

30<sup>TH</sup> SEPTEMBER 2017

## PORTFOLIO INFORMATION

Inception	27 <sup>th</sup> January 2015
Total management and underlying fund charge	0.81% per annum*

\*Plus execution fee of 0.5% up to 50p per transaction

## INVESTMENT STRATEGY

This optional ethical balanced portfolio comprises of socially responsible investment vehicles including unit trusts, mutual funds and exchange traded funds (ETFs), whose managers aim to outperform their respective markets. Asset classes you could find in this portfolio are government bonds, corporate bonds, alternatives and cash. Absolute return, property and commodities may all feature within the alternatives classification. Ethical Balanced seeks to generate capital growth over the medium to longer term, with the aim of riding out short term fluctuations in value. The portfolio has a balanced approach to equity exposure, typically comprising of 50% equity and 50% non-equity, though weightings may deviate within set parameters, allowing managers to react to market conditions.

## RISK RATING



## QUARTERLY REVIEW & OUTLOOK SUMMARY

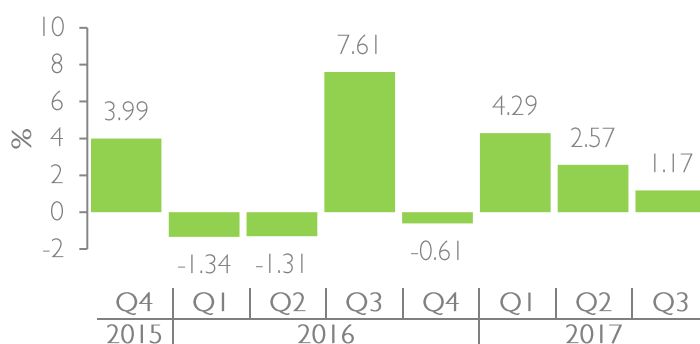
As we enter the final quarter of 2017, we await the decision of central banks in the US and the Eurozone as to whether or not they will begin withdrawing stimulus. There continues to be solid growth momentum driving the global economy higher, which we believe is likely to continue for the coming quarter, however, we are cognisant that there remains a number of 'known unknowns' in the world and therefore the withdrawal of stimulus will need to be managed carefully. UK equities remain remarkably resilient and continue to defy the negative sentiment surrounding Brexit and the lack of real wage growth. We believe the BoE is likely to raise interest rates by a quarter point in their next meeting (Carney is indicating as such) which could help to sustain the recovery in sterling and take the edge off import inflation. We believe, as we have done for some time, that there is still downside risk to the UK government debt market, and therefore remain cautious on credit in general and will be retaining our underweight to government debt.

US equity markets continue to trade at record highs, President Trump's reform agenda remains an ambitious one and the opacity of his proposals is causing distractions. Clarity in Europe and EM, where valuations remain attractive and fundamentals are supportive, presently drives our thinking. However, after nearly 9 months of a weak US dollar, there will potentially be opportunities to take advantage of a rebound, therefore we will be watching with interest. For the remainder of the year, we retain our view that the bull market we are in is not yet over, but will be trading carefully into the final quarter of 2017, as we endeavour to keep a firm grip on any returns made so far this year.

## PERFORMANCE\*

3 MONTH	6 MONTH	1 YEAR	INCEPTION
1.17%	3.74%	7.42%	15.84%

## HISTORICAL PERFORMANCE\*

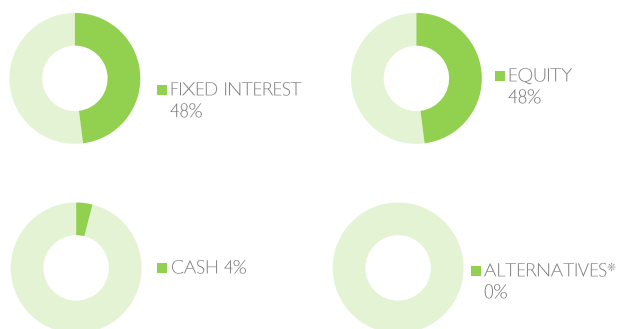


\*TAM Asset Management Ltd. Optional Ethical portfolio return from 1st October 2015 to 30<sup>th</sup> September 2017 net of TAM fees. Past performance is not necessarily a guide to future returns. The value of investments, and the income from it, may go down as well as up and may fall below the amount initially invested.

## CURRENT CORE HOLDINGS

- 1) First State Stewart Investors Worldwide Sustainability Fund
- 2) Kames Capital Ethical Corporate Bond Fund
- 3) Premier Asset Management Ethical Fund
- 4) Rathbone Ethical Bond Fund

## CURRENT ASSET ALLOCATION



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