

## Factsheet, FI Managed Balanced Total Return Portfolio

### 31 December 2023

#### Objective

Frank Investments' Managed Balanced Total Return Portfolio has a long-term investment horizon and takes balanced exposure to diversified holdings of blue-chip equities and fixed income. Fundamental security selection is central to the investment approach which is manifested in low portfolio turnover.

The Portfolio's objective is to provide capital appreciation over the long term via strategic asset allocation and investment security selection. The portfolio is unlevered (we do not borrow in order to increase exposure to underlying securities) and does not employ complex derivative securities (options, futures, etc.).

Investors' assets are held in their own name in managed accounts with our custodian, where they are invested by Paul Sedgwick *pari passu* with those of the founders. Investors can access their portfolio at any time, and the founders and their clients pay the same investment management fees.

#### Our Mission & Our Investment Team

Frank Investments' mission is to extend the long-term investment management it applies to its founders' assets to a partnership of like-minded investors. Our team is comprised of highly experienced professionals who all display strong commitment to the process and our clients. Founder & Head of Investments, Paul Sedgwick, has over 25 years of investment experience at leading institutions.

#### Performance - Cumulative

	Dec-23	YTD	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception	CAGR Since inception
FI Managed Balanced Total Return <sup>(1)</sup>	1.8%	0.8%	2.2%	-0.5%	0.8%	7.9%	24.6%	144.7%	6.5%
Benchmark <sup>(2)</sup>	4.0%	7.3%	5.9%	5.8%	7.3%	6.3%	25.2%	n/a	n/a

#### Performance - Calendar Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
FI Managed Balanced Total Return <sup>(1)</sup>	0.8%	-1.0%	8.1%	3.6%	11.6%	-1.4%	6.6%	16.8%	-0.3%	4.6%	15.4%	12.7%	-4.3%	18.2%
Benchmark <sup>(2)</sup>	7.3%	-9.1%	8.9%	4.4%	12.9%	-4.7%	7.7%	10.4%	2.0%	5.2%	10.8%	8.1%	-3.0%	11.4%

Note: Past performance is not a guarantee of future results. All investments involve risks, including the risk of capital loss.

#### Key Terms

Inception	1 <sup>st</sup> September 2009
Benchmark	MPI STEPS Enhance Medium Risk
Base Currency	GBP
Minimum Investment	CHF 1,000,000 (GBP equivalent), Please contact us for smaller investments
Initial Charge, Exit Charge	None, exit charge is 2.5% in the first 12 months. No exit charge after 12 months
Annual Management Fee	0.90% p.a. charged quarterly in arrears. (Fee includes dealing and custody fees)
Internal Risk Rating of Strategy	Medium Risk Strategy

## Investment Thesis

To provide consistent returns derived from an active approach to investing in the liquid securities of companies with a global reach, robust balance sheets and progressive dividend policies. The portfolio's exposure is focused on equities, with the balance in UK government and corporate bonds, and cash.

## Market View

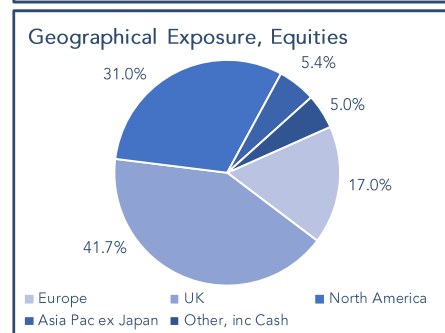
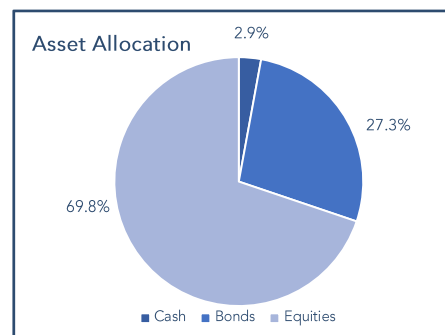
The final quarter of the year resulted in a major change in sentiment for both equity and bond markets. For much of the year, economic reports kept pace with expectations, but there was an underlying concern that, at some point, interest rates and reality would catch up with each other. Aside from AI-related big tech, much of the market remained in limbo for the first three quarters of 2023, and many small-cap indexes, more in tune with economic climates, remained in negative territory. At the start of the fourth quarter, there were tangible signs inflation rates were falling more dramatically across developed markets than had been forecast. In turn, it was anticipated that would allow the Fed and other developed central banks to curb rate rises and look forward to starting to ease monetary policy in 2024. This change in sentiment drove equity and bond markets to finish the year strongly. Forecasts for US interest rates changed dramatically in the final quarter as the market started to price in multiple rate cuts in 2024. As we start 2024, this positive mood has carried over. However, the rise of some tensions within the Middle East modestly tempered that optimism in the first week. The market's focus may now turn away from economics to earnings as companies start to release their 4th quarter results.

## Sector Spread

Consumer Staples	29.4%
Information Technology	20.1%
Health Care	14.6%
Consumer Discretionary	9.5%
Energy	6.3%
Materials	5.3%
Financials	5.3%
Utilities	5.2%
Industrials	4.4%

## Top 5 Equity Holdings

Microsoft	4.5%
Shell	4.4%
Hermes	4.2%
Rio Tinto	3.7%
National Grid	3.6%



**Notes:** (1) Portfolio performance relates to the Managed Balanced Total Return Portfolio; performance data as provided by Schroder & Co. Limited (Schroders) and Julius Baer and not independently verified. Includes fees from July 2013. Portfolio inception 30 September 2009. (2) Source: Managed Portfolio Indexes (MPI) STEPS Enhance Medium Risk Benchmark which is independently compiled by Enhance Group. Prior to 2013, we have referred to the FE Trustnet IA Mixed Investment 40-85% Shares. Returns to 31 December 2023.

**Risks and disclaimers:** "Investors should take independent professional advice before investing. This communication does not constitute an offer to issue or sell, or any solicitation to buy or invest in the portfolio or any underlying investments/securities chosen by the investment strategy. Any opinions, news, research, analyses, prices, or other information contained in this communication are provided as the views of Frank Investments Limited, and do not constitute investment advice. Frank Investments Limited will not accept liability for any loss or damage, including without limitation to, any loss of profit, which may arise directly or indirectly from use of or reliance on such information. Past performance is not a guide to future returns and investors may not get back the full amount invested. Any application for shares should be

made solely on the basis of the Investment Management Agreement and the terms and risks stated therein. Please note that investing in equities and bonds always entails a certain degree of risk to income and capital invested. The risks listed are not exhaustive. While all the information prepared in this document is believed to be accurate, Frank Investments makes no claims as to the completeness or accuracy nor can it accept responsibility for errors included in the presentation. For any compliance matters or complaints please contact Amy Grovit at [amy@frankinvestments.co.uk](mailto:amy@frankinvestments.co.uk) or on 0203 994 9777. Frank Investments Limited is authorised and regulated by the Financial Conduct Authority with registration number 627697. Frank Investments Ltd is a Private Limited Company registered in England and Wales with registration number 05629005 and registered offices at 24 Old Bond Street, London, UK W1S 4AP.

---