

# STRATEGY SHEET

January 2019

## PASSIVE MANAGED STRATEGY | BALANCED PORTFOLIO | GBP

Volatility Target: 8.4-10.5% p.a.

### Key Facts:

#### Investment Objectives

A balance of fixed income with capital preservation with exposure to equity markets and alternative asset classes.

#### Investment Strategy

The portfolio aims to achieve its objectives through investing entirely in Exchange Traded Funds (ETFs) with the aim of restricting the total equity exposure to 60%.

The investment model analyses the latest macro-economic and market data to adaptively adjust the allocation between Cash, Equity & Fixed Income ETFs.

#### Sub-Advisor

Twenty20 Investments

#### Base Currency

GBP  
Other currency classes available: EUR, USD & CHF

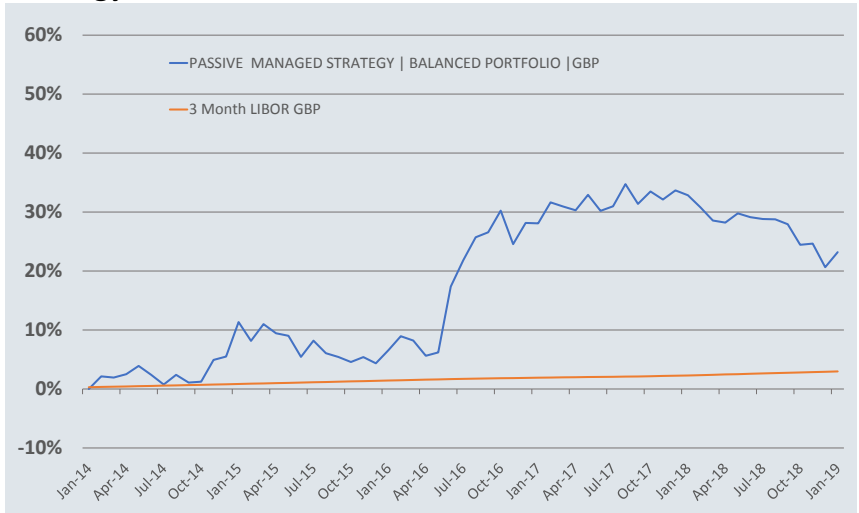
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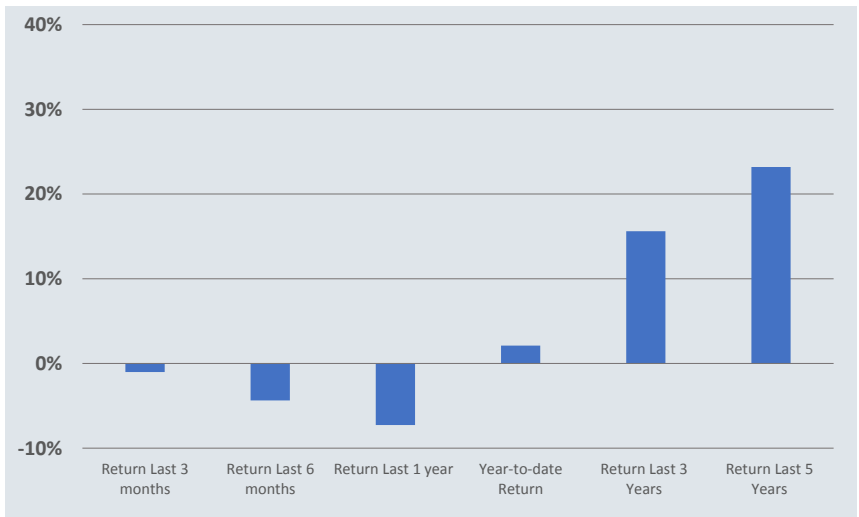
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### Strategy Performance:



