of interest

winter 2022

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Sustainable investing

...moving into the mainstream

Welcome

Firstly, from all of us at Elson Associates, we wish you a Happy New Year and thank you for your continued support.

Sustainable investing has become increasingly popular in recent times and it's easy to see why. Many investors now demand to know what types of companies their money is being invested in. They want involvement with companies who are working towards solving the world's biggest climate challenges and those who are committed to social responsibility.

With this in mind and with the recent COP26 summit highlighting the urgent need for change, we thought we would highlight some good performing sustainable funds. The great advantage with investing in unit trust funds is that the fund manager has done the work for you. An investor would find it extremely difficult if not impossible to navigate the governance policies of individual companies. Some of the funds featured in this newsletter give you the peace of mind that all holdings within them follow the specific criteria and governance required for sustainable investing. We've also included funds which are more performance driven giving all our clients choice and variety. Please also take a look at our very own Leaders, Laggards and Losers tables which will help you further in making investment decisions.

News

Artemis fund managers retiring

Long term Fixed income Fund Manager James Foster is retiring from Artemis after 16 years with the company as the asset manager makes changes within its teams. Alex Ralph, who co-managed the £1.8bn Strategic Bond fund with Foster, is also leaving. Foster, also co-managed the £700m Monthly Distribution fund, while Ralph managed the £920m High Income strategy.

Steven Snowden will now replace Foster as head of Fixed Income. With a BSc and a MSc in Finance from Queen's University, Belfast, in 1994 Stephen started his career at Aegon Asset Management (now Kames Capital) as a US equity analyst and fund manager. In 1998 he moved to fixed income, becoming manager of Kames' Sterling Corporate Bond Fund in June 2000. Stephen then joined Old Mutual Asset Managers and managed their Corporate Bond Fund from 2004 - 2011, when he returned to Kames. There, as co-head of fixed income, he was co-manager of the Kames Investment Grade Bond Fund, the Investment Grade Global Bond Fund and the Absolute Return Bond Fund until November 2018. In May 2019 Stephen joined Artemis as a partner.

David Ennett will now become the lead manager on High Income with Jack Holmes working alongside him. Stephen Baines will manage the bond element of the Monthly Distribution fund.

Fidelity Global Focus Fund name change

On 24 January 2022, Fidelity will make some changes to the Fidelity Global Focus Fund. The fund will change its name to become the Fidelity Sustainable Global Equity Fund.

Fidelity believes that investing in companies that consider a range of Environmental, Social and Governance factors ('ESG'), alongside revenues and profits, has the potential to deliver more sustainable outcomes for investors over time.

Fidelity intends to also change the fund's investment policy to incorporate a sustainable investment focus. These changes will not materially alter the Fund's risk profile.

Legal & General High Income Trust name change

From 5th January 2022 Legal & General Income Trust has changed its name to Legal & General Active Global High Yield Bond Fund.

The change to the Fund's Investment Objective is as follows:

Previous:
To provide income and growth above those of the Bank of America Merrill Lynch composite, the "Benchmark". The fund aims to outperform the Benchmark by 1% per annum in order to achieve a high income. This objective is before the deduction of any charges and measured over rolling three year periods.

The fund is actively managed and may invest at least 70% in sub-investment grade bonds from overseas and UK issuers.

New:
To provide income and growth above those of the ICE BofA BB-B Global High Yield Non-Financial 2% Constrained Total Return Index (Hedged to GBP), (the "Benchmark Index"). The fund aims to outperform the Benchmark Index by 1% per annum. This objective is before the deduction of any charges and measured over rolling three year periods.

The fund is actively managed and will invest at least 70% in sub-investment grade bonds in Sterling or bonds issued in other currencies and hedged back to Sterling.

M&G European Select Fund Merger

On 10th December 2021, M&G European Select Fund merged with M&G Pan European Sustain Paris Aligned Fund as M&G believe this to be in the best interests of investors.

Both funds invest at least 80% in European companies, excluding the UK, and have the same payment and reporting dates, charges and risk profiles. The main differences are the receiving fund's additional sustainability approach to investing and holding a maximum number of 35 companies instead of 50.

The costs associated with this change have been covered by M&G.

Premier Miton Ethical Fund

On 14th December 2021, Premier Miton Ethical Fund merged with Premier Miton Responsible UK Equity Fund.

In addition to the name change, the investment policy is being updated to reflect the increased focus on companies with a strong Environmental, Social and Governance (ESG) profile that have a positive impact on society.

Benji Dawes, co-manager of the Premier Miton Ethical Fund is quoted as stating: "We are proud of the investment philosophy and performance of the Premier Miton Ethical Fund and we see the name change to Premier Miton Responsible UK Equity Fund, and the updated fund description, as important milestones in the fund's development.

"Premier Miton Responsible UK Equity Fund will be clearly labelled as a dedicated responsible investing fund and clearly described as a fund focused on companies that act responsibly with a strong ESG profile and that are part of long term themes that have a positive influence on society and the environment."

Jon Hudson, co-manager of the Premier Miton Ethical Fund, stated: "We are excited about the level of investor interest in dedicated ESG funds and the investment opportunities we have found and continue to find. Our active investment approach will continue to combine our ESG focus with our assessment of a company's quality, growth potential and valuation."

Source: institutionalassetmanager.co.uk

Sustainable

Sustainable investing has been around for many years. It first emerged in the UK around the 1980s with the launch of a number of what were previously known as ethical funds.

While there have always been investors keen to match their money with their morals, it is fair to say that up until a few years ago, sustainable investing remained a somewhat niche interest. However, this is no longer the case - sustainable investing has now moved into the mainstream and many more clients are now taking an active interest in just how their money is invested. The trend towards a more sustainable approach has been led by institutional investors such as pension funds and investment foundations. The legislative and regulatory backdrop has facilitated this move with, for example, the introduction of legislation to tackle climate change. As wider society has become much more conscious of environmental and social issues, retail investors have come on board too. This has been heightened further with the climate agreement reached at COP26.

What is meant by sustainable investment? There are many terms used to describe sustainable investing, such as green, responsible, socially responsible and impact investing. These are often used interchangeably even though they can signify different investment approaches. Traditional ethical investing, for example, typically involves excluding companies from specific 'sin' (exclusion) sectors such as alcohol and tobacco. Impact investing, on the other hand, goes further and involves investing to make a positive social and environmental impact.

Today, the common theme amongst sustainable investments is that they tend to focus to some degree on Environmental, Social and Governance (ESG) considerations, although some funds may

Investing

concentrate on specific factors such as climate change. The following can be regarded as typical examples of issues within the three pillars of ESG investing:

Environmental issues - Climate change, resource depletion, waste, pollution and deforestation.

Social issues - Human rights, modern slavery, child labour, working conditions and employee relations.

Governance issues - Bribery and corruption, executive pay, board diversity and structure, political lobbying/donations and tax strategy.

Sustainable investing isn't restricted to just equity investing. It extends across asset classes - there are, for instance, responsibly-managed bond and multi-asset portfolios available to retail investors. Passive and smart beta strategies are also offered by some providers.

So we know how important it is to invest in companies with such strategies, but which funds offer the performance that investors are looking for? Here's where we come in. We have identified various funds whose performance matches those with the ethos that we believe our clients are looking for.

To give you an idea of the growth in this sector, by 2003 there was a total of £2.9 billion invested in sustainable funds. By 2020 this had grown to over £31.5 billion and in fact, growth in this sector is accelerating at an impressive rate.

Converting your direct holdings to the Fidelity FundsNetwork platform - risk free

In our last newsletter, we wrote about switching your direct investments to Fidelity FundsNetwork.

This has proved extremely popular saving hundreds of clients thousands of pounds in fees. In the vast majority of cases, we are able to save you money in charges on your existing investments whilst allowing you to hold the exact same fund(s) as you currently have. We produce a personalised report for you comparing your existing costs to what you would pay if you switched to Fidelity FundsNetwork. One of the main reasons for the increase in interest is a change that has happened in the process since February last year. Previously, when the switch of a fund took place from one share class to another, the client would be out of the market for up to two working days. Now, due to a new regulation brought in by the FCA, Platforms such as FundsNetwork must complete transfer by way of a 'conversion' rather than a 'switch'. Essentially, the difference is that conversion allows the transfer to be done without being out of the market. For the client, it means there is no potential loss (or gain) thus taking the risk and concern out of the transfer.

To help you see where you can make potential savings, our reports list all of your direct holdings showing either a positive or negative saving allowing you to choose the funds which save you money and ignore the ones where there is no benefit in converting. It's quick and easy to instruct us to transfer your funds to Fidelity. Once you have seen the report, read all the relevant documentation and are happy to proceed, simply return the report and we'll take care of the rest for you.

