

Managed Portfolio Service

Why City Asset Management

Our mission is to make our clients wealthier. To create wealth, a client's investment needs to grow at a faster rate than the cost of living (inflation). To achieve this, we use benchmarks linked to the cost of living, the consumer price index (CPI) plus an additional annual real return. These benchmarks have never fallen in value since the CPI was introduced in 1997.

We believe that the benchmarks you use to judge us by shouldn't fall just because the stock market does.

Our Managed Portfolio Service ('MPS') was launched in 2011 to provide exposure to our investment expertise via a series of risk profiled models. MPS mirrors our 'real return' approach to investing for our bespoke service and is overseen by the same internal asset allocation and portfolio construction committees as our discretionary service. MPS is only available through platforms via a Financial Adviser and our service has achieved a 5 Star rating.



Effective 31 January 2024, City Asset Management has moved to rebalancing our Managed Portfolio Service on a quarterly basis. Going forwards, rebalancing will occur on the last business day of January, April, July and October annually.

Our Investment Approach

We have established a structured and repeatable investment process to ensure the integrity of our decision making. Our volatility risk budget for each risk profile is managed through our asset allocation and fund selection processes. We use risk 'asymmetrically' – i.e. we use less risk at the end of the cycle, when returns are typically strong, but the risks of capital losses are higher. We will use the full risk budget in the early & mid phase of the cycle.

Furthermore, our dedicated team of investment professionals have many years of experience in running client portfolios and asset allocation frameworks across various economic cycles; an approach that is critical when markets encounter geopolitical and economic uncertainty. The team meets regularly to define our investment outlook and asset allocation:

- **Quarterly Asset Allocation Meeting** – geographical and asset sector reviews
- **Weekly Fund Meetings** – discussing our current outlook and views
- **Quarterly Fund Performance Meetings** – reviewing our investment universe of underlying fund managers

The model portfolios are then constructed from our selection of investment opportunities and applied across the investment strategies and risk profiles we cater for. The Models are rebalanced quarterly although, given the active approach we take, it could be more frequent given market conditions.

The Managed Portfolio Service

The CAM MPS aims to provide a specified real return over an investment cycle with an emphasis on drawdown protection and capital preservation. Investments will be made on a multi-asset basis through a portfolio of collective investment schemes.

Real2: The portfolio aims to provide a minimum real return of 2% p.a. above the rate of CPI over a rolling 7 year period.

Real3: The portfolio aims to provide a minimum real return of 3% p.a. above the rate of CPI over a rolling 7 year period.

Real4: The portfolio aims to provide a minimum real return of 4% p.a. above the rate of CPI over a rolling 7 year period.

CAM Growth: The portfolio aims to outperform the MSCI PIMFA Growth Index over a rolling 7 year period.

Portfolio Details

| | Real 2 | Real 3 | Real 4 | Growth |
|------------------------------|--------|--------|--------|--------|
| Yield (Trailing 12 Months) | 3.64% | 3.24% | 2.89% | 2.20% |
| Underlying Fund Charges | 0.49% | 0.59% | 0.66% | 0.59% |
| Portfolio Charge | 0.25% | 0.25% | 0.25% | 0.25% |
| Dynamic Planner Risk Profile | 4 | 5 | 6 | 7 |
| Defaqto Risk Rating | 4 | 5 | 6 | 7 |
| Finametrica Score Range | 40-57 | 58-67 | 68-100 | 72-92 |

