

Objectives

The objective of the Plurimi Balanced strategy is to achieve long-term capital appreciation through investments in a range of asset classes and types of investment vehicles. The strategy is a flexible and seeks to maximise returns vs a composite 50% MSCI World, 25% ICE US Treasury 7-10Y bonds and 25% iBoxx USD Liquid IG corporate bonds benchmark by employing active bottom-up stock selection, and tactical allocations across regions, styles and asset classes.

Risk and return targets

- Typical beta vs. MSCI World: 0.5
- Beta range: 0.3-0.7
- Return target: Composite benchmark +2 % per annum

Total return (%)



Total return in USD terms. (Jan 2017 - Mar 2024)

The returns are gross and do not reflect the deduction of investment management fees, which will reduce return.

Source: Bloomberg

Monthly performance (%)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2024	1.0	3.3	2.7										7.1
2023	4.1	-2.3	2.3	0.6	-2.2	2.5	2.4	-2.0	-3.0	-0.7	5.5	3.5	10.8
2022	-3.8	0.3	2.0	-4.9	0.9	-7.6	5.7	-2.0	-7.1	5.0	4.2	-1.5	-9.5
2021	-0.7	1.4	1.2	4.0	2.7	0.9	2.7	2.2	-3.0	1.8	-2.3	2.4	13.9
2020	0.6	-3.3	-3.4	6.6	4.0	1.8	4.6	2.9	-1.1	-1.3	6.2	3.7	22.9
2019	2.4	0.7	1.8	0.8	-0.5	2.8	0.2	2.6	0.0	1.2	1.4	2.4	17.0

Total return for current and previous five calendar years in USD terms. (Jan 2019 - Mar 2024)

The returns are gross and do not reflect the deduction of investment management fees, which will reduce return.

Source: Bloomberg

Equity sector exposure (scaled to 100%)

	Strategy	MSCI World	+/-
Communication Services	11.2	7.4	3.7
Consumer Discretionary	17.0	10.7	6.3
Consumer Staples	3.3	6.5	-3.2
Energy	7.0	4.5	2.5
Financials	18.5	15.4	3.1
Health Care	13.9	12.0	1.9
Industrials	13.0	11.2	1.8
Information Technology	16.2	23.7	-7.5
Materials	0.0	3.9	-3.9
Real Estate	0.0	2.3	-2.3
Utilities	0.0	2.4	-2.4

Key points

Stock selection driven by independent research and proprietary selection models.

Top-down regional and style allocations.

Flexibility to allocate to equities, fixed income, alternatives, commodities and cash.

Key risks

Capital is at risk. The strategy has a flexible asset allocation policy, which means allocations to risky assets are not fixed and may be increased at the portfolio managers discretion. The strategy invests globally and takes currency exposure which also can create capital losses. The strategy is diversified but individual stock and corporate bond risk may be significant.

Relative risk vs composite benchmark

Tracking error (%)	4.8
Beta	0.8

Performance indicators (%)

	Strategy	Benchmark
Annualised return	9.4	7.1
Annualised volatility	9.3	10.5
Sharpe ratio	0.8	0.5
Best month	6.6	7.7
Worst month	-7.6	-7.4
Max drawdown	-18.1	-22.7

Holdings (%)

