

Fairstone Pure Passive 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 6.5-10.0% 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 4.

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

Investment Growth



Simulated Performance

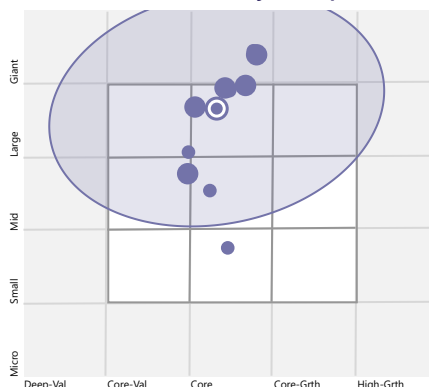
Please note performance prior to 1 October 2021 is based in simulated past performance. In order to provide an indication of how the portfolio would have performed in the past, we have produced simulated past performance from 1 October 2020 to 30 September 2021. The simulated performance is based on 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 4	5.44%	12.88%	—	Fairstone Pure Passive 4	0.47	7.72	7.91	-8.35	6.43	—
IA Mixed Investment 20-60% Shares	5.27%	10.67%	21.53%	IA Mixed Investment 20-60% Shares	1.80	6.18	6.86	-9.67	6.31	3.49

Portfolio Overview

Portfolio Manager	Imogen Hambly
Investment Universe	Open Ended Funds
Yield	2.59%
Portfolio Start Date	01/10/2021
Ongoing Fund Costs	0.10%
DFM Fee	0.15%
Total Portfolio Charge	0.25%

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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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

Through May, global equity markets rebounded strongly, buoyed by easing trade tensions and improving consumer sentiment. Developed market stocks outperformed their emerging market counterparts, led by gains from U.S. markets, and from the U.S. technology sector in particular, with the Nasdaq index gaining 8.1%, in GBP.

U.S. trade negotiations continued between the White House and other key global governments, with significant progress made between the U.S. and the E.U., while a mid-month trade truce between the U.S. and China helped fuel gains across risk assets.

While trade tariffs remain the focal point of President Trump's economic agenda, early sightings of his budget reconciliation bill point to new tax and regulatory changes that will help boost the U.S. domestic business landscape – a development that proved positive for small cap stocks through the month.

Elsewhere, both European and U.K. equities posted gains, with upward earnings revisions helping underpin confidence in the European equity market. Within the U.K., GDP data surprised to the upside, while announcements of trade deals with India and the U.S. further added to optimism. However, inflation in the region remains stubbornly high, and fears are mounting over government borrowing levels.

Across bond markets, the picture was more challenging, as concerns over fiscal deficits in both the U.S. and U.K. pushed up long-dated yields, weighing heavily on government bond prices. Improving trade tensions helped buoy returns from credit markets, with the global high yield index benefitting from a brighter growth outlook and eking out a gain of 1.6%, however, broad weakness in government bonds led the global aggregate index to close the month down 0.5%.

Commodity markets also struggled. Gold was especially weak through the period, falling 0.9%, as investors capitalised on falling recessionary fears by shifting capital way from defensive assets. Other alternative asset classes, notably property and infrastructure, benefitted from the improving appetite, posting gains.

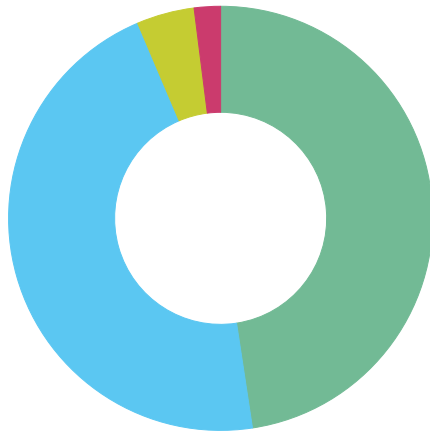
Looking ahead, unpredictable trade policies, ongoing inflationary pressures, and divergent fiscal responses are expected to sustain market volatility. Investors are advised to focus on diversification across geographies and asset classes while maintaining flexibility to adapt to evolving conditions.

Against this backdrop the portfolios gained, with U.S. equity allocations driving returns. Within our U.S. exposure, strong performance from the mega-cap technology stocks led the market-cap weighted *HSBC American Index* to outperform the *L&G S&P 500 US Equal Weight Index*. Elsewhere, exposure to global small cap equities also performed well, gaining 4.8%. Although all other equity allocations posted gains, strong performance from North American stocks meant our underweight to the region detracted on a net basis. Returns from our fixed income holdings were mixed, however we benefitted from our overweight to credit over government bonds and from our underweight to duration.

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Asset Allocation

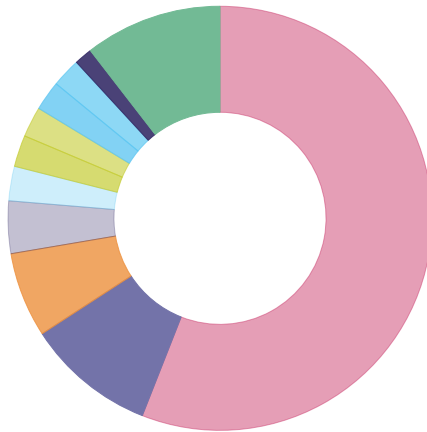
Portfolio Date: 28/04/2025



	%
Fixed Income	47.6
Equities	46.0
Alternatives	4.4
Cash	2.0
Total	100.0

Equity Breakdown

Portfolio Date: 31/05/2025



	%
United States	56.0
United Kingdom	9.9
Japan	6.5
China	4.0
India	2.6
Switzerland	2.4
Taiwan	2.3
France	2.3
Germany	2.2
Australia	1.4
Other	10.5
Total	100.0

Portfolio Breakdown

	Sub Asset Class	Portfolio Weighting %
Fixed Income	—	47.6
Vanguard Glb S/T Bd Idx Ins PI £ H Acc	Global Fixed Income	10.3
Vanguard Glb Bd Idx Ins PI £ H Acc	Global Fixed Income	10.2
Vanguard Glb Corp Bd Idx Ins PI £ H Acc	Global Fixed Income	10.2
Vanguard UK Invm Grd Bd Idx Ins PI £ Acc	UK Corporate Bonds	6.2
Vanguard Glb S/T Corp Bd Idx Ins PI £ H Acc	Global Fixed Income	5.5
Vanguard U.S. Govt Bd Idx Ins PI £ H Acc	Global Fixed Income	4.1
L&G Global Inflation Linked Bd Idx C Acc	Index Linked Bonds	1.1
Equities	—	46.0
HSBC American Index C Acc	US Equity	18.4
L&G S&P 500 US Equal Wght Idx C GBP Acc	US Equity	5.5
HSBC European Index Accumulation C	European Equity	5.1
Vanguard FTSE UK All Shrd Idx Unit Tr Ins PI £ Acc	UK Equity	5.1
Vanguard Em Mkts Stk Idx Ins PI £ Acc	Emerging Markets Equity	4.6
HSBC Japan Index S Acc	Japanese Equity	2.7
abrdn Asia Pacific ex-Japan Trkr N £ Acc	Asia Pacific Equity	2.3
Vanguard Glb Small-Cp Idx Ins PI £ Acc	Global Equity	2.3
Alternatives	—	4.4
abrdn Global Infrs Eq Trkr N Acc	Real Assets	2.2
abrdn Global REIT Tracker N	Real Assets	2.2
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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