

# Managed Model Portfolio RSMR 3

## Portfolio Update

All portfolio data as at 30th June 2021 unless otherwise stated.

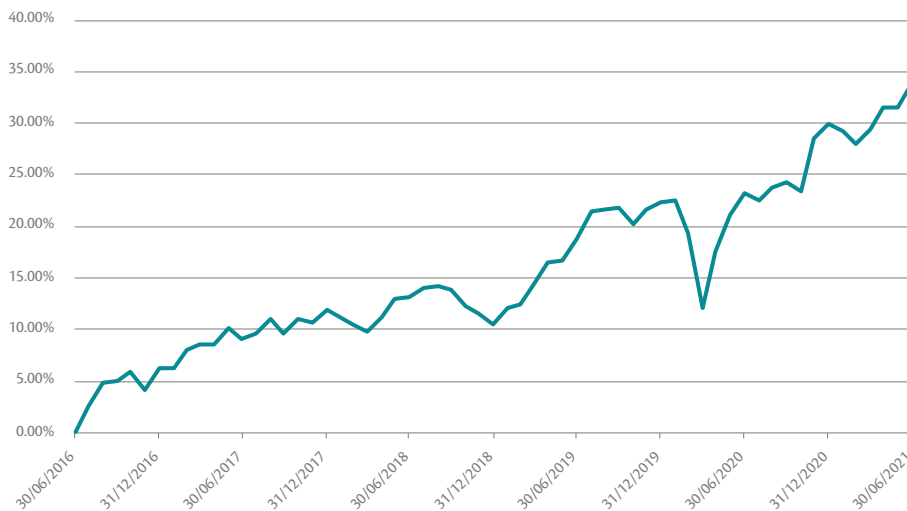
### Portfolio Aims

The portfolio will be managed in a manner that retains a Defaqto risk profile of 3 for what we class as a low risk investor. The investments are lower and medium risk asset classes such as cash, bonds and property, with a smaller percentage of the overall portfolio in higher-risk asset classes such as equities (shares).

RSMR will only include securities, funds and other holdings in a model portfolio if they are allowable holdings for an Individual Savings Account (ISA) as defined by the current rules issued by HMRC.

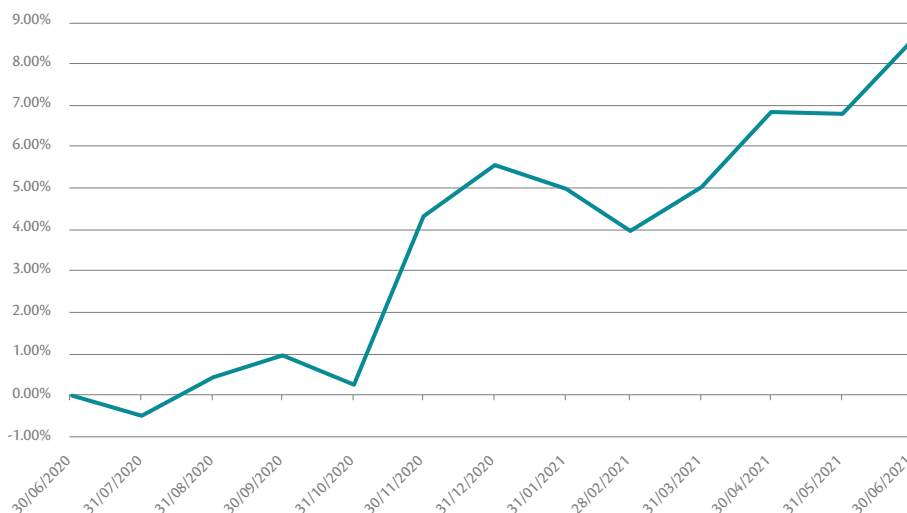
### 5YR CUMULATIVE PERFORMANCE

Performance from 30th Jun 2016 – 30th Jun 2021



### 1YR CUMULATIVE PERFORMANCE

Performance from 30th Jun 2020 – 30th Jun 2021



## CUMULATIVE PERFORMANCE

Since trading (01/08/12)	73.86%
5 Year to 30/06/2021	32.73%
1 Year to 30/06/2021	8.53%

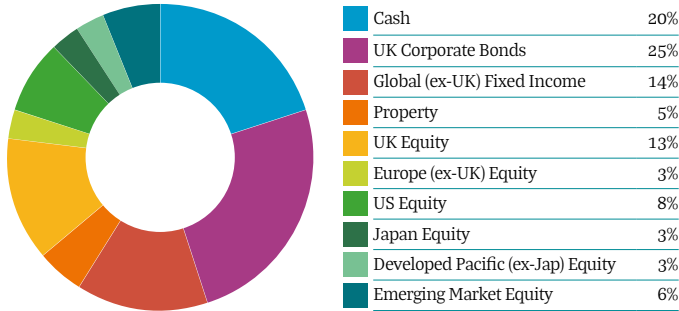
## DISCRETE ANNUAL PERFORMANCE

Managed Model Portfolio RSMR 3	Total returns for the periods shown (Sterling)
01/07/2016 - 30/06/2017	8.90%
01/07/2017 - 30/06/2018	3.51%
01/07/2018 - 30/06/2019	4.71%
01/07/2019 - 30/06/2020	3.62%
01/07/2020 - 30/06/2021	8.53%

Source for performance graphs and data is Statpro. Returns are net of income reinvested in GBP. Past performance is not a reliable indicator of future results.

