Factsheet, FI Managed Balanced Total Return Portfolio

30 September 2024



Objective

Frank Investments’ Managed Balanced Total Return Portfolio has a long-term investment horizon and takes balanced exposure to diversified holdings of blue-chip equities and fixed income. Fundamental security selection is central to the investment approach which is manifested in low portfolio turnover.

The Portfolio’s objective is to provide capital appreciation over the long term via strategic asset allocation and investment security selection. The portfolio is unlevered (we do not borrow in order to increase exposure to underlying securities) and does not employ complex derivative securities (options, futures, etc.).

Investors’ assets are held in their own name in managed accounts with our custodian, where they are invested by Paul Sedgwick *pari passu* with those of the founders. Investors can access their portfolio at any time, and the founders and their clients pay the same investment management fees.



Our Mission & Our Investment Team

Frank Investments’ mission is to extend the long-term investment management it applies to its founders’ assets to a partnership of like-minded investors. Our team is comprised of highly experienced professionals who all display strong commitment to the process and our clients. Founder & Head of Investments, Paul Sedgwick, has over 25 years of investment experience at leading institutions.



Performance - Cumulative



Performance - Calendar Years



Note: Past performance is not a guarantee of future results. All investments involve risks, including the risk of capital loss.

Key Terms

|  |  |
| --- | --- |
| Inception | 1st September 2009 |
| Benchmark | MPI STEPS Enhance Medium Risk |
| Base Currency | GBP |
| Minimum Investment | CHF 1,000,000 (GBP equivalent), Please contact us for smaller investments3 |
| Initial Charge, Exit Charge | None, exit charge is 2.5% in the first 12 months. No exit charge after 12 months |
| Annual Management Fee  | 0.90% p.a. charged quarterly in arrears. (Fee includes dealing and custody fees) |
| Internal Risk Rating of Strategy | Low / Medium Risk Strategy |



Investment Thesis

To provide consistent returns derived from an active approach to investing in the liquid securities of companies with a global reach, robust balance sheets, and progressive dividend policies. The portfolio’s exposure is focused on equities, with the balance in UK government and corporate bonds, and cash.



Market View

September, rather as August had, started on a downbeat note; there was no one catalyst as we waited to see what the Federal Reserve would do for interest rates later in the month. As the month wore on, the Fed duly cut by 50 basis points. This was well received by the market, and equity markets pushed on to reach new highs. Equity sentiment was further boosted at the end of the month as Chinese authorities released a series of measures to revive a flagging economy. The increasing prospect of a Trump re-election, along with some signs that core inflation was remaining a little more stubborn than some economists had anticipated, led to a sell-off in the bond market and some buying of the US dollar. By the end of September, sentiment in risk assets, both high yield and equities, started to feel stretched.



Sector Spread



|  |  |
| --- | --- |
| Consumer Staples | 26.0% |
| Information Technology | 21.7% |
| Industrials | 14.2% |
| Health Care | 13.6% |
| Energy | 5.8% |
| Consumer Services | 5.7% |
| Materials | 5.5% |
| Utilities | 4.9% |
| Financials | 2.7% |

Top 5 Equity Holdings

|  |  |
| --- | --- |
| Microsoft | 4.3% |
| Shell | 4.0% |
| Hermes | 4.0% |
| Rio Tinto | 3.9% |
| Alphabet | 3.5% |



***Notes:*** *(*1) Portfolio performance relates to the Managed Balanced Total Return Portfolio; performance data as provided by Schroder & Co. Limited (Schroders) and Julius Baer and not independently verified. Includes fees from July 2013. Portfolio inception 30 September 2009. (2) Source: Managed Portfolio Indexes (MPI) STEPS Medium Risk GBP Benchmark which is independently compiled by Enhance Group. Prior to 2013, we have referred to the FE Trustnet IA Mixed Investment 40-85% Shares. (3) Minimum investment amount depends on your overall portfolio held with Frank Investments custodian.

***Risks and disclaimers:*** "Investors should take independent professional advice before investing. This communication does not constitute an offer to issue or sell, or any solicitation to buy or invest in the portfolio or any underlying investments/securities chosen

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