

# Fairstone Multi Instrument 5

## Investment Aim

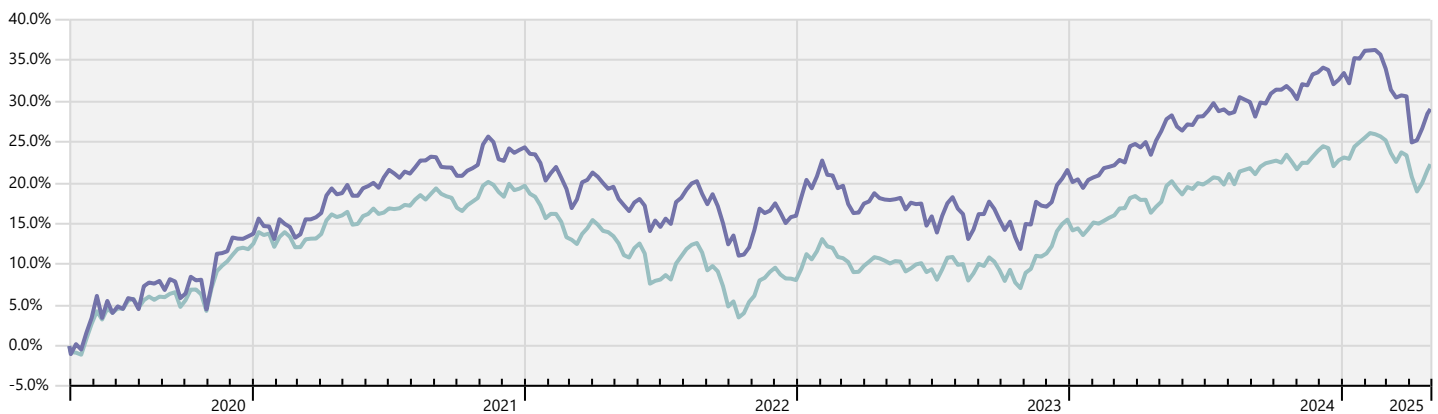
The Fairstone Multi-Instrument Portfolio 5 is a diversified multi asset portfolio, investing in a broad range of direct equities, ETFs, investment trusts and open-ended funds. By blending our direct investment capabilities and asset allocation skills we look to optimise returns within a predetermined risk management range.

The portfolio aims to grow wealth by delivering returns well in excess of inflation over every rolling 5-year period while a relatively balanced approach maintains risk to capital at levels considerably lower than that of global stock markets and commodities.

The portfolio is managed to remain within Defaqto risk rating 5 (Balanced) at all times. For a full explanation of the Defaqto risk rating system please consult your financial adviser.

## Investment Growth

Time Period: 01/05/2020 to 30/04/2025



— Fairstone Multi Instrument 5

29.1% — IA Mixed Investment 20-60% Shares

22.3%

### Cumulative Performance

	1 Year	3 Years	5 Years
Fairstone Multi Instrument 5	2.93%	7.98%	29.07%
IA Mixed Investment 20-60% Shares	4.01%	7.79%	22.30%

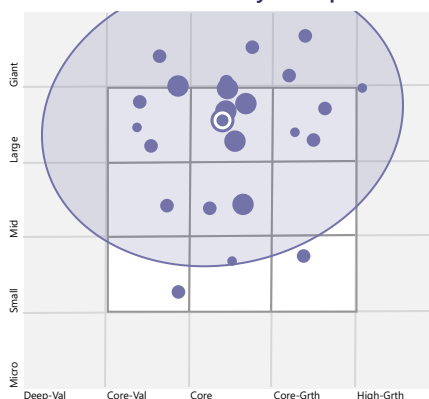
### Calendar Year Returns

	YTD	2024	2023	2022	2021	2020
Fairstone Multi Instrument 5	-2.73	9.14	4.84	-6.75	9.32	4.10
IA Mixed Investment 20-60% Shares	-0.27	6.18	6.86	-9.67	6.31	3.49

## Portfolio Overview

Portfolio Manager	Harry Scargill
Investment Universe	Multi-Instrument
Yield	1.76%
Portfolio Start Date	01/01/2017
Ongoing Fund Costs	0.64%
Transactional & Incidental Costs	0.26%
DFM Fee	0.30%
Total Portfolio Charge	1.20%

## Investment Style Map



## Risk Scale

# 5

Target 10 Year Volatility

This portfolio is managed to maximise risk adjusted return within a target volatility range of between 8.3% and 11.8% over a rolling 10-year time periods. This is not guaranteed, and actual volatility may fluctuate outside of these boundaries.