## STRATEGIC ASSET ALLOCATION

The Strategic Asset Allocation shown is valid as at 30/06/2021



## PORTFOLIO SUMMARY

Investment Adviser	Ken Rayner - RSMR
Launch Date	Aug-12
Platform Availability	Aviva, Embark, Standard Life, Transact

## CHARGES

AMC Charge	0.25% +VAT
Est. Underlying Holdings Charge as at 30/06/21	0.54%

## DISCLAIMER

Estimated Charge: Weighted average of the OCF of all holdings. The actual charge may vary dependent upon Platform.

## TOP FUND HOLDINGS

Cash	15.63%
Legal & General Unit Trust Man - L&g Us Index Trust I Dist	6.64%
iShares Overseas Corporate Bond	5.65%
M&g Group - M&g Global Government Bond Gbp I Acc	5.59%
M&G Global Macro Bond	5.57%
Man GLG Strategic Bond Fund	5.01%
Jupiter Unit Trust Managers Lt - Jupiter Strategic Bond I Acc	4.89%
Dodge & Cox US Stock	4.82%
BlackRock Corporate Bond	4.81%
Blackrock Fund Managers Limite - Blackrock European Dynamic Fd Acc	4.36%

## RISK RATING

The portfolio will be managed in a manner that retains a Defaqto risk profile of 3.



Please remember that the value of your investment may fall as well as rise and is not guaranteed. You may not get back your initial investment. Past performance is not an indicator of future performance. For full information concerning the portfolio and its risks please read the Managed Model Portfolio section of our website. Investment advice should be obtained from an authorised financial adviser.

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A list of members is open to inspection at the registered office. The Discretionary Fund Manager of the RSMR-Verbatim model portfolios is Verbatim Discretionary Managers, a trading name of Waystone Management (UK) Limited which is authorised and regulated by the Financial Conduct Authority. Registered office: 2nd Floor, 20-22, Bedford Row, Holborn, London, WC1R 4EB

## Market Commentary

### Portfolios

In the second quarter of 2021, global equities extended their strong run, with most major equity markets posting positive returns. The Covid-19 vaccination roll-out across the developed world has continued with relative success, particularly in countries like the USA and the UK, although the emergence of new strains such as the delta variant has proved problematic. Data would suggest, however, that despite an increase in the rate of infection, there does not appear to be a material increase in the number of deaths or hospitalisations attributable to Covid-19. Some governments, including in the UK, have seen this as sufficient evidence of the efficacy of the measures deployed to fight the virus to begin opening up their economies once more. Fiscal and monetary support remain in place and are unlikely to be removed in the short-term to ensure that the economic recovery is sufficiently robust.

Inflation expectations continue to be a key driver of returns across a range of markets. Investors are looking to understand whether the recent return of inflation is a long-term trend or merely a transitory consequence of the significant disruption to global supply chains and economic fallout resulting from the pandemic. It would appear conviction in the former is beginning to wane, and the value investment style lagged growth and quality during the second quarter. Currency movements continue to exhibit volatility with the US dollar strengthening markedly against sterling during the quarter before reversing the shift and ending the period slightly down. Sterling weakened against the euro and a basket of emerging currencies, enhancing returns from these regions for UK-based investors.

The UK equity market delivered another quarter of positive returns but underperformed the US and Europe. Growth and quality outperformed value and higher yielding stocks by a significant margin. Smaller companies performed better than mid-caps, with large caps achieving a return broadly in line with the wider market.

The US market led major equity indices over the quarter, producing a strong return following significant outperformance from large cap growth stocks. Small cap companies bucked the general trend as value slightly outperformed growth at this end of the market cap spectrum. There were generally positive returns in most Asia Pacific and emerging market countries, but headline returns for the regions were muted due to weak performance from the Chinese market, which makes up a large proportion of the regional indices. The main Japanese market was one of the few to finish the quarter in negative territory for sterling-investors, impacted by the underperformance of growth relative to value as well as a slightly weaker yen.

In a reversal of quarter one, most major fixed income indices achieved a positive return in the second quarter. UK index-linked gilts were the top performers, although this was not enough to fully offset losses in the year to date. Conventional gilts also delivered positive returns, particularly at the long end of the yield curve where changes in long-term interest rate expectations have a more pronounced effect. Emerging market debt was the next best performer, in sharp contrast to the previous quarter. Global high yield and inflation linked bonds typically outperformed investment grade and global government bonds. Short dated US Treasuries and Treasury Bills struggled to make headway.

In other asset classes, UK commercial property returns were marginally positive, as cautious optimism began to return to a sector which has seen significant headwinds since the pandemic began. Globally, property securities continued to perform strongly, being lifted alongside equity markets more broadly, with the US and Europe producing the strongest returns. Asia excluding Japan was the exception, with a negative return for sterling-based investors for the quarter. The oil price continues to rise unabated, a little over a year since the price turned negative in some markets. Gold and silver arrested their recent slide with returns returning to positive territory.



**Ken Rayner**

**Investment Director at Rayner  
Spencer Mills Research**

Ken Rayner, in his role as Investment Director at Rayner Spencer Mills Research, is the portfolio manager responsible for the Verbatim Managed Model Portfolios. After graduating from Leeds University with a Degree in Economics and Economic History, Ken joined Sun Life which provided an excellent grounding in the life, pension and investment industry. He joined Bradford & Bingley in 1990, where he held a number of product and marketing roles and latterly had responsibility for all financial services product development and pricing. In addition he was Investment Fund Manager for Bradford & Bingley's PEP and ISA Discretionary Management business where he controlled in excess of £700m of client funds. Ken sits on the Verbatim Investment Committee and numerous other Investment Committees for a number of key advisory clients helping them to deliver their investment strategies.

**PLEASE NOTE:** RSMR is the investment adviser on the models, responsible for the initial selection and ongoing management of the underlying holdings. Verbatim Discretionary Managers are responsible for the implementation of the models.