

PORTFOLIO OBJECTIVE

Holds a broad spread of investments, aiming for income and capital growth.

A multi-asset portfolio holding a mixture of shares and bonds. It should be less volatile than more adventurous options.

Gross yield, variable, and not a reliable indicator of future performance % investors could be subject to tax on their distributions **3.15**

Portfolio holdings (target %)

HL Multi-Manager Income & Growth	55
HL Multi-Manager Equity & Bond	27.5
HL Multi-Manager Strategic Bond	17.5

Portfolio's top ten underlying holdings (%)

Artemis - Adrian Frost	11.8
Jupiter - Ben Whitmore	10.3
Troy - Francis Brooke	9.1
JOHCM - Clive Beagles	8.4
Columbia Threadneedle - Richard Colwell	7.1
Marlborough Multi-Cap Income	6.6
Aviva - Chris Murphy	6.3
Jupiter Asian Income	5.1
Invesco Tactical Bond	3.7
Jupiter Strategic Bond	3.6

THE INVESTMENT MANAGERS



LEE GARDHOUSE
Chief Investment Officer



RICHARD TROUE
Fund Manager

Investment research is a core part of our business. We believe exceptional fund managers are few and far between, but can be identified using a combination of rigorous statistical analysis and fund manager meetings.

HOW DO WE SELECT INVESTMENTS?

Our proprietary, in-house quantitative model looks at over 2,000 funds and allows us to see more than just past performance. It enables us to drill down and decipher why a fund is at the top (or bottom) of performance tables. A key way to judge a manager is to find out if they consistently add value with their stock selection. In other words, do they do better than we would expect when considering their investment



DAVID SMITH
Fund Manager



ELLEN POWLEY
Fund Manager

style? That is one of the key things we look for when we evaluate managers.

MORE THAN JUST NUMERICAL ANALYSIS

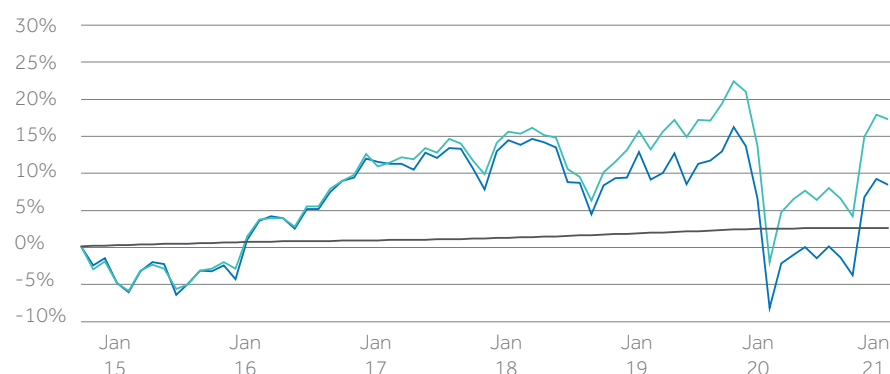
In addition to number crunching, we have unrivalled access to fund managers and conduct hundreds of meetings each year. These meetings explore the manager's philosophy, process, team and incentivisation, among other things. We do all this because we want our clients to have exposure only to the limited pool of exceptional talent available. Each fund goes through a rigorous selection process. We constantly monitor funds and regularly review sectors to ensure you're invested only in the funds our analysis indicates offers the greatest long term performance potential.

PORTFOLIO UPDATE

This portfolio has a holding in LF Equity Income (formerly the LF Woodford Equity Income Fund), in which dealing is currently suspended. This portfolio continues to trade as normal.

Performance since launch

● Portfolio **+8.7%** ● Benchmark **+18.0%** ● Cash* **+2.6%**



* Bank of England base rate net of basic rate tax until 5th April 2016, gross thereafter.

Year on year performance (%)

	Jan 16 – Jan 17	Jan 17 – Jan 18	Jan 18 – Jan 19	Jan 19 – Jan 20	Jan 20 – Jan 21	Since launch 03/06/2015
Portfolio for Balanced Income	13.1	8.1	-4.6	5.2	-4.8	8.7
Benchmark	12.5	8.4	-3.5	10.3	-3.2	18.0

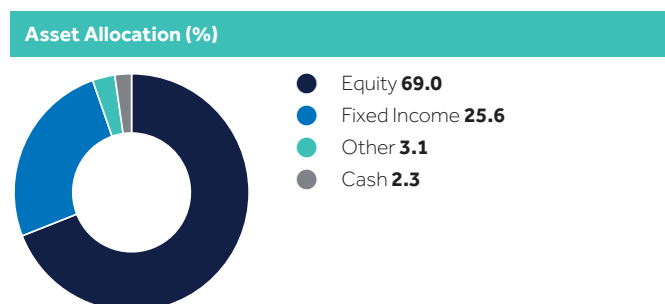
Past performance is not an indication of future returns.

