

FP APOLLO MULTI ASSET BALANCED FUND

MAY 2021

FUND AIMS

The Fund seeks to achieve a positive return over the medium to longer term, which is in excess of normal cash deposit rates. To invest in a range of assets including collective investment schemes, closed-ended funds, transferable securities, money market instruments and cash/deposits. The Fund may also seek investment diversification by obtaining indirect exposure to alternative asset classes including hedge funds, private equity, commodities and indirectly in property. The Fund may utilise derivatives for the purposes of efficient portfolio management.

FUND REVIEW AND OUTLOOK

Following on from the surges we saw in the previous month, markets were noticeably flatter in May. This is despite the continued economic reopening many developed countries are experiencing as vaccine rollouts accelerate. Markets are primarily concerned that if the economy rebound is too strong, and sustained inflation creeps into the global macro picture, then central banks will be forced to raise interest rates much more quickly than is currently anticipated. The Covid-19 vaccine rollouts in the US and UK remain strong while Continental Europe has increasingly caught up. However, despite the success of the UK's vaccine roll out, it appeared increasingly likely the national reopening on the 21st of June would be postponed by several weeks. The Covid-19 health crisis in India has highlighted the need for a successful global vaccine roll out.

The FP Apollo Multi Asset Balanced fund ended the month +0.60%². Despite a slowdown in Chinese equity markets over May, our Emerging market exposure had a strong month. Vietnam Enterprise Investments Trust soared 5.67%¹, partly due to foreign investment into the country as the macro-economic picture improved. Our strategy of picking a basket of Private Equity names performed well with Blackstone Group Inc climbing 4.72%¹ and BMO Private Equity Trust rising 9.16%¹ while KKR & Co Inc fell -1.12%¹. Partially due to the growth tilt of the theme, we saw our Global Robotics and Automation ETF struggle, falling -1.34%. In the absolute return space, we were pleased to see BH Global rally 4.55%¹, demonstrating the diversification benefits those alternative strategies bring. Baker Steel Resources Trust, a commodity play, rallied 8.29%¹ as the gradual global reopening saw demand for resources continue.

Despite the recent positive backdrop, we are somewhat cautious heading into the typically quieter summer months. Historically the summer months have been characterised by lower trading volumes. Markets have recently performed well but remain vulnerable to negative coronavirus data, namely the growing number of new variants we are seeing. While lingering effects of lockdown could structurally change some industries, most are looking like they will pick back up once the impact of the pandemic dissipates. We are wary of rising inflation brought about by the combination of pent-up demand, huge policy stimulus and potential supply chain disruption. Central banks will need to withdraw stimulus as economies reopen. This is particularly true in the US where there are already clear signs of inflation and strong economic growth. While the current level of central bank intervention seems excessive, any tapering will likely impact markets negatively. Foreign policy could continue to play a significant role as we transition through 2021 as Sino-US tensions are likely to remain. We continue to look for opportunities where the fundamental investment cases have strengthened throughout the period - actively identifying opportunities in markets such as Emerging markets, Asia and Europe.

Source: ¹Financial Express and Apollo, 01.04.2021 to 31.05.2021, ²Financial Express and Apollo, 01.04.2021 to 31.05.2021, F share class in GBP, ³Morningstar, April 2021, ⁴Bloomberg, April 2021

PERFORMANCE AS AT 31.05.2021†



†Source: Financial Analytics and Apollo, 26.11.08-31.05.2021 based on F share class. FP Apollo Multi Asset Balanced Fund uses ARC Sterling Balanced Asset Private Client Index as a benchmark for performance comparison only. ARC Private Client Indices (PCI) provide an accurate reflection of the actual returns that a private client should expect for a given risk appetite. The ARC Sterling Balanced Asset Private Client Index has been selected by the investment manager as the comparator suited to the FP Apollo Multi Asset Balanced Fund's risk profile and is used as a way for investors to compare the FP Apollo Multi Asset Balanced Fund's performance from 26.11.08 as compared to the performance of its peers.

Past performance should not be seen as a guide to future performance.

From 6 April 2017 the ISA Subscription level is £20,000 of which all could be held in cash.

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RISK PROFILE



Using the risk profiling model devised by Distribution Technology which assigns a single risk category from 1 (low risk) to 10 (high risk) this Fund has been assigned a risk category of 5 which categorises an investor with a low to medium attitude to risk, who would probably prefer their investment to fluctuate less and make more modest returns than risk losing money for higher returns. However the investor will probably be prepared to accept some falls in order to make higher returns than those made from only investing in low risk investments. The investor will accept that they could make a loss on the amount they invest, particularly in the short term.

