Fairstone Charles Stanley 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% and 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, we place this portfolio as 3.

Investment Growth

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

Fairstone Charles Stanley 3	14.6%	IA Mixed Investment 0-35% Shares	11.3%

Cumulative Performance

	1 Year	3 Years	5 Years
Fairstone Charles Stanley 3	5.43%	8.33%	14.61%
IA Mixed Investment 0-35% Shares	4.50%	5.04%	11.33%

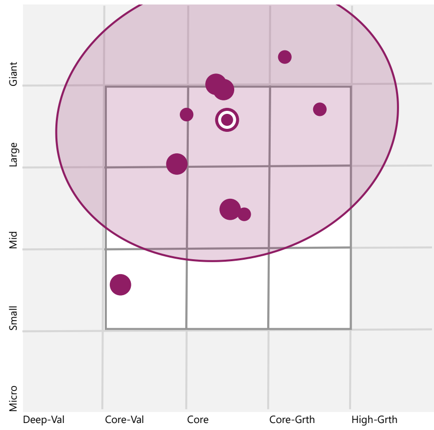
Calendar Year Returns

	YTD	2024	2023	2022	2021	2020
Fairstone Charles Stanley 3	0.98	5.44	4.91	-8.12	4.85	3.56
IA Mixed Investment 0-35% Shares	0.53	4.37	6.06	-10.22	2.57	3.98

Portfolio Overview

Portfolio Manager	Charles Stanley
Investment Universe	Open Ended Funds
Yield	3.20%
Portfolio Start Date	20/05/2019
Ongoing Fund Costs	0.28%
Transactional & Incidental Costs	0.10%
DFM Fee	0.25%
Total Portfolio Charge	0.63%

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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Investment Adviser's Market Commentary

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.

Markets reacted negatively to Donald Trump's trade strategy, unveiled at the start of April, due to unexpectedly high and wide-ranging tariffs. This aggressive policy stoked fears of a potential US recession. However, equity markets rebounded from their early-April lows after a series of concessions, amendments, and policy reversals from President Trump. The initial market sell-off was sharp and broad-based, but as April progressed, rapid policy changes from Washington softened or delayed concerns over some of the more damaging proposals. The president removed or postponed several measures on various sectors and companies as the economic impact became clearer. The introduction of 'reciprocal' tariffs, considered necessary by the Trump administration to balance a country's deficit with the US, was suspended for 90 days for bilateral talks.

Tariffs on Chinese goods were initially raised to 145% after Beijing responded with retaliatory measures against US imports. Smartphones and electronic components imports were removed from tariffs to avoid significant price increases for US consumers and to maintain corporate supply chains. By the end of the month, Mr. Trump indicated that a Beijing-Washington trade deal could be possible soon.

Movements in bond markets also pressured Mr. Trump to ease his tough policy position. Interest rates on 10-year treasury bonds rose sharply after the announcement, contrary to the usual trend when equity prices fall and investors seek safety in treasuries. This move potentially meant higher interest rates for US consumers just as tariffs were pushing up prices. Like equities, bond markets remain volatile. Unlike the dollar, gold has benefited as a safe-haven trade, with its price reaching new all-time highs.

The US economy contracted in the first quarter of 2025, mainly due to a surge in imports ahead of the expected introduction of tariffs. Imports are subtracted from the final gross domestic product (GDP) figure, and companies rushed to ship goods to avoid extra costs. The real impact of President Trump's policy on the wider economy will become clearer in the upcoming quarters. Nevertheless, the negative growth has significantly increased speculation of a "Trump recession." Despite the market turmoil, the US administration remains supportive of tariffs as a policy tool to boost trade and raise government revenues, as well as to pressure other governments to act in disputed areas.

This heightened unpredictability has created a difficult situation for market participants, making it challenging to forecast the economic outlook and corporate profits. The first-quarter reporting season has started amid this backdrop of significant uncertainty. In general, earnings in the quarter were better than expected but many companies have trimmed their full-year guidance due to the tariff uncertainty. Volatility is likely to continue for months until the details of the trade policy have been finalised and announced.