The process of switching your funds is straightforward and we provide all the documentation required, most of which is already pre-populated for you. Please note you will probably have a different number of units in the fund after you move as the prices of bundled and clean share classes are normally different.

If you are interested in finding out more about saving money on your charges and would like to discuss this, please do not hesitate to contact us on Freephone 0800 096 1111.

As well as the potential to lower the ongoing costs on your investments, holding your funds via Fidelity FundsNetwork offers a number of other advantages including:

- Access to a comprehensive range of over 5,000 investment options - including a wide selection of mutual funds, exchange-traded products, investments trusts and company shares.
- The facility to manage your funds online and switch between funds for free.
- Clients of Elson Associates DO NOT pay the standard investor fee (£45) levied by Fidelity FundsNetwork.
- A significant reduction in paperwork - one consolidated statement covers all your fund investments.
- Your annual ISA allowance can be split between different fund managers (something you cannot do when investing direct).
- A transparent charging structure - not always the case with direct holdings.

Investing Monthly - Pound Cost Averaging

It's always wise to consider investing either on a monthly basis or drip feeding amounts into your ISA periodically. The reason for this is simple, making a perfectly timed investment is invariably a very difficult thing to do. However, by investing monthly for example, there is a greater opportunity to spread your risk. You have a much better chance that some of your contributions will be purchased at a deflated price. It's very unlikely, even with the best performing funds that they will always increase in value without dropping back at various points. By using a strategy called pound-cost averaging, which is a technical term for buying shares or units in a fund at regular intervals, you mitigate the risk of a poorly or unfortunately timed purchase.

You can start investing from as little as £20 per month either in an ISA or a fund through us.

In a falling market, many investors tend to lose confidence and decide not to purchase shares or units. This is where indecision sets in and thoughts of a market falling further takes hold. Only when prices recover, which can happen extremely quickly, sometimes a day, do they consider investing, missing out on some of the best opportunities. Buying shares at a deflated price equals more shares in your fund. When prices recover you will hold a fund with a higher value!

There are literally thousands of funds from which to choose, some of which are highlighted in this newsletter.

Please call us on 0800 0961111 for more information.

Platform Fund List

When researching funds there are many factors to be taken into consideration. For example - what market(s) do I want to be exposed to? What is the risk profile? Do I agree with the fund managers investment philosophy? Whilst the vast majority of funds in the marketplace are available on the Aegon and Fidelity FundsNetwork platforms, there are a small minority that are exceptions such as some specialist boutique funds and those reserved for institutional investors. In order to avoid a situation where clients spend time researching a fund only to discover it is not available, we have introduced a new feature on our website - 'Platform Fund List'. Simply go to our website www.elsonassociates.com and under 'Our Services' you will see 'Platform Fund List' under the 'Research Centre'. Once there, you will be able to quickly and easily search to see whether a particular fund is offered by the platforms thus preventing a situation where time is spent researching funds that are not available.

Increasing Inflation

What this means for your savings

Inflation is on the rise in the UK. Figures published last month (December 2021) indicate that it's risen to 5.1%. We take a look at what this means for both cash and stocks and shares savings.

When prices increase too sharply it could mean the economy is heading for trouble. That's why the Bank of England aims to keep inflation at around 2%. When inflation rises above this level it can increase interest rates to help curb spending and that's what it did recently, increasing the rate of interest to 0.25%.

However, the pandemic has already put the squeeze on household spending, especially with the increase in energy prices and grocery shopping which is why the Bank of England is acting with a certain amount of caution.

What inflation is currently doing to your cash savings

For savers, unless interest rates are keeping pace with inflation, cash savings will dwindle in real terms. An increasing gap between inflation and interest rates where inflation is running on the higher side, means that cash savers could expect more frustration in the years ahead.

The prices of key goods that households need to buy, such as food, fuel and clothing are rising at a rate of 5.1% a year and most savings rates are at or close to 0%. In this scenario, assuming these figures remain unchanged for the next 12 months, the things that cost you £100 now will cost you £105.10 in a year's time - so the purchasing power of your cash will be lower. The longer this period of high inflation and low interest rates continues, the harder cash savers will be hit.

With this in mind, it's no surprise that so many savers are now considering investing in the stock market instead. Once considered relatively risky, stocks and shares ISAs are becoming more and more attractive to savvy savers who can't afford to let their hard-earned money ebb away.

Growth vs. Value Stock Performance and Inflation

Stocks are often broken down into subcategories of value and growth. Value stocks have strong current cash flows that will slow over time, while growth stocks have little or no cash flow today but are expected to gradually increase over time.

According to our research from several well respected investment groups, when valuing stocks in times of rising interest rates, they believe growth stocks are negatively impacted far more than value stocks. Since interest rates are usually increased to combat high inflation, the general consensus is that in times of high inflation, growth stocks will be more negatively impacted. This suggests a positive correlation between inflation and the return on value stocks and a negative one for growth stocks.

Equities have often been a good investment relative to inflation over the very long term. This is because companies can raise prices for their products when their costs increase in an inflationary environment. Higher prices may translate into higher earnings.

A word of caution however. Over shorter time periods, stocks have often shown a negative correlation to inflation and can be especially hurt by unexpected inflation. When inflation rises suddenly or unexpectedly, it can heighten uncertainty about the economy, leading to lower earnings forecasts for companies and lower equity prices.

Marlborough

Fund Managers

A leader in the world of active fund management

Marlborough is one of the UK's leading independently owned investment management companies and an award-winning specialist in 'active' fund management.

'Active' management is where a fund manager analyses companies and decides which to hold in their fund, with the objective of achieving superior returns to a performance benchmark such as the FTSE 100 or FTSE 250. So, the manager will use their expertise and experience to select only the companies they believe have particularly strong growth potential. This contrasts with a 'passive' approach where a fund just seeks to replicate the performance of an index by holding all the stocks in it.

Marlborough offers a range of 18 actively managed funds. These include single strategy funds - investing in individual assets such as UK equities, US equities and global bonds - and 'all-in-one' multi-asset solutions, which invest in a range of key global asset classes and are designed to match different investor risk profiles.

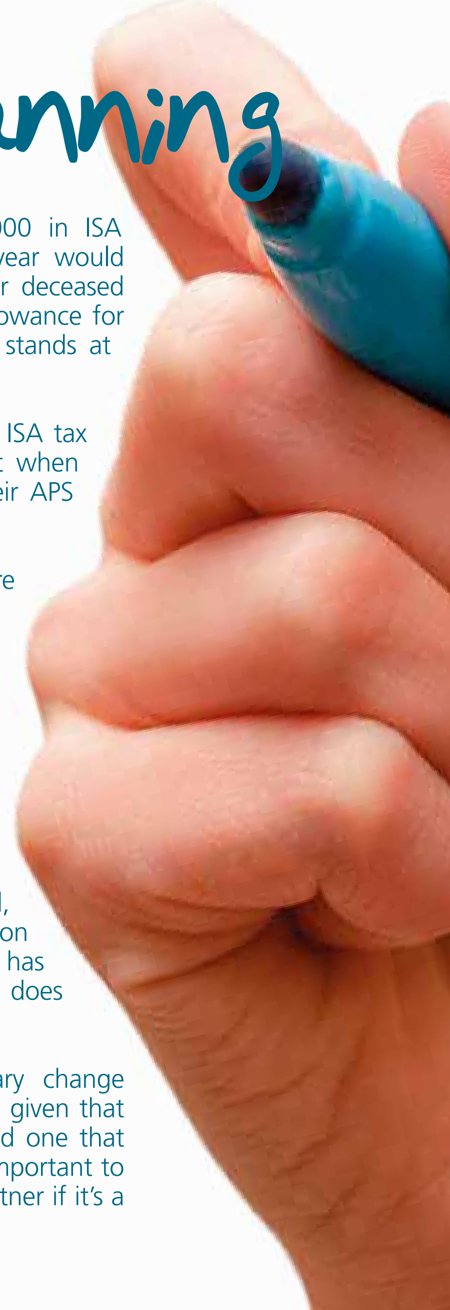
Whatever their area of expertise, all of our fund managers are united in the same commitment to using their skill and experience to deliver outstanding long-term performance for you, the investor.

This is an article from Marlborough. Marlborough is part of the Marlborough Group, which has offices in London, the North West, the Midlands, the South West, Dublin and Guernsey. Marlborough has been managing investors' money for 35 years and looks after the investments of 200,000 private, corporate and institutional clients.