NVIDIA CORP	3.0
NOVO NORDISK A/S-B	2.9
STELLANTIS NV	2.7
APPLIED MATERIALS INC	2.5
HARTFORD FINANCIAL SVCS GRP	2.3
BAE SYSTEMS PLC	2.3
TENARIS SA	2.2
META PLATFORMS INC-CLASS A	2.2
HERMES INTERNATIONAL	2.2
CITIGROUP INC	2.1
RYANAIR HOLDINGS PLC	2.1
VISA INC-CLASS A SHARES	2.1
BANCO BILBAO VIZCAYA ARGENTIA	2.0
ALPHABET INC-CL A	1.8
RECRUIT HOLDINGS CO LTD	1.8
NINTENDO CO LTD	1.8
DANONE	1.7
ADVANCED MICRO DEVICES	1.7
AMAZON.COM INC	1.6
GSK PLC	1.6
LAS VEGAS SANDS CORP	1.5
EOG RESOURCES INC	1.4
ZOETIS INC	1.4
OLYMPUS CORP	1.4
ADOBE INC	1.2
PAYPAL HOLDINGS INC	1.1
ALIBABA GROUP HOLDING-SP ADR	0.9
MITSUBISHI CORP	0.6
ISHARES 0-5 YR INV GRD CORP	8.3
TII 0 % 07/15/32	7.2
ISHARES IBOXX INVESTMENT GRA	6.2
TII 0 % 02/15/52	4.9
VZ 2 % 08/15/26	4.3
DD 4.493 11/15/25	2.8
WT AT1 COCO UCITS ETF USD	2.8
F 4.346 12/08/26	0.9
TABULA US ENHANCED INFLATION	6.2
BREVAN HOWARD AB RT G-A1 USD	2.2
USD	1.8

Source: Bloomberg

Commentary

The strategy rose by 2.7% during the month, beating its composite benchmark which rose by 2.2%.

In March the Fed increased its growth forecast, increased its predicted level of inflation, and lowered its forecast unemployment rate. It also kept its interest rate guidance unchanged. The Fed said it plans to be cutting interest rates despite strong economic backdrop. This could be very supportive for equities in the coming quarters. We have the strategy positioned with a small overweight in equities.

The strategy's bank holdings **BBVA** and **CitiGroup** rose by 20% and 14% respectively. A strong economic backdrop, better than anticipated loan growth and resilient asset quality has led to strong returns for the banks this year. **Nvidia** was again a top contributor in March, rising by 14%. The company released details on its latest artificial intelligence chips. The company expects significant growth for the memory chips used in AI systems to continue to be very strong in the coming years, which should support its p/e multiple of more than 30x.

Cyclical stocks and value equities moved higher, as the equity rally broadened in March. **Deere** rose 13%. We think Deere's solid cash flow should support dividends and share repurchases. **Tenaris** rose 11%. During the month it purchased a total of 774,526 ordinary shares for \$14.7 million as part of the company's second tranche of its buyback program. **Stellantis** rose 9% but still only trades at 6x forecast earnings. It is paying an annual dividend equating to an almost 6% yield. **EOG** rose by 12%. Oil prices rose by 5% to \$83 a barrel in March.

Adobe fell 10% in March. The company reported earnings and revenues ahead of consensus, but it warned of increased competition in generative AI for images and video. Animal health company **Zoetis** fell 15%. Zoetis faces an EU antitrust probe into concerns the company thwarted the market entry of a dog pain-relief treatment that could have rivalled its own. Investigation could lead to a formal warning from EU regulators, with the risk of a future penalty of 10% of global turnover.

Fixed income positions also rose for the month. The strategy's TIPS rose by almost 1%, as longer-term yields moved lower. The strategy's Corporate bond ETF rose by 1.5%, while short duration corporate bonds rose by 0.6%. We expect 10-year yields to continue a slow grind higher for the remainder of 2024, with a strong economy, large fiscal deficits, and looser monetary policy driving longer term yields higher.

Geopolitical risks are still elevated but the global economy is proving to continue to be very resilient. The employment backdrop remains very strong in the United States, with wage growth above 4%, unemployment below 4% and inflation at 3.1%. Unless something negatively impacts the job market, we expect consumption to be the engine that drives economic growth.

