Issue date: July 2021

WISE INVESTMENT LIMITED CAUTIOUS

Pershing

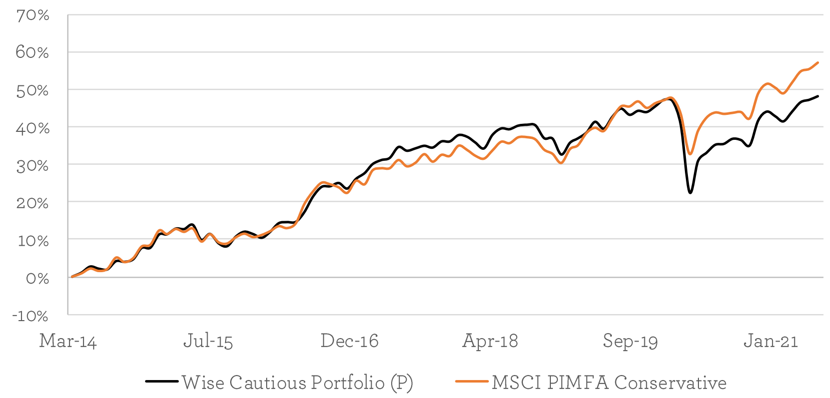
MONTHLY FACTSHEET

all data as at 30th June 2021

PORTFOLIO OBJECTIVES AND STRATEGY

The Wise Cautious Model Portfolio is designed for clients who are looking for a level of income plus capital growth in line with the MSCI PIMFA Conservative index over a 5 to 10 year period, but with lower volatility than could be expected from full exposure to the stock market. We aim to achieve this by investing in a select and focussed list of funds (unit trusts, investment trusts and OEICs), with diversification across geography, asset class and investment style. These funds invest in real assets, such as company shares (listed both in the UK and overseas), property, fixed interest and cash. The Portfolio aims to provide income of 3.0% or more per year. The Portfolio is selected with no more than 60% invested in 'medium' risk assets, such as shares and property. The balance of at least 40% is held in assets defined as 'moderate', 'low' or 'minimal' risk, which are mainly comprised of fixed interest (UK government and higher quality company debt) and cash. No exposure will be allocated to higher risk assets. We therefore consider the portfolio to be suitable for those willing to adopt a cautious risk profile.

PERFORMANCE SINCE LAUNCH (using month-end data)



CUMULATIVE PERFORMANCE

	1m	3m	6m	1yr	3yr	5yr	Launch
Wise Cautious Portfolio (P)	0.6%	2.8%	2.8%	9.6%	6.3%	26.4%	48.1%
MSCI PIMFA Conservative	1.1%	3.5%	3.7%	9.3%	15.9%	31.7%	57.2%

DISCRETE ANNUAL PERFORMANCE

	30/06/2020 30/06/2021	30/06/2019 30/06/2020	30/06/2018 30/06/2019	30/06/2017 30/06/2018	30/06/2016 30/06/2017
Wise Cautious Portfolio (P)	9.6%	-5.2%	2.3%	4.3%	14.0%
MSCI PIMFA Conservative	9.3%	1.1%	4.9%	4.8%	8.5%

PORTFOLIO MANAGEMENT

ROBERT BLINKHORN

Head of Investment Management

Robert joined Wise Investment in July 2017 and has 18 years' experience in managing private client multi asset class portfolios. His main responsibility is the selection of suitable investments for portfolios and ensuring our investment service meets your requirements. Robert is a member of the CFA Society of the UK and has successfully passed the examinations for all three levels of the Chartered Financial Analyst qualification.

Key Portfolio Details

Launch Date	28th March 2014
Holdings	11
Historic Yield[1]	1.7%
Volatility[2]	10.3%
Benchmark	MSCI PIMFA Conservative
Model OCF[3]	0.5%
Service Charge[4]	1.9%

Contact Details

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All data used on this factsheet is supplied by Financial Express. Rounding may result in charts and tables not adding up to 100% in displayed data. Performance is based on total returns on a bid-to-bid basis, net of UK dividend tax credits and is calculated referencing a model portfolio. Actual portfolio statistics may differ because of investment performance, cash movements, transaction costs and the timing of sales and purchases within the portfolio. Quoted performance does not include fees levied by Wise Investments Ltd or any fees from custodial services. Service fees will apply. Past performance is not a reliable indicator of future results. This document should not be construed as an investment recommendation.

1 The Historic Yield is the weighted average yield of the model based on the model's current constituents

2 Volatility is the annualised monthly volatility of the model portfolio to the most recent month end over a 3 year period or since launch if this period is less than 3 years

3 The Model OCF calculates the annual charges levied by the underlying fund holdings according to the model portfolio weights

4 The Service Fee incorporates the model OCF, the standard non-tiered annual fees levied by Wise Investments Limited and custodian fees, of which this is the highest possible fee. Further details of these charges are disclosed to clients investing in the model portfolios.