The FT Group named Marlborough Best Small to Mid-Sized Investment Group in the FTAdviser Investment 100 Club Awards 2021. The awards assess short-term and long-term performance as part of a rigorous set of screening factors. In the same awards, Marlborough European Special Situations (formerly Marlborough European Multi-Cap) was named best European Equity fund.

Marlborough is committed to responsible investing and is a signatory to the United Nations-supported Principles for Responsible Investment.

Inheritance Planning



Inheriting an ISA from your spouse or civil partner

This is such an important issue which has sadly impacted many of our clients, especially during the pandemic. It's still something many clients are unaware of, especially those widowed spouses whose partners may have been the ones who looked after their financial affairs.

So, if your spouse or civil partner dies you can inherit their ISA allowance. As well as your normal ISA allowance you can add a tax-free amount up to either:

- The value they held in their ISA when they died.
- The value of their ISA when it's closed.

In April 2015, HMRC changed its stance on inheriting the ISA savings of a spouse or civil partner on their death. This is called Additional Permitted Subscription Allowance (APS).

On the death of a spouse or civil partner, any ISA funds transferred as an APS will retain their tax-free status. This means the funds transferred under APS are not counted against the normal ISA allowance and are added to the surviving partner's limit for that tax-year only. All ISAs transferred under APS are included in this new limit.

Essentially, you'll be entitled to an additional allowance that would cover the value of your partner's ISA savings as well as your own. As an example, if your partner had £100,000 in ISA savings, your ISA allowance for the year would be £120,000. This is the value of your deceased partner's savings and your own ISA allowance for the 2021/22 tax year, which currently stands at £20,000.

The rules mean that the advantageous ISA tax status of a partners ISA won't be lost when the surviving partner makes use of their APS allowance.

These changes were brought in to ensure that bereaved individuals will still be able to have the benefit of the tax break they had previously shared with their partner, offering more flexibility and a much fairer outcome.

It is important to note however, that in order to take advantage of the APS for ISAs, the deceased's spouse or civil partner must have been living with them. If the couple are separated, whether by court order, deed of separation or where the marriage or partnership has completely broken down then the APS does not apply.

We believe that this was a necessary change which was widely believed to be unfair given that many couples save money together and one that many of our clients do not realise. It's important to communicate this to your spouse or partner if it's a wish of yours to pass on your ISA status.

Economic outlook

Equities - Investment Outlook 2022

The equity bear market that began with the onset of the COVID-19 pandemic turned out to be one of the fastest on record. Now, with inflation worries rising, central banks rolling back stimulus and economic growth proving to be uneven, investors may wonder if the subsequent rebound could be similarly quick. We recognize that this is no ordinary boom/bust cycle because of the global pandemic. But we also think the risk of the market cycle coming to a premature end is lower than some investors might fear. In fact, the trends causing uncertainty now may, on balance, help extend the cycle rather than finish it, with important implications for investors.

Risks to the market cycle: what has investors worried

In the post-World War II era, the average market cycle for the S&P 500® Index has lasted roughly 5.5 years, trough to peak.[1] So, using history as a guide, the benchmark of large-cap U.S. stocks would be expected to reach the midpoint of its current expansion about halfway through 2022, having bottomed in March 2020. But global equity indices already sit well above pre-pandemic highs, thanks to generous stimulus measures. At the same time, supply chain bottlenecks and labor shortages, along with the unleashing of pent-up demand, have raised prices throughout the economy, pushing inflation to levels not seen in more than a decade.

Rolling on: hitting speed bumps, not a wall

In our view, inflation has become the key risk to the market cycle in 2022 and warrants close monitoring. But while higher prices are likely to persist in the near term, some of the major drivers of inflation, such as rising wages and raw material costs, could begin to moderate. Pay gains, for one, could slow after an initial step-up as more people trickle back to the labor force; employers compensate with other benefits, such as work-from-home, or companies replace job functions with technology.

The year 2022 could also mark when COVID-19 starts to transition from being a public health crisis to an endemic disease that can be managed without economic shutdowns. In July, for example, a steep jump in COVID-19 cases in Southeast Asia, a hub for apparel and semiconductor manufacturing, led to months-long lockdowns. In countries such as Vietnam, policies lowered case numbers but also led to a sharp fall in gross domestic product (GDP), threatened foreign investment and curtailed exports. In the aftermath, Vietnam's prime minister conceded the country could not "resort to quarantine and lockdown measures forever."[2]

Rising vaccination numbers and promising new medicines that have been shown to limit the severity of infection could make it easier for countries to "live with COVID" in 2022. But the transition is likely to unfold at varying speeds. It will also take time for the supply issues that have already built up in the economy to sort themselves out. As such, we think investors should be prepared for choppy growth. In the U.S., real GDP increased at only a 2% annualized rate during the third quarter in 2021, down from 6.7% in the second quarter, as worries about the Delta variant, supply shortages and the end of government assistance programs weighed on consumer spending.[3]

If temporary, the slowdown could prove a welcome step toward a sustainable rate of growth for the economy. Plenty of fuel remains to keep the expansion going. The generous stimulus programs rolled out during the pandemic have led to a sharp increase in personal savings rates, giving consumers spending power even as prices climb. (Rising home prices, strong capital markets and wage gains have also helped.) In Europe, households are estimated to have accumulated excess cash reserves worth 2.7 percentage points of GDP (€300 billion) in 2020, the balance of which was likely added to in early 2021.[4] Those reserves are forecast to bolster purchases until the savings rate normalizes, sometime in 2022.

Spending has room to grow, too. While consumers loaded up on autos, appliances, clothing and other goods during the initial phase of the recovery, consumption of dining and travel lagged. Tourist arrivals in Spain during the region's summer months, for example, were only about 50% of those of

2019, and hotel occupancy rates in France were 20 percentage points lower for the same time period.[5] As social restrictions ease, those trends should begin to reverse. The rotation in consumption from goods to services could help the economy continue to expand in 2022, while also allowing inventories time to rebuild and pricing pressures to cool.

What about central banks?

Meanwhile, the ultra-loose monetary policies that bolstered savings and turbocharged asset prices during the pandemic are coming to an end. Already, central banks have started winding down monthly purchases of bonds and other securities. The next step is interest rate hikes.

At first blush, rising rates may seem like a negative for risk assets such as equities, as higher yields reduce the present value of future cash flows, dividends and earnings. But what tends to be more important for stocks is the rate of change. To avoid making a cycle-ending policy mistake, regulators must strike the right balance: hike too quickly and economic growth could be snuffed out; move too slowly and inflation risks accelerating. Historically, the S&P 500 has delivered price gains of roughly 10% or more over a 12-month period when inflation averaged 3% or less. But as inflation moved higher, the benchmark's ability to advance diminished.

So far, policy makers have moved cautiously. The Reserve Bank of New Zealand lifted its cash rate a quarter of a percentage point in October to 0.5%, but did so a month after economists expected, preferring to wait out a COVID outbreak. In November, the Bank of England held its benchmark rate steady on concerns about the labor market. And European Central Bank (ECB) President Christine Lagarde said the ECB was "very unlikely" to lift rates at all in 2022, arguing tightening would be counterproductive when higher food and energy prices were already squeezing purchasing power.

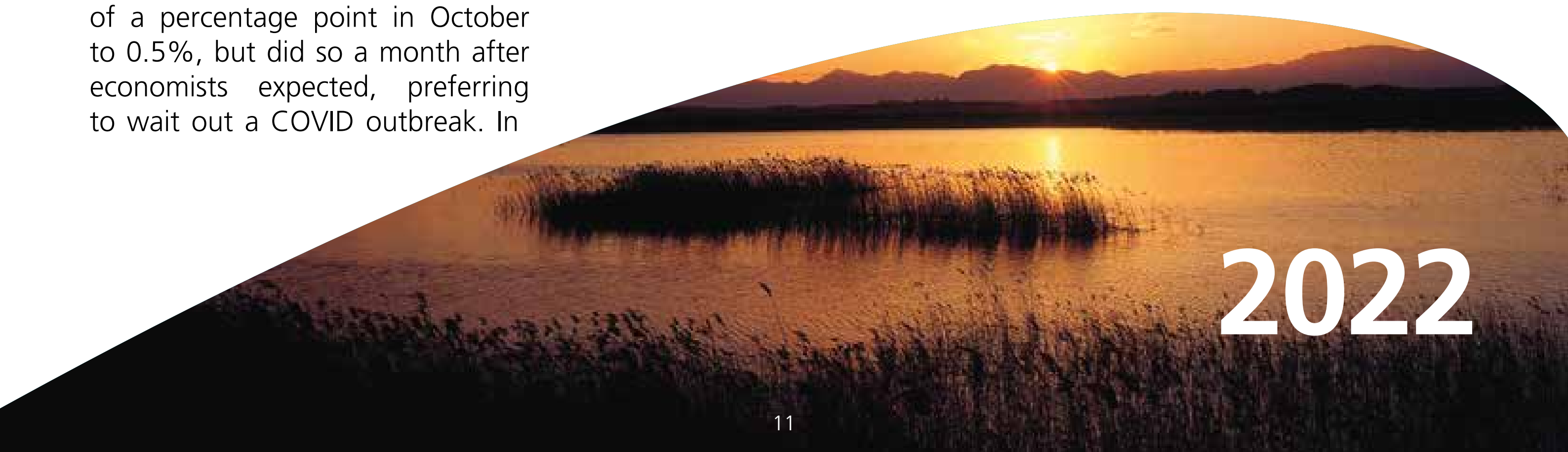
No matter what central bankers decide in 2022, it's worth remembering that there are powerful trends besides monetary policy that can help keep prices in check, drive growth and support equity valuations. Digitalization, a disinflationary force, is growing rapidly. Even with monetary tightening, it will take years to "normalize" central bank balance sheets and rates. (In the U.S., for example, inflation-adjusted 10-year Treasury yields remain firmly in negative territory.[6]) And new fiscal stimulus is coming down the pike, including the recently passed US$1 trillion infrastructure bill in the U.S. and the €750 billion NextGenerationEU recovery plan.

