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YOUR 2023 Q4 PORTFOLIO UPDATE

WELCOME

Welcome to our first quarterly update of 2024, and also our first in partnership with PortfolioMetrix (PMX) with the management of our model investment portfolios now benefiting from the additional layer of experience and expertise they provide as a specialist investment manager with an impressive track record.

Our Investment Committee recently met with PMX to review performance and discuss both recent and forthcoming global macro-economic events, and to review fund selection and asset allocations.

We are pleased to provide you with a very positive update both in terms of your portfolio's performance and the work of PMX as discretionary fund manager, and we will continue to provide you with an update after each of our future quarterly meetings.

YOUR PORTFOLIO

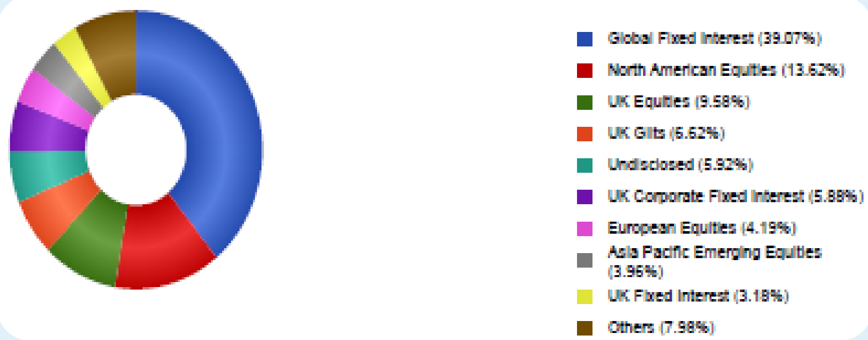
PMX Hoyl Model Portfolio 4

ASSET ALLOCATION *

As at 31 January 2024

PORTFOLIO PERFORMANCE

1 Nov 23 to 31 Jan 24 – **+6.66%**



* Please see last page for a full breakdown of the funds and asset classes.

PORTFOLIO CHANGES

Your portfolio is constantly monitored by PMX with overview from our Investment Committee. As part of the active management of your portfolio, changes are made to the funds in which it invests whenever we and PMX believe this is in your best interests.

IN

No changes this quarter

OUT

No changes this quarter

Portfolios are also continually monitored for 'drift', where particularly strong performance of individual asset types or funds can change the overall risk profile. Currently, both PMX and our Investment Committee remain happy that your portfolio remains closely aligned to its target allocation.

SUMMARY

2023 Q4 proved positive for almost all asset classes , particularly smaller companies and stocks whose fortunes tend to follow the business cycle of the economy.

Economic data remained solid, with inflation coming in lower than expected. This led investors to begin pricing-in earlier and greater interest rate cuts in 2024 than previously expected.

