

WS KLEINWORT HAMBROS MULTI ASSET BALANCED FUND

Investment Objective and Policy

The Fund aims to achieve long term equity returns with a moderate level of risk. The Sub-fund will seek to achieve its objective by investing directly through a well-diversified portfolio of equities, bonds, money market instruments, cash, derivative instruments, forward transactions, collective investment schemes and other instruments listed on a Recognised Investment Exchange.

Market commentary

The snap UK General Election, set for early July, surprised most market commentators but did not materially impact Sterling or bond yields. Labour's consistent lead in polls over the last few months suggests that markets are expecting a clear and decisive result.

Q1 UK GDP exceeded expectations, at 0.6%, driven by March +0.5% driven by investment spending. Inflation fell to 2.3% compared to 3.2% in the prior month, but this was a little higher than expected driven by services inflation which only fell 0.1% to 5.9%. A June rate cut is less likely as a result, but not impossible.

Economic indicators in the US continue to look relatively weak. Retail sales rose 0.2% in April and latest savings ratio for US consumers was 3.2%, demonstrates a sense of exhaustion amongst US consumers. This helps the Fed ease policy relatively soon, but their room for manoeuvre is somewhat restricted by inflation remaining above 3%.

The fund's equities were the main driver of returns driven by US, UK and European exposure; emerging market positioning partially offset this. Within the US positions the most disappointing performance came from the iShares S&P 500 Equal Weight ETF, highlighting the magnificent seven's dominance of the US market. All UK and European holdings delivered strong positive returns, broadly in line with their benchmarks.

Fixed income was a modest contributor with both government and investment grade bonds modestly appreciating over the month. Alternatives were broadly flat over the period though it was encouraging to see Moorea Real Assets and Moorea Defined Return both deliver small positive returns.

Definitions

Government bonds are loans to governments, which pay interest over their lifetime and are repaid at a given date.

Credit refers to the funds combined exposures of Investment Grade and High Yield Credit

Hedged refers to the removal of a risk we don't want to take, in this case we have removed the fluctuations of the US Dollar/Sterling exchange rate.

Investment Grade Credit refers to loans to companies that pay interest over their lifetime and are repaid at a given date. The level of interest paid is higher than government bonds to compensate for the additional credit risk the lenders are taking.

High Yield Credit is the same as Investment Grade Credit, though the borrowers have a lower credit quality. The level of interest paid is higher than Investment Grade Credit to compensate for the additional credit risk the lenders are taking

Alternatives are investments that have a low correlation to equity and bond markets.

