

# Balanced Ethical Model Portfolio

March 2018

Market Data to 16 <sup>th</sup> February 2018	3m	6m	1yr	3yr
Ethical Balanced Portfolio	-1.85	-0.62	6.10	21.81
FTSE 100 TR in GB	-1.10	-0.64	3.37	18.37
Moneyfacts 90 Days Notice 10K in GB	0.16	0.31	0.55	2.00
UK Consumer Price TR in GB	-0.19	0.58	2.25	4.92

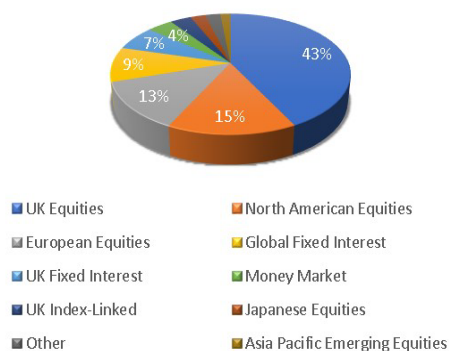
## Historical Performance & Asset Allocation

The following charts represent the performance history compared to the composite benchmark based on sector averages since March 2009 and the asset allocation in connection with the above funds which aims to replicate your agreed risk profile.

### Balanced Ethical Model Since March 2009



### Asset Allocation Balanced Active



27/02/2009 - 16/02/2018 Data from FE 2018

Name	Original %
UK Equities	42.85%
North American Equities	14.80%
European Equities	12.90%
Global Fixed Interest	9.42%
UK Fixed Interest	6.75%
Money Market	4.10%
UK Index-Linked	3.42%
Japanese Equities	2.45%
Other	2.45%
Asia Pacific Emerging Equities	1.65%

Although the model portfolios are for clients with a particular attitude to risk, individual funds may be higher risk than the overall portfolio and some of lower risk; this is to achieve an overall portfolio in line with the risk. Data sourced through Financial Express (Analytics). All reasonable precautions have been taken to ensure that the information contained is correct. Past performance is based on a model and not an actual portfolio and should not be seen as a guide to future performance, the price of shares and the income from them can fall as well as rise. Please note that the actual performance of your portfolio may differ due to a difference in charges and timing of any investments, redemptions and switches.

## Investment Strategy

In September 2017 we took the decision to increase the weightings held in equities due to the predictions of global economy growth, this is forecast to continue in global equity markets. We have ranked each of the funds and taken the opportunity in this review to further diversify the portfolio purchasing into a wider range of equity funds within each asset classification and maintain the risk of the portfolio within the parameters and tolerances. We will not further diversify our European holdings due to expected volatility of this market. It is for this reason that we will hold our European funds at the current level.

## Fund changes this period

In line with the above comments we have reduced the holdings in the following funds.

### Holdings Reduced:

- AXA Ethical Distribution Z Acc (-4.5%).
- Kames Ethical Cautious Managed B Acc (-4.5%)
- Kames Ethical Equity B Acc (-3%)

### New Holdings Added:

- Liontrust Sustainable Future Defensive Managed 2 Inc (5%)
- Liontrust Sustainable Future UK Growth 2 Acc (3%)
- Royal London Sustainable Diversified Trust C Acc (4%)

Please refer to the Key Investor Information Documents supplied for detailed information relating to each fund.

## The following table shows the fund selection and recommended percentage holdings

Ethical Balanced Portfolio Composition			1 yr	3 yr
Fund Manager	Name	% Holding	Perf %	Perf %
AXA	Ethical Distribution Z Acc	5	2.56	16.72
BlackRock	Cash D Acc	1.5	0.00	0.46
F&C	Responsible Global Equity 2 Acc	3.5	7.60	44.99
F&C	Responsible UK Income 2 Acc	6.5	4.22	18.58
Fund Partners Ltd	WHEB Sustainability C Acc	3	7.02	40.73
Janus Henderson	Global Sustainable Equity I Acc	5	10.38	40.87
Janus Henderson	UK Responsible Income I Inc	7.5	2.08	13.05
Janus Henderson	Global Responsible Managed I Acc	5	5.01	21.00
Jupiter	Ecology I Acc	2	3.25	31.37
Kames	Ethical Cautious Managed B Acc	5	1.71	9.96
Kames	Ethical Equity B Acc	3	3.31	12.83
Liontrust Investments Limited	Sustainable Future Defensive Managed 2 Inc	5	4.71	20.04
Liontrust Investments Limited	Sustainable Future Global Growth 2 Acc	5	8.01	40.83
Liontrust Investments Limited	Sustainable Future UK Growth 2 Acc	3	9.48	27.61
Pictet	Global Environmental Opportunities I dy GBP	5	9.35	48.10
Rathbone	Ethical Bond Inst Acc	4	6.35	16.08
Royal London	Ethical Bond M Acc	4	3.57	13.16
Royal London	Sustainable Diversified Trust C Acc	4	5.21	24.32
Royal London	Sustainable Leaders Trust C Acc	7.5	4.42	22.72
Standard Life Investments	European Ethical Equity Ret Platform 1 Acc	3.25	11.46	36.04
Stewart Investors	Worldwide Sustainability B Acc	5	3.20	41.58
Threadneedle	UK Social Bond Z Ret Acc	4	1.31	10.66
Vanguard	SRI European Stock Acc GBP	3.25	4.14	23.29