

# TB Doherty Balanced Managed Fund

## Quarter 2 2022

Before making an investment you should ensure that you have read and understood the relevant Key Investor Information document, these can be found at [www.tbbaileys.co.uk](http://www.tbbaileys.co.uk)

Information in this factsheet is at the last valuation point in June 2022 (except where indicated)

Please ensure you read the risk warnings section overleaf.

## Investment Aim/Objective

The Fund aims to achieve capital growth in excess of the Consumer Prices Index plus 3% per annum over 5-year rolling periods whilst maintaining a relatively controlled level of volatility.

The Fund invests in a range of collective investment schemes ("funds") that are exposed to a range of asset classes on a global basis. The Investment Manager's bias is towards actively managed funds although the Fund may also invest in passively managed funds (e.g. index tracking funds). The funds may include those managed or operated by the ACD and its associates.

At least 40% of the Fund will usually be exposed to shares. Typically, between 25% and 60% of the Fund may be exposed to fixed income securities, such as corporate and government bonds, and cash.

Exposure will be gained by investing in funds that either specialise in a particular geographic sector (e.g. for equity funds - UK, US, Europe, Asia Pacific, Japan, Global), asset class (e.g. bonds) or investment theme (e.g. investing in absolute return strategies, or in companies specialising in the energy of technology sectors). The Fund may obtain indirect exposure via the underlying funds to alternative asset classes such as property and companies that specialise in commodities.

The Investment Manager will vary the weighting of the asset classes and global exposures to which the Fund is exposed, taking account of market conditions.

The Fund is managed to sit within the Investment Association's Mixed Investment 40-85% Shares Sector. This means that the Fund's assets will reflect any requirements from time to time of the sector. As the Fund has indirect exposure to the assets held within the funds in which it invests, it will comply with these requirements on a "look through" basis.

Managed by

**Doherty**  
Pension & Investment Consultancy Ltd



Gavin Curran

## Investment Manager

Doherty Pension & Investment Consultancy Limited

### Fund Manager

Gavin has worked in the investment management business for over fifteen years. This has involved every aspect of investment management, from currency trading to stock broking and latterly fund management. In his current role Gavin created Doherty PIC Ltd ABC Fund of Funds Portfolios in January 2004 and has managed these portfolios on an advisory basis from launch. During his tenure of the ABC portfolios, Gavin delivered outperformance during periods of both rising and falling markets.

#### Experience

Doherty PIC Ltd	2006-Present
Abbey National Plc	2005-2006
Doherty PIC Ltd	2002-2005
NCB Stockbrokers	2000-2002
Ulster Bank Investment & Trustee Services	1997-1999

#### Qualifications

Institute of Securities Diploma: Fund Management, Investment Analysis	2008
Private Client Investment Advice	
Financial Planning Certificate (FPC)	2002
SFA Registered Representative	1999
Institute of Bankers Diploma	1997-1999
BA Hons Banking & Finance	1994-1997

## Fund Manager Commentary

The second Quarter of 2022 saw both shares and bonds come under further pressure as investors moved to price in further interest rate rises, whilst weighing up the risk of recession. The inflationary pressures that we have been exposed to domestically became increasingly prevalent in many major economies during the quarter. Among equities, the "Value" sector outperformed its "Growth" counterpart with growth succumbing to sharp falls.

During the quarter the Federal Reserve took aggressive steps to try and control inflation and also indicated similar steps will be needed in July and throughout the second half of the year. The aggressive nature of the rate rises has opened the door to the potential for a technical recession. The policy tightening actions are already showing up in slowdowns in various parts of the economy, from the services to the manufacturing sectors and the mortgage markets as rates are bid up.

During the quarter the Dollar rose significantly against its peers leading to commodities struggling to maintain the positive momentum from the first quarter. This could prove to be a headwind for equities going into earnings season as the impact of a strong dollar on global revenues will be an added pressure to an already weakened outlook.

Whilst the US battles interest rates and inflation, the Eurozone has the added worries around the Ukraine conflict and the concerns around energy and gas supplies. Continued disruption to gas supplies due to the war in Ukraine saw Germany move to phase two of its emergency energy plan. The next phase would involve rationing gas to industrial users, and potentially households as well. Expectations are for the ECB to lift interest rates at its meeting on 21 July, with a further rise likely in September.

In the UK "peak inflation" is expected to reach 11%. The Bank of England were one of the first Central Banks globally to act on the interest rate front and as such this may have reduced the need to act as aggressively as the US. The downside of course is the interest rate differential expectation has led to the weakening of the Pound against the Dollar. During the quarter the UK market, particularly the more defensive large companies have held up reasonably well relative to the high growth focused US and European markets. In this environment our Balanced and Cautious Funds have outperformed as our traditionally "Value Focus" proved to be supportive in a market where all asset classes have suffered.

During the quarter I started to change the tilt on the portfolio towards the sectors that have been hardest hit during the recent sell-off. I sold our holding in the defensive Fidelity American Special Situations Fund and reinvested the proceeds into the Royal London US equity and the M&G UK income distribution Fund. In the Balanced Fund I also utilised our cash to add the SVM Continental Europe Fund.

Going into quarter end we are fully invested and as expected following the sharp sell-off, the markets have benefitted from a technical rebound. In the short term I expect further volatility however as inflationary pressures ease, markets will start to reprice rates and hopefully the recessionary expectations are short lived as growth rebounds globally.

