29 February 2024

Succession Global Specialist Cautious

Fund Details

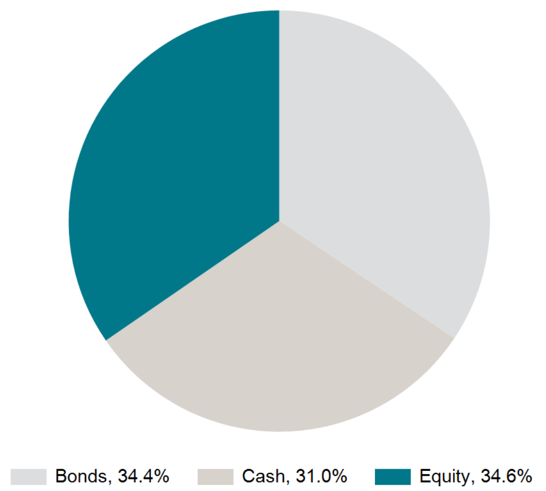
Currency	USD($)
Benchmark	EAA OE USD Cautious Allocation
Risk profile	Cautious
Investment period	3 years or longer
Launch date	01 June 2022

Fund Objectives

The investment objective of the Fund is to provide consistent levels of capital growth through lower levels of exposure to global equity markets over a market cycle. This Fund is suitable for investors who require low capital growth over a 3-year or longer timeframe. The Fund may have an equity exposure of less than 50%, depending on the investment manager's investment strategy for a Cautious portfolio at the time.

Holdings as at Month End	%
Amplify Global Equity	4.00
Baillie Gifford WW Long Term Global Growth	2.00
Dodge & Cox Worldwide - Global	15.50
Dodge & Cox Worldwide Global Stock	4.90
Fundsmith Equity	2.00
Goldman Sachs Global Core Equity Portfolio	2.20
iShares World Equity Index	6.20
Ninety One Global Franchise	4.00
Payden US Dollar Liquidity	5.00
PIMCO GIS Global Bond	20.00
PIMCO GIS Low Average Duration	17.00
Sands Capital Funds PLC - Sand	2.00
Schroder ISF Global Recovery	4.20
T Rowe Price Global Focused Growth Equity	2.00
Vontobel - TwentyFour Absolute Return Credit	9.00

Global Asset Allocation

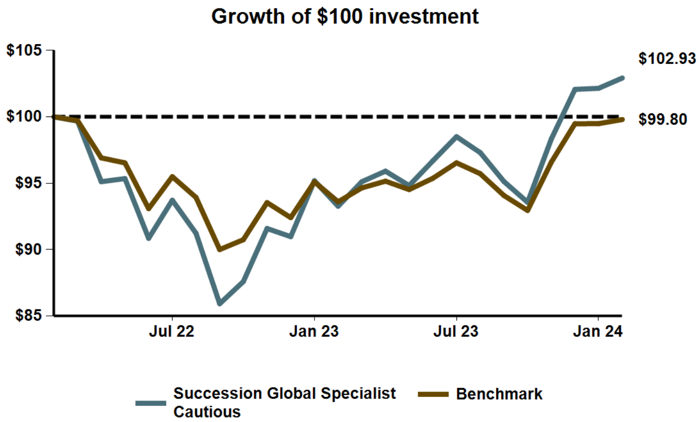


Investor Profile

This fund is suitable for investors looking for:

- Lower levels of exposure to global equity markets
- Capital Growth over a 3-year or longer timeframe
- A minimum Investment horizon of 3 years or longer

Cumulative performance - 2 years*



Performance (%)	Fund*	Benchmark
1 Month	0.76	0.31
3 Months	4.68	3.34
6 Months	5.77	4.26
YTD	0.84	0.32
1 Year	10.36	6.63
2 Years (annualised)	1.45	-0.10
Since Launch (annualised)	4.47	1.92

Risk statistics (2 years)	Fund*	Benchmark
Returns (annualised)	1.45%	-0.10%
Standard deviation (annualised)	10.41%	7.37%
% Positive months	54.17%	50.00%
Maximum drawdown	-14.08%	-10.00%
Sharpe ratio	0.52	0.53

Fees (incl. VAT)	
Annual Wrap fee	0.29
Underlying Manager TER's	0.55

* The simulated analysis before launch date was created using Morningstar and is for illustrative purposes only. It provides an indication of hypothetical past performance given historic asset and manager allocation, and cannot be construed as providing an indication of expected future performance. The investor is liable for CGT on any transactions in the unit trusts of the underlying unit trusts within the wrap funds. Compulsory investments are not subject to CGT. Performance is calculated using net returns (after fees) of the underlying unit trusts, and quoted excluding wrap fund fees. Performance quoted is pre-tax. Fund performance numbers shown are for a notional portfolio and do not reflect the actual performance of the client invested in the wrap fund due to timing differences of investments or disinvestments of the client. Dual-listed wraps will reflect combined fund sizes and will reflect primary platform performance information. Benchmark returns for CPI are based on actual published returns and an estimated one month return for the month of the report date. ASISA Benchmark returns are the ASISA returns available as at the time of reporting.

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Commentary

Market Review

February marked a month of weaker economic data, particularly for developed market majors such as the UK and Japan. The UK moved into a technical recession in Q4 2023 after posting two consecutive quarters of negative economic growth. Japan also slipped into a technical recession based on preliminary GDP figures for February. UK Prime Minister Rishi Sunak is under pressure to find ways to stimulate the UK economy and address the country's cost of living crisis. Japan battled with high economic uncertainty and inflation, which weighed heavily on private consumption and foreign investment.

In the US, inflation rose more than expected in January because of stubbornly high shelter prices which impacted consumers. A preliminary Reuters poll showed that China's manufacturing activity contracted in February as factory owners struggled to secure local and international orders. Eurozone business
activity fell for the ninth month in a row, but the rate of decline eased in January.

After a positive start to 2024, global equity markets accelerated in February, with the MSCI World Index ending the month at 4.24% in dollar terms. Emerging markets (EMs) underperformed developed markets (DMs) for four consecutive months before February but managed to slightly beat DMs, with the MSCI EM Index ending positively at 4.77% month-on-month (m/m) in dollar terms. Chinese equites rallied strongly due to economic stimulus and contributed to the performance of the MSCI EM Index. Although it was announced that Japan slipped into a recession, the Nikkei still managed to end the month positively at 7.99% in yen terms. Both Global Bonds and Global Property entered negative territory at -1.26% m/m and -0.55% m/m in dollar terms. Tech stocks contributed to the S&P 500's positive performance of 5.34% m/m in dollar terms, with Nvidia, Meta and Amazon being the top contributors. The Dow Jones Index was positive at 2.5% m/m in dollar terms and the FTSE gained 0.19% m/m in pound sterling.

Outlook

The US Federal Reserve, European Central Bank and Bank of England are expected to cut interest rates in the second half of the year as they try to avoid undermining growth. While inflation has been trending towards central banks' respective targets, cutting interest rates too early or aggressively may increase the risk of prolonging inflation. In China, weaker consumption and investment continue to weigh on activity. In the euro area, activity is expected to rebound slightly after a challenging 2023, when high energy prices and tight monetary policy restricted demand. Many other economies continue to show great resilience, with growth accelerating in Brazil, India, and Southeast Asia's major economies.

We therefore currently maintain a balanced and broadly neutral stance to growth assets (such as equities and property), but with a more defensive bias. Similarly, while we retain a neutral approach to fixed income, we recognise that the risks and rewards for duration assets are finely balanced, and a dynamic and flexible attitude is warranted.