Optimal Multi-Asset Balanced Fund

as at 31 Aug 2022

Investment Objectives

The investment objective of the fund is to seek to deliver long-term capital growth.

The fund will endeavour to achieve its investment objective by investing in a range of assets while seeking to achieve returns resulting in lower levels of volatility than that experienced in broader equity markets.

Trailing Returns

Data Point: Return

	3 Month	6 Month	1 Year	3 Years	5 Years	Since Inception
Optimal Multi Asset Balanced A GBP	1.45	0.59	-5.07	2.50	0.82	2.45
IA Mixed Investment 20-60% Shares	-2.20	-3.10	-7.19	1.32	1.84	3.40

The AlphaBeta Investment team took over this mandate on 1 February 2021.

Key Facts

Fund Legal Name	Optimal Multi Asset Balanced Fund
Fund Legal Structure	Open Ended Investment Company
ISIN	IE00BRJL4C27
Inception Date	1/16/2015
Base Currency	Pound Sterling
Domicile	Ireland
Management Company	Link Fund Manager Solutions (Ireland) Limited
Administrator	Link Fund Administrators (Ireland) Ltd
Auditor	Grant Thornton
Custodian	Bank of New York Mellon SA/NV, Dublin Branch
Initial Charge (waived)	1.00%
Management Fee (reduced fee)	0.50%
Ongoing Charge Figure	2.07%

Asset Allocation

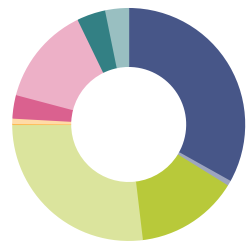
Portfolio Date: 8/31/2022

	%
Cash	16.1
US Equity Large Cap Blend	13.2
Energy Sector Equity	9.9
Japan Equity	7.8
UK Equity Large Cap	7.0
Europe Equity Large Cap	6.5
Europe Fixed Income	6.2
Money Market Miscellaneous	6.0
Sterling Fixed Income	6.0
Technology Sector Equity	5.1
Global Equity Large Cap	3.0
Equity Miscellaneous	3.0
Utilities Sector Equity	2.9
Global Emerging Markets Equity	2.6
Infrastructure Sector Equity	2.5
Asia ex-Japan Equity	2.3
Total	**100.0**

The above charts may not add up to 100% due to roundings

Equity Regional Exposure

Portfolio Date: 8/31/2022



	%
North America	33.1
Latin America	0.7
United Kingdom	14.3
Europe dev	26.9
Europe emrg	0.1
Africa/Middle East	0.7
Australasia	3.3
Japan	13.7
Asia dev	4.0
Asia emrg	3.2
Total	**100.0**

The above charts may not add up to 100% due to roundings

Top 10 Holdings

Portfolio Date: 8/31/2022

	Portfolio Weighting %
Amundi MSCI USA SRI PAB ETF DR C	6.62
iShares MSCI USA SRI ETF USD Acc	6.56
Xtrackers II £ Overnight Rt Swap ETF 1D	5.98
iShares £ Ultrashort Bd ESG ETF GBP Inc	5.96
L&G Clean Energy ETF USD Acc	5.59
Amundi Index MSCI Japan SRI PAB ETF DR C	5.19
Xtrackers MSCI Eurp InfoTechESGScrnETF1C	5.08
Amundi MSCI UK IMI SRI PAB ETF DR GBP	4.57
iShares Global Clean Energy ETF USD Dist	4.32
Xtrackers II ESG EUR CBSD ETF 1 EUR Acc	4.03
	53.92

Investment Team

Investment Managers	Asim Javed, CFA
Investment Manager 2	Peter Toogood

Manager's Commentary

After a positive performance in July, all asset classes posted negative returns in August. The S&P 500 Index recorded a drop of 4.2%, the MSCI All Companies World Index (ACWI) declined 3.9% and the Bloomberg Global Aggregate Bond Index recorded a drop of 3.9%. Quite a noticeable change in the correlation across asset classes, with Bonds and Equities responding negatively to the latest monetary response to persistent inflation, exacerbated by the recent geopolitical risks and their impact on energy and food prices and rising service sector costs.

The Federal Reserve, ECB and the Bank of England, in their various interactions have communicated a clear hawkish path to rein the inflation problem. The Federal Reserve Open Markets Committee minutes offered a more hawkish tone than traders had expected, and this, in many ways stemmed the rise in key equity indices, with the expectation rising for a further possible 75bps increase in the Fed Funds target rate in late September. Each August the beautiful Wyoming resort of Jackson Hole plays host to the global central banker's economic symposium. Following a dovish and inaccurate speech in 2021 when Federal Reserve Chair Jerome Powell stated inflation was "likely to prove temporary". This year Mr. Powell's speech was altogether shorter, lasting only 8 minutes, seemingly for effect, harder in tone, and unambiguous. He even directly quoted the 1970's Federal Reserve Chairman Paul Volcker who is credited with halting the soaring inflation of the 70's and 80's era by raising rates higher than many expected.

Despite the meandering path of central banker prose, we at Alpha Beta Partners have maintained a rock-solid view of inflation remaining higher for longer for well over a year now.The geopolitical crisis has given way to food and energy security issues. The energy crisis is presently most acute in Europe. A Europe-wide recession looks distinctly on the cards. In Japan inflation has marginally increased although the policies of yield curve control at the expense of a much weaker yen are broadly holding up to scrutiny. Irrespective of geography much of the global inflationary pressure is beyond central bank control and resides squarely in the geopolitical category and remains unresolved. As markets anticipate a possible recession, an earnings slowdown will be factored in the price. Markets, so far, are expecting monetary policy tightening to halt or even reverse by Q1 2023.

We are now looking to change duration in our fixed income section and possible further reduction in our equity exposure to weather this storm of uncertainty. All portfolios remained inside their allocated risk corridors during the month.

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Source: Morningstar Direct