

WS Doherty Balanced Managed Fund

Quarter 4 2023

Before making an investment you should ensure that you have read and understood the relevant Key Investor Information document, these can be found at www.waystone.com/our-funds/waystone-fund-services-uk-limited/

Information in this factsheet is at the last valuation point in December 2023 (except where indicated)

Please ensure you read the risk warnings section overleaf.

Investment Aim/Objective

The Fund aims to achieve capital growth in excess of the Consumer Prices Index plus 3% per annum over 5-year rolling Periods whilst maintaining a relatively controlled level of volatility.

The Fund invests in a range of collective investment schemes ("funds") that are exposed to a range of asset classes on a global basis. The Investment Manager's bias is towards actively managed funds although the Fund may also invest in passively managed funds (e.g. index tracking funds). The funds may include those managed or operated by the ACD and its associates.

At least 40% of the Fund will usually be exposed to shares. Typically, between 25% and 60% of the Fund may be exposed to fixed income securities, such as corporate and government bonds, and cash.

Exposure will be gained by investing in funds that either specialise in a particular geographic sector (e.g. for equity funds - UK, US, Europe, Asia Pacific, Japan, Global), asset class (e.g. bonds) or investment theme (e.g. investing in absolute return strategies, or in companies specialising in the energy or technology sectors). The Fund may obtain indirect exposure via the underlying funds to alternative asset classes such as property and companies that specialise in commodities.

The Investment Manager will vary the weighting of the asset classes and global exposures to which the Fund is exposed, taking account of market conditions.

The Fund is managed to sit within the Investment Association's Mixed Investment 40-85% Shares Sector. This means that the Fund's assets will reflect any requirements from time to time of the sector. As the Fund has indirect exposure to the assets held within the funds in which it invests, it will comply with these requirements on a "look through" basis.

Managed by

Doherty
Pension & Investment Consultancy Ltd



Gavin Curran

Investment Manager

Doherty Pension & Investment Consultancy Limited

Fund Manager

Gavin has worked in the investment management business for over fifteen years. This has involved every aspect of investment management, from currency trading to stock broking and latterly fund management. In his current role Gavin created Doherty PIC Ltd ABC Fund of Funds Portfolios in January 2004 and has managed these portfolios on an advisory basis from launch. During his tenure of the ABC portfolios, Gavin delivered outperformance during periods of both rising and falling markets.

Experience

Doherty PIC Ltd	2006-Present
Abbey National Plc	2005-2006
Doherty PIC Ltd	2002-2005
NCB Stockbrokers	2000-2002
Ulster Bank Investment & Trustee Services	1997-1999

Qualifications

Institute of Securities Diploma:	2008
Fund Management, Investment Analysis	
Private Client Investment Advice	
Financial Planning Certificate (FPC)	2002
SFA Registered Representative	1999
Institute of Bankers Diploma	1997-1999
BA Hons Banking & Finance	1994-1997

Fund Manager Commentary

The final quarter of 2023 started out with a negative bias as spiking long-term interest rates continued to weigh on risk assets. As October progressed, sentiment began to shift thanks to positive economic data in the US coupled with better-than-expected corporate earnings. Investors lived under the shadow of a well-publicised "imminent recession" from late 2022. Factors early in 2023 such as the banking failures extended the flood of liquidity in the system keeping the good times going against all the odds. The feared slowdown has yet to materialise as consumers continue to spend (borrowing has now replaced savings with credit card debt at all-time highs) and the jobs market remains buoyant. The recessionary fears have yet to go away however the inflationary fears and peak interest rates are quickly disappearing in the rear-view mirror.

Throughout the second half of 2023 Inflationary pressures have receded much faster than bond and equity markets had priced for. In view of the new inputs the pathway for interest rates in 2024 has quickly readjusted to reflect the potential for a "soft landing" in the economy – one where growth remains strong, inflation falls, and the Federal Reserve can reduce interest rates on the grounds of falling inflation rather than slowing growth due to recessionary pressures. With these new parameters priced into the 2024 equation government bond markets sharply reversed course from their 2023 highs to dip very quickly back to levels that we saw at the start of the year. In addition, equity markets took the signal to rally, a rally that broadened out beyond the "magnificent seven". Small and Midcap equities in the US rallied as those who were underweight equity exposure sought to increase exposure in sectors of the market where valuations looked attractive relative to large cap growth.

The strong year end rally in both Bonds and equities was a very welcome boost to our portfolios. With interest rates spiking in Q2 and Q3 of 2023 we extended duration in the Funds boosting our holdings in Funds such as the Vanguard UK Long duration Gilt and the M&G Global Macro Bond Fund. The sharp rebound in these fund as interest rates have fallen have been similar to equity like returns and benefits the overall risk profile of the portfolios. Our equity exposures have also had a very good end to the year; those holdings outside of the "mega cap growth stocks" benefitting from their "unloved" status to find their way back into "Buy lists".

As we go into 2024 investors are weighing up the strength of the US and global economies and the threats of geopolitical factors on it. So far, we have avoided recession and the fears of a spiking oil price, due to instability in the Middle East, re-igniting inflation fears. The Federal Reserve has pivoted from hawkish to almost dovish signalling to the market that risk assets are back. Whilst valuations in the US still look expensive based on current earnings expectations, the P/E multiple could look very different if earnings start to come through better than expected, underpinning current valuations, and allowing some room for higher prices.

