

MPS-ETHICAL BALANCED STRATEGY

MARCH 2020

INVESTMENT OBJECTIVE

The objective of this portfolio is to grow capital over the medium to longer term. Investors should expect a high correlation to stock market behaviour and rewards, including significant fluctuations in value, with only moderate protection in times of market weakness.

KEY INFORMATION

Launch Date	January 2019
Estimated Yield (Current)	1.16%
Initial Charge	0.00%
Investment Management Charge	0.25% (+VAT)
Fund Underlying Charges	0.52%

TOP TEN HOLDINGS

Hermes Unconstrained Credit	16.3%	Liontrust Sustainable Future UK Growth	6.0%
Threadneedle Invs UK Social Bond	15.8%	First State Asia Pacific Sustainable	5.9%
EdenTree Short Dated	15.8%	Cash	4.8%
JPM US Income	10.0%	Pictet GEO	4.3%
L&G Ethical UK Trust	8.7%	Pictet Global Thematic Opportunities	4.1%

RISK LEVEL



DEFENSIVE

BALANCED

ADVENTUROUS

INVESTMENT STRATEGY

Our investment strategy has three key components:

ASSET ALLOCATION > Focused on analysing the economic and financial environment, assessing the prospective returns and risks of each of the major asset classes, both over the short and long term.

FUND SELECTION > Our rigorous fund selection process involves assessing which funds best allow us to gain exposure to the most attractive asset classes, regions and themes.

PORTFOLIO CONSTRUCTION > These two building blocks are then combined to create portfolios which are designed to meet their specific objectives and are actively managed with regular rebalancing.

The process is run by our research and strategy team and overseen by our investment committee to ensure that the portfolios are managed in line with their objectives and risks are kept to appropriate levels.

KEY ETHICAL THEMES



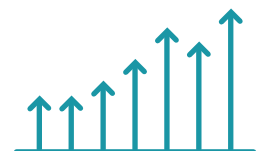
WATER SUSTAINABILITY



GENDER EQUALITY



IMPACT OPPORTUNITIES



GLOBAL MEGATREND FOCUS

OUR PORTFOLIO

ASSET ALLOCATION

■ Equities - International	20.2%	■ Bonds	48.0%
Equities - Asia (excluding Japan)	3.5%	■ Equities - UK	17.4%
Equities - Emerging Markets	2.4%	■ Equities - Thematic	12.5%
Equities - Europe (excluding UK)	1.8%	■ Cash	2.0%
Equities - Japan	2.6%		
Equities - US	10.0%		



The rapid escalation of the coronavirus crisis has led to a sharp fall in equity markets and considerable stress in credit markets. The drastic containment measures in place in many countries mean the global economy is heading fast into recession.

The economic downturn will be deep but hopefully short-lived. The immense monetary and fiscal stimulus should contain the economic fall-out, although a recovery will ultimately depend on a slowing in infections, and easing of containment measures.

Equity markets at their lows were down over 30% from their highs but have recovered some of their losses subsequently. These declines were in line with those seen in the typical bear market but not as great in the Global Financial Crisis.

Equities could fall back again near term but should be recovering later this year if as we expect containment measures are eased significantly over coming months.

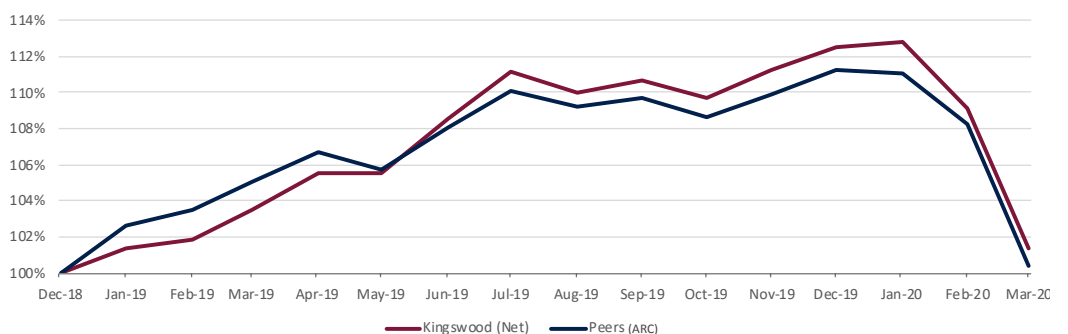
Uncertainties remain and we believe a neutral position on equities remains appropriate. Recently, we took advantage of weaker markets to add a little to our equity positions as market declines had left us underweight.

Within equities, we continue to favour Asia & Emerging Markets and the UK, and also retain an exposure to various themes including technology which has held up well in the sell-off.

PERFORMANCE (%)

Summary	
2019	12.5%
1 year	-2.1%
Q1	-9.9%
Since inception	1.4%

Ethical Balanced (since inception)



Past performance is not a guide to future returns.



This factsheet is for Professional Intermediaries only. Kingswood, Kingswood Group and KW Institutional are trading names of KW Wealth Planning Limited (Companies House Number: 01265376) regulated by the Financial Conduct Authority (Firm Reference Number: 114694) and KW Investment Management Limited (Companies House Number: 06931664) regulated by the Financial Conduct Authority (Firm Reference Number: 506600) with a registered office at 13 Austin Friars London EC2N 2HE. KW Investment Management Limited is also regulated in South Africa by the Financial Sector Conduct Authority (Firm Reference Number: 46775). Both companies are wholly owned subsidiaries of Kingswood Holdings Limited which is incorporated in Guernsey (registered number: 42316) and has its registered office at Regency Court, Glatigny Esplanade, St Peter Port, Guernsey, GY1 1WW. The value of an investment and any income from it may fall as well as rise, may be affected by exchange rate fluctuations and you may not get back the amount you originally invested. Securities may not be suitable for all investors. Past performance data is not representative of past performance on different platforms. This is because MPS on platforms will vary in portfolio composition due to the differing availability of investments. Portfolios are re-balanced at least quarterly and rounding when buying securities may affect the cash held. The information in this factsheet does not constitute an offer of, or an invitation to buy or sell any security.