

# WS KLEINWORT HAMBROS MULTI ASSET BALANCED FUND

## Investment Objective and Policy

The Fund aims to achieve long term equity returns with a moderate level of risk. The Sub-fund will seek to achieve its objective by investing directly through a well-diversified portfolio of equities, bonds, money market instruments, cash, derivative instruments, forward transactions, collective investment schemes and other instruments listed on a Recognised Investment Exchange.

## Market commentary

US investors reappraised their interest rate expectations during April as inflation proved to be stubbornly persistent, with the CPI rising to 3.5%. While US economic activity slowed the Fed may have to delay rate cuts to later in the year. Consequently, the US 10-year bond yields rose by around 40bps to 4.6% during the month.

UK inflation continues to decelerate, falling to 3.2% in March. Next month, UK CPI will fall significantly again towards 2% as energy prices fall. UK Composite PMI survey came in at 54, a level which usually indicates quarterly GDP growth of c.0.4%, this may limit the Bank of England's ability to cut rates.

European PMI surveys are picking up across the Continent but in a more subdued fashion as the manufacturing sector continues to see patchy demand from China in particular. As such, monetary easing may well commence before the end of the second quarter.

The fund's equities were the main driver of returns impacted by their US exposure, though the UK and emerging market positions offset some of this. Within the US positions the most disappointing performance came from holdings where the US Dollar exposure had been hedged out to sterling. As the US Dollar continued to strengthen against Sterling, this negatively impacted returns. Post month end we have removed this hedging from the portfolio. Two holdings delivered positive returns Hermes Asia ex-Japan (+2.8%) and iShares FTSE 100 ETF (+2.7%).

The fixed income allocation was a modest detractor with government and investment grade bonds negatively impacted by their duration positioning. Alternatives were broadly flat over the period.

## Definitions

**Government bonds** are loans to governments, which pay interest over their lifetime and are repaid at a given date.

**Credit** refers to the funds combined exposures of Investment Grade and High Yield Credit

**Hedged** refers to the removal of a risk we don't want to take, in this case we have removed the fluctuations of the US Dollar/Sterling exchange rate.

**Investment Grade Credit** refers to loans to companies that pay interest over their lifetime and are repaid at a given date. The level of interest paid is higher than government bonds to compensate for the additional credit risk the lenders are taking.

**High Yield Credit** is the same as Investment Grade Credit, though the borrowers have a lower credit quality. The level of interest paid is higher than Investment Grade Credit to compensate for the additional credit risk the lenders are taking