What it means for investors

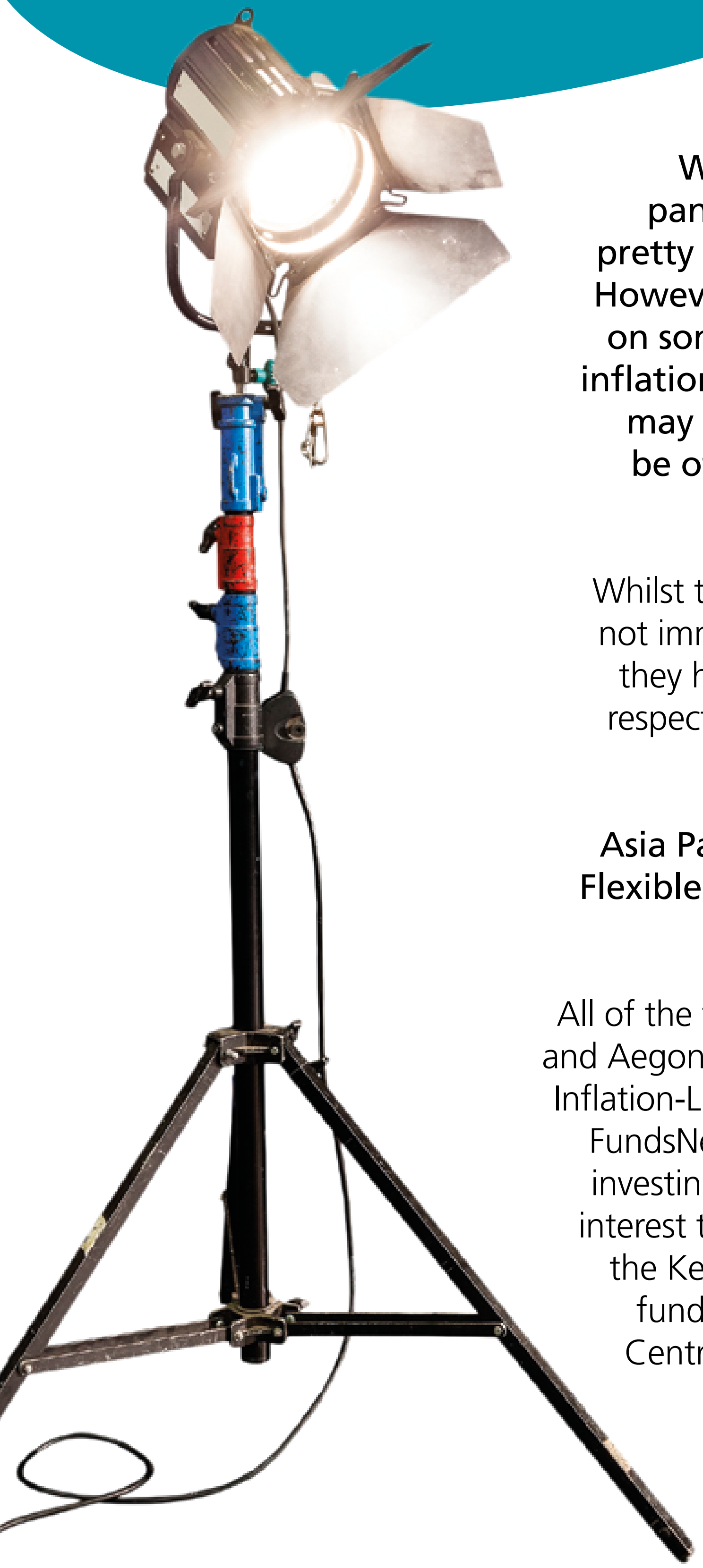
All of which is to say that in 2022, we think the recovery has more room to go and equity investors may be well served by positioning for the early to mid-part of a market cycle, rather than get too defensive. That means favoring areas levered to an economy still on the upswing but that can navigate shifting monetary policy, a tight labor market and, of course, the lingering (but hopefully waning) presence of COVID-19.

1. National Bureau of Economic Research, as of 19 July 2021.
2. Think Global Health, "Vietnam Ends "Zero-COVID"—Is It Too Soon?" 14 October 2021.
3. Bureau of Economic Analysis, advanced estimate, as of 28 October 2021. Real GDP measures the rate of economic growth adjusted for inflation.
4. SPG Global Ratings, "Economic Outlook Europe Q4 2021: A Faster-Than-Expected Liftoff," 23 September 2021.
5. SPG Global Ratings, "Economic Outlook Europe Q4 2021: A Faster-Than-Expected Liftoff," 23 September 2021.
6. U.S. Department of Treasury, as of 5 November 2021.

These are the views of Matt Peron, Director of Research, Portfolio Manager, Janus Henderson at the time of publication and may differ from the views of other individuals/teams at Janus Henderson Investors. Any securities, funds, sectors and indices mentioned within this article do not constitute or form part of any offer or solicitation to buy or sell them. Past performance is not a guide to future performance. The value of an investment and the income from it can fall as well as rise and you may not get back the amount originally invested. The information in this article does not qualify as an investment recommendation. For promotional purposes.



Funds
under the spotlight



With the FTSE 100 now sitting just below pre-pandemic levels, it could be said that it's been a pretty good year for markets all things considered. However, in this newsletter we are mainly focusing on some alternative offerings, such as sustainable, inflation-linked and income producing funds. These may not be the top performers but believe could be of interest to some of our clients and can add diversity to an overall investment portfolio.

Whilst the funds highlighted on the following pages are not immune to significant events or market downturns, they have achieved good overall performances in their respective sectors. The funds featured on the following pages are from the following sectors:

Asia Pacific Excluding Japan, Europe Excluding UK, Flexible Investment, Global, Sterling Strategic Bond, UK Gilts

All of the funds are available on the Fidelity FundsNetwork and Aegon platforms with the exception of the ASI Sterling Inflation-Linked Bond which is **only available** with Fidelity FundsNetwork. You will not incur an initial charge when investing. We hope that the funds highlighted will be of interest to you. Please note that if you would like to view the Key Investor Information Documents (KIIDs) for the funds highlighted, you can do so by visiting the Fund Centre at our website www.elsonassociates.com or in the application pack with this newsletter.

Objective

To generate income and some growth over the long term (5 years or more) by investing in UK Government inflation-linked bonds.

Performance Target

To achieve the return of the FTSE Actuaries UK Index Linked Gilts Over 5 years Index plus 0.5% per annum (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the fund. There is however no certainty or promise that they will achieve the Performance Target. The ACD believes this is an appropriate target for the fund based on the investment policy of the fund and the constituents of the index.

Fund Manager	Tom Walker
IA Sector	UK Gilts
Fund size	£51.76m at 31.12.2021
Launch date	17.07.2015
Fund manager charge	0.30%

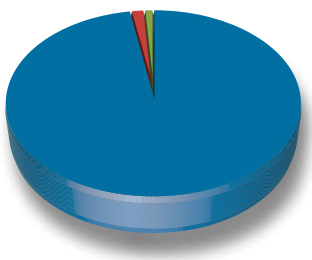
Management process

The management team use their discretion (active management) to identify investments after analysing individual bonds and derivatives alongside global economic and market conditions. - In seeking to achieve the performance target, the FTSE Actuaries UK Index Linked Gilts Over 5 years Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ('tracking error') between the returns of the fund and the index is not ordinarily expected to exceed 1.70%. Due to the Fund's risk constraints the intention is that the Fund's performance will not deviate significantly from that of the index over the long term.