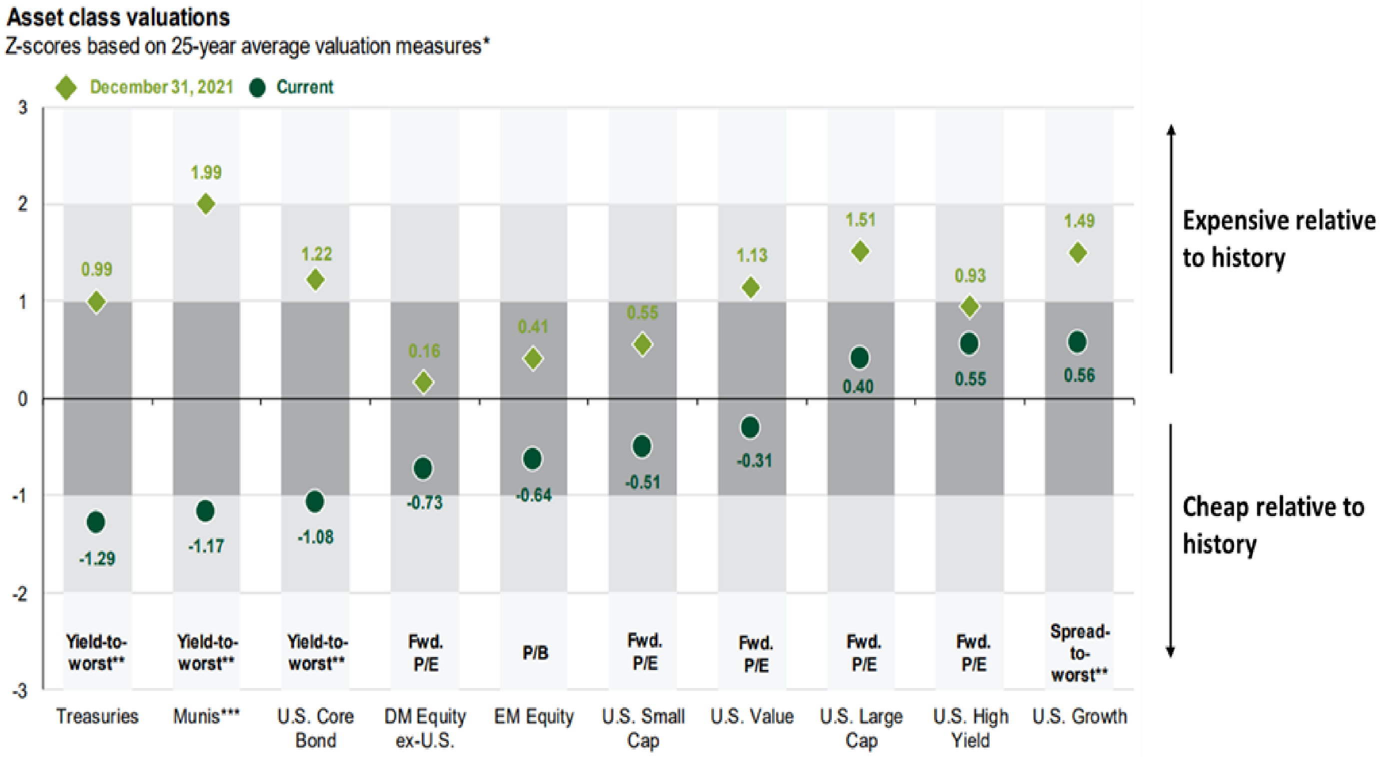
Commodities were the worst performing asset class as oil and gas prices fell, while Chinese equities also struggled.

ASSET CLASSES

The fourth quarter of the year saw strong performance overall from most asset classes.

Previously weak property stocks rose most, with smaller companies and emerging market debt also rising particularly strongly. Commodities fell, weighed down by oil and gas weakness, as did Chinese equities on the back of continued worries over the Chinese economy. The pound was mixed but rose against the dollar.

A lot of the stylistic returns above can be attributed to the performance of the "Magnificent 7" – the 'growthy' mega-cap US tech stocks, which were responsible for a good chunk of global large-cap and growth outperformance over the year.



Source: J.P. Morgan Asset Management Guide to the Markets US, 5 Oct; a Z-Score of 0 is average relative to history, roughly 68% of historical observations have Z-Scores between -1 and 1 and roughly 95% of historical observations have Z-Scores between -2 and 2

In terms of currencies the pound rose 4.4% against the US dollar (up 5.4% over the year), was flat against the euro (+2.1% for the year) and fell 1.5% against the yen (but up 13.3% for the year as a whole).

FIXED INCOME

2023 saw strong fixed income performance, although most occurred in the final quarter as expectations for future interest rates fell. Higher quality bonds (as measured by the Bloomberg Global Aggregate Index) rose 5.8% over Q4 and were up 6.2% over the full year.

Lower quality 'high yield' bonds, (less sensitive to interest rates but more sensitive to economic conditions), rose even more, up 7.5% over Q4 and up 12.6% for the full year.

Over holding periods of 5+ years, the starting yield of a diversified portfolios of bonds has proven to be an excellent indicator of prospective bond returns, which currently makes bonds an attractive holding within a longer-term investment portfolio.

