

Quarterly update—ending 31<sup>st</sup> January 2024

### Investment objective

The objective of the Fund is to provide returns through a combination of capital growth and income over a market cycle (5 years). The fund will primarily gain exposure indirectly via eligible collective investment schemes and other collective investment vehicles (for example, investment companies, exchange traded funds) and may also invest directly in eligible assets (excluding property and commodities). Derivatives will be used only for the purpose of Efficient Portfolio Management.

### Fund manager



#### James Kempster

James has over 20 years experience building and managing multi-asset investment portfolios. Beginning his career at Canada Life, he has more recently worked with financial advice firms to create managed portfolio solutions for end clients.

### Indicative risk rating



### Fund managers' commentary

Following a positive market rally at the end of 2023, we entered 2024 on the cusp of what could be a period of monetary policy adjustment. Leading central banks in the west are anticipated to begin reducing interest rates which rose significantly to counter high levels of inflation caused by our emergence from pandemic lockdowns. While there is a broad consensus that the era of increasing rates is likely over for now, predicting the specific path of individual central banks from here remains challenging.

Among developed economies, the United States appears to be in the strongest position, boasting an economic growth rate for the final quarter of 2023 of 3.3%, well ahead of initial forecasts of 2%. US stock markets recently reached all-time highs, fuelled by the continued performance of the "Magnificent Seven" - a group of prominent tech companies made up of Alphabet, Amazon, Apple, Meta, Microsoft, NVIDIA, and Tesla. Should central banks act as anticipated, this could further bolster markets, but we need to be mindful about what might happen if that doesn't turn out to be the case.

### Performance summary as at 31/01/2024

	3 MONTHS	6 MONTHS	1 YEAR	3 YEARS	5 YEARS	MANAGER START DATE
Discovery Balanced Fund C Acc	7.36%	3.33%	4.18%	3.36%	17.11%	33.16%
IA Mixed Investment 40%-85% Shares	8.45%	3.69%	4.41%	8.09%	27.21%	56.86%

### Three year performance to 31/01/2024



**Past performance is not a reliable guide to future performance.**

IA sector source: FE fundinfo. All figures quoted are on a total return basis with income reinvested. The fund manager start date was 01/12/2014.

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## Key facts

Inception Date	21/03/2005
Number of holdings	32
Ongoing charge figure (C)	1.11%
Estimated yield (C Acc)	2.18%
Fund size	£87.90m
ISIN (C Acc)	GB00BYN66598

## Current asset allocation

Alternatives	10.57%
Cash	3.54%
Fixed Interest	18.39%
UK Equities	21.14%
International Equities	35.56%
Property & Infrastructure	6.89%
Multi-Asset	3.90%

## Top 10 holdings as at 31/01/2024

HSBC FTSE 100 Index	9.39%
HSBC American Index	7.04%
Aviva Investors Multi-Strategy Target Return	5.59%
First Sentier Global Listed Infrastructure	4.62%
iShares Overseas Corporate Bond	4.60%
Schroder US Smaller Companies	4.10%
M&G Global Dividend	3.97%
Artemis High Income	3.90%
Legal & General All Stocks Gilt	3.80%
Liontrust Special Situations	3.00%

## About Hawksmoor Investment Management

Hawksmoor Investment Management is an award winning multi-manager investment management business. As a multi-manager business it specialises in identifying the very finest investment talent from around the world and then blending and combining these managers together to create robust, diversified portfolios. Hawksmoor Investment Management have developed their own bespoke manager selection and asset allocation processes and also undertake extensive due diligence on all of the managers before including them in the Discovery Funds.

## Disclaimers

## FOR PROFESSIONAL ADVISERS ONLY

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