Target Volatility: 7 – 9%

Target Return: Cash + 5%

FUND FACTS AS AT 31.05.2021

Fund Size	£27.08m
Launch Date	26 November 2008
Fund Manager	Steve Brann, Ian Willings
No. Holdings	38
Base Currency	GBP
Type of Share	Income & Accumulation
Inc Acc Date	28 February
Valuation	12.00 noon
IMA Sector	Unclassified
TER (as at 31.12.18 all GBP share classes)	F Shares: 1.56%
Min Investment	ISA: £1,000; Fund: £1,000
ISIN Codes	F: GB00B4T7ZR16

FURTHER INFORMATION

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PERFORMANCE

	31/05/2020 to 31/05/2021	31/05/2019 to 31/05/2020	31/05/2018 to 31/05/2019	31/05/2017 to 31/05/2018	31/05/2016 to 31/05/2017
FP Apollo Multi Asset Balanced Portfolio	19.74%	-7.46%	-3.25%	5.00%	16.98%

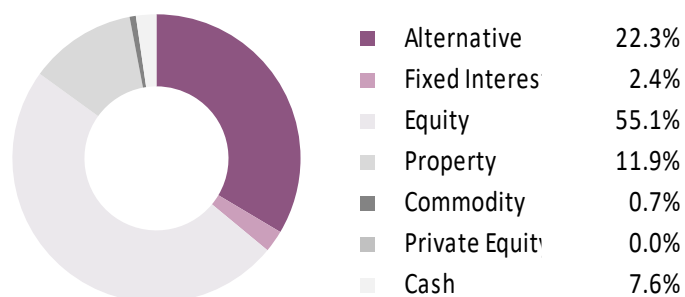
	1 YEAR	3 YEAR	5 YEAR	SINCE LAUNCH†
FP Apollo Multi Asset Balanced Portfolio	19.74%	7.20%	31.67%	96.15%

Source: Financial Analytics and Apollo, 26.11.08-31.05.2021, based on F share class. †Fund launched on 26.11.08

TOP TEN HOLDINGS AS AT 31.05.2021

LF Lightman European Fund - I Acc	8.06%
Matthews Asia ex Japan Dividend	7.19%
Dragon Capital - Vietnam Enterprise Investments Ltd	7.15%
Primary Health Properties PLC	5.87%
Montanaro UK Income	5.72%
BlackRock European Absolute Alpha D-ACC	5.47%
Baker Steel Resources Trust	4.82%
BH Macro	3.94%
Credit Suisse Global Autocall 21.25%	3.84%
JPM Global Macro Opportunities Fund	3.65%

PORTFOLIO BREAKDOWN AS AT 31.05.2021

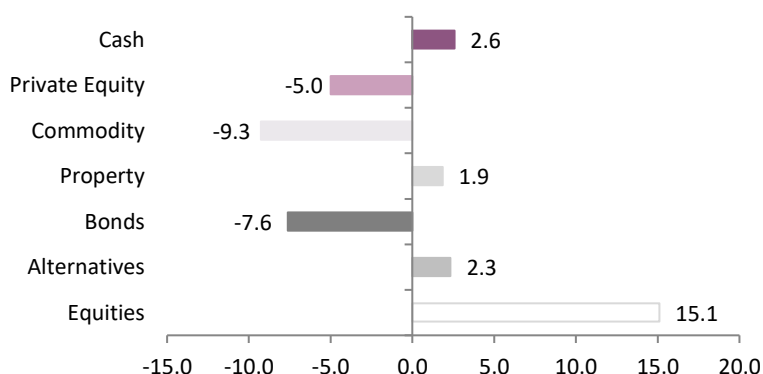


*7.54% of the Equity exposure is hedged by Futures positions. As a result the Futures positions have been treated as Absolute Return and the breakdown of equities in the portfolio has been reduced by 7.54% and added to the Absolute Return figure.

NEUTRAL ASSET ALLOCATION

Equities	40.0%
Alternatives	20.0%
Bonds	10.0%
Property	10.0%
Commodity	10.0%
Private Equity	5.0%
Cash	5.0%

TACTICAL ASSET ALLOCATION AS AT 31.05.2021



INVESTMENT PARTNERS

The Apollo funds are available through the following wraps and platforms:

7im	AXA (IOM)	Hargreaves Lansdown	Novia	Royal Skandia
Aegon	AXA/Winterthur	Irish Life	Nucleus	SEI
AJ Bell/SIPP Centre	Canada Life International	James Hay	Old Mutual Wealth	Scottish Widows Intl
Ascentric/Funds Direct	Cofunds	L&G International	Prudential International	Skandia (SIS & SLAC)
Aviva	Fidelity FundsNetwork	Lombard	RMB	Standard Life
AXA Elevate	Friends Life International	Merchant Investors	RL 360	Transact

*N.B. Exposure to alternatives and commodities is indirect i.e. via collective investment schemes.

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Please remember that the value of your investment may fall as well as rise and is not guaranteed. You may not get back your initial investment. Past performance is not an indicator of future performance. For full information concerning the Fund and its risks please read the Key Investor Information Documents available on our website. Investment advice should be obtained from an authorised financial advisor. Issued by Apollo Multi Asset Management LLP which is a limited liability partnership registered in England and Wales under registered number OC339180 and is authorised and regulated by the Financial Conduct Authority. Registered office: Chart House, 2 Effingham Road, Reigate, Surrey, RH2 7JN. A list of members is open to inspection at the registered office. Fund Partners Limited (formerly IFDS Managers Limited) is the Authorised Corporate Director (ACD) of FP Apollo Multi Asset Management Funds and is authorised and regulated by the Financial Conduct Authority. Registered Office: Cedar House, 3 Cedar Park, Cobham Road, Wimborne, BH21 7SB.