



The Master Portfolio Service for Clients of Intermediaries

Quarterly Fact Sheet (end December 2020)

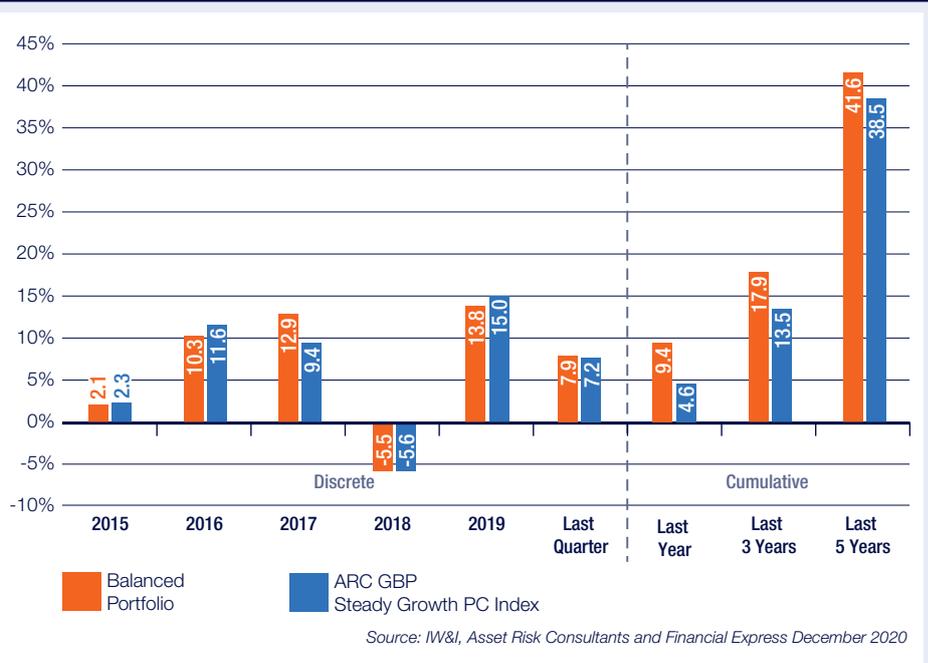
Balanced Portfolio

This is designed for clients looking for a blend of capital growth combined with a reasonable degree of income. It invests in a blend of domestic and international asset classes, particularly equities and bonds. These may be supported by other asset classes such as commercial property and hedge funds, when appropriate.

Market Commentary 31st Dec 2020

US equity indices led the way in 2020. This was not down to better management of Covid or the economy, but more to do with having the right stock and sector exposure for the times. The Information Technology sector accounts for around 27% of the market's weighting. Should a broader-based global recovery take hold in 2021, the US would be a laggard, in all probability. The other side of the coin with the US as "heads" had the UK as "tails". Again, this was as much about market composition as anything, although Brexit could be blamed at the margin for holding back any enthusiasm for more domestically-oriented companies. With the risk of a "No Deal" outcome now behind us, there is potential for global investors to return to the UK after several years of net disinvestment. Europe's big win in 2020 was agreeing a €750bn stimulus package. The election of Joe Biden would also appear to reduce the threat of a damaging trade war with the US. China remains the "big beast" in EM, accounting for 41% of the weighting. Should the global economy recover as expected in 2021, EM is well placed to benefit from a bounce in international trade. A weaker dollar, resulting from loose fiscal and monetary policy in the US, would provide the icing on the cake. Thanks to the continued support of central bank purchases and regulation-driven institutional ownership, government bond yields remain lower than they might be if left to their own devices. This situation might well persist for a while yet. The longer term challenge for investors will be to generate returns in a balanced portfolio sufficient to meet their future needs from a starting point of very low prospective returns from the fixed income allocation. To use the industry jargon, investors will have to spread their net wider to "extract risk premium". The longer the horizon, the more risk and volatility that can be tolerated. Return without risk is not an option. Or, as the great Wayne Gretzky put it in ice-hockey parlance: "You miss 100% of the shots you don't take".

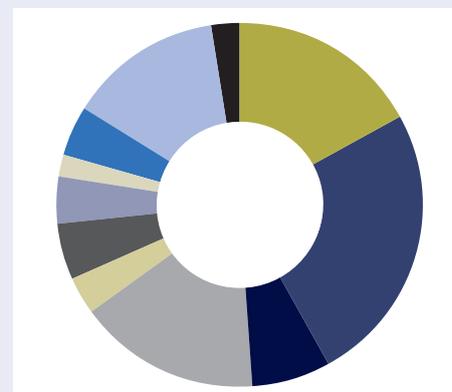
Performance Figures up to 31/12/2020



The MPS performance figures are calculated from the average return of all portfolios from intermediary clients only, on a total return basis, net of all IW&I's charges.

