

## 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 - Apr 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
<b>2024</b>	1.0	3.3	2.7	-3.4									<b>3.4</b>
<b>2023</b>	4.1	-2.3	2.3	0.6	-2.2	2.5	2.4	-2.0	-3.0	-0.7	5.5	3.5	<b>10.8</b>
<b>2022</b>	-3.8	0.3	2.0	-4.9	0.9	-7.6	5.7	-2.0	-7.1	5.0	4.2	-1.5	<b>-9.5</b>
<b>2021</b>	-0.7	1.4	1.2	4.0	2.7	0.9	2.7	2.2	-3.0	1.8	-2.3	2.4	<b>13.9</b>
<b>2020</b>	0.6	-3.3	-3.4	6.6	4.0	1.8	4.6	2.9	-1.1	-1.3	6.2	3.7	<b>22.9</b>
<b>2019</b>	2.4	0.7	1.8	0.8	-0.5	2.8	0.2	2.6	0.0	1.2	1.4	2.4	<b>17.0</b>

Total return for current and previous five calendar years in USD terms. (Jan 2019 - Apr 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	7.5	3.7
Consumer Discretionary	16.1	10.6	5.5
Consumer Staples	3.4	6.7	-3.3
Energy	6.8	4.7	2.1
Financials	18.7	15.4	3.3
Health Care	14.4	12.0	2.4
Industrials	13.4	11.3	2.1
Information Technology	16.0	23.2	-7.2
Materials	0.0	3.9	-3.9
Real Estate	0.0	2.2	-2.2
Utilities	0.0	2.5	-2.5

## 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	8.8	6.6
Annualised volatility	9.4	10.5
Sharpe ratio	0.7	0.4
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	3.0
APPLIED MATERIALS INC	2.5
BAE SYSTEMS PLC	2.3
HARTFORD FINANCIAL SVCS GRP	2.3
STELLANTIS NV	2.2
CITIGROUP INC	2.2
HERMES INTERNATIONAL	2.1
VISA INC-CLASS A SHARES	2.1
RYANAIR HOLDINGS PLC	2.1
ALPHABET INC-CL A	2.1
META PLATFORMS INC-CLASS A	2.0
TENARIS SA	2.0
BANCO BILBAO VIZCAYA ARGENTA	1.9
RECRUIT HOLDINGS CO LTD	1.9
DANONE	1.7
NINTENDO CO LTD	1.7
AMAZON.COM INC	1.6
GSK PLC	1.6
EOG RESOURCES INC	1.5
ADVANCED MICRO DEVICES	1.5
ZOETIS INC	1.4
LAS VEGAS SANDS CORP	1.4
OLYMPUS CORP	1.4
PAYPAL HOLDINGS INC	1.2
ADOBE INC	1.2
ALIBABA GROUP HOLDING-SP ADR	0.9
MITSUBISHI CORP	0.6
ISHARES 0-5 YR INV GRD CORP	8.6
TII 0 % 07/15/32	7.3
ISHARES IBOX INVESTMENT GRA	6.2
TII 0 % 02/15/52	4.7
VZ 2 % 08/15/26	4.4
DD 4.493 11/15/25	2.9
WT AT1 COCO UCITS ETF USD	2.9
F 4.346 12/08/26	1.0
TABULA US ENHANCED INFLATION	6.4
BREVAN HOWARD AB RT G-A1 USD	2.3
USD	1.9

Source: Bloomberg

## Commentary

The strategy fell by 3.4% during the month, lagging its composite benchmark which fell by 3.3%.

There were no changes to the strategy during the month.

**Alphabet** was the strongest contributor, rising by 7.9%. The company beat earnings and revenue estimates and provided positive guidance for future earnings. The company's cloud business saw strong top and bottom-line contributions, and advertising revenue was strong in search and in its YouTube business. Despite the rise to a record price, the shares continue to offer good value in our opinion. **Alibaba** rose by 3.4%, making it the third largest contributor during a down month. Economic data out of China was not strong during the month but given the large decline in BABA shares it wasn't weak enough to push the stock lower. **Hitachi** rose by 1.1%. The company posted strong earnings at month end; it also announced a share buyback program equating to 2.3% of all shares outstanding. **EOG** benefitted from continued high oil prices, and some investors looking for equities which may benefit from geopolitical risks in the Middle-East.