## Fund Prices

Fund Class	ISIN	Latest Price*	Launch Price	OCF %**
A Accumulation	GB00B4MTNF86	184.40	100.00	2.48
B Accumulation	GB00B92M7160	158.14	100.00	1.98

Shares can be held as an OEIC investment or within an ISA/JISA wrapper.

\*Prices are published daily at [www.tbbaileys.co.uk](http://www.tbbaileys.co.uk)

\*\* Ongoing Charges Figure (OCF) (Based on 31 January 2021 audited accounts)

## Key Fund Facts

Fund Launch Date	1 June 2009
Fund Size	£11.7m
Share Type	Accumulation
Base Currency	Sterling
Pricing Frequency	8:00am, daily
IA Sector	Mixed Investment 40%-85% Shares
Charges	Initial up to 5.00%, Annual 1.5%
Accounting Date	31 January
Minimum Investment Levels	£1,000 initial lump sum or £50 per month regular saverACD
	T. Bailey Fund Services Limited (FCA No: 190293)

## Performance

### Past performance

	Cumulative to last valuation point in June 2022 (%)					Discrete annual performance to end of June (%)				
	6 months	1 year	3 years	5 years	From Launch	2022	2021	2020	2019	2018
TB Doherty Balanced Managed B Acc	(9.05)	(4.47)	10.51	11.44	93.39	(4.47)	19.04	(2.82)	0.13	0.71
CPI plus 3%	6.24	11.52	22.06	35.24	105.36	11.52	5.56	3.69	5.04	5.48
IA Mixed Investment 40-85% Shares	(10.81)	(7.16)	8.77	18.18	136.53	(7.16)	17.29	(0.11)	3.62	4.85

### Rolling 5 year periods

	2022	2021	2020	2019	2018
TB Doherty Balanced Managed Fund B Acc	11.44	28.25	16.18	26.05	33.26
CPI plus 3%	35.24	31.58	25.65	24.82	24.78
IA Mixed Investment 40-85% Shares	18.18	47.84	28.44	37.34	43.36

### Performance Since Launch (1 June 2009)

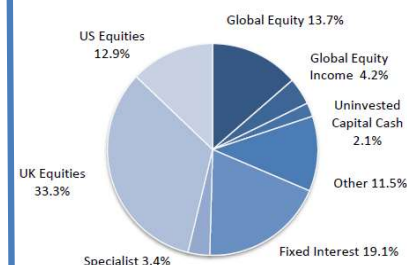


Total Return, Bid to Bid, Tax UK Net, Sterling Terms. Source: T. Bailey Fund Services Limited/Financial Express Analytics. Past performance is not a reliable indicator of future results. The value of your investment and the income derived from it can go down as well as up and you may not get back the money you invested.

### Top 10 Holdings

Fund	Sector	%
Fidelity Special Sit W Acc	UK Equities	12.52%
Royal London US Tracker Z Acc	US Equities	8.74%
M&G UK Inflkd CpBnd I Acc	Fixed Interest	8.56%
Rathbone Income Fund I Acc	UK Equities	7.93%
Sarasin GlbHhDiv£H P Acc	Global Equity	7.62%
Schroder Recovery Z Acc	UK Equities	6.96%
Premier Miton Strtgc Mthly Income	Other	6.45%
Vanguard FTSE DvWexUK Acc	Global Equity	6.05%
Aegon Ethical Equity B Acc	UK Equities	5.91%
Invesco Perp Gl Fin Cap-zra	Fixed Interest	5.26%

### Asset Allocation



### Risk Warnings

This document has been produced for information only and represents the views of T. Bailey Fund Services Limited and Doherty Pension & Investment Consultancy Limited at the time of writing. It should not be construed as investment advice. Full details of the TB Doherty Funds, including risk warnings, are published in the TB Doherty Funds' Prospectus, the Key Investor Information documents and the Supplementary Information document, available from [www.tbaileys.co.uk](http://www.tbaileys.co.uk). The TB Doherty Funds are subject to normal stock market fluctuations and other risks inherent in such investments. The value of your investment and the income derived from it can go down as well as up, and you may not get back the money you invested. Investments in overseas equities may be affected by changes in exchange rates, which could cause the value of your investment to increase or diminish. Capital appreciation in the early years will be adversely affected by the impact of initial charges and you should, therefore, regard your investment as medium to long term.

**Past performance is not a reliable indicator of future results.** Every effort is taken to ensure the accuracy of the data used in this document but no warranties are given. All sources Doherty Pension & Investment Consultancy Limited and T. Bailey Fund Services Limited unless otherwise stated.

Issued by T. Bailey Fund Services Limited. Please note that T. Bailey Fund Services Limited do not provide financial advice to private individuals. If you have any doubt whether the TB Doherty Funds are suitable for you and you wish to receive advice you should contact Doherty Pension and Investment Consultancy Limited on 0289 053 3350.

T. Bailey Fund Services Limited is authorised and regulated by the Financial Conduct Authority No. 190293 and is a member of The Investment Association.

# TB Doherty Balanced Managed Fund



To place a deal or  
for further information call

**0115 988 8267**

E-mail requests to:

[clientservices@tbaileys.co.uk](mailto:clientservices@tbaileys.co.uk)

Before making an investment  
you should ensure that you  
have read and understood the  
relevant Key Investor Information  
document, these can be found at  
[www.tbaileys.co.uk](http://www.tbaileys.co.uk)

64 St James's Street  
Nottingham  
NG1 6FJ

[www.tbaileys.co.uk](http://www.tbaileys.co.uk)