# Fairstone Multi Instrument 5

## Portfolio Manager

**Harry Scargill**

## Portfolio Managers Market Commentary



Harry joined Fairstone in August of 2021 from Brown Shipley where he worked as a portfolio manager and collectives analyst with a focus on closed-ended vehicles.

Harry holds the CISI Chartered Wealth Manager qualification.

April marked a turbulent month for the global economy, as aggressive US tariff actions under the Trump administration sent shockwaves through financial markets and business expectations. The administration introduced sweeping protectionist measures, lifting the average effective tariff rate above 20%, with China and auto parts particularly targeted. Though some moderation came mid-month through exemptions and temporary pauses, business sentiment deteriorated sharply. US Q1 GDP contracted by 0.3%, the first decline in three years, primarily due to inventory drawdowns and a plunge in imports. However, consumer demand held firm, supported by tax refunds and front-loaded purchases. Inflation data was mixed: March CPI was flat, with headline inflation at 2.3% and core at 2.6%, but tariffs are expected to push these figures higher in coming months. The Federal Reserve maintained a cautious stance, delaying rate cuts despite signs of cooling activity.

Closer to home, Eurozone GDP surprised to the upside, growing 0.4% quarter-on-quarter, aided by robust consumer spending and a surge in exports ahead of the US tariffs. Still, sentiment weakened into April, with businesses growing wary of external demand risks. Inflation remained subdued, allowing the European Central Bank to maintain its accommodative posture. In the UK, inflation cooled slightly to 2.6% in March, but is set to rebound with April's utility hikes and rising labour costs. The Bank of England is expected to continue easing, with another rate cut likely in May.

Japan managed relative stability amid global headwinds. While the Bank of Japan left policy unchanged, it downgraded growth projections due to trade uncertainty. The yen initially strengthened on safe-haven demand but weakened later, supporting a modest equity market rally. Japan's economy is expected to remain soft in the near term, though fiscal stimulus may provide support.

Emerging markets struggled under the weight of deteriorating trade conditions. China's growth forecast for 2025 was slashed to 4.1%, though Q1 GDP exceeded expectations thanks to strong export activity and stimulus commitments. Central banks across Asia and Latin America leaned into monetary easing, helped by benign inflation trends and a brief spell of currency strength against a weakening US dollar.

Financial markets reflected this new, cautious outlook. Equities fell sharply in early April before stabilising – the S&P 500 ended down 0.8%, and European indices declined modestly. Bond yields diverged, rising in the US but falling in Europe and EMs. The US dollar unexpectedly weakened, while gold rose 4%, underscoring a flight to safety as investors digested the risks of a more fragmented global economy.

Against this backdrop the portfolios posted losses, with lower risk models outperforming their higher risk counterparts. Allocations to US equities weighed heavily on returns, albeit our value focused holdings held up well. Overall, we benefitted from our underweight to the US versus all other equity regions, as well as an overweight to Asia and Emerging Markets. Our Alternatives exposure also helped damped total volatility and add value, particularly Physical Gold.

## Fund In Focus

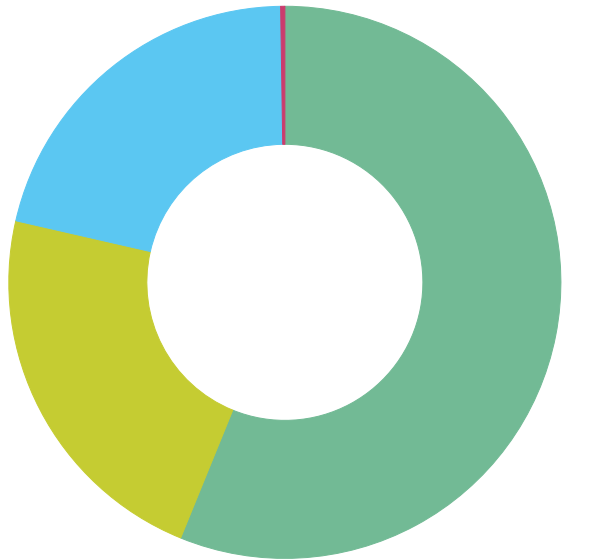
### Alliance Witan Trust

This strategy is an investment trust, managed by Willis Towers Watson (WTW) and it a multi-manager approach with 11 elite fund managers, each limited to a small selection (20, 40 for Emerging Markets mandates) of high-conviction stocks to maximise returns while balancing risk. The focus of the strategy is stock specific exposure, however WTW actively manages these allocations across global sectors and geographies to maintain diversification. The investment committee, led by WTW's Craig Baker can therefore act as a strong Core element of our equity allocation, providing diversification through a range of experienced and specialist fund managers.

