

Fairstone Pure Passive 3

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 4.7-8.3% 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, Fairstone place this portfolio as 3.

The Portfolio is likely to be predominantly invested in fixed income and equities.

Investment Growth



Simulated Performance

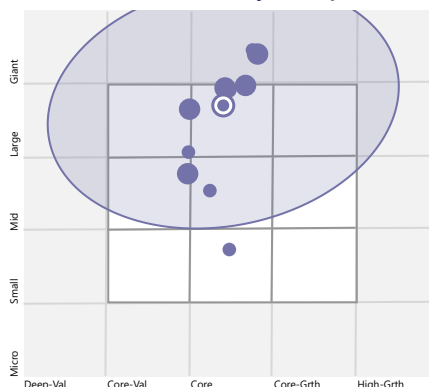
Please note performance prior to 1 October 2021 is based in simulated past performance. In order to provide an indication of how the portfolio would have performed in the past, we have produced simulated past performance from 1 October 2020 to 30 September 2021. The simulated performance is based on the actual performance history of the funds within the portfolios using our historical tactical asset allocation, rebalanced to quarterly and adjusted annually. Full details are available on request. The simulated past performance is not a reliable indicator of future performance.

Cumulative Performance				Calendar Year Returns						
	1 Year	3 Years	5 Years		YTD	2024	2023	2022	2021	2020
Fairstone Pure Passive 3	4.83%	9.49%	—	Fairstone Pure Passive 3	-0.48	6.42	7.18	-8.11	4.15	—
IA Mixed Investment 0-35% Shares	4.50%	5.04%	11.33%	IA Mixed Investment 0-35% Shares	0.53	4.37	6.06	-10.22	2.57	3.98

Portfolio Overview

Portfolio Manager	Imogen Hambly
Investment Universe	Open Ended Funds
Yield	2.83%
Portfolio Start Date	01/10/2021
Ongoing Fund Costs	0.10%
Transactional & Incidental Costs	0.07%
DFM Fee	0.15%
Total Portfolio Charge	0.32%

Investment Style Map



Risk Scale

3

Target 10 Year Volatility

This portfolio is managed to maximise risk adjusted return within a target volatility range of between 4.7% and 8.3% over a rolling 10-year time periods. This is not guaranteed, and actual volatility may fluctuate outside of these boundaries.

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Portfolio Manager
Imogen Hambly

Imogen is a CFA Charterholder and also holds the Investment Management Certificate along with the Diploma in Regulated Financial Planning. She has worked in the industry since 2014 with an emphasis on investment research & analysis.

Portfolio Managers Market Commentary

April saw heightened volatility in global markets, driven by aggressive US trade policy announcements. Early in the month, President Trump outlined sweeping trade tariffs on almost every other country, including a base tariff of 10%, plus additional 'reciprocal' tariffs on select nations. Although exemptions for certain electronic product and a temporary pause on some reciprocal tariffs moderated the initial impact, economists have been quick to downgrade their growth outlooks for 2025.

From a market perspective, the first few days of the month were characterised by severe stress, with all major global indices falling sharply on news of tariffs. As the month progressed, many regions saw recoveries, though fluctuations in currency markets added to volatility. The global equity index closed down 2.6% in GBP, with negative returns from the U.S. weighing on the index.

Through the month, data showed U.S. GDP contracted by 0.3% in Q1, although underlying consumer spending remained robust. Inflation remained moderate through March due to lower energy and airfare costs but is set to rise notably midyear as tariffs push up prices. Despite economic softness, the Federal Reserve signalled caution, focusing on sticky core inflation pressures and indicating potential rate cuts would not occur before Q4.

In Europe, Q1 GDP growth improved slightly to 0.4%, driven by consumer spending and an acceleration in export activity ahead of US tariffs. Inflation remained subdued across the region, supporting the European Central Bank's continued accommodative stance. UK inflation eased to 2.6% in March, though a rebound is anticipated in April due to higher regulated utility prices and rising labour costs. The Bank of England is expected to continue its cautious policy easing.

Market volatility extended to bond markets, where changing trade policies led to fluctuations in interest rate and inflation expectations. Despite elevated intra-month moves, government bond yields generally edged downwards, supporting bond prices. The global bond index gained 1.0%.

In currencies, the US dollar weakened amid growth concerns and uncertainty about longer-term demand for US assets, while safe-haven assets such as gold gained significantly, reflecting heightened investor caution amid persistent trade-related uncertainties.