**Alternatives** are investments that have a low correlation to equity and bond markets.

## Fund details

### Benchmark

Morningstar GBP  
Allocation 40-60% Equity

### Fund classes

Income and Accumulation

### Fund size as at 30 April 2024

£111.3 million

### Base currency

Sterling

### Price listing

Bloomberg

### Bloomberg ticker

Income shares – CFENBAI LN  
Accumulation shares – CFENBAA LN

### Domicile

UK

### Launch date

16 July 2006

### Pricing frequency

Daily

### Structure

FCA Authorised Non-UCITs scheme

### Dividend distribution dates

30 June

### Investment Manager

SG Kleinwort Hambros Bank Limited

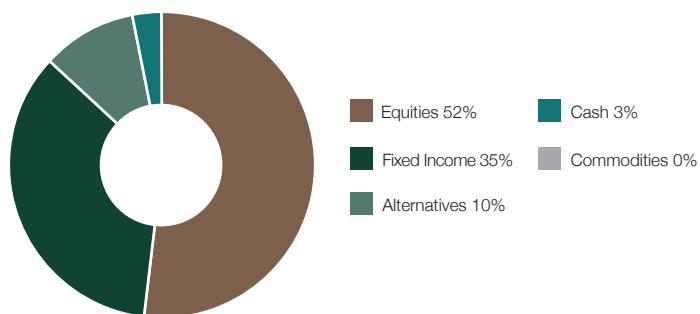
### Authorised Corporate Director

Waystone Management (UK) Limited

### Auditor

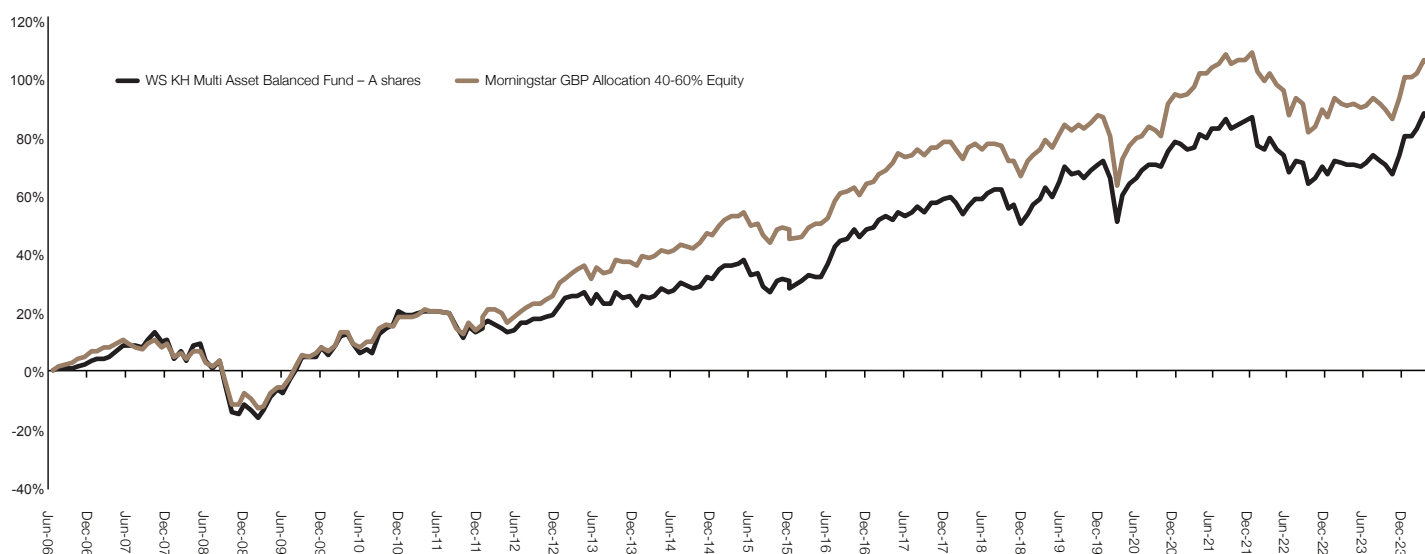
Grant Thornton

## Asset allocation



Source for all data: Kleinwort Hambros (as at 30 April 2024). Actual weighting and investment allocations are subject to change on an ongoing basis and may not be exactly as shown. Investors should understand the different asset classes which make up the strategy as they have different risk characteristics.

## Half-yearly cumulative performance (month-end prices)



Source for all data: Kleinwort Hambros (as at 30 April 2024). Calculation basis: Sterling, bid to bid, total return. All returns in Sterling unless stated otherwise. Actual weighting and investment allocations are subject to change on an ongoing basis and may not be exactly as shown. **Past performance should not be seen as an indication of future performance.**

## Single year fund performance (5 years ending April)

| Apr 19 – Apr 20 | Apr 20 – Apr 21 | Apr 21 – Apr 22 | Apr 22 – Apr 23 | Apr 23 – Apr 24 |
|-----------------|-----------------|-----------------|-----------------|-----------------|
| -1.7%           | 13.2%           | -2.8%           | -3.1%           | 8.6%            |

## Fund performance to 30 April 2024 (%)

| Since launch | 5 years | 4 years | 3 years | 2 years | 1 year | 6 months | 3 months | 1 month |
|--------------|---------|---------|---------|---------|--------|----------|----------|---------|
| 85.0%        | 13.9%   | 15.8%   | 2.3%    | 5.3%    | 8.6%   | 10.8%    | 2.5%     | -1.5%   |