Fund details

Benchmark

Morningstar GBP
Allocation 40-60% Equity

Fund classes

Income and Accumulation

Fund size as at 31 May 2024

£113.6 million

Base currency

Sterling

Price listing

Bloomberg

Bloomberg ticker

Income shares – CFENBAI LN
Accumulation shares – CFENBAA LN

Domicile

UK

Launch date

16 July 2006

Pricing frequency

Daily

Structure

FCA Authorised Non-UCITs scheme

Dividend distribution dates

30 June

Investment Manager

SG Kleinwort Hambros Bank Limited

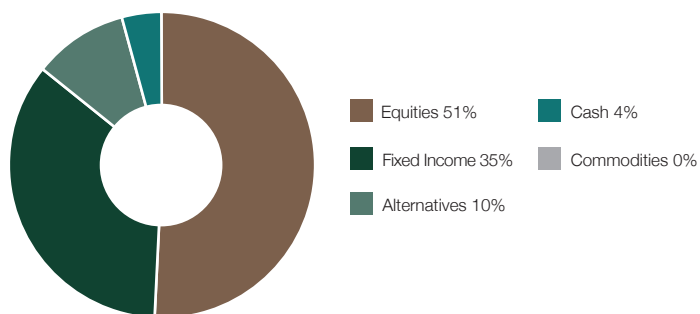
Authorised Corporate Director

Waystone Management (UK) Limited

Auditor

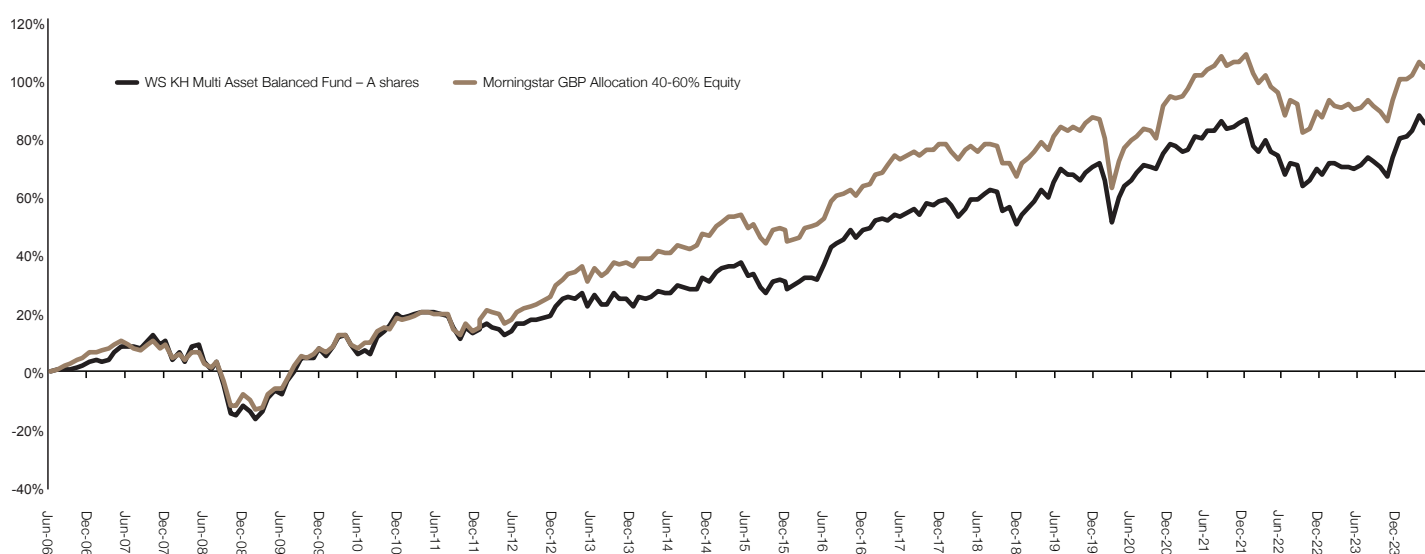
Grant Thornton

Asset allocation



Source for all data: Kleinwort Hambros (as at 31 May 2024). Actual weighting and investment allocations are subject to change on an ongoing basis and may not be exactly as shown. Investors should understand the different asset classes which make up the strategy as they have different risk characteristics.

Half-yearly cumulative performance (month-end prices)



Source for all data: Kleinwort Hambros (as at 31 May 2024).
 Calculation basis: Sterling, bid to bid, total return. All returns in Sterling unless stated otherwise.
 Actual weighting and investment allocations are subject to change on an ongoing basis and may not be exactly as shown.
Past performance should not be seen as an indication of future performance.

Single year fund performance (5 years ending May)

Period	Return (%)
May 19 – May 20	2.5%
May 20 – May 21	9.9%
May 21 – May 22	-3.3%
May 22 – May 23	-2.3%
May 23 – May 24	9.1%

Fund performance to 31 May 2024 (%)

Period	Return (%)
Since launch	85.3%
5 years	16.1%
4 years	13.3%
3 years	3.1%
2 years	6.6%
1 year	9.1%
6 months	6.8%
3 months	1.3%
1 month	0.2%

Monthly returns (%)

