Fairstone Charles Stanley 4

Investment Aim

The portfolio is designed to provide risk adjusted returns. It aims to achieve capital appreciation and reduce investment risk through diversification across asset classes and geographies.

This portfolio is managed to maximise risk adjusted returns within a target volatility range of 6.5% and 10% over rolling 10-year time periods. This is not guaranteed, and actual volatility may fluctuate outside of these boundaries.

Ranking the risk on a scale of between 1 and 10, where 1 is the lowest, we place this portfolio as 4.

Investment Growth

Time Period: 01/03/2020 to 28/02/2025

Fairstone Charles Stanley 4	19.7%	IA Mixed Investment 20-60% Shares	19.0%

Cumulative Performance

	1 Year	3 Years	5 Years
Fairstone Charles Stanley 4	7.09%	10.31%	19.70%
IA Mixed Investment 20-60% Shares	8.29%	9.95%	19.02%

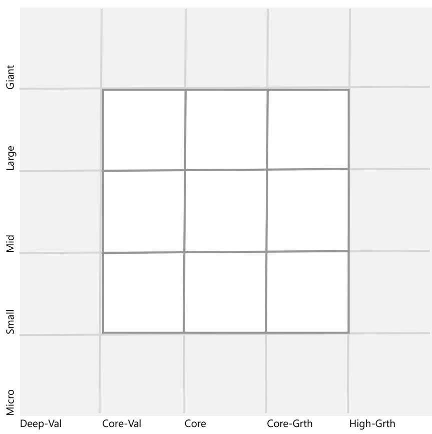
Discrete Year on Year Performance

	0-12m	12-24m	24-36m	36-48m	48-60m
Fairstone Charles Stanley 4	7.09%	5.72%	-2.57%	2.69%	5.68%
IA Mixed Investment 20-60% Shares	8.29%	4.70%	-3.02%	1.59%	6.56%

Portfolio Overview

Portfolio Manager	Charles Stanley
Investment Universe	Open Ended Funds
Yield	2.83%
Portfolio Start Date	20/05/2019
Ongoing Fund Costs	0.34%
Transactional & Incidental Costs	0.13%
DFM Fee	0.25%
Total Portfolio Charge	0.72%

Investment Style Map



Risk Scale

4

Target 10 Year Volatility

This portfolio is managed to maximise risk adjusted return within a target volatility range of between 6.5% and 10.0% over a rolling 10-year time periods.
This is not guaranteed, and actual volatility may fluctuate outside of these boundaries.

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Chris Ainscough

Peter Brookes

Investment Advisers

Chris and Peter are members of the Charles Stanley Asset Management team and are responsible for a range of our fund, MPS and segregated mandates. They work closely with our Strategic Partners to build bespoke mandates catered to their clients' needs.

Investment Adviser's Market Commentary

The FTSE 100 hit another new all-time high at the end of February, boosted by some solid earnings reports, a stronger dollar and takeover talk. However, US markets put in a more subdued performance as weakness in large technology stocks continued.

Major US technology shares are still dealing with the fallout of news that Chinese group DeepSeek had developed an artificial intelligence (AI) system cheaper than those developed in the West that it claimed is just as powerful. After AI companies saw their valuations swell in 2024 on optimism over prospects for the nascent technology, concerns mounted that businesses were overspending. However, major companies such as Amazon, Facebook-owner Meta and Google-owner Alphabet remain committed to investing in AI infrastructure.

Equity markets have also been impacted by a note of caution over the pace of US interest rate cuts during 2025 following comments by senior Federal Reserve policymakers in December. The US central bank is now projecting just two interest rate cuts over 2025, as inflation has remained stubborn – and several of Mr Trump's policies are likely to contribute to inflation, should they be implemented in full.

Donald Trump was inaugurated as US president in January after he won a majority in both chambers of Congress in the November 2024 election. The new president plans to raise tariffs of up to 25% on Mexican and Canadian goods from early March, as he targets illegal immigration and drug smuggling. Mr Trump has also vowed to impose additional 10% tariffs on Chinese goods on top of the 10% he already introduced in February.

Washington agreed to restart negotiations on a trade deal with the UK, Mr Trump said during a joint press conference with Sir Keir that a deal could happen "very quickly" to help the UK avoid being swept up in in his tariffs battle. The situation for the European Union (EU) was very different, with friction between the European Union and the US increasing. Indeed, the US announced its plans to raise tariffs of 25% on goods made in the EU, which said it would react "firmly and immediately" against unjust tariffs.

The fourth-quarter earnings season has been generally supportive for equity markets, but companies that issued disappointing guidance have been hit hard in valuation terms. Given concerns in the market about inflation and tariffs, analysts have lowered earnings estimates more than normal for S&P 500 companies in the first quarter.

Fund In Focus

JPMorgan US Equity Income Fund holds a portfolio of good quality large cap companies on competitive valuations that offer sustainable dividends. This remains a sensibly managed core equity income fund run by an experienced portfolio management team, supported by a very well-resourced wider analyst base. The fund is currently overweight Bristol Myers Squibb in healthcare, Lowe's in retail and stockbroker Charles Schwab. Energy holding ConocoPhillips made a surprise acquisition of Marathon Oil. The fund retains its very longstanding overweight in higher yielding financials and its underweight position to low yielding technology stocks. The fund owns none of the 'Magnificent 7' and looks far removed from the S&P 500 index which its reports performance against. The fund achieved a very healthy double digit total return in calendar 2024.