# Fairstone Multi Instrument 5

## Asset Allocation

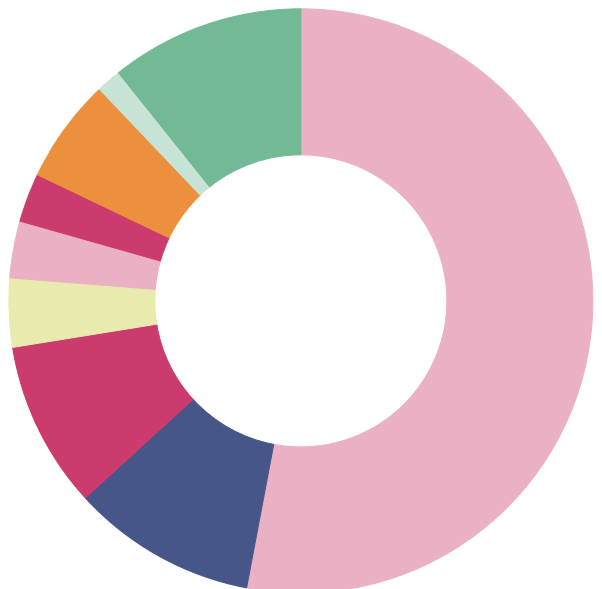
Portfolio Date: 30/04/2025



Equities	56.2
Fixed Income	22.4
Alternatives	21.2
Cash	0.2
<b>Total</b>	<b>100.0</b>

## Equity Breakdown

Portfolio Date: 30/04/2025



United States	53.0
United Kingdom	10.2
Japan	9.2
China	3.8
India	3.1
France	2.7
Taiwan	2.3
Brazil	2.1
Germany	1.5
Canada	1.4
Other	10.7
<b>Total</b>	<b>100.0</b>

## Portfolio Breakdown (Top 50)

Portfolio Weighting %

<b>Equities</b>	<b>56.2</b>
JPM US Research Enh Eq Act ETF USD Acc	7.2
Alliance Witan Ord	7.0
GQG Partners Global Equity I GBP Acc	7.0
AVI Global Trust Ord	5.6
JPMorgan American Ord	4.2
Dodge & Cox Worldwide US Stock A GBP	2.8
Brown Advisory US Smaller Companies Ord	2.7
JPMorgan Emerging Markets Ord	2.3
Invesco FTSE RAFI Emerging Markets ETF	2.2
Fidelity Special Values Ord	2.0
Worldwide Healthcare Ord	1.5
HgCapital Trust Ord	1.5
JPMorgan Japanese Ord	1.3
Man Japan CoreAlpha Profl Acc C	1.3
Strategic Equity Capital Ord	1.3
Tritax Big Box Ord	1.0
TM Natixis Loomis Sayles US Eq Ldrs I/A£	1.0
JPM AC APAC exJPRshEnhldxEqActETF\$Acc	1.0
Finsbury Growth & Income Ord	1.0
WS Lightman European I Acc	0.8
The European Smaller Companies Trust PLC	0.8
Scottish Mortgage Ord	0.8
<b>Fixed Income</b>	<b>22.4</b>
MGTS Fairstone Fixed Income GBP Acc	9.0
AXA Global Short Duration Bond S Acc	5.9
Vanguard Glb Bd Idx £ H Acc	4.0
Vanguard Glb S/T Bd Idx Ins Pl £ H Acc	3.5
<b>Alternatives</b>	<b>21.2</b>
Capital Gearing Ord	5.2
WisdomTree Core Physical Gold	3.5
Premier Miton Alternative Inv C Acc	3.0
Personal Assets Ord	3.0
3i Infrastructure Ord	2.5
HICL Infrastructure PLC Ord	1.5
International Public Partnerships Ord	1.5
LondonMetric Property PLC	1.0
<b>Cash</b>	<b>0.2</b>
CASH	0.2

# Fairstone Multi Instrument 5

## 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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