## Monthly returns (%)

| A Shares | Jan   | Feb   | Mar   | Apr   | May   | Jun   | Jul   | Aug   | Sep   | Oct    | Nov   | Dec   | Year   |
|----------|-------|-------|-------|-------|-------|-------|-------|-------|-------|--------|-------|-------|--------|
| 2006     |       |       |       |       |       |       | 0.6%  | 0.3%  | -0.1% | 0.5%   | 0.6%  | 1.4%  | 3.3%   |
| 2007     | 0.3%  | -0.1% | 0.6%  | 1.9%  | 2.1%  | 0.1%  | -0.1% | -0.5% | 2.4%  | 2.1%   | -2.9% | 0.9%  | 6.9%   |
| 2008     | -5.7% | 2.0%  | -2.6% | 4.6%  | 0.8%  | -5.2% | -2.9% | 2.6%  | -7.4% | -10.5% | -0.3% | 3.9%  | -20.0% |
| 2009     | -2.2% | -3.1% | 2.5%  | 6.0%  | 2.3%  | -0.9% | 4.7%  | 3.8%  | 4.3%  | -0.2%  | 0.4%  | 3.1%  | 22.1%  |
| 2010     | -2.5% | 3.0%  | 3.2%  | 0.4%  | -2.6% | -3.2% | 1.3%  | -1.1% | 5.7%  | 1.7%   | 1.3%  | 3.8%  | 11.1%  |
| 2011     | -1.1% | 0.3%  | 0.6%  | 0.7%  | -0.1% | -0.2% | -0.7% | -3.8% | -3.1% | 3.3%   | -1.7% | 1.1%  | -4.7%  |
| 2012     | 0.9%  | 1.1%  | -1.1% | -0.7% | -1.5% | 1.1%  | 2.1%  | 0.4%  | 0.6%  | 0.0%   | 0.6%  | 0.4%  | 3.9%   |
| 2013     | 3.1%  | 2.0%  | 0.7%  | -0.5% | 1.3%  | -3.3% | 2.7%  | -2.4% | 0.1%  | 3.0%   | -1.4% | 0.1%  | 5.4%   |
| 2014     | -2.2% | 2.7%  | -0.6% | 0.5%  | 1.8%  | -0.9% | 0.4%  | 2.0%  | -1.3% | 0.4%   | 2.7%  | -0.7% | 4.7%   |
| 2015     | 2.5%  | 1.0%  | 0.4%  | 0.0%  | 1.1%  | -3.8% | 0.6%  | -3.3% | -1.5% | 3.1%   | 0.5%  | -0.7% | -0.3%  |
| 2016     | -2.0% | 2.1%  | 1.3%  | -0.2% | -0.3% | 3.6%  | 4.4%  | 1.1%  | 0.8%  | 2.2%   | -1.7% | 1.8%  | 13.6%  |
| 2017     | 0.5%  | 1.8%  | 0.6%  | -0.6% | 1.6%  | -0.6% | 0.8%  | 1.0%  | -1.2% | 2.2%   | -0.2% | 0.9%  | 6.8%   |
| 2018     | 0.4%  | -1.2% | -2.6% | 1.8%  | 2.0%  | 0.0%  | 1.3%  | 0.8%  | -0.3% | -3.8%  | 0.6%  | -3.9% | -5.2%  |
| 2019     | 2.1%  | 2.0%  | 1.2%  | 2.5%  | -1.8% | 3.2%  | 3.0%  | -1.4% | 0.2%  | -1.1%  | 1.6%  | 1.1%  | 13.3%  |
| 2020     | 0.7%  | -3.3% | -8.9% | 5.8%  | 2.4%  | 1.3%  | 1.6%  | 1.3%  | -0.1% | -0.6%  | 3.2%  | 1.9%  | 4.5%   |
| 2021     | -0.4% | -1.1% | 0.4%  | 2.7%  | -0.6% | 1.5%  | 0.2%  | 1.7%  | -1.6% | 0.5%   | 0.9%  | 0.5%  | 4.7%   |
| 2022     | -5.0% | -0.9% | 2.3%  | -2.2% | -1.1% | -3.6% | 2.6%  | -0.5% | -1.1% | 1.0%   | 2.4%  | -1.3% | -10.2% |
| 2023     | 2.6%  | -0.3% | -0.6% | -0.1% | -0.2% | 0.5%  | 1.6%  | -0.9% | -1.1% | -1.9%  | 4.0%  | 3.8%  | 7.6%*  |
| 2024     | 0.2%  | 1.4%  | 2.4%  | -1.5% |       |       |       |       |       |        |       |       | 2.7%*  |

\*2024 - Year To Date

Yearly figures compounded

## Descriptive stats from launch date to 30 April 2024

|                                 | WS KH Multi Asset<br>Balanced A | Morningstar GBP<br>Allocation 40-60% Equity | MSCI AC World Net TR<br>(GBP) |
|---------------------------------|---------------------------------|---|-------------------------------|
| Annualised rate of return (ROR) | 3.5%                            | 4.0%  | 9.3%                          |
| Annualised volatility           | 8.1%                            | 7.5%  | 13.3%                         |
| Sharpe ratio                    | 0.3                             | 0.4   | 0.7                           |
| Percent of positive months      | 60.8%                           | 3.1%  | 63.1%                         |
| Maximum drawdown                | -25.7%                          | -21.5%                                      | -34.7%                        |
| Best month (%)                  | 6.0%                            | 5.9%  | 9.4%                          |
| Worst month (%)                 | -10.5%                          | -9.6%                                       | -11.6%                        |

Source for all data: Kleinwort Hambros (as at 30 April 2024). Calculation basis: Sterling, bid to bid, total return. All returns in Sterling unless stated otherwise. Fund returns are based on the A accumulation share class and are actual returns after all fees and expenses are deducted. Actual weighting and investment allocations are subject to change on an ongoing basis and may not be exactly as shown.