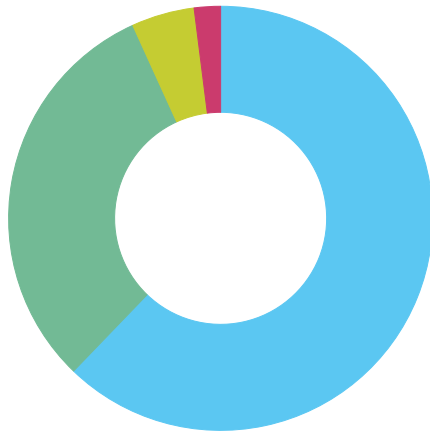
Looking ahead, unpredictable trade policies, ongoing inflationary pressures, and divergent fiscal responses are expected to sustain market volatility. Investors are advised to focus on diversification across geographies and asset classes while maintaining flexibility to adapt to evolving conditions.

Against this backdrop the portfolios returned losses, with U.S. and global small cap equity allocations continuing to weigh heavily on growth. While U.S. equity indices rebounded strongly in USD terms, for GBP investors, the weakening of the dollar hampered returns, leading the *HSBC American Index* to close the month down 3.3%. Elsewhere, the *Vanguard Emerging Market Stock Index* fell 2.2%, as global trade concerns led to falling investor confidence. The *HSBC European Index*, however, closed the month up 1.6%, helped by a strengthening Euro, while our holding in the *HSBC Japan Index* gained 1.4%, as news of trade negotiations boosted sentiment. Each of our bond allocations posted gains, with short duration strategies outperforming their benchmark duration counterparts.

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Asset Allocation

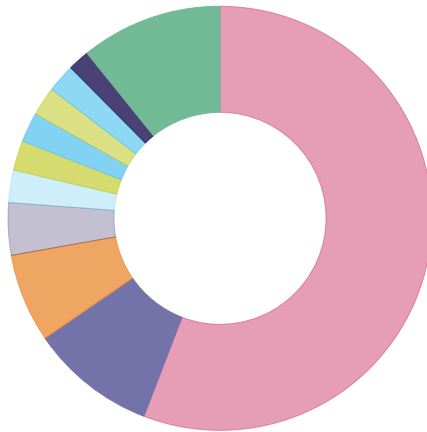
Portfolio Date: 28/04/2025



	%
Fixed Income	62.2
Equities	31.0
Alternatives	4.8
Cash	2.0
Total	100.0

Equity Breakdown

Portfolio Date: 30/04/2025



	%
United States	55.8
United Kingdom	9.6
Japan	6.8
China	4.0
India	2.5
Switzerland	2.3
France	2.3
Taiwan	2.2
Germany	2.2
Australia	1.6
Other	10.8
Total	100.0

Portfolio Breakdown

	Sub Asset Class	Portfolio Weighting %
Fixed Income	—	62.2
Vanguard Glb Bd Idx Ins Pl £ H Acc	Global Fixed Income	13.8
Vanguard Glb Corp Bd Idx Ins Pl £ H Acc	Global Fixed Income	13.8
Vanguard Glb S/T Bd Idx Ins Pl £ H Acc	Global Fixed Income	13.8
Vanguard UK Invm Grd Bd Idx Ins Pl £ Acc	UK Corporate Bonds	8.3
Vanguard Glb S/T Corp Bd Idx Ins Pl £ H Acc	Global Fixed Income	6.0
Vanguard U.S. Govt Bd Idx Ins Pl £ H Acc	Global Fixed Income	5.5
L&G Global Inflation Linked Bd Idx C Acc	Index Linked Bonds	1.2
Equities	—	31.0
HSBC American Index C Acc	US Equity	12.4
L&G S&P 500 US Equal Wght Idx C GBP Acc	US Equity	3.7
HSBC European Index Accumulation C	European Equity	3.4
Vanguard FTSE UK All Shrd Idx Unit Tr Ins Pl £ Acc	UK Equity	3.4
Vanguard Em Mkts Stk Idx Ins Pl £ Acc	Emerging Markets Equity	3.1
HSBC Japan Index S Acc	Japanese Equity	1.9
abrdn Asia Pacific ex-Japan Trkr N £ Acc	Asia Pacific Equity	1.6
Vanguard Glb Small-Cp Idx Ins Pl £ Acc	Global Equity	1.5
Alternatives	—	4.8
abrdn Global Infrs Eq Trkr N Acc	Real Assets	2.4
abrdn Global REIT Tracker N	Real Assets	2.4
Cash	—	2.0
BlackRock ICS Sterling Liq Premier Acc	Cash & Money Market	1.8
CASH	Cash & Money Market	0.3

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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

Nothing in this document should be deemed to constitute the provision of financial, investment or other profession advice. Responsibility for assessing the suitability of financial products remains solely with the financial adviser.

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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