Top 10 holdings 30.11.2021

1.	HM Treasury UK DMO 0.375% IDX-LKD Gilt 22/03/62 GBP	8.10%
2.	HM Treasury UK DMO 1.25% IDX-LKD Gilt 22/11/32 GBP	6.00%
3.	HM Treasury UK DMO 0.625% IDX-LKD Gilt 22/03/40 GBP	5.90%
4.	HM Treasury UK DMO 0.125% IDX-LKD Gilt 22/03/68 GBP	5.70%
5.	HM Treasury UK DMO 0.625% IDX-LKD Gilt 22/11/42 GBP	5.70%
6.	HM Treasury 0.5% 22/03/50 INDX LKD 3MO GBP	5.60%
7.	HM Treasury UK DMO 0.125% IDX-LKD Gilt 22/03/44 GBP	5.20%
8.	HM Treasury UK DMO 0.25% IDX-LKD Gilt 22/03/52 GBP	5.00%
9.	HM Treasury UK DMO 0.125% IDX-LKD TRSY Gilt 10/08/48 GBP	5.00%
10.	HM Treasury UK DMO 0.125% IDX-LKD Gilt 22/03/29 GBP	4.90%
	Total	57.10%

Sector breakdown 30.11.2021



Government Bonds	97.35%
Others	1.83%
Industrials	0.93%
Derivatives	-0.11%

Discrete performance as at 31.12.2021

	0-12m	12-24m	24-36m	36-48m	48-60m
Fund	3.39%	8.32%	9.89%	0.06%	3.38%
Sector	-5.10%	7.13%	8.11%	1.22%	2.19%
Benchmark	-	-	-	-	-
Relative to Sector	8.49%	1.19%	1.78%	-1.16%	1.19%
Rank within Sector	1/39	9/37	7/36	30/32	6/29
Quartile Rank	1	1	1	4	1

Please note that the Fund manager charge is taken by the fund manager as payment for their management of the fund. We've used the latest figure provided by the Fund Manager that includes all their costs and charges. This charge may be higher than the Ongoing Charges Figure (OCF) shown in the fund KIID. Past performance is not necessarily a guide to future returns. Income and capital values can fall as well as rise and are not guaranteed. Exchange rate fluctuations may also cause the value of investments and any income from them to fall as well as rise. You may not get back the amount invested. Investments in small and emerging markets can be more volatile than more developed markets. Specialist funds carry a high degree of risk. Performance figures as at 31.12.2021. Performance data supplied by Financial Express. Past performance figures are based on bid to bid or mid to mid prices with net income reinvested.

FE fundinfo Crown Fund Rating

Sterling Inflation-Linked Bond

Aberdeen Standard Investments

Asia Pacific Opportunities

Fidelity

FE fundinfo Crown Fund Rating

Strategy

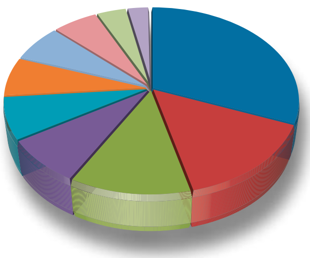
Anthony adopts a fundamental, bottom-up approach to build a high conviction portfolio where each holding can meaningfully contribute to overall fund performance. However, having fewer holdings does not translate into higher risk. He mitigates risk by building a diversified portfolio, where stock correlations play a significant role in portfolio construction. Anthony has a broadly style neutral approach, but new positions in the portfolio can exhibit a contrarian/value bias. Stock selection is driven by a combination of investor sentiment, valuation and fundamental research. He is a patient investor with an average holding period of more than two years.

FundsNetwork™

Fund Manager	Anthony Srom
IA Sector	Asia Pacific Excluding Japan
Fund size	£1358.00m at 30.11.2021
Launch date	24.09.2014
Fund manager charge	0.90%

The fund aims to increase the value of your investment over a period of 5 years or more. The fund will invest at least 70% in companies in the Asia Pacific region (excluding Japan). This region includes countries considered to be emerging markets as determined by the Investment Manager at its sole discretion.

Sector breakdown (top 10) 30.11.2021



Information Technology	30.70%
Materials	14.70%
Financials	11.70%
Money Market	7.90%
Communications	7.50%
Industrials	6.80%
Consumer Staples	6.60%
Consumer Discretionary	5.70%
Health Care	3.80%
Real Estate	2.80%

Top 10 holdings 31.10.2021

1. Taiwan Semiconductor	10.00%
2. Kweichow Moutai	6.10%
3. HDFC Bank Ltd	5.40%
4. Beijing Oriental Yuhong Waterproof	5.20%
5. Franco Nevada Corp	5.10%
6. ASML Holding	4.50%
7. Techtronic Industries Co	4.50%
8. Sk Hynix Inc	4.20%
9. CSL Ltd	3.80%
10. Hedy Hldgs Co	3.40%
Total	52.20%

Discrete performance as at 31.12.2021

	0-12m	12-24m	24-36m	36-48m	48-60m
Fund	13.05%	23.85%	28.69%	-7.11%	28.60%
Sector	1.89%	17.07%	18.44%	-10.20%	25.04%
Benchmark	-2.04%	16.33%	18.64%	-11.63%	25.56%
Relative to Sector	11.16%	6.77%	10.25%	3.09%	3.56%
Rank within Sector	1/62	13/60	3/58	15/56	21/55
Quartile Rank	1	1	1	2	2

Please note that the Fund manager charge is taken by the fund manager as payment for their management of the fund. We've used the latest figure provided by the Fund Manager that includes all their costs and charges. This charge may be higher than the Ongoing Charges Figure (OCF) shown in the fund KIID. Past performance is not necessarily a guide to future returns. Income and capital values can fall as well as rise and are not guaranteed. Exchange rate fluctuations may also cause the value of investments and any income from them to fall as well as rise. You may not get back the amount invested. Investments in small and emerging markets can be more volatile than more developed markets. Specialist funds carry a high degree of risk. Performance figures as at 31.12.2021. Performance data supplied by Financial Express. Past performance figures are based on bid to bid or mid to mid prices with net income reinvested.

Objective and investment policy

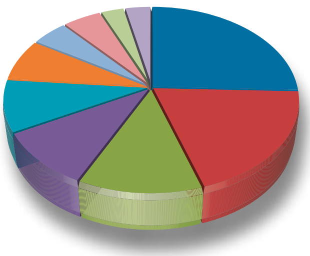
The Fund aims to provide capital growth over the long term (5 years or more) by investing in companies whose products and services are considered by the investment manager as contributing to positive environmental or social change and thereby have an impact on the development of a sustainable global economy. The Fund invests at least 80% of its assets in shares (also known as equities) of companies, of any size, in any industry, in any country.

The Fund will avoid investing in companies that the investment manager considers to potentially have a negative impact on the development of a sustainable global economy. The Fund is actively managed with reference to the MSCI World Index, which is broadly representative of the companies in which it may invest, as this can provide a useful comparator for assessing the Fund's performance. The investment manager has discretion to choose investments for the Fund with weightings different to the index or not in the index, but at times the Fund may hold investments similar to the index. As an additional means of assessing the performance of the Fund, the IA Global sector average, which is based on a peer group of broadly similar funds, may also provide a useful comparator

Janus Henderson INVESTORS

Fund Managers	Aaron Scully, Hamish Chamberlayne
IA Sector	Global
Fund size	£ 1994.30m at 22.12.2021
Launch date	13.02.1995
Fund manager charge	0.84%

Sector breakdown (top 10) 30.11.2021



Software	20.40%
Semi Conductors	15.38%
Insurance	9.72%
Machinery	7.97%
Electronic & Electrical Equipment	7.44%
Electronic & Electrical Equipment	5.75%
Property Shares	3.94%
Health Care	3.88%
Alternative & Renewable Energy	2.54%
Luxury Goods	2.43%

Discrete performance as at 31.12.2021

	0-12m	12-24m	24-36m	36-48m	48-60m
Fund	17.94%	30.31%	33.42%	-5.05%	19.04%
Sector	16.91%	12.90%	21.40%	-5.23%	13.70%
Benchmark	22.94%	10.60%	25.36%	-4.69%	11.62%
Relative to Sector	1.03%	17.41%	12.03%	0.18%	5.34%
Rank within Sector	155/316	20/281	6/259	114/241	31/222
Quartile Rank	2	1	1	2	1

Top 10 holdings 31.11.2021

1.	Microsoft	6.30%
2.	Nvidia Corp	4.39%
3.	Adobe Inc	3.55%
4.	Evoqua Water Technologies	3.21%
5.	Autodesk Inc	3.09%
6.	Taiwan Semiconductor	2.89%
7.	AON plc	2.73%
8.	LAM Research Corp	2.37%
9.	Humana Inc	2.34%
10.	TE Connectivity Ltd	2.29%
	Total	33.16%

Please note that the Fund manager charge is taken by the fund manager as payment for their management of the fund. We've used the latest figure provided by the Fund Manager that includes all their costs and charges. This charge may be higher than the Ongoing Charges Figure (OCF) shown in the fund KIID. Past performance is not necessarily a guide to future returns. Income and capital values can fall as well as rise and are not guaranteed. Exchange rate fluctuations may also cause the value of investments and any income from them to fall as well as rise. You may not get back the amount invested. Investments in small and emerging markets can be more volatile than more developed markets. Specialist funds carry a high degree of risk. Performance figures as at 31.12.2021. Performance data supplied by Financial Express. Past performance figures are based on bid to bid or mid to mid prices with net income reinvested.