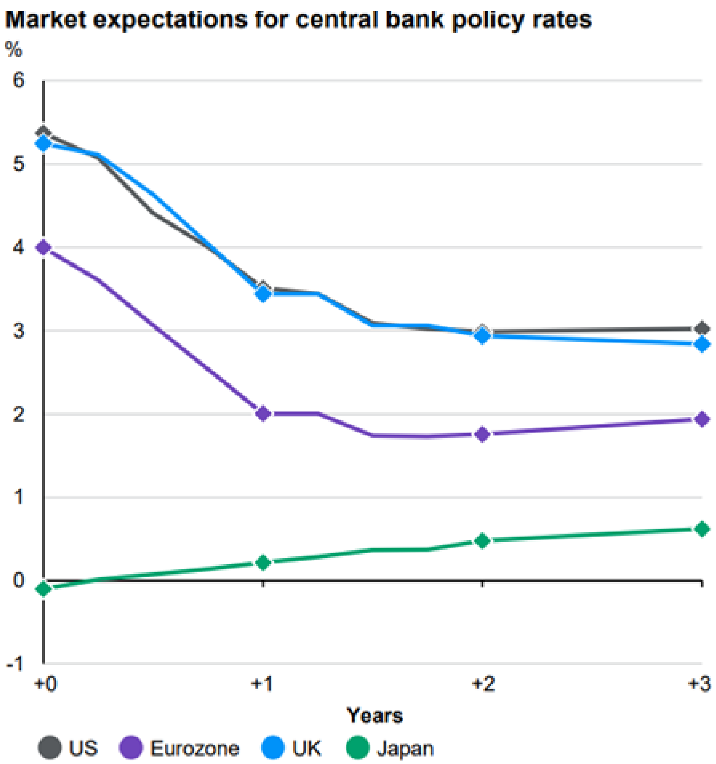
FALLING INFLATION

Inflation continued to fall over the last few months, with falling oil and gas prices playing a big part, but core inflation (headline inflation excluding volatile energy and food prices) has also been coming down quickly.

However, this is still above central bank targets of around 2% (headline inflation) in major developed markets, so the key question is how quickly it continues to fall, and if it gets back to target in the near future.

This better news on inflation has seen markets moving from expecting modest further interest rate rises from central banks to pricing in some material cuts for 2024, but if these cuts don't materialise to the degree expected it could cause markets to pull back.

Below we've shown aggregate investor expectations for the path of central bank rates over the next 3 years, with these expectations inferred from bond and derivative prices as at the end of 2023.



Source: J.P.Morgan Asset Management Guide to the Markets UK, Q1 2024 as at 31 Dec. 2023

As you can see, markets expect rate cuts in the US starting in March, with total cuts of 1.75% to 2% for the US, UK and Eurozone priced in over 2024.

Lower rates mean lower borrowing costs for businesses and consumers, which should be positive when combined with already solid growth expectations.

It's worth noting markets have moved very quickly recently and investors shouldn't expect to see these levels of returns every month.

The main economic risks to watch for in 2024 are inflation proving more stubborn that expected or growth surprising to the downside.

Stubborn inflation would reverse some of the optimism around falling rates, which would likely be bad for both bonds and equities, while weaker growth may benefit bonds but be negative for equities.

Neither of these risks is inevitable, and crucially, valuations on the whole remain attractive against history which bodes well for longer-term investors as we begin the new year.

YOUR 2023 Q4 INVESTMENT UPDATE continued

LOOKING FORWARD

Moving into 2024, the themes of inflation, interest rates and recession remain the key uncertainties from an economic standpoint.

Political risk will also be a factor, with more than half the world's population heading to the polls.

Russian and North Korea election results are not really in doubt, but others are more open with different potential impacts on markets depending on the result.

The most important of these elections globally is the US election in November, likely (but not yet certain) to be a rerun of 2020's matchup between Joe Biden and Donald Trump.

More locally, a UK election needs to be held before the end of January 2025 and will most probably occur this year too.

While geopolitics is always an arena for the unexpected, we shouldn't ignore deeper macroeconomic trends and questions, with the interplay between inflation, interest rates and economic growth remaining at the fore.

LIKE TO KNOW MORE?

We hope you have found this first quarterly update interesting, and it's helped give you a broad overview of global investment conditions as seen by both PortfolioMetrix and our Investment Committee.

Please get in touch (with your dedicated Financial Adviser) if you would like to discuss anything covered in this update, have any questions, or would like any further information, either about your portfolio, the investment markets or simply investing in general.

Our next update will be in April, so until then it just remains for us to wish you well in the months ahead.