A Shares	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2006							0.6%	0.3%	-0.1%	0.5%	0.6%	1.4%	3.3%
2007	0.3%	-0.1%	0.6%	1.9%	2.1%	0.1%	-0.1%	-0.5%	2.4%	2.1%	-2.9%	0.9%	6.9%
2008	-5.7%	2.0%	-2.6%	4.6%	0.8%	-5.2%	-2.9%	2.6%	-7.4%	-10.5%	-0.3%	3.9%	-20.0%
2009	-2.2%	-3.1%	2.5%	6.0%	2.3%	-0.9%	4.7%	3.8%	4.3%	-0.2%	0.4%	3.1%	22.1%
2010	-2.5%	3.0%	3.2%	0.4%	-2.6%	-3.2%	1.3%	-1.1%	5.7%	1.7%	1.3%	3.8%	11.1%
2011	-1.1%	0.3%	0.6%	0.7%	-0.1%	-0.2%	-0.7%	-3.8%	-3.1%	3.3%	-1.7%	1.1%	-4.7%
2012	0.9%	1.1%	-1.1%	-0.7%	-1.5%	1.1%	2.1%	0.4%	0.6%	0.0%	0.6%	0.4%	3.9%
2013	3.1%	2.0%	0.7%	-0.5%	1.3%	-3.3%	2.7%	-2.4%	0.1%	3.0%	-1.4%	0.1%	5.4%
2014	-2.2%	2.7%	-0.6%	0.5%	1.8%	-0.9%	0.4%	2.0%	-1.3%	0.4%	2.7%	-0.7%	4.7%
2015	2.5%	1.0%	0.4%	0.0%	1.1%	-3.8%	0.6%	-3.3%	-1.5%	3.1%	0.5%	-0.7%	-0.3%
2016	-2.0%	2.1%	1.3%	-0.2%	-0.3%	3.6%	4.4%	1.1%	0.8%	2.2%	-1.7%	1.8%	13.6%
2017	0.5%	1.8%	0.6%	-0.6%	1.6%	-0.6%	0.8%	1.0%	-1.2%	2.2%	-0.2%	0.9%	6.8%
2018	0.4%	-1.2%	-2.6%	1.8%	2.0%	0.0%	1.3%	0.8%	-0.3%	-3.8%	0.6%	-3.9%	-5.2%
2019	2.1%	2.0%	1.2%	2.5%	-1.8%	3.2%	3.0%	-1.4%	0.2%	-1.1%	1.6%	1.1%	13.3%
2020	0.7%	-3.3%	-8.9%	5.8%	2.4%	1.3%	1.6%	1.3%	-0.1%	-0.6%	3.2%	1.9%	4.5%
2021	-0.4%	-1.1%	0.4%	2.7%	-0.6%	1.5%	0.2%	1.7%	-1.6%	0.5%	0.9%	0.5%	4.7%
2022	-5.0%	-0.9%	2.3%	-2.2%	-1.1%	-3.6%	2.6%	-0.5%	-1.1%	1.0%	2.4%	-1.3%	-10.2%
2023	2.6%	-0.3%	-0.6%	-0.1%	-0.2%	0.5%	1.6%	-0.9%	-1.1%	-1.9%	4.0%	3.8%	7.6%*
2024	0.2%	1.4%	2.4%	-1.5%	0.2%								2.9%*

*2024 - Year To Date

Yearly figures compounded

Descriptive stats from launch date to 31 May 2024

	WS KH Multi Asset Balanced A	Morningstar GBP Allocation 40-60% Equity	MSCI AC World Net TR (GBP)
Annualised rate of return (ROR)	3.5%	4.0%	9.4%
Annualised volatility	8.1%	7.5%	13.3%
Sharpe ratio	0.3	0.4	0.7
Percent of positive months	60.9%	63.3%	63.3%
Maximum drawdown	-25.7%	-21.5%	-34.7%
Best month (%)	6.0%	5.9%	9.4%
Worst month (%)	-10.5%	-9.6%	-11.6%

Source for all data: Kleinwort Hambros (as at 31 May 2024). Calculation basis: Sterling, bid to bid, total return. All returns in Sterling unless stated otherwise. Fund returns are based on the A accumulation share class and are actual returns after all fees and expenses are deducted. Actual weighting and investment allocations are subject to change on an ongoing basis and may not be exactly as shown.