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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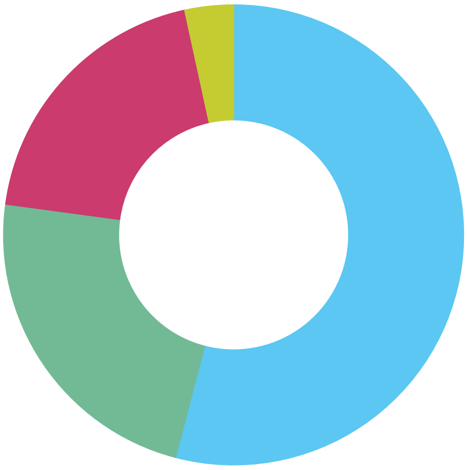
Asset Allocation

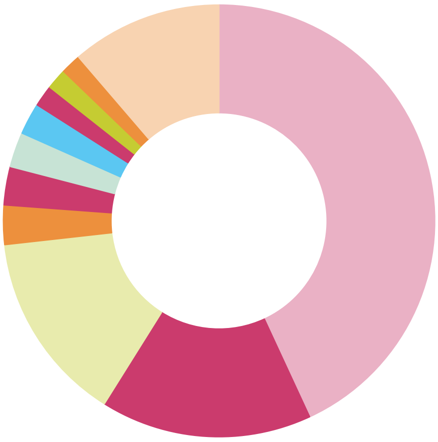
Portfolio Date: 30/04/2025



	%
Fixed Income	54.1
Equities	23.1
Cash	19.4
Alternatives	3.4
Total	**100.0**

Equity Breakdown

Portfolio Date: 30/04/2025



	%
United States	43.1
Japan	15.8
United Kingdom	14.3
Germany	2.9
France	2.9
Canada	2.6
Australia	2.4
Switzerland	1.6
Italy	1.6
Taiwan	1.5
Other	11.3
Total	**100.0**

Portfolio Breakdown

	Sub Asset Class	Portfolio Weighting %
Fixed Income	—	**54.1**
AXA Sterling Crdt Shrt Dura Bd ZI Inc	UK Corporate Bonds	8.0
L&G All Stocks Gilt Index C Inc	UK Gilts	4.0
L&G Global Inflation Linked Bd Idx C Acc	Index Linked Bonds	5.1
L&G Short Dated £ Corporate Bd Idx C Inc	UK Corporate Bonds	7.9
Man High Yield Opports Profl Inc D	UK Corporate Bonds	3.1
Vanguard Glb S/T Bd Idx Ins Pl £ H Acc	Global Fixed Income	8.2
Vanguard Glb S/T Corp Bd Idx Ins Pl£HAcc	Global Fixed Income	8.2
Vanguard Global Credit Bond Inv GBPH Inc	Global Fixed Income	6.3
Vanguard U.S. Govt Bd Idx £ H Dist	Global Fixed Income	3.2
Equities	—	**23.1**
BlackRock European Dynamic FD Acc	European Equity	2.9
Fidelity Index US P GBP Acc H	US Equity	7.5
FTF ClearBridge Global Infras Inc WInc	Global Equity	3.7
L&G UK Index C Acc	UK Equity	2.0
Liontrust Special Situations I Acc	UK Equity	1.3
M&G Japan GBP I Inc	Japanese Equity	3.8
Schroder ISF Asian Ttl Ret C Dis GBP AV	Asia Pacific Equity	1.9
Cash	—	**19.4**
BlackRock ICS Sterling Liq Premier Acc	Cash & Money Market	9.5
CASH	Cash & Money Market	0.3
L&G Cash Trust I Acc	Cash & Money Market	9.7
Alternatives	—	**3.4**
PGIM Global Sel RE Scrts GBP I Dis (Q)	Property	3.4

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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 30/04/2025