FE fundinfo Crown Fund Rating

Global Sustainable Equity

Janus Henderson

Monthly Income Bond

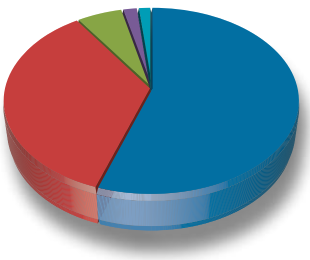
Jupiter

FE fundinfo Crown Fund Rating

Objective: to seek to achieve income and capital growth by delivering a return, net of fees, greater than that of the Target Benchmark over rolling 3 year periods. The Target Benchmark consists 50% of the ICE BofAML 1-5Y BBB Sterling Corporate Index and 50% of the ICE BofAML Sterling High Yield Index. The Fund invests in bonds and similar debt investments issued by companies, banks, governments and other public entities anywhere in the world. The Fund will typically invest 50% in sub-investment grade bonds and similar debt investments (e.g. those with a rating of below BBB- as rated by Standard and Poor's or below Baa3 by Moody's). For those investments not denominated in British Pounds, the Fund may use techniques to try to reduce the effects of changes in the exchange rate between British Pounds and other currencies (i.e. hedging). This aims to protect the Fund against losses caused by currency movements between the Fund's base currency, British Pounds, and the currency of the underlying assets of the Fund. The Fund will not invest more than 20% in contingent convertible bonds ("CoCos"). A CoCo is a type of bond which, upon a pre-specified trigger event, may convert into company shares, or may be subject to a partial or full write-off. The Fund uses derivatives (i.e. financial contracts whose value is linked to the expected price movements of an underlying investment), with the aim of generating returns (i.e. for investment purposes) and/or reducing the overall costs and risks of the Fund. The Fund is actively managed. Portfolio construction is driven by an on-going assessment of the drivers of returns such as interest rates, bond prices, the economic outlook, inflationary expectations and global political issues. This will also include an assessment of any issuer's default risk and value relative to similar bonds in the market. The Target Benchmark is a broad representation of the Fund's investment universe and as such is a point of reference against which the performance of the Fund may be measured. Although a large proportion of the Fund's investments may be components of the Index, the Fund has the ability to deviate significantly from the Index.

Fund Managers	Adam Darling, Harry Richards
IA Sector	Sterling Strategic Bond
Fund size	£ 86.67m at 31.12.2021
Launch date	10.01.2013
Fund manager charge	0.65%

Sector breakdown 30.11.2021



High Yield Bond	55.39%
Investment Grade Corporate Bonds	35.33%
Money Market	5.80%
Corporate Bonds	1.88%
Others	1.60%

Discrete performance as at 31.12.2021

	0-12m	12-24m	24-36m	36-48m	48-60m
Fund	4.22%	10.04%	15.11%	-4.85%	6.47%
Sector	0.13%	6.71%	9.28%	-2.15%	4.96%
Benchmark	-	-	-	-	-
Relative to Sector	4.08%	3.33%	5.83%	-2.71%	1.51%
Rank within Sector	9/83	12/79	2/75	65/70	21/66
Quartile Rank	1	1	1	4	2

Top 10 holdings 30.11.2021

1. Netflix Inc	2.20%
2. Pinewood Finco Plc	1.90%
3. AA Bond Co Ltd UK	1.80%
4. Go-Ahead Group	1.70%
5. BP Capital Markets	1.50%
6. Drax Finco	1.50%
7. Teva Pharmaceutical	1.40%
8. IM Group	1.30%
9. RAC Bond	1.30%
10. SSE plc	1.30%
Total	15.90%

Please note that this fund invests in companies quoted on the Alternative Investment Market (AIM) and Aquis Exchange which are typically considered to be higher risk. The Fund manager charge is taken by the fund manager as payment for their management of the fund. We've used the latest figure provided by the Fund Manager that includes all their costs and charges. This charge may be higher than the Ongoing Charges Figure (OCF) shown in the fund KIID. Past performance is not necessarily a guide to future returns. Income and capital values can fall as well as rise and are not guaranteed. Exchange rate fluctuations may also cause the value of investments and any income from them to fall as well as rise. You may not get back the amount invested. Investments in small and emerging markets can be more volatile than more developed markets. Specialist funds carry a high degree of risk. Performance figures as at 31.12.2021. Performance data supplied by Financial Express. Past performance figures are based on bid to bid or mid to mid prices with net income reinvested.

The Fund

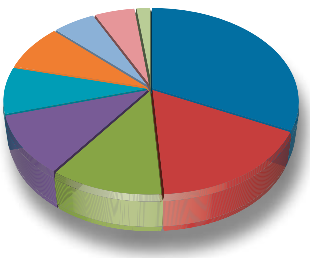
The Fund aims to deliver capital growth over the long term (5 years or more) using the Sustainable Future process and investing in a combination of global equities, bonds and cash. The investment process uses a thematic approach to identify the key structural growth trends that will shape the global economy of the future and the fund managers then seek to invest in well run companies whose products and operations capitalise on these transformative changes.

Our experienced fund management team Simon Clements, Peter Michaelis and Chris Foster have combined industry experience of more than 34 years and are part of a team of 14 investment professionals. They transferred to Liontrust from Alliance Trust Investments (ATI) in April 2017 where Simon and Peter were previously running the Sustainable Future Fund range at Aviva Investors. Peter was previously Head of SRI at Aviva Investors while Simon was Head of Global Equities at Aviva Investors. Chris joined ATI through the management training programme after graduating with a First Class Honours degree in Economics and Mathematics from the University of Edinburgh.

LIONTRUST

Fund Managers	Simon Clements, Peter Michaelis, Chris Foster
IA Sector	Flexible Investment
Fund size	£ 1131.95m at 31.12.2021
Launch date	19.02.2001
Fund manager charge	0.89%

Sector breakdown (top 10) 30.11.2021



Information Technology	32.28%
Health Care	16.80%
Financials	11.13%
Industrials	10.51%
Communications	8.38%
Consumer Discretionary	8.23%
Money Market	5.68%
Real Estate	5.22%
Materials	1.76%

Top 10 holdings 30.11.2021

1. Alphabet Inc	4.24%
2. Thermo Fisher Scientific Inc	4.17%
3. Cadence Design Systems Inc	3.10%
4. American Tower Corp	2.78%
5. VISA Inc	2.66%
6. PUMA SE	2.57%
7. Verisign	2.55%
8. Autodesk Inc	2.54%
9. ASML Holding NV	2.52%
10. Spotify Technology	2.48%
Total	29.61%

Discrete performance as at 31.12.2021

	0-12m	12-24m	24-36m	36-48m	48-60m
Fund	16.53%	31.00%	26.78%	2.47%	18.26%
Sector	11.49%	6.51%	14.89%	-5.81%	9.82%
Benchmark	11.30%	6.30%	15.64%	-6.40%	11.16%
Relative to Sector	5.23%	24.70%	11.14%	8.87%	7.11%
Rank within Sector	37/273	4/254	3/235	2/211	12/192
Quartile Rank	1	1	1	1	1

Please note that the Fund manager charge is taken by the fund manager as payment for their management of the fund. We've used the latest figure provided by the Fund Manager that includes all their costs and charges. This charge may be higher than the Ongoing Charges Figure (OCF) shown in the fund KIID. Past performance is not necessarily a guide to future returns. Income and capital values can fall as well as rise and are not guaranteed. Exchange rate fluctuations may also cause the value of investments and any income from them to fall as well as rise. You may not get back the amount invested. Investments in small and emerging markets can be more volatile than more developed markets. Specialist funds carry a high degree of risk. Performance figures as at 31.12.2021. Performance data supplied by Financial Express. Past performance figures are based on bid to bid or mid to mid prices with net income reinvested.