Within our portfolios I intend to keep our current weightings. The defensive tilt particularly within fixed interest should continue to serve as strongly in a lower inflationary environment. Should growth slow down and equity markets take a leg lower I will take the opportunity to add to our equity positions in areas of the markets where valuations are not stretched.

Fund Prices

Fund Class	ISIN	Latest Price*	Launch Price	OCF %**
A Accumulation	GB00B4MTNF86	199.89	100.00	2.60
B Accumulation	GB00B92M7160	172.71	100.00	2.10

Shares can be held as an OEIC investment or within an ISA/JISA wrapper.

*Prices are published daily at www.waystone.com/our-funds/waystone-fund-services-uk-limited/

** Ongoing Charges Figure (OCF) (Based on 31 January 2023 audited accounts)

Key Fund Facts

Fund Launch Date	1 June 2009
Fund Size	£12.3m
Share Type	Accumulation
Base Currency	Sterling
Pricing Frequency	8:00am, daily
IA Sector	Mixed Investment 40%-85% Shares
Charges	Initial up to 5.00%, Annual 1.5%
Accounting Date	31 January
Minimum Investment Levels	£1,000 initial lump sum or £50 per month regular saverACD
	Waystone Fund Services (UK) Limited (FCA No: 190293)

Performance

Past performance

	Cumulative to last valuation point in Dec 2023 (%)					Discrete annual performance to end of Dec 2023 (%)				
	6 months	1 year	3 years	5 years	From Launch	2023	2022	2021	2020	2019
WS Doherty Balanced Managed B Acc	6.27	6.84	10.85	30.96	111.21	6.84	(7.03)	11.60	5.27	12.22
CPI plus 3%	2.03	7.04	32.27	43.07	135.49	7.04	13.82	8.56	3.67	4.35
IA Mixed Investment 40-85% Shares	5.57	8.08	7.87	31.54	157.83	8.08	(10.04)	10.94	5.32	15.78

WS Doherty Balanced Managed Fund

Rolling 5 year periods					2023	2022	2021	2020	2019
WS Doherty Balanced Managed Fund B Acc					30.96	11.96	26.60	29.66	26.04
CPI plus 3%					43.07	40.58	30.95	26.21	25.66
IA Mixed Investment 40-85% Shares					31.54	14.27	39.69	42.12	38.53

Performance Since Launch (1 June 2009)

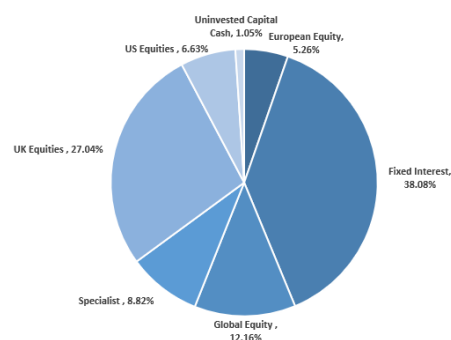


Total Return, Bid to Bid, Tax UK Net, Sterling Terms. Source: Waystone Fund Services (UK) Limited/Financial Express Analytics. Past performance is not a reliable indicator of future results. The value of your investment and the income derived from it can go down as well as up and you may not get back the money you invested.

Top 10 Holdings

Fund	Sector	%
Fidelity Index UK Gilt P Acc	Fixed Interest	10.33%
Vanguard UK Long Duration Gilt IF Acc	Fixed Interest	9.64%
M&G Global Macro Bond I Acc	Fixed Interest	9.29%
Rathbone Income Fund-i-acc	UK Equities	8.60%
Sarasin GIBHDiv£H P Acc	Global Equity	7.89%
Schroder Recovery Z Acc	UK Equities	7.49%
Premier Miton US Opportunities B Acc	US Equities	6.63%
Aegon Ethical Equity B Acc	UK Equities	6.55%
Polar Capital Healthcare BlueChip SHInc	Specialist	6.13%
Aegon Strategic Bond B Acc	Fixed Interest	5.35%

Asset Allocation



Risk Warnings

This document has been produced for information only and represents the views of Waystone Fund Services (UK) Limited and Doherty Pension & Investment Consultancy Limited at the time of writing. It should not be construed as investment advice. Full details of the WS Doherty Funds, including risk warnings, are published in the WS Doherty Funds' Prospectus, the Key Investor Information documents and the Supplementary Information document, available from www.waystone.com/our-funds/waystone-fund-services-uk-limited/. The WS Doherty Funds are subject to normal stock market fluctuations and other risks inherent in such investments. The value of your investment and the income derived from it can go down as well as up, and you may not get back the money you invested. Investments in overseas equities may be affected by changes in exchange rates, which could cause the value of your investment to increase or diminish. Capital appreciation in the early years will be adversely affected by the impact of initial charges and you should, therefore, regard your investment as medium to long term.

Past performance is not a reliable indicator of future results. Every effort is taken to ensure the accuracy of the data used in this document but no warranties are given. All sources Doherty Pension & Investment Consultancy Limited and Waystone Fund Services (UK) Limited unless otherwise stated.

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Waystone Fund Services (UK) Limited is authorised and regulated by the Financial Conduct Authority No. 190293 and is a member of The Investment Association.

To place a deal or
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you should ensure that you
have read and understood the
relevant Key Investor Information
document, these can be found at
www.waystone.com/our-funds/waystone-fund-services-uk-limited/

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