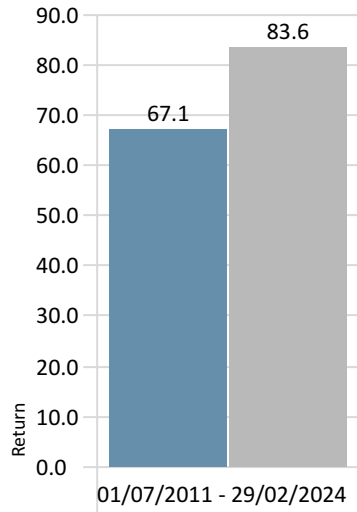


For more Information please email sales@city-asset.co.uk

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Real2 vs CPI+2%

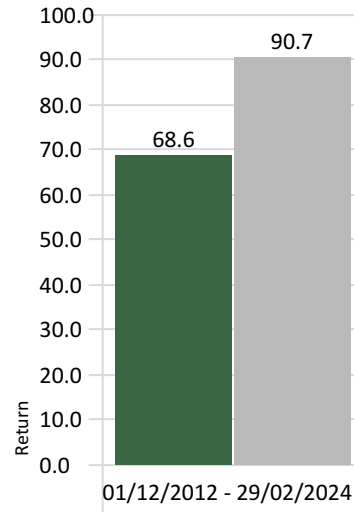
As of Date: 29/02/2024



Real 2
CPI+2%

Real3 vs CPI+3%

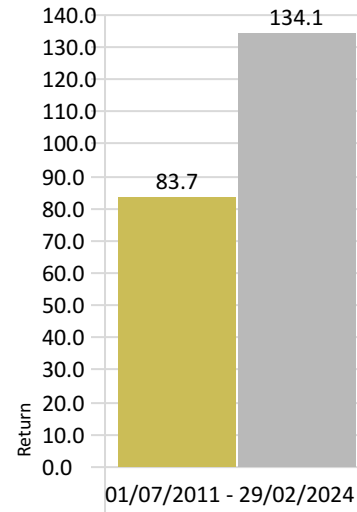
As of Date: 29/02/2024



Real 3
CPI+3%

Real4 vs CPI+4%

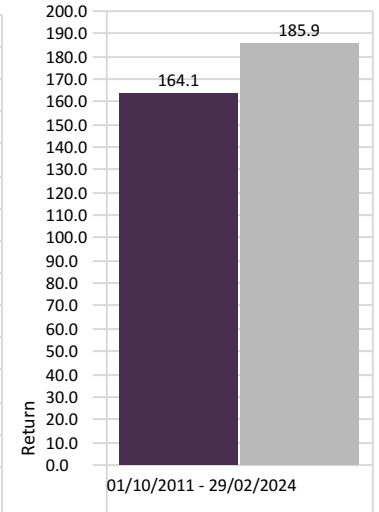
As of Date: 29/02/2024



Real 4
CPI+4%

Growth vs PIMFA Growth Index

As of Date: 29/02/2024



Growth
MSCI PIMFA Growth Index

Trailing Returns

As of Date: 29/02/2024 Currency: Pound Sterling Source Data: Total Return

| | 3 Months | 6 Months | 1 Year | 3 Years | 5 Years | 10 Years |
|-------------------------|----------|----------|--------|---------|---------|----------|
| Real 2 | 2.3% | 3.7% | 1.4% | -0.1% | 15.5% | 43.2% |
| CPI+2% | 1.0% | 1.8% | 5.6% | 28.9% | 37.2% | 63.1% |
| Real 3 | 2.9% | 4.0% | 1.3% | 1.5% | 17.7% | 51.3% |
| CPI+3% | 1.2% | 2.2% | 6.6% | 32.7% | 43.9% | 79.5% |
| Real 4 | 3.5% | 4.5% | 1.5% | 1.2% | 20.0% | 57.0% |
| CPI+4% | 1.5% | 2.7% | 7.6% | 36.5% | 50.9% | 97.5% |
| Growth | 6.1% | 7.4% | 7.5% | 13.3% | 32.9% | 91.2% |
| MSCI PIMFA Growth Index | 7.0% | 8.7% | 10.9% | 25.1% | 42.9% | 104.0% |

3 Year Risk-Return Statistics

Time Period: 01/03/2021 to 29/02/2024 Source Data: Total Return Risk-free Rate: Bank of England Base Rate

| | Return (Ann.) | Std Dev | Sharpe Ratio | Max Drawdown |
|--------|---------------|---------|--------------|--------------|
| Real 2 | 0.0% | 7.3% | -0.3 | -12.2% |
| Real 3 | 0.5% | 8.1% | -0.2 | -12.7% |
| Real 4 | 0.4% | 8.8% | -0.2 | -14.1% |
| Growth | 4.3% | 9.8% | 0.2 | -14.3% |

Data Sources: Morningstar, Financial Express, City Asset Management. Performance is shown in GBP, gross of management fees with all income reinvested. Actual returns may vary.

Past performance is not a guide to future performance.

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Risk Warnings/Important Information

The value of investments can fall and investors may not get back the amount invested. Past performance is not a guide to future performance. Investments may not exactly replicate the relevant Portfolio due to the difference in timing of the initial investment or rebalancing differences resulting from minimum transaction size limits. The information contained in this document is provided for professional investors and advisers for information purposes only and should not be copied, adapted, distributed or communicated to any other person. This notice cannot disclose all the risks associated with investments and investment services. Please see our website for more information and more detailed risk warnings. The information on performance is proprietary to us and Morningstar. This factsheet is not warranted to be accurate, complete or timely and does not constitute advice of any kind, whether investment, tax, legal or otherwise. Whilst we believe that this information complies with all laws, regulations and restrictions applicable to it, neither we nor Morningstar are responsible for any damages or losses arising from any use of this information, except where such damages or losses cannot be limited or excluded by law.

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