MONTHLY COMMENTARY

In June, global equities were higher by 4.4% in sterling terms, with a combination of equity market and foreign currency appreciation driving returns. Leading performance was the US equity market where roughly half of the returns came from a strengthening dollar and the remainder from market price appreciation. The US dollar has risen as the Federal Reserve has begun to introduce the prospect of rate hikes over the next few years in response to the economy healing from the impact of Covid. The United States appears to be ahead of most other nations in terms of recovery with corporate earnings reaching new all-time highs, although some of this will be deferred spending from the lockdown period and there may also be some reversal of reserves set aside by businesses that had initially taken a more cautious view of the impact of the pandemic on their earnings. Yet, regardless of the extent that these factors may be impacting the earnings numbers, the United States appears to be leading the rest of the developed world. That said, as we have noted many times in these monthly reviews, this recovery appears to have been already very much priced in by investors. In addition, there also seems to be substantial optimism around future earnings growth priced into markets. This may be justified, but history teaches us that the path of equity prices can be volatile and price direction can change rapidly. As ever though, the future factor or factors that might cause investors to alter their current perception is unclear, but we feel a more circumspect approach at this point is appropriate.

Physical UK property delivered positive returns whilst listed securities were flat overall. Open ended funds that invest directly into physical property and the investors in them continue to wait for clarity from the regulator, the Financial Conduct Authority, as to how these funds will be managed in the future. The suspension of trading in property unit trusts has, in recent times, been triggered by the Great Financial Crisis in 2007, the vote to leave the European Union in 2016 and the effect of the Covid lockdown in 2020. This has raised the question over the suitability of providing daily dealing on funds that hold illiquid assets such as physical property. Consequently, the regulator is consulting on the possibility of applying much longer liquidity terms of up to 6 months on funds that invest mainly into physical property. This may create challenges for asset managers with retail clients to continue to access property in the same manner. Such a change would not be expected to have a great impact on property values per se as a relatively small proportion of the commercial property stock in the UK is held via retail-oriented daily dealing funds, although it could (perhaps rather ironically) trigger a wave of redemptions from the affected funds.

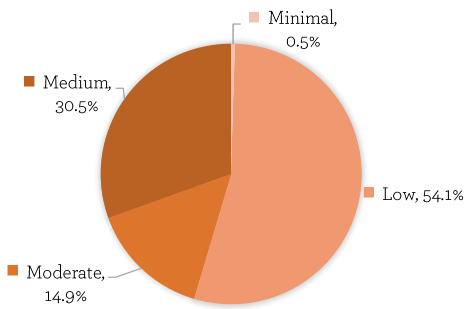
UK fixed interest securities generally performed well. High yield bonds and credit were slightly ahead of UK Gilts as market rates contracted slightly and risk appetite remained firm for corporate bonds. Credit spreads remain low reflecting similar enthusiasm for corporate bonds as can be observed in equity markets. Low interest rates, monetary and fiscal stimulus, corporate support and a trajectory for economic recovery out of the social restrictions implemented last year are keeping animal spirits high. Yet, as noted above, investor sentiment can change rapidly. With that in mind we continue to look for areas where we can gradually crystallise gains and protect capital in your portfolio to reinvest as and when these spirits darken and prices become more attractive.

As first reported in the 30 June 2020 factsheet commentary, generating income in current markets continues to be a challenge and the weighted average yield on the portfolio is currently running below the target yield. We continue to monitor this closely and to balance the demands of the yield target with the objective to achieve capital growth.

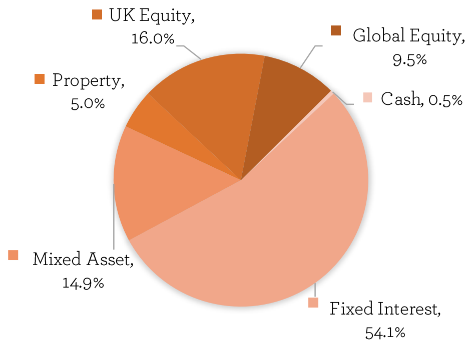
HOLDINGS

Security	Weight	OCF
Royal London Short Duration Gilts	12.4%	0.22%
M&G Strategic Corporate Bond	11.9%	0.41%
TwentyFour Absolute Return Credit	14.9%	0.35%
L&G All Stocks Gilt Index Trust	14.9%	0.15%
BNY Mellon Real Return	14.9%	0.80%
BMO Property Growth & Income	5.0%	1.02%
Trojan Income	8.5%	0.86%
TB Wise Multi-Asset Income	7.5%	0.67%
TB Evenlode Global Income	6.0%	0.55%
M&G Securities Global Dividend	3.5%	0.66%
Cash	0.5%	0.0%

ASSET RISK



ASSET ALLOCATION



IMPORTANT INFORMATION