ABOUT THE BENCHMARK

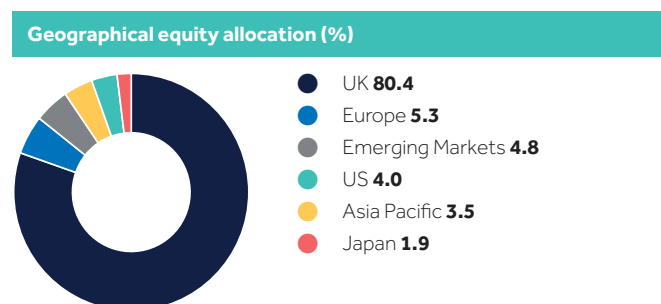
The Investment Association (IA) is the UK fund industry's body. This portfolio uses a benchmark made up of three IA sectors to reflect the benchmark of the underlying Multi-Manager funds. The benchmark comprises 55% IA UK Equity Income sector, 27.5% IA Mixed Investment 20-60% Shares and 17.5% IA GBP Strategic Bond.

Past performance is not a guide to future returns.

SEE IMPORTANT INFORMATION >>



Please note figures may not add up to 100% due to rounding.



MARKET REVIEW AND OUTLOOK

The successful development of several covid-19 vaccines boosted investor confidence in the three months to 31 January 2021.

Most major stock markets rose significantly, with the UK leading the charge after agreeing a trade deal with the European Union. Asia, Europe and the emerging markets did well too. The US stock market was weaker in comparison, but still made money.

Global bond markets were more mixed. Higher-risk areas, such as emerging markets and high-yield bonds, delivered some of the best returns but sterling strength held back performance for UK-based investors. UK corporate bonds did well, but UK gilts and index-linked government bonds lost money.

One of the portfolio's best performers was the portion of the portfolio run by J O Hambro managers Clive Beagles and James Lowen. It recovered strongly after being hit hard by the coronavirus crisis earlier in 2020. We continue to rate the managers and their team highly, and think their portfolio has further recovery potential, although there are no guarantees. In line with our process, we took profits from the portfolio's best performers, and reinvested them into weaker ones, including the more defensively positioned Pyrford Global Total Return fund.

Underlying holdings in focus

TROY

TROY – FRANCIS BROOKE

Francis Brooke invests with a more conservative mind-set than many of his peers that run UK equity income portfolios. He targets stable and more established businesses that may pay more reliable dividends. Capital preservation is key to his process, and the manager aims to limit volatility and losses in a falling market, though this means there could be less growth in a stock market rally. Brooke is a part-owner of the Troy business, and we think this shows he is aligned with investors' interests.

Pyrford

PYRFORD GLOBAL TOTAL RETURN

Tony Cousins and his team are conservative investors. They aim not to lose money over any 12-month period, whatever the stock market's doing. They also aim to deliver an inflation-beating return over the long term with relatively low volatility. To achieve this, they invest in government bonds, shares and cash. When their outlook is positive, they invest more in shares. When they're cautious they invest more in government bonds and cash. We think the fund can offer some shelter from swings in the stock market.

M&G INVESTMENTS

M&G UK INFLATION-LINKED CORPORATE BOND

This fund offers something different to most mainstream corporate and strategic bond funds. Ben Lord and his team aim to invest in inflation-linked corporate and government bonds to generate inflation-beating returns over the long term. Rising interest rates can negatively impact bond prices, so they use derivatives to try and reduce the fund's sensitivity to interest rate rises. The use of derivatives adds risk. The fund's invested differently to most bond funds and has the potential to perform well when others perform more poorly.

IMPORTANT INFORMATION

Factsheet correct as at 31/01/21. All investments and any income from them can fall and rise in value so you may get back less than you invest. Neither income nor capital are guaranteed, unlike a cash savings account. Investing is not recommended for less than 5 years. This portfolio may invest in funds with exposure to overseas markets, including emerging markets, smaller

companies and high yield bonds. The funds may also be able to use derivatives and invest in a concentrated number of investments. Each of these factors adds risk. For more details please see the key investor information of the HL Multi-Manager Equity & Bond, Strategic Bond and Income & Growth funds. This portfolio has an ongoing charge of 1.25% plus our platform charge of up to 0.45% per annum. Source for all figures:

Lipper IM/Hargreaves Lansdown, NAV-to-NAV pricing, net income reinvested. This factsheet is not a promotion of any funds profiled nor is it personal advice. For more information on these funds please see their key investor information on our website. The HL Multi-Manager funds are managed by our sister company Hargreaves Lansdown Fund Managers. BI 01.21