

30 April 2024

OEIC

Scottish Widows Balanced Income Portfolio A Acc

Fund Objective

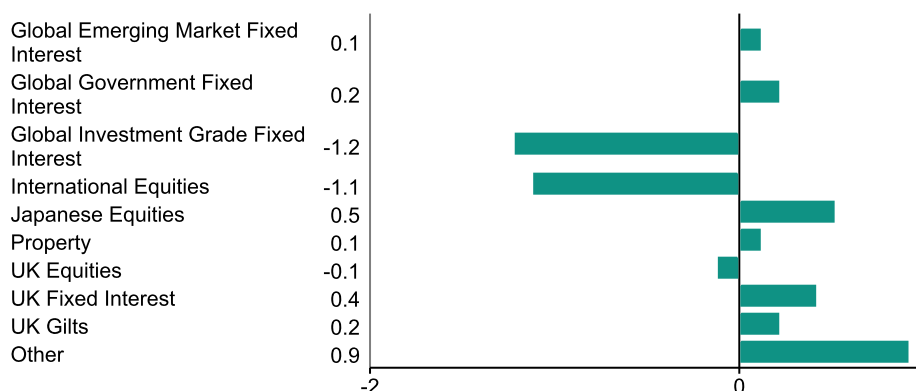
To provide an income and the potential for capital growth by investing in regulated collective investment schemes. These collective investment schemes will provide exposure to fixed interest securities, together with exposure to a mix of asset classes (including shares, property and cash) and absolute return strategies. We do not quote a benchmark or outperformance target for the Fund. This is because the asset allocation of the Fund will change over time. Many funds sold in the UK are grouped into sectors by the Investment Association (the trade body that represents UK investment managers) to help investors compare funds with broadly similar characteristics. Investors may wish to consider the performance of the Fund by looking at the performance of the "Mixed Investment 0-35% Shares Sector" which as of June 2020 has a broadly similar allocation to shares, fixed interest securities and cash. The Fund may not always align with this sector and any changes will be notified via our website, accessible via the Fund Changes link. For further information on this fund's policy and objectives, please refer to the Key Investor Information Document or the Prospectus. These documents can be accessed via the following links:

'KIID'
'Prospectus'
'FI and MA Fund Changes'
'ESG Metrics'

Asset Allocation (as at 28/03/2024)



Asset Allocation Relative to Strategic Asset Allocation (as at 28/03/2024)



The composition of asset mix and asset allocation may change at any time and exclude cash unless otherwise stated

This document is provided for the purpose of information only. This factsheet is intended for individuals who are familiar with investment terminology. Please contact your financial adviser if you need an explanation of the terms used. This material should not be relied upon as sufficient information to support an investment decision. The portfolio data on this factsheet is updated on a quarterly basis.

Information Statement

We're allowing access to a wider range of underlying funds to this Fund such as property, funds using absolute return strategies and funds from other investment managers. Please see our FI and MA Fund Changes web page for more information. Prior to 21 June 2021 this fund was known as the Dynamic Income Portfolio. We have changed the name of the fund to better represent the fund's objectives and strategy. Scottish Widows produce Environmental, Social and Governance themed fund metrics. Selected data can be found using the ESG metric link.

Basic Fund Information

Fund Launch Date	28/06/1990
Fund Size	£262.3m
Sector	IA Unclassified
ISIN	GB0031958845
MEX ID	TSSEAA
SEDOL	3195884
Manager Name	Philip Chandler
Manager Since	28/02/2020
Yield	3.3%

Top Ten Holdings

(as at 28/03/2024)	
SCOTTISH WIDOWS UK AND INCOME NPV	9.7%
SW CORP BOND W ACC	9.4%
HALIFAX CORPORATE BOND-I-INC	9.3%
SW UT MGR GLOBAL GROWTH X ACC	9.3%
SW HIGH INC X ACC	8.8%
SCHRODER STERLING SHORT DURATION BOND FUND X INCOME SHARES	8.1%
BCIF GLB CORP BOND ESG INSIGHTS	5.9%
BLK ACS CLIMATE TRANS WLD EQ X4	4.4%
SCOTTISH WIDOWS UNIT TRUST MANAGERS CORPORATE BOND 1 W ACC	4.4%
SW INTL BOND W ACC	4.4%
TOTAL	73.7%

Past Performance



Scottish Widows Balanced Income Portfolio A Acc

Past performance is not a guide to future performance. Investment value and income from it may fall as well as rise, as a result of market and currency movements. You may not get back the amount originally invested.