Source: Bloomberg as at: January 2019

### Discrete Performance:



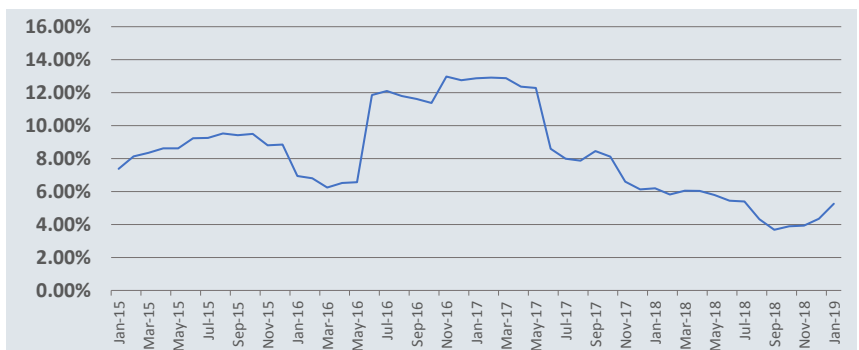
Source: Bloomberg as at: January 2019

### Return Statistics:

Annualised Return	4.26%
Cumulative Return	23.19%
Year-to-date Return	2.11%
Return Last 1 Year	-7.27%
Return Last Month	2.11%
Return Last 3 Months	-1.01%
Date of back-test Inception	31/12/13

The performance data displayed in this strategy sheet is based on back-tested (simulated) performance data. **Please see the Disclaimer (Page 3)**. The performance illustrations are gross of Linear's DFM fee. Please see the Fees Disclosure table (Page3).

### Rolling 12 Months Annualised Volatility:

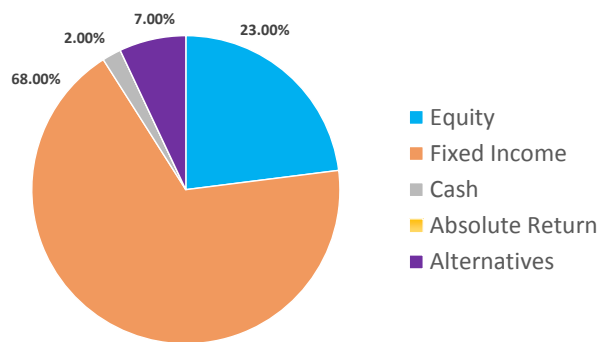


Source: Bloomberg as at: January 2019

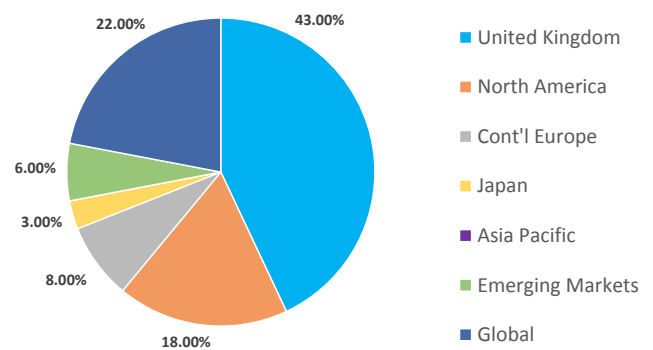
### Monthly Returns:

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2019	2.11%												2.11%
2018	-0.62%	-1.53%	-1.72%	-0.28%	1.23%	-0.50%	-0.24%	-0.05%	-0.64%	-2.73%	0.17%	-3.22%	-9.75%
2017	-0.05%	2.77%	-0.53%	-0.49%	2.00%	-2.03%	0.60%	2.86%	-2.48%	1.59%	-1.02%	1.18%	4.30%
2016	2.12%	2.25%	-0.69%	-2.38%	0.54%	10.50%	3.80%	3.21%	0.68%	2.90%	-4.37%	2.89%	22.82%
2015	5.54%	-2.86%	2.62%	-1.39%	-0.39%	-3.28%	2.60%	-1.96%	-0.60%	-0.81%	0.80%	-1.01%	-1.09%
2014		2.14%	-0.20%	0.56%	1.37%	-1.46%	-1.60%	1.63%	-1.29%	0.16%	3.64%	0.55%	5.50%