FE fundinfo Crown Fund Rating

SF Managed Growth

Liontrust

European Special Situations
Marlborough

FE fundinfo Crown Fund Rating

Marlborough
Fund Managers

We asked David Walton, Manager of Marlborough European Special Situations (formerly Marlborough European Multi-Cap), how he runs the fund.

We tend to invest in less well-known companies, which are more cheaply valued. They're often smaller companies that have strong growth potential but that are overlooked by other investors simply because of their size. There are risks, of course, but where we've done our homework correctly these businesses can grow significantly, which, all other things being equal, should mean that their shares will go up in value.

We spend a lot of time meeting companies across Europe, which we've been doing by video call during the pandemic. We try to meet as many promising companies as we can - we'll meet the management of about 400 companies a year.

European stock markets are still quite underdeveloped, particularly at the smaller company end of the range. In comparison with the US and UK, there aren't as many analysts looking at these companies and assessing their growth potential. That gives us the chance to identify opportunities before the vast majority of other investors.

Once we find a company that fits our criteria and we invest, we like to hang on to it as long as the growth story continues and nothing else changes. The annual turnover rate for the stocks in the fund is only between 10 and 15 per cent, so it's reasonably low.

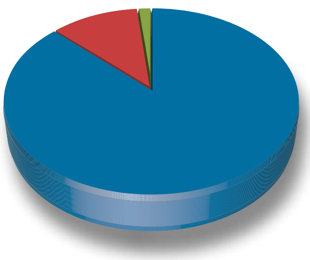
A good example is Thermador, which is a French company that distributes plumbing products. We've held it in the fund since 2014. It doesn't sound very exciting, but Thermador's performed well for us because it has an excellent strategy. Thermador is a group made up of individual companies that are each focused on a very specific niche in the plumbing market. Each of these companies in the group has very good specialist knowledge about the products it sells. That's something you need to be an effective distributor, you need to be able to support your retailers and their end customers.

But then on the other hand, all the stock for the whole group is held in one warehouse in Lyon and all the back-office administrative work is centralised. So they reap all the benefits of being a big player, with the clout to negotiate cheaper prices with suppliers and other economies of scale.

We don't tend to look for opportunities at a country or industry level, we're very much about looking for individual companies that meet those criteria I mentioned. That's quality management, above-average growth potential and a valuation that's cheap relative to its prospects. Owning that sort of company over a long period of time, which is what we try to do, can generate very attractive returns.

Fund Managers	David Walton, Tom Livesey
IA Sector	Europe Excluding UK
Fund size	£ 507.15m at 30.11.2021
Launch date	02.01.2013
Fund manager charge	0.83%

Sector breakdown 01.11.2021



Europe ex UK	87.30%
Money Market	11.20%
European Emerging Markets	1.50%

Discrete performance as at 31.12.2021

	0-12m	12-24m	24-36m	36-48m	48-60m
Fund	32.65%	27.21%	22.02%	-11.50%	22.14%
Sector	15.75%	10.38%	20.87%	-12.36%	17.21%
Benchmark	15.79%	9.74%	20.92%	-12.21%	17.25%
Relative to Sector	16.86%	17.47%	1.10%	0.71%	4.89%
Rank within Sector	1/95	8/92	31/85	39/84	10/78
Quartile Rank	1	1	2	2	1

Top 10 holdings 29.10.2021

1. Harvia Plc	3.87%
2. Sesa Spa	3.70%
3. H & H Intl AS	2.42%
4. ENEA AB	2.24%
5. JM AB	2.13%
6. Nordic Waterproofing Hldg	2.05%
7. SAP SE	2.01%
8. NN Group NV	1.98%
9. Telefonaktiebolagget LM Ericsson	1.91%
10. ASR Nederland NV	1.84%
Total	24.15%

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Leaders, Laggards & Losers

Our very own unique fund performance rating system

Leaders, Laggards and Losers is Elson Associates' very own unique fund performance rating system.

This helpful online tool, designed by ourselves, provides a rating for over 2,000 funds highlighting both the out-performers and underachievers over a three year period. You'll now be able to see at the click of a button just how well (or badly) your funds are doing compared to their peers. Highlighting both the out-performers and underperformers, relative to their sector averages over the past three years. To be a Leader, a Laggard or a Loser, your fund must fulfil certain criteria. Its category rating will be arrived at by looking not only at its relative performance over a full three year period but also how consistently it has either out performed or under-performed its sector average in each of the last three discrete one year periods.

Many funds won't meet the criteria to be classified as a Leader, Laggard or Loser. These funds will appear in the 'Others' category. This simply means a fund's performance is not good enough to achieve the status of a Leader, but neither is it so poor as to appear in the Laggards or Losers list.

There are literally thousands of funds on the market and to be honest, there is no way of predicting how any of these funds will perform in the future, despite how well or poorly they've performed in the past. There are so many factors that could affect performance going forward and there are no guarantees as to what lies ahead.

If you would like more information and a more comprehensive and detailed overview of this tool, please visit our website www.elsonassociates.com. If you do not have internet access, we will be happy to send you a paper copy of whichever sector(s) you are interested in.

LEADERS
LAGGARDS
LOSERS

To give you some idea of how Leaders, Laggards and Losers works, we have included 'Leaders' from the sectors that the 'Funds under the spotlight' appear in. This provides an idea as to what the online functionality looks like. Page 20 shows the ratings for funds included in 'Funds under the spotlight'. Pages 21 - 26 also show the funds alongside peers in their respective sectors.

Funds under the spotlight

ASI Sterling Inflation-Linked Bond fund — Leader

Rolling 12 month performance	Year to 31/12/2021	Year to 31/12/2020	Year to 31/12/2019	Year to 31/12/2018	Year to 31/12/2017
	3.39%	8.32%	9.89%	0.06%	3.38%

30 Day Measure: 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30

Fidelity Asia Pacific Opportunities fund — Leader

Rolling 12 month performance	Year to 31/12/2021	Year to 31/12/2020	Year to 31/12/2019	Year to 31/12/2018	Year to 31/12/2017
	13.05%	23.85%	28.69%	-7.11%	28.60%

30 Day Measure: 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30

Janus Henderson Global Sustainable Equity fund — Leader

Rolling 12 month performance	Year to 31/12/2021	Year to 31/12/2020	Year to 31/12/2019	Year to 31/12/2018	Year to 31/12/2017
	17.94%	30.31%	33.42%	-5.05%	19.04%

30 Day Measure: 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30

Jupiter Monthly Income Bond fund — Leader

Rolling 12 month performance	Year to 31/12/2021	Year to 31/12/2020	Year to 31/12/2019	Year to 31/12/2018	Year to 31/12/2017
	4.22%	10.04%	15.11%	-4.85%	6.47%

30 Day Measure: 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30

Liontrust SF Managed Growth fund — Leader

Rolling 12 month performance	Year to 31/12/2021	Year to 31/12/2020	Year to 31/12/2019	Year to 31/12/2018	Year to 31/12/2017
	16.53%	31.00%	26.78%	2.47%	18.26%

30 Day Measure: 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30

Marlborough European Special Situations fund — Leader

Rolling 12 month performance	Year to 31/12/2021	Year to 31/12/2020	Year to 31/12/2019	Year to 31/12/2018	Year to 31/12/2017
	32.65%	27.21%	22.02%	-11.50%	22.14%

30 Day Measure: 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30

Criteria explained

Leaders — Funds in this category have the best record of consistently out-performing their sector peers over the past three years. To be a Leader, it must have produced a positive return relative to the sector average over each of the last three discrete years and show accumulative performance over those three years of at least 10% better than the sector average.

Laggards — These funds are regularly under-performing. Their performance in each of the last three discrete years is worse than the sector average and the accumulative performance over three years is between -20% and -50% relative to the sector average.

Losers — These funds are consistently under-performing and by a significant margin over three years. Like the Laggards, their performance falls short of the sector average in each of the last three discrete years. The accumulative performance over three years, however, is even worse at over 50% below the sector average.

Others — Funds in the 'Others' category haven't quite met the stringent criteria required to be a Leader, but at the same time their performance isn't poor enough to qualify as a 'Laggard' or a 'Loser'.

30 Day Measure — The criteria for Leaders, Laggards and Losers is updated on a daily basis. The nature of fund performance, however, is such that a fund can quickly drop out of the Leaders category or improve its performance from one day to the next to escape being labelled a Loser. For this reason, we indicate each fund's categorisation going back over the past 30 days to provide evidence of the regularity or otherwise that a fund has appeared in any given category over a longer period than just a day. Please note: 'Day 1' represents the fund's categorisation based on performance data received on the previous business day.