Discrete Performance

	31/03/2023 - 31/03/2024	31/03/2022 - 31/03/2023	31/03/2021 - 31/03/2022	31/03/2020 - 31/03/2021	31/03/2019 - 31/03/2020
Scottish Widows Balanced Income Portfolio A Acc	7.9%	-6.8%	1.9%	16.1%	-8.4%

Information is shown as unavailable if prior to the launch of fund.

Cumulative Performance

	31/03/2024 - 30/04/2024	31/01/2024 - 30/04/2024	30/04/2023 - 30/04/2024	30/04/2021 - 30/04/2024	30/04/2019 - 30/04/2024
Scottish Widows Balanced Income Portfolio A Acc	-0.6%	1.9%	6.5%	0.4%	6.9%

Source: FE fundinfo as at 30/04/2024

Performance figures are in £ Sterling on a single pricing basis, with income (where applicable) reinvested gross of UK tax and net of total annual fund charges. These figures do not include any initial charge or other product charge(s) that may be applicable.

Fund Rating Information

Overall Morningstar Rating
Morningstar Medalist Rating
FE fundinfo Crown Rating

Neutral

The FE fundinfo Crown Rating relates to this fund. However, the Morningstar ratings are based on the underlying fund. These are supplied by the respective independent ratings agencies and are the latest available at the time this factsheet was issued. Past performance is not a reliable indicator of future results.

Other Information

The views, opinions and forecasts expressed in this document are those of the fund manager. Investment markets and conditions can change rapidly and as such the views expressed should not be taken as statement of fact, nor should reliance be placed on these views when making investment decisions.

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Not all products have access to this fund, please refer to the relevant product literature. Full terms and conditions are available on request from us using the contact details provided. Charges, terms and the selection of funds we make available may change. Information on the general and specific risks associated with investing in this fund is available in the relevant fund guide, or KIID where applicable. All information is sourced from Scottish Widows or the relevant fund management group unless otherwise stated.

Quarterly Fund Manager Review

At the start of the quarter an overweight German vs Italian government bonds position was added. We identified an attractive entry point for German government bonds as they appeared oversold and Italian government bonds, the underweight side of the trade, could be vulnerable to a dilution in risk appetite. To try and benefit from the potential volatility that may arise when central banks do begin to cut interest rates an overweight US inflationary-linked bonds versus US 10-year government bonds position was opened in early January reflecting our view that too little is priced into inflation expectations as disinflationary base effects fade. Another bond trade was overweight US 10y vs US 30yr government bonds position that was added over the period. The team believed the end of the hiking cycle had arrived, markets may price in an easier US Federal Reserve policy in the future which could mean that the curve will steepen. Additionally, the curve traditionally tends to steepen in a slowdown environment and this trade provides some protection should the market question the sustainability of the level of borrowing from the US Government. This trade was held into quarter end. Also, in January an overweight US dollar versus euro position was added. The US dollar had weakened on expectations that the Federal Reserve (Fed) would start cutting interest rates. We were more hawkish than the market hence, the position was established as a positive carry hedge against a less proactive Federal Reserve. In February, an overweight US, Eurozone and Japanese equities position was opened. The US part was motivated by growing consumer confidence, resilient growth, and core inflation trending towards the Feds target level. Regarding Eurozone equities, both attractive valuations and the recent upturn in manufacturing data were behind the upgrade. Japanese equities had a solid fundamental picture and competitive earnings growth. The overweight equities position was funded by moving underweight global corporate bonds. Towards the end of the period, an overweight Australian dollar versus euro position was established. The trade was predicated on a recovery in the global manufacturing cycle, which the Australian dollar is closely linked to.

Philip Chandler 31/03/2024

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