The stock market punished companies that missed earnings or provided weak guidance in April.

**Tenaris** fell by 15.2%. The stock gave back previous gains following earnings guidance that missed estimates. Tenaris sees sales lower than the first quarter. In the third quarter, they will have stoppages at many mills, in a focus to improve environmental characteristics at the expense of current profitability. **Las Vegas Sands** fell by 14.2%. The company reported below consensus earnings and ebitda. Renovations led to company specific miss, but industry wide discounting hurt margins for the company. At 15x forecast earnings, we think the stock offers good value from here. **Meta** fell by more than 10%. The company delivered earnings and revenue ahead of consensus, but the company increased its planned capital expenditure, which will reduce near term free cash flow for shareholders. **Stellantis** fell 16% as the company suffered with strikes at supplier plants in Europe.

Our shorter than benchmark positioning on duration led to strong relative performance during the month. We expect longer duration bonds may continue to lose value as inflation persists. The strategy did suffer from longer duration in TIPS, and the TII 0 ½ 02/15/52 fell 7%, as real yields moved higher. Apart from what seem to be ever-present geopolitical risk, US inflation remains too high, and this limits the Fed's ability to cut rates as much as the market had been expecting at the beginning of the year.

As the Global economy remains strong, the current equity correction looks as though it may now have run its course. Leading economic indicators are rising, and for the most part Q1 reporting season is delivering positive surprises. Renewed bi-partisan support in the US for both Israel and Ukraine could also reduce geopolitical concerns.

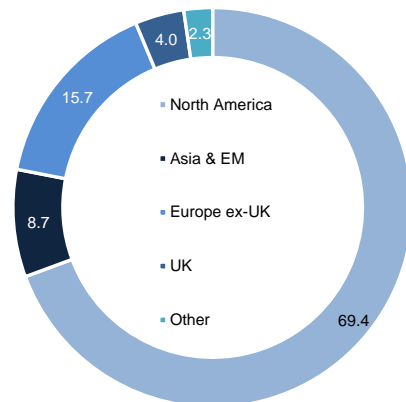
## Strategy managers:

Patrick Armstrong, CFA  
Eugen Fostiak

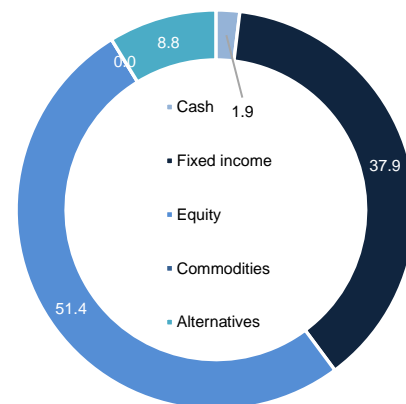
**Target return:** Composite benchmark +2% p.a.

**Holdings:** 39

## Regional exposure (%)



## Asset allocation (%)



## 1 month performance contribution (%)

	Attribution
Cash	0.0
Alternatives	0.0
Fixed Income	-0.8
Equity	-2.6

Top contributors	Return
ALPHABET INC-CL A	7.9
EOG RESOURCES INC	4.1
NOVO NORDISK A/S-B	1.5
ALIBABA GROUP HOLDING-SP ADR	3.4
PAYPAL HOLDINGS INC	1.4

Bottom contributors	Return
STELLANTIS NV	-16.2
TII 0 ½ 02/15/52	-7.3
TENARIS SA	-15.2
META PLATFORMS INC-CLASS A	-11.4
LAS VEGAS SANDS CORP	-14.2

## Equity characteristics

	Strategy	MSCI World
Dividend Yield	2.9	2.2
Price to Earnings Ratio (P/E)	15.7	21.5
Price to Cash Flow Ratio (P/CF)	17.0	15.0
Price to Book Ratio (P/B)	2.7	3.2
Total Debt to Common Equity	161	143
Current Ratio	1.4	1.2
Est ROE	30.5	32.6
Op. Income Growth	10.2	2.2
Sales Growth	11.2	4.2
Est P/E	14.1	17.8
Debt/EBITDA	3.5	3.2
Est EV/EBITDA	14.8	12.0
Profit Margin	13.5	9.5
ROC	7.5	7.1

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