### Asset Allocation



### Geographical Breakdown



### Holdings:

Fund	Asset Class	Geography	Allocation (%)
Amundi ETF MSCI Eastern Europe ex Russia (CE9G)	Equity	Cont'l Europe	3.00%
Cash	Cash	UK	2.00%
db x-trackers JPX-Nikkei 400 GDP hedged UCITS ETF (XDNG)	Equity	Japan	3.00%
ETFs GBP Daily Hedged Physical Gold (GBSP)	Alternatives	Global	7.00%
iShares \$ TIPS 0-5 UCITS ETF - GBP Hedged (Dist) (TI5G)	Fixed Income	North America	6.00%
iShares \$ Treasury Bond 1-3yr UCITS ETF - GBP Hedged (Dist) (IBTG)	Fixed Income	North America	7.00%
iShares £ Corporate Bond 1-5yr UCITS ETF (IS15)	Fixed Income	UK	6.00%
iShares £ Ultrashort Bond UCITS ETF (ERNS)	Fixed Income	UK	14.00%
iShares Core FTSE 100 UCITS ETF GBP (Dist) (ISF)	Equity	UK	2.00%
iShares Core S&P 500 UCITS ETF GBP Hedged (Dist) (GSPX)	Equity	North America	5.00%
iShares Global Corporate Bond GBP Hedged (CRHG)	Fixed Income	Global	4.00%
iShares Global High Yield Corp Bond GBP Hedged DIST (GHYS)	Fixed Income	Global	3.00%
iShares MSCI Europe ex UK GBP Hedged UCITS ETF (Dist) (EUXS)	Equity	Cont'l Europe	5.00%
L&G ISE Cyber Security UCITS ETF (USPY)	Equity	Global	3.00%
Lyxor FTSE Actuaries UK Gilts 0-5Y (GIL5)	Fixed Income	UK	12.00%
SPDR Russell 2000 U.S. Small Cap UCITS ETF (R2SC)	Fixed Income	Emerging Markets	3.00%
UBS ETF Bloomberg Barclays USD Emerging Markets Sovereign UCITS ETF (Hedged)	Fixed Income	Emerging Markets	3.00%
Vanguard FTSE 250 UCITS ETF (VMID)	Equity	UK	2.00%
Vanguard UK Gilt UCITS ETF (VGOV) (VGOV)	Fixed Income	UK	5.00%
Xtrackers iBoxx Global Inflation Linked UCITS ETF 3D (GBP hedged) (XGIG)	Fixed Income	Global	5.00%

Source: Twenty20 Investments as at: January 2019

**Fees Disclosure:**

Discretionary Management Fee (not included in the performance data)	0.35%
Underlying Fee of the investments as a collective portfolio as at the date of the strategy sheet (included in the performance data)	0.22%
<b>Total Fee</b>	<b>0.57%</b>

All fees are annual. Any fees or charges payable to Financial Advisors and Trustees are in addition. Underlying fees of the investments within the portfolio are subject to change. For the latest information on the underlying fees of the investments within the portfolio you should contact Linear Investments Limited. Each day there are two prices for the Strategy: a higher price purchasers pay to buy units and a lower price sellers receive when units are sold. The portfolio manager sets these prices. The difference between these prices is called the 'spread'. The spread is variable and is capped at 5%.

When units are purchased they are bought on a forward pricing basis at the offer price calculated at the next valuation point after receipt of a purchase instruction (so long as these are received prior to the Strategy's dealing cut-off time).

When units are sold they are redeemed on a forward pricing basis at the bid price calculated at the next valuation point following receipt of a redemption instruction (so long as these are received prior to the Strategy's dealing cut-off time).

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**Back-tested Data**

The performance information of the portfolio depicted in this strategy sheet presents back-tested (simulated) performance based on a combination of 1) actual historical returns from the underlying investments where available, and 2) actual historical returns from a proxy or index where historical returns of the investment is unavailable. The approach is to minimise, within reason, the use of proxy or index. Please contact a member of the Linear DFM team for more information which proxies have been used, where they have been used, and the rationale for the use of each proxy. For the avoidance of doubt, the term "proxy" is used to define a financial instrument or investment which is substantially the same as one of the underlying investments. Back-tested performance is hypothetical (it does not reflect trading in actual accounts) and is provided for informational purposes only to indicate historical performance had the portfolio been available over the relevant time period. Back-tested performance does not represent actual performance of the portfolio and should not be interpreted as reliable indication of future performance. Back-tested results have certain inherent limitations. Such results do not represent the impact that material economic and market factors might have on the decision-making process if the strategy was live. Since trades have not actually been executed, results may have under- or over-compensated for the impact. Back-tested performance also differs from actual performance because it is achieved through the retroactive application of model portfolios designed with the benefit of hindsight.

**Miscellaneous**

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