BALANCED FUND GBP (C Class ACC)

tamglobal

FACTSHEET AND COMMENTARY — 30 JUNE 2024

FUND OBJECTIVE

The balanced Irish Collective Asset-management Vehicle (ICAV) aims to provide a return on your investment (achieved via increasing the value of the assets held within the portfolio) over a medium-term investment horizon (5 years or more).

The fund's investment structure is that of a "fund of funds" portfolio which seeks to provide investors with a diversified investment portfolio consisting of UCITS compliant funds or "collectives" from across the global investment universe. Collectives invested in within the fund can include 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 equities, government bonds, corporate bonds, multi-asset, alternatives, and cash.

The fund's benchmark comprises of 50% exposure to the Bloomberg Developed Market Large & Mid Cap Total Return Index, which the fund itself seeks to replicate as the appropriate level of risk exposure in normal market conditions. The fund retains the ability to move its weighting to risk assets according to market conditions to ensure its investors retain a flexible and diversified investment portfolio across all periods.

FUND INFORMATION

Portfolio Benchmark	Bloomberg Global EQ:FI 50:50
Inception Date	01 October 2019
Currency Options	GBP, USD & EUR
Accessibility	Direct, ISA, SIPP, & Life Wrap
Total Fund Size	£175m
Fund Manager	James Penny
Distribution Type	Accumulation
ISIN	IE00BJN5JG32
Sedol	BJN5JG3
OCF	0.46%

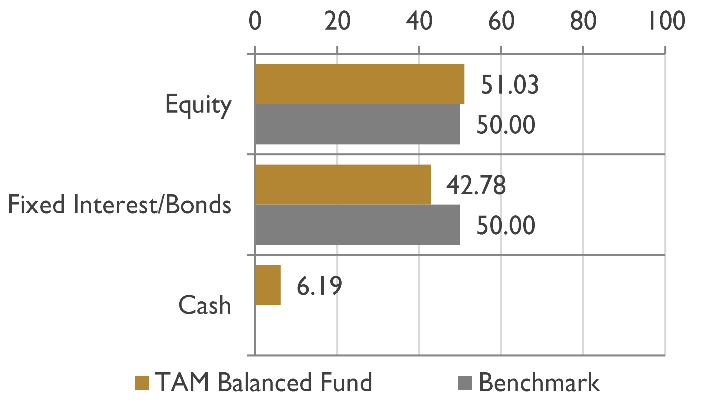
PERFORMANCE %

Cumulative Returns				
3 Month	6 Month	1 Year	3 Year	Inception
1.07	5.88	11.87	3.59	14.03

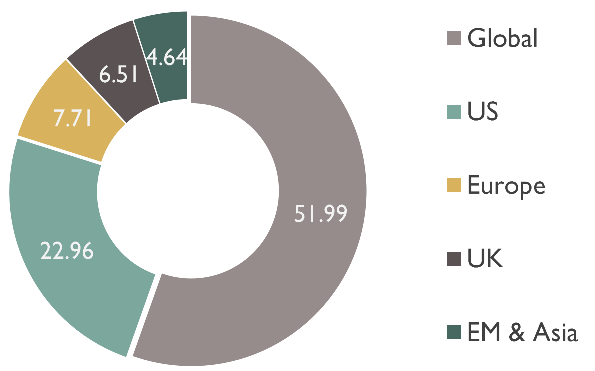
Calendar Year Returns				Annualised	
2021	2022	2023	2024 YTD	Return	Volatility
6.07	-9.43	5.57	5.88	3.27	7.33

All performance figures are net of TAM's investment management charge, but gross of operating fees.

ASSET ALLOCATION %



REGIONAL EXPOSURE %



FUND ACTIVITY

Activity in the fund over Q2 remained somewhat muted as the market continued to rally and global growth stocks, in which we are amply invested, continued to do well. We initiated a position into global smaller companies, which we believe will react well to a market cutting rates in the second half of the year. Outside of this, we continued to build the fund's active bond and equity positions with natural inflows.

TOP 10 HOLDINGS %

1. AMUNDI PRIME GLOBAL UCITS ETF DR	16.22
2. JPM GL BOND OPPORTUNITIES FUND X	13.33
3. SPDR S&P 500 ESG LEADERS UCITS ETF	10.03
4. AMUNDI PRIME EUROZONE UCITS ETF DR	7.71
5. INVESCO II UK GILTS UCITS ETF	6.51
6. VANGUARD ESG CORP BND UCITS ETF GBP	6.44
7. AMUNDI PRM GLBL GOVIES UCTS ETF GBP	5.42
8. JPM US RES ENC IDX EQ UCITS ETF GBP	5.13
9. JP MORGAN GLOBAL RSERCH ENHNCED ETF	4.92
10. RATHBNE GREENBANK GL SUST BOND FUND	4.82

MARKET REVIEW

Q2 was another strong month for the global equity market, with a 2.66% rally in the global equity index which TAM benchmark against. We remain in a market dominated by AI, and mega-cap US names returning a 4.14% positive return. However, a high proportion of that return is being attributed to a small number of stocks. Specifically, Microsoft, Nvidia, Eli Lilly and Meta make up 55% of the returns from the S&P 500 in the first 6 months of the year, with Nvidia delivering nearly 35% of that gain. This makes it a size and scale within the US market able to move the entire market direction on its own. However, this quarter also saw the UK return strongly from previous lows, led by smaller companies, while Europe looked fairly strong until it suffered amid general election uncertainty in France. On the bond side, it was a negative quarter for the index of corporate and sovereign debt. There were however pockets of stronger performance in emerging market debt and higher yielding bonds. The lion's share of fixed income securities has been held back this year by the increasingly lower expectations of rate cuts in 2024, starting with six quarter point cuts for the US at the start of the year, now down to one or two.

MARKET OUTLOOK

The second half of the year will continue to be dominated by interest rates, elections, and the concentration in US markets of the mega-cap names. Whilst we see support for these stocks remaining, we are conscious that the rally in these names is prone to upsets from missed earnings or guidance downgrades, which could create a more volatile second half of the year for these behemoth stocks. On rate cuts, we see both Europe and the UK cutting again, perhaps in September with a 0.25% reduction in the headline rate. We think the US Federal Reserve will also begin to cut rates in Q4. Having said that, inflation as we know is not linear, and will continue to deliver both negative and positive surprises. This means that we can expect to see further volatility from interest rates and thus markets, which continue to oscillate around the direction of US inflation. Logically, the rate cutting cycle in the US is positive for bonds in both corporate and sovereign markets, but this will likely come under pressure again as Trump potentially takes back the White House and approaches the bond market for unfunded stimulus. We see the UK at a turning point off the back of the Labour landslide and expect to see some longer-term policies for growth being enacted - a step change from a Conservative party which recently largely sat on its hands.

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