Past performance should not be seen as an indication of future performance.

Fees and charges

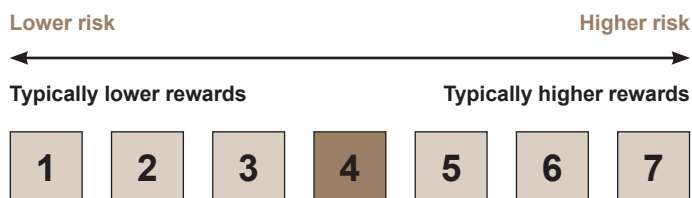
KH Multi-Asset Balanced Fund			
Initial charge*	7.00%	Ongoing charges figure**	2.10%***
Performance fee	0.00%	Exit Penalty	0.00%

* May be waived for clients of SG Kleinwort Hambros.

** This includes fund administration charges. The ongoing charge is reduced to 1.35% for the institutional share class when assets of over GBP 5 million are in SG Kleinwort Hambros managed funds.

*** Calculated as at 30-Sept-2023. This amount may fluctuate according to fund size and underlying holdings.

RISK AND REWARD PROFILE



Why is the fund in the specific category?

This Fund is ranked at 4 because funds of this type have experienced average rises and falls in value in the past.

The indicator does not take into account the following risks of investing in this Fund:

Interest Rate Risk: Fixed interest securities are affected by trends in interest rates and inflation. If interest rates go up the value of capital may fall and vice versa. Inflation will also decrease the real value of capital. The value of a fixed interest security is also affected by its credit rating.

Counterparty Risk: As the Fund may enter into structured products agreements there is a risk that other parties may fail to meet their obligations. This may lead to delays in receiving amounts due to the fund, receiving less than is due or receiving nothing.

Financial Techniques Impact: The Fund may invest in derivatives. A relatively small movement in the derivative's underlying investment may have a much larger impact, positive or negative, on the value of the fund than if the fund were to hold the underlying investment itself.

Currency Risk: As the Fund invests in overseas securities movements in exchange rates may, when not hedged, cause the value of your investment to increase or decrease.

Further details on risk factors that apply to this Fund are set out in the Risk Factors section of the prospectus.

A copy of the prospectus and the Key Investor Information Document (KIID) can be found at:

<https://www.waystone.com/our-funds/waystone-management-uk-limited/>

Investment Risk

Investments may be subject to market fluctuations and the price and value of investments and the income derived from them can go down as well as up. Your capital may be at risk and you may not get back the amount you invest. Changes in inflation, interest rates and the rate of exchange may have an adverse effect on the value, price and income of investments.

Important Information

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Marketing

If you do not wish to receive this document in the future, please let your Private Banker know or call us on +44 (0) 207 597 3000. Telephone calls may be monitored or recorded.

Legal and regulatory information

This document is issued by SG Kleinwort Hambros Bank Limited which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority in the UK. The company is incorporated in England & Wales under number 964058 with registered office at One Bank Street, Canary Wharf, London E14 4SG. Services provided by non-UK branches of SG Kleinwort Hambros Bank Limited will be subject to the applicable local regulatory regime, which will differ in some or all respects from that of the UK. Please see the Information Documents on our website for further information: <https://www.kleinworthambros.com/en/important-information>.

Compensation schemes

The UK head office and Gibraltar branch of SG Kleinwort Hambros Bank Limited are covered by the Financial Services Compensation Scheme ("FSCS"). Investors and depositors may be entitled to compensation under the Financial Services Compensation Scheme ("FSCS") if Kleinwort Hambros cannot meet its obligations, depending on the circumstances of the claim. Most clients – including most individuals and businesses – are covered by the scheme, up to the limit of £85,000 per person. Full details of the scheme are available at: www.fscs.org.uk.

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