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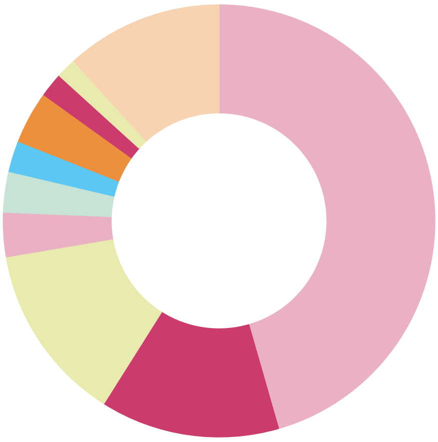
Asset Allocation

Portfolio Date: 28/02/2025

	%
Fixed Income	42.5
Equities	40.9
Cash	8.8
Alternatives	7.9
Total	**100.0**

Equity Breakdown

Portfolio Date: 28/02/2025



	%
United States	45.6
Japan	13.4
United Kingdom	13.4
India	3.3
Canada	3.0
Australia	2.3
Taiwan	2.1
Germany	1.8
France	1.8
China	1.5
Other	11.8
Total	**100.0**

Portfolio Breakdown

	Sub Asset Class	Portfolio Weighting %
Fixed Income	—	**42.5**
AXA Sterling Crdt Shrt Dura Bd ZI Inc	UK Corporate Bonds	6.9
L&G All Stocks Gilt Index C Inc	UK Gilts	3.9
L&G Global Inflation Linked Bd Idx C Acc	Index Linked Bonds	4.4
L&G Short Dated £ Corporate Bd Idx C Inc	UK Corporate Bonds	6.0
Man High Yield Opports Profl Inc D	UK Corporate Bonds	5.1
Vanguard Glb S/T Corp Bd Idx Ins Pl£HAcc	Global Fixed Income	5.0
Vanguard Global Credit Bond Inv GBPH Inc	Global Fixed Income	7.3
Vanguard U.S. Govt Bd Idx £ H Dist	Global Fixed Income	4.1
Equities	—	**40.9**
BlackRock European Dynamic FD Acc	European Equity	3.3
Fidelity Index Japan P Acc	Japanese Equity	2.0
Fidelity Index US P GBP Acc H	US Equity	7.0
FTF ClearBridge Global Infras Inc WInc	Global Equity	3.5
L&G UK Index C Acc	UK Equity	2.1
L&G UK Mid Cap Index C Acc	UK Equity	2.1
L&G US Index C Acc	US Equity	2.5
Liontrust Special Situations I Acc	UK Equity	1.2
M&G Japan GBP I Inc	Japanese Equity	2.9
Premier Miton US Opportunities B Acc	US Equity	3.0
Schroder ISF Asian Ttl Ret C Dis GBP AV	Asia Pacific Equity	2.2
Stewart Inv APAC Ldrs B GBP Acc	Asia Pacific Equity	2.7
Vanguard Glb S/T Bd Idx Ins Pl £ H Acc	Global Fixed Income	6.6
Cash	—	**8.8**
BlackRock ICS Sterling Liq Premier Acc	Cash & Money Market	8.5
CASH	Cash & Money Market	0.3
Alternatives	—	**7.9**
L&G Global Infrastructure Index C Acc	Lower Risk Alternatives	3.6
PGIM Global Sel RE Scrts GBP I Dis (Q)	Property	4.3

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Target Market

Access to the portfolios is only available to investors on the recommendation of a financial adviser and it is the role of the adviser to determine the appropriateness and suitability of the portfolio to each investor's own personal needs, objectives and preferences.

Type of investors: Given the nature of non-complex UCITS funds the service is suitable for retail investors, professional clients and eligible counterparties. The service is predominantly designed for the use of retail investors.

Investors' knowledge and experience: Investors with basic, informed or advanced knowledge and experience of capital markets and investment risks and of funds and their characteristics.

Clients' financial situation with a focus on the ability to bear losses: Investors have a tolerance to fluctuations in capital invested and potential capital loss.

Clients' risk tolerance and compatibility of the risk/reward profile of the product with the target market: Due to the volatility of the markets in which the service may invest e.g. equity, bond and property markets the service has a risk and reward profile that is compatible with clients who have a risk tolerance aligned to the Investment Aim of the portfolio. Investors should be willing to accept price fluctuations in exchange for the opportunity of possible higher returns.

Clients' objectives and needs: Depending on the duration of the investment the portfolio may be suitable for clients who have a medium-term investment horizon (at least 5 years).

Clients who should not invest (the 'negative-target market'): This portfolio is deemed incompatible for clients who require full capital protection and/or are seeking on-demand full repayment of the amounts invested or who are fully risk averse/have no risk tolerance.

Important Notices

This factsheet is for illustrative purposes only. Investments linked to this model portfolio may not exactly replicate the model portfolio described due to differences in timing of the initial investment or rebalancing differences resulting from minimum transaction size limits or fund availability on the platform or provider.

Please note that platform and financial advice fees are not included.

Where we have provided commentary on specific companies, this commentary is not investment research as defined by the Financial Conduct Authority and has not been prepared in accordance with legal requirements designed to promote the independence of research

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The information in this document was prepared on the date shown below and is believed to be correct but cannot be guaranteed. The value of investments and the income from them can go down as well as up and investors may not recover the amount of their original investment. The sterling value of overseas investments, and the income from them, will fluctuate as a result of currency movements. Past performance is not a guide to future performance.

Fairstone Private Wealth does not offer tax advice; the tax treatment of investments depends on each investor's individual circumstances and is subject to changes in tax legislation.

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Information within this document is correct As of 28/02/2025