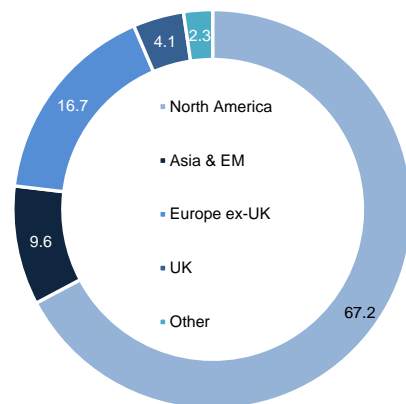
Strategy managers:

Patrick Armstrong, CFA
Eugen Fostiak

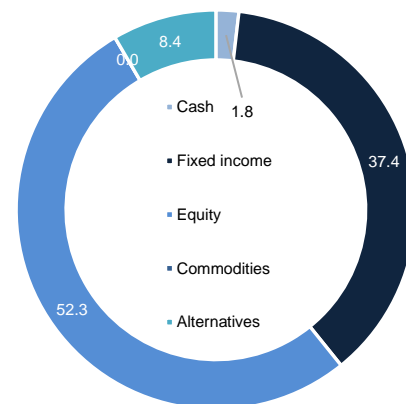
Target return: Composite benchmark +2% p.a.

Holdings: 39

Regional exposure (%)



Asset allocation (%)



1 month performance contribution (%)

	Attribution
Equity	2.3
Fixed Income	0.3
Alternatives	0.1
Cash	0.0

Top contributors	Return
NVIDIA CORP	14.2
BANCO BILBAO VIZCAYA ARGENTA	19.8
CITIGROUP INC	14.0
TENARIS SA	11.2
STELLANTIS NV	8.8

Bottom contributors	Return
ZOETIS INC	-14.7
ADOBE INC	-9.9
ADVANCED MICRO DEVICES	-6.3
LAS VEGAS SANDS CORP	-5.2
NINTENDO CO LTD	-2.2

Equity characteristics

	Strategy	MSCI World
Dividend Yield	2.8	2.2
Price to Earnings Ratio (P/E)	16.7	22.6
Price to Cash Flow Ratio (P/CF)	26.5	15.7
Price to Book Ratio (P/B)	2.9	3.3
Total Debt to Common Equity	150	143
Current Ratio	1.4	1.2
Est ROE	30.4	29.2
Op. Income Growth	14.8	3.2
Sales Growth	13.6	4.5
Est P/E	15.0	18.6
Debt/EBITDA	3.3	3.2
Est EV/EBITDA	15.8	12.4
Profit Margin	13.4	9.6
ROC	7.9	7.1

DISCLAIMER

The information and opinions expressed in this publication were produced by Plurimi Wealth LLP (Plurimi). This publication is intended for information purposes only and does not constitute an offer, a recommendation or an invitation by, or on behalf of Plurimi to make any investments. Opinions and comments of the authors reflect their current views, but not necessarily of other Plurimi entities or any other third party. This publication has been prepared without taking account of the objectives, financial situation or needs of any particular investor. Before entering into any transaction, an investor should consider the suitability of the transaction against their individual circumstances and objectives. Any investment or trading or other decision should only be made after a review of the relevant product term sheet, subscription agreement, information memorandum, prospectus or other offering document relating to the issue of the securities or other financial instruments. Nothing in this publication constitutes investment, legal, accounting or tax advice, or a representation that any investment or strategy is suitable or appropriate for an investor's circumstances, or otherwise constitutes a personal recommendation for any specific investor. Plurimi recommends that you independently assess, with a professional advisor, the specific financial risks as well as legal, regulatory, credit, tax and accounting consequences. Past performance is not a reliable indicator of future results. Performance forecasts are not a reliable indicator of future performance. An investor may not get back the amount invested or may be required to pay more. Although the information and data herein are obtained from sources believed to be reliable, no representation is made that the information is accurate or complete. Plurimi do not accept liability for any loss arising from the use of this publication. This publication cannot be reproduced or used for any other purpose and can only be distributed in countries where its distribution is legally permitted. This publication may relate to investments or services of an entity/person outside the UK, or to other matters which are not regulated by the FCA, or in respect of which the protections of the FCA for retail clients and/or the UK Financial Services Compensation Scheme may not be available. Further details as to where this may be the case are available on request in respect to this document, please contact your Plurimi Relationship Manager.

Plurimi Wealth LLP, a limited liability partnership, is incorporated in England & Wales with registered number OC326895. Authorised and Regulated by the Financial Conduct Authority ("FCA") 466728.