Please remember that past performance is not a reliable guide to the future and that previous periods of favourable performance will not necessarily be repeated in the future.

Asset Allocation



Fixed Interest	17.0%
Equities	62.5%
U.K.	25.0%
Europe	7.0%
U.S.	16.0%
Japan	3.5%
Far East	5.0%
Emerging	4.0%
International	2.0%
Property	4.5%
Hedge/Alternatives	13.5%
Cash	2.5%

Source: Investec Wealth & Investment December 2020

Costs & Charges

AMC: 0.85% (Plus VAT)

Minimum Fee: £500 (Plus VAT)

Transaction costs: Nil

Estimated Cost of underlying holdings: 0.66%

Estimated Portfolio Charge: 1.68% (inc. VAT on IWI fee)

Estimated Yield: 1.8%

Portfolio Holdings

Fixed Interest

UK Fixed Interest

Allianz Gilt Yield Fund
Jupiter Strategic Bond Fund

Overseas Fixed Interest

iShares Global Government Bond ETF
Standard Life Short Dated Global Index Linked Bond Fund
L&G High Income Trust

Equities

UK Equities

Jupiter UK Special Situations Fund
Liontrust Special Situations Fund
Vanguard FTSE 100 ETF
Threadneedle UK Equity Income Fund

Japanese Equities

Baillie Gifford Japan Fund

Emerging Markets

Hermes Global Emerging Markets Fund

European Equities

Miton European Opportunities Fund
Henderson European Selected Opportunities Fund

US Equities

JP Morgan US Equity Income Fund
Baillie Gifford American Fund
Vanguard S&P 500 ETF

Far East Equities

Schroder Asian Income Fund
Vontobel Sustainable Asian Leaders Fund

International Equities

Scottish Mortgage IT

Commercial Property

UK

UK Commercial Property IT
iShares Target UK Real Estate

Alternative Assets

Fortem Capital Progressive Growth Fund
International Public Partnership IT
NB Uncorrelated Strategies Fund
iShares Global Infrastructure ETF
Gold Bullion

Changes in the 4th Quarter

There were no significant changes to either the asset allocation or underlying holdings during the quarter.

Discrete Calendar Year Performance. Percentage change (total return) in sterling terms.

Volatility of Portfolio Drawdown of Portfolio

	2014	2015	2016	2017	2018	2019	2020	3 Year	5 Year	3 Year	5 Year
Balanced Portfolio	4.9	2.1	10.3	8.6	-5.6	13.8	9.4	10.4	8.1	13.1	13.2
WMA Balanced	7.2	2.7	17.2	9.9	-5.6	16.2	2.0				
IA Mixed 40-85% in shares	4.9	2.7	12.9	10.0	-6.1	15.8	5.3				
Investec Benchmark	-	-	-	-	-4.5	15.5	1.2				

Source: IWI and Financial Express Asset Risk Consultants December 2020

Important Information

This factsheet has been prepared for information purposes only and does not constitute advice or a personal recommendation.

The MPS performance figures are calculated from the average return of all portfolios from private clients only, on a total return basis, net of all IW&I's charges. You should remember that the value of investments and the income from them can fall as well as rise. Please remember that past performance is not a reliable guide to the future and that previous periods of favourable performance will not necessarily be repeated in the future. We would also refer you, particularly, to the Risk Statement set out in the main Master Portfolio Service brochure. Before proceeding to invest on the basis of this factsheet, you should obtain specific advice on the suitability of the investment in the light of your personal circumstances. The benchmark figures are supplied by Exshare and are on a total return basis. The IA performance numbers are the Investment Association sector averages as provided by FE Analytics. If you would like further information on the new benchmarks, please refer to our 'Managing Your Investments brochure' which has previously been issued to you, or contact your local investment manager.

The composition of the portfolio may not be a true reflection of the benchmarks, which are provided for comparison purposes only.

The data used to calculate the performance figures consists of all of our discretionary managed clients with a portfolio value greater than £200,000 and where there are no embargoed stocks. Both the ARC PCI and the IW&I PCI are calculated on a simple average basis. Classification of portfolios is carried out by ARC using historic risk relative to the risk of global equities. ARC's risk categories may not match the risk and return objectives of all underlying portfolios. All data is net of fees. Average performance data will not necessarily reflect the returns achieved by individual portfolios. The information on which the document is based is deemed to be reliable, but we have not independently verified such information and we do not guarantee its accuracy or completeness. The cumulative ARC figures are finalised to the end of the previous quarter, and are an estimate thereafter.