

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 - Aug 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	-3.4	3.3	0.8	0.7	2.3					10.9
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 - Aug 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	11.9	7.4	4.5
Consumer Discretionary	12.1	9.9	2.2
Consumer Staples	8.1	6.5	1.5
Energy	6.3	4.1	2.2
Financials	13.4	15.5	-2.2
Health Care	10.8	12.3	-1.5
Industrials	15.1	11.0	4.1
Information Technology	16.2	24.7	-8.5
Materials	2.7	3.7	-1.0
Real Estate	0.0	2.3	-2.3
Utilities	3.6	2.6	1.0

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 (%)	4.7
Beta	0.8

Performance indicators (%)

	Strategy	Benchmark
Annualised return	9.4	7.5
Annualised volatility	9.2	10.4
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 (%)

ALPHABET INC-CL A	2.7
SERVICENOW INC	2.5
ROCHE HOLDING AG-GENUSSCHEIN	2.4
RECRUIT HOLDINGS CO LTD	2.4
NVIDIA CORP	2.3
META PLATFORMS INC-CLASS A	2.1
HARTFORD FINANCIAL SVCS GRP	2.0
APPLIED MATERIALS INC	2.0
KANSAS ELECTRIC POWER CO INC	1.9
ADOBE INC	1.9
EOG RESOURCES INC	1.8
DR HORTON INC	1.8
PAYPAL HOLDINGS INC	1.7
HERMES INTERNATIONAL	1.7
CITIGROUP INC	1.7
OLYMPUS CORP	1.7
ASSOCIATED BRITISH FOODS PLC	1.7
HITACHI LTD	1.7
ZOETIS INC	1.6
DASSAULT AVIATION SA	1.6
VISA INC-CLASS A SHARES	1.6
PUBLICIS GROUPE	1.6
AMAZON.COM INC	1.5
DEVON ENERGY CORP	1.5
DANONE	1.5
FREEMPORT-MCMORAN INC	1.4
ALIBABA GROUP HOLDING-SP ADR	1.3
3M CO	1.2
GENERAL ELECTRIC	1.2
WALMART INC	1.2
TII 1 ½ 07/15/33	7.3
ISHARES 0-5 YR INV GRD CORP	6.4
ISHARES IBOXx INVESTMENT GRA	6.2
TII 0 ½ 01/15/28	5.7
TII 0 ½ 02/15/52	3.1
WT AT1 COCO UCITS ETF USD AC	3.1
TII 0 ½ 07/15/32	2.6
DD 4.493 11/15/25	1.9
F 4.346 12/08/26	1.2
TABULA US ENHANCED INFLATION	5.1
BRE HOWARD AB RT G-AZUSDACC	3.1
USD	1.5

Source: Bloomberg

Commentary

The strategy rose by 2.3% during the month, beating its composite benchmark which rose by 2.1%.

New additions were the driver of the outperformance. **Walmart** was added early in the month and was a positive contributor on the back of strong earnings and aggregate retail sales numbers. Walmart rose 14.5% following its addition. It should be well positioned to expand its market share in the current environment where customers are becoming more cost conscious. Its scale and e-commerce gains and cost control are all driving higher profits for the company. **ServiceNow** rose 5.4% following its addition. ServiceNow provides enterprise information technology management software. The company designs, develops, and markets cloud computing platforms. 95% of revenue comes from subscriptions which makes it very predictable. The company's recent investor day highlighted a clear demand for its automation services, which are driving strong sales and margin growth. **Dassault Aviation** +6% since it was added. Dassault Aviation manufactures military aircraft, business jets, and space systems. The stock trades at less than 15x forecast earnings, and it should benefit from a longer-term trend of increased defense spending. **3M** rose 8.4% following its addition. 3M Company has operations in electronics, telecommunications, industrial, consumer and office, health care, and safety. A cost cutting program initiated in 2023 has led to margin expansion exceeding consensus expectations in recent quarters. **Roche** rose 5.7% after its addition. Roche is one of the world's largest pharmaceutical companies which operates in two divisions, Pharmaceuticals and Diagnostics. Roche's raised full-year earnings guidance in July and clinical trials have shown some early-stage success in obesity assets.

Meta rose 10%, as it significantly raised its revenue guidance for the coming quarter. **Hitachi** was the second largest contributor rising by 12.3% following strong earnings report with a wave of analyst upgrades.

Applied Materials was the most significant detractor in August, falling 6.9%. The stock suffered from tensions between US and China on potential increased chip restrictions attempting to cut China off from advanced technology. **Alphabet** fell 4.8%. It reported earnings that beat expectations, but its outlook was lower than some estimates.

Fixed income positions delivered positive returns with Treasuries and corporate bonds both rallying by more than 1%. Interest rates moved lower as soft inflation numbers increased the potential for easing from the US Federal Reserve. Our fixed income positioning performed broadly in line with the market with a 1.0% return from inflation linked bonds, which performed in line with conventional bonds in August.

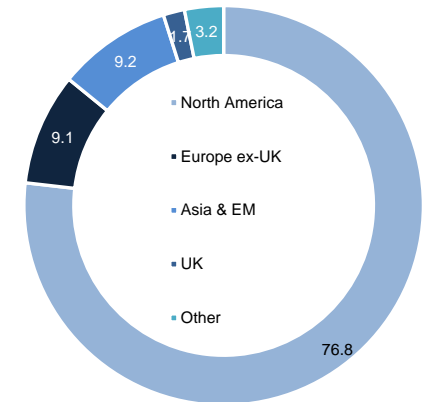
Strategy managers:

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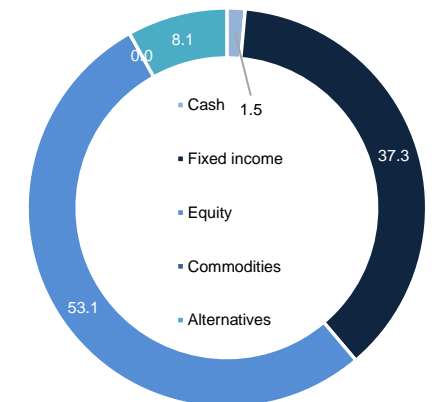
Target return: Composite benchmark +2% p.a.

Holdings: 42

Regional exposure (%)



Asset allocation (%)



1 month performance contribution (%)

	Attribution
Equity	1.8
Fixed Income	0.5
Alternatives	0.0
Cash	0.0

Top contributors	Return
META PLATFORMS INC-CLASS A	9.8
HITACHI LTD	12.3
RECRUIT HOLDINGS CO LTD	8.0
PAYPAL HOLDINGS INC	10.1
HERMES INTERNATIONAL	9.7

Bottom contributors	Return
APPLIED MATERIALS INC	-6.9
ALPHABET INC-CL A	-4.8
RENESAS ELECTRONICS CORP	-10.2
AMAZON.COM INC	-4.5
DEVON ENERGY CORP	-4.8

Equity characteristics

	Strategy	MSCI World
Dividend Yield	2.2	2.0
Price to Earnings Ratio (P/E)	19.7	23.7
Price to Cash Flow Ratio (P/CF)	14.9	16.8
Price to Book Ratio (P/B)	3.3	3.5
Total Debt to Common Equity	126	144
Current Ratio	1.3	1.2
Est ROE	28.1	35.1
Op. Income Growth	11.8	1.2
Sales Growth	3.0	3.7
Est P/E	16.2	18.7
Debt/EBITDA	3.4	3.2
Est EV/EBITDA	14.9	12.6
Profit Margin	10.9	9.4
ROC	7.6	6.9

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