Past performance should not be seen as an indication of future performance.

## Fees and charges

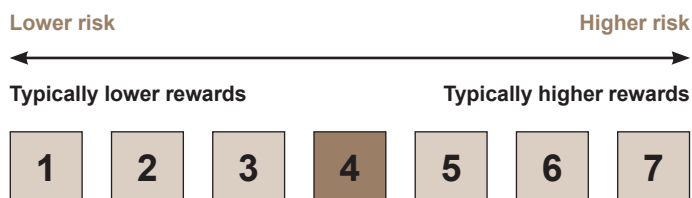
| KH Multi-Asset Balanced Fund |       |                          |          |
|------------------------------|-------|--------------------------|----------|
| Initial charge*              | 7.00% | Ongoing charges figure** | 2.10%*** |
| Performance fee              | 0.00% | Exit Penalty             | 0.00%    |

\* May be waived for clients of SG Kleinwort Hambros.

\*\* This includes fund administration charges. The ongoing charge is reduced to 1.35% for the institutional share class when assets of over GBP 5 million are in SG Kleinwort Hambros managed funds.

\*\*\* Calculated as at 30-Sept-2023. This amount may fluctuate according to fund size and underlying holdings.

## RISK AND REWARD PROFILE



### Why is the fund in the specific category?

This Fund is ranked at 4 because funds of this type have experienced average rises and falls in value in the past.

### The indicator does not take into account the following risks of investing in this Fund:

**Interest Rate Risk:** Fixed interest securities are affected by trends in interest rates and inflation. If interest rates go up the value of capital may fall and vice versa. Inflation will also decrease the real value of capital. The value of a fixed interest security is also affected by its credit rating.

**Counterparty Risk:** As the Fund may enter into structured products agreements there is a risk that other parties may fail to meet their obligations. This may lead to delays in receiving amounts due to the fund, receiving less than is due or receiving nothing.

**Financial Techniques Impact:** The Fund may invest in derivatives. A relatively small movement in the derivative's underlying investment may have a much larger impact, positive or negative, on the value of the fund than if the fund were to hold the underlying investment itself.

**Currency Risk:** As the Fund invests in overseas securities movements in exchange rates may, when not hedged, cause the value of your investment to increase or decrease.

Further details on risk factors that apply to this Fund are set out in the Risk Factors section of the prospectus.

A copy of the prospectus and the Key Investor Information Document (KIID) can be found at:

<https://www.waystone.com/our-funds/waystone-management-uk-limited/>

### Investment Risk

Investments may be subject to market fluctuations and the price and value of investments and the income derived from them can go down as well as up. Your capital may be at risk and you may not get back the amount you invest. Changes in inflation, interest rates and the rate of exchange may have an adverse effect on the value, price and income of investments.

### Important Information

This document is a marketing communication provided for information purposes and does not constitute investment advice or a recommendation. It is not intended for distribution in or into the United States of America nor directly or indirectly to any U.S. person.

### Limitation

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### Marketing

If you do not wish to receive this document in the future, please let your Private Banker know or call us on +44 (0) 207 597 3000. Telephone calls may be monitored or recorded.

### Legal and regulatory information

This document is issued by SG Kleinwort Hambros Bank Limited which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority in the UK. The company is incorporated in England & Wales under number 964058 with registered office at One Bank Street, Canary Wharf, London E14 4SG. Services provided by non-UK branches of SG Kleinwort Hambros Bank Limited will be subject to the applicable local regulatory regime, which will differ in some or all respects from that of the UK. Please see the Information Documents on our website for further information: <https://www.kleinworthambros.com/en/important-information>.

### Compensation schemes

The UK head office and Gibraltar branch of SG Kleinwort Hambros Bank Limited are covered by the Financial Services Compensation Scheme ("FSCS"). Investors and depositors may be entitled to compensation under the Financial Services Compensation Scheme ("FSCS") if Kleinwort Hambros cannot meet its obligations, depending on the circumstances of the claim. Most clients – including most individuals and businesses – are covered by the scheme, up to the limit of £85,000 per person. Full details of the scheme are available at: [www.fscs.org.uk](http://www.fscs.org.uk).

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