Asia Pacific Exc Japan
Sector

Company	Fund	Perf. 36m	Crown rating
Baillie Gifford & Co Ltd	Pacific B Acc	119.95%	FE fundinfo Crown Fund Rating
Quilter Investors Limited	Asia Pac (ex Jap) Eq U2 A£	81.56%	FE fundinfo Crown Fund Rating
Fidelity International (FIL In	Asia Pacific Opps W Acc	80.17%	FE fundinfo Crown Fund Rating
Omnis Investments Ltd	As Pac ex-Japan Eq A Inc	75.06%	FE fundinfo Crown Fund Rating

Past performance is not necessarily a guide to future returns. Income and capital values can fall as well as rise and are not guaranteed. Exchange rate fluctuations may also cause the value of investments and any income from them to fall as well as rise. You may not get back the amount invested. Investments in small and emerging markets can be more volatile than more developed markets. Specialist funds carry a high degree of risk. Performance figures as at 31.12.21. Performance data supplied by Financial Express. Past performance figures are based on bid to bid or mid to mid prices with net income reinvested.

Europe Ex. UK
Sector

Company	Fund	Perf. 36m	Crown rating
BlackRock	Cntl European D Acc	116.79%	FE fundinfo Crown Fund Rating ♛♛♛♛♛
BlackRock	European Dyn D Acc	108.59%	FE fundinfo Crown Fund Rating ♛♛♛♛♛
Franklin Templeton Fund Mgt Lt	MCEuUnctd X Acc	106.17%	FE fundinfo Crown Fund Rating ♛♛♛♛♛
IFSL	MrlbrgEurpnSpclSit P Inc	105.90%	FE fundinfo Crown Fund Rating ♛♛♛♛
Allianz Global Invtrs GmbH(UK)	Contl Ep C	101.60%	FE fundinfo Crown Fund Rating ♛♛♛♛♛
Quilter Investors Limited	EurxUKEqGth U2 A£	97.19%	FE fundinfo Crown Fund Rating ♛♛♛♛♛
Liontrust	European Growth I I	85.37%	FE fundinfo Crown Fund Rating ♛♛♛
Maitland Institutional Service	ChlErpSl B A	83.72%	FE fundinfo Crown Fund Rating ♛♛♛
GAM Sterling Management Ltd	Continental Euro Equity I A£	81.92%	FE fundinfo Crown Fund Rating ♛♛♛
Sanlam Investments UK Limited	EuropeanEq B Inc	75.99%	FE fundinfo Crown Fund Rating ♛♛

Past performance is not necessarily a guide to future returns. Income and capital values can fall as well as rise and are not guaranteed. Exchange rate fluctuations may also cause the value of investments and any income from them to fall as well as rise. You may not get back the amount invested. Investments in small and emerging markets can be more volatile than more developed markets. Specialist funds carry a high degree of risk. Performance figures as at 31.12.21. Performance data supplied by Financial Express. Past performance figures are based on bid to bid or mid to mid prices with net income reinvested.

LEADERS
LAGGARDS
LOSERS

Flexible Investment
Sector

Company	Fund	Perf. 36m	Crown rating
Liontrust	SF Mgd Gth 2 Acc	93.53%	FE fundinfo Crown Fund Rating
Margetts Fund Management	MGTS Sentinel Ent B Acc	88.32%	FE fundinfo Crown Fund Rating
Valu-Trac Investment Managemen	Alligator	79.02%	FE fundinfo Crown Fund Rating
TUTMAN LLP	Rectory Sustainability Acc	75.75%	FE fundinfo Crown Fund Rating
S&W Fund Administration Ltd	Forest Acc	71.77%	FE fundinfo Crown Fund Rating
S&W Fund Administration Ltd	Innovation B 2000	71.44%	FE fundinfo Crown Fund Rating
Quilter Investors Limited	CrlmAdPsvPf R A£	68.16%	FE fundinfo Crown Fund Rating
BlackRock	ACS Lifepath 2052-2054 X1	63.83%	FE fundinfo Crown Fund Rating
BlackRock	ACS Lifepath 2049-2051 X1	62.96%	FE fundinfo Crown Fund Rating
Link Fund Solutions Ltd	IM Global Strategy A	61.70%	FE fundinfo Crown Fund Rating

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LEADERS
LAGGARDS
LOSERS

Global
Sector

Company	Fund	Perf. 36m	Crown rating
Montanaro Asset Management Lim	Better World A Acc	112.98%	FE fundinfo Crown Fund Rating
Equitile Investments Ltd	Resilience A1 GBP	107.55%	FE fundinfo Crown Fund Rating
Equitile Investments Ltd	Resilience Fdr A Acc GBP	105.48%	FE fundinfo Crown Fund Rating
Janus Henderson Global Investors	GlSusEq I A	105.05%	FE fundinfo Crown Fund Rating
Columbia Threadneedle	Global Focus Z	99.96%	FE fundinfo Crown Fund Rating
Liontrust	SF Gbl Gth 2 Acc	97.80%	FE fundinfo Crown Fund Rating
Rathbone Unit Trust Mgnt Ltd	Global Opp Fd I A £	97.17%	FE fundinfo Crown Fund Rating
JP Morgan Asset Management UK	Glbl Unconstrnd Eq C Acc	94.53%	FE fundinfo Crown Fund Rating
Purisima Investment Fund (CI)	Purisima PCG B	94.22%	FE fundinfo Crown Fund Rating
Blue Whale Capital LLP	Blue Whale Growth I Acc	91.92%	FE fundinfo Crown Fund Rating

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Sterling Strategic Bond
Sector

Company	Fund	Perf. 36m	Crown rating
Jupiter Unit Trust Mgrs Ltd	Monthly Inc Bond I A£	32.01%	FE fundinfo Crown Fund Rating
Schroder UT Managers	Strategic Bond Z Acc	30.09%	FE fundinfo Crown Fund Rating
Aegon Asset Management.	Strategic Bond B Acc	29.89%	FE fundinfo Crown Fund Rating
Quilter Investors Limited	Diversified Bond U2 A£	29.16%	FE fundinfo Crown Fund Rating
Invesco Fund Managers Ltd	Mth Inc Pls UK Z A	25.90%	FE fundinfo Crown Fund Rating
Janus Henderson Global Investors	FxIntMtIn I I	24.89%	FE fundinfo Crown Fund Rating
Aberdeen Fund Managers Limited	StrB I Acc	19.79%	FE fundinfo Crown Fund Rating

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UK Gilts
Sector

Company	Fund	Perf. 36m	Crown rating
Aberdeen Fund Managers Limited	Stg Inftn-Linked Bd I Acc	23.06%	FE fundinfo Crown Fund Rating
Fidelity International (FIL In	Inst UK Gilt Inc	12.20%	FE fundinfo Crown Fund Rating

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Win £1,000

Elson

Do you enjoy the challenge of puzzle solving? If so, why not have a go at the Sudoku puzzle opposite. You don't even need to invest to be in with a chance of winning our £1,000 cash prize!

			6				1	
		7						
8	2				9	3		
		4				5		
		3			7			
5	7		9					6
				8				3
9	5				2	8		
4								

Name:

Client No:

How to play

If you're not familiar with Sudoku, let me briefly explain. Put simply, Sudoku is a number-placement puzzle based on a square grid, typically 9 squares by 9, giving 81 squares in all. The puzzle is further divided (by bold gridlines) into 9 boxes or 'regions', each a square measuring 3 squares by 3. Figures from 1 to 9 (known as 'givens') are already inserted in some of the squares. To complete the puzzle, a player must insert the missing numbers so that each row, each column, and each region contains the numbers 1 to 9 once and once only, without any repeats.

Once you think you have correctly completed the puzzle, tear off this page ensuring your name and client number is correct and return it to us in the enclosed FREEPOST envelope. Please ensure your entry reaches us no later than 29 April 2022.

Competition Rules

- Entries must reach Elson Associates plc no later than 29 April 2022. By submitting their entry, entrants will be deemed to have agreed to be bound by these rules.
- The winner will be notified personally as soon as practical after the date given above.
- The competition is open to all customers on our database except employees of Elson Associates plc, any other company affiliated with Elson Associates plc including the distribution of this newsletter, or any member of their households.
- There is a limit of one entry per client. Responsibility cannot be accepted for entries lost, damaged or delayed in transit.
- The winning entry will be drawn from those that have correctly completed the Sudoku puzzle.
- No purchase is necessary.
- The reward will be a cheque to the winning entrant for £1,000.
- No other prizes will be awarded.

Contact us today

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