PORTFOLIOMETRIX

Hoyl Model Portfolios

Asset Class		Active / Passive	PMX Proposed Funds	Style	3	4	5	6	7	8
Fixed Income	Cash & Short-Term Bonds	Active	Royal London Short Term Fixed Income Enhanced		9.23%	6.66%	4.08%	0.00%	0.00%	0.00%
		Active	**Royal London Short Duration Global Index Linked**		9.29%	6.70%	4.10%	2.47%	1.85%	0.00%
		Passive	**Vanguard Global Short-Term Corporate Bond Index**		9.70%	6.29%	2.89%	2.47%	0.00%	0.00%
		Passive	**Vanguard UK Short-Term Investment Grade Bond Index**		12.34%	8.19%	4.05%	0.00%	0.00%	0.00%
		Active	**TwentyFour Absolute Return Credit**		5.00%	5.00%	5.00%	2.47%	1.85%	0.00%
	Government Bonds	Passive	**Vanguard Global Bond Index**		2.44%	2.23%	2.01%	1.80%	0.90%	0.00%
		Passive	**Vanguard UK Government Bond Index Fund**		4.88%	4.45%	4.02%	3.60%	1.80%	0.00%
		Active	Pimco GIS Global Bond		2.44%	2.23%	2.01%	1.80%	0.90%	0.00%
	Corporate Bonds	Passive	**Vanguard Global Corporate Bond Index**		6.56%	5.68%	4.81%	3.94%	1.97%	0.00%
		Active	**Vanguard Global Credit Bond**		6.56%	5.68%	4.81%	3.94%	1.97%	0.00%
	High Yield	Active	**Man GLG High Yield Opportunities**		5.98%	5.92%	5.87%	5.82%	2.91%	0.00%
	EM Debt	Active	Pimco GIS Emerging Markets Bond		3.16%	3.02%	2.88%	1.74%	1.37%	0.00%
Equities	US	Passive	**Vanguard US Equity Index**	**Passive**	2.99%	5.22%	7.45%	9.68%	11.92%	14.15%
		Passive	HSBC American Index	Passive	2.99%	4.22%	6.05%	7.87%	9.68%	11.50%
		Active	Baillie Gifford American	Growth	0.00%	1.00%	1.40%	1.82%	2.23%	2.65%
		Active	JPM US Equity Income	Value	1.49%	2.61%	3.73%	4.84%	5.96%	7.08%
	Europe ex-UK	Passive	**Vanguard FTSE Developed Europe ex-UK Equity Index**	**Passive**	2.08%	1.45%	2.08%	2.70%	3.32%	3.94%
		Active	**Invesco European Focus**	**Value**	0.00%	1.09%	1.56%	2.02%	2.49%	2.96%
		Active	Premier Miton European Opportunities	Growth	0.00%	1.09%	1.56%	2.02%	2.49%	2.96%
	UK	Passive	**Vanguard FTSE UK All Share Index**	**Passive**	2.27%	3.96%	5.66%	7.36%	9.05%	10.75%
		Active	Liontrust Special Situations	Growth	1.91%	1.61%	2.32%	3.02%	3.71%	4.41%
		Active	**Royal London Sustainable Leaders Trust**	**Growth**	0.0%	1.49%	2.14%	2.78%	3.42%	4.07%
		Active	Man GLG Undervalued Assets	Value	1.07%	1.85%	2.66%	3.46%	4.25%	5.05%
		Active	**LF Gresham House UK Smaller Companies**	**Small Cap**	0.00%	1.00%	1.37%	1.78%	2.19%	2.60%
	Japan	Active	Baillie Gifford Japanese	Growth	0.00%	1.23%	1.77%	2.30%	2.83%	3.36%
		Active	**M&G Japan**	Value	1.42%	1.23%	1.77%	2.30%	2.83%	3.36%
	Pacific ex-Jpn	Passive	**Vanguard Pacific ex-Japan Stock Index**	**Passive**	0.00%	1.00%	1.41%	1.84%	2.26%	2.69%
	Emerging Markets	Passive	**Vanguard Emerging Markets Stock Index**	**Passive**	1.20%	1.77%	2.52%	3.28%	4.04%	4.79%
		Active	Artemis Global Emerging Markets	Value	1.20%	1.77%	2.52%	3.28%	4.04%	4.79%
		Active	**Candriam Sustainable Equity Emerging Markets**	**Growth**	1.20%	1.77%	2.52%	3.28%	4.04%	4.79%
Real Assets	Property	Active	**CT Global Real Estate Securities**		0.00%	0.00%	0.00%	1.00%	1.21%	1.61%
	Infrastructure	Active	**M&G Global Listed Infrastructure**		2.19%	2.58%	2.96%	2.35%	2.53%	2.51%

PMX