may not get back the amount invested.
- The fund may not be appropriate for investors who may wish to withdraw their money in the short to medium term.
- For specific risks applying to the individual funds within the Defensive portfolio refer to the relevant fund fact sheet

## Further Caveats

- The portfolio fund split shown overleaf is that which applies to investments made from the most recent fund allocation changes, as shown in the table above. Some funds within your portfolio will perform better than others so, over time, those funds will make up a larger proportion of your investments. Consequently, the weighted average yield and average fund charges on your investments will also fluctuate over time. The portfolio fund allocation will not be rebalanced automatically. You should review your investments regularly to ensure that the balance of risks remains appropriate to your circumstances. Your St. James's Place Partner will help you to do this.
- Equities do not provide the security of capital characteristic of a deposit with a bank or building society.
- The prices of funds and the income from them may go down as well as up. You may not get back the amount invested.
- All data is quoted as of 31 August 2021.
- This portfolio has been rated as Lower-Medium. The St. James's Place 'A Guide to understanding the balance between risk and reward including the St. James's Place portfolios and funds', explains investment risk in detail and is available from your St. James's Place Partner.
- The yield shown has been calculated as a percentage of unit prices as at 31 Aug 2021. Yields can fluctuate and therefore are not guaranteed.
- Please be aware that the UK Absolute Return Fund permits investment of more than 35% in government and public securities, issued or guaranteed by the Government of the United Kingdom.
- Performance since launch assumes investment into the portfolio was made on 06 Feb 2012 and reflects the performance of the individual funds based on the sequence of the underlying fund allocations shown in the table headed 'History of fund allocation'. Past performance of the individual funds is also shown in the table headed "Performance 12 months ending %".