QED Financial Associates Managed Portfolio
QED Clarion 4 MPS Strategy

JULY 2022

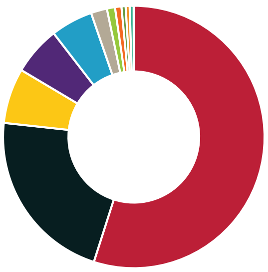
QED FINANCIAL ASSOCIATES
INDEPENDENT FINANCIAL ADVISERS

STRATEGY OBJECTIVE

The QED Clarion 4 MPS Strategy is matched to a risk profile (level 4) which targets a specific range of volatility. QED use a 1 to 10 rating system with 1 being low risk and 10 high risk.

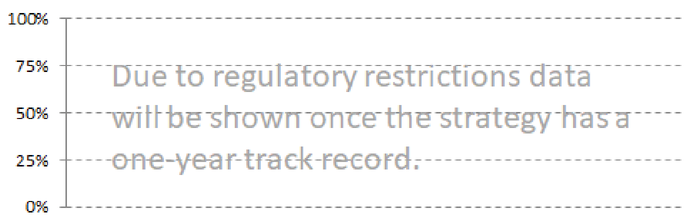
The QED Clarion 4 MPS Strategy will typically invest around 25% to 50% in domestic and / or international equity funds, while also providing exposure to fixed interest funds, cash and / or money market funds. Equity exposure will provide the opportunity for capital and dividend income to grow over time. Fixed interest investments will help to provide stability of capital and a regular level of income. There may also be exposure to exchange-traded products (ETPs) and funds investing into "alternatives" such as commercial property, private equity, commodities and absolute return strategies. A minimum of 20% of the Strategy will typically be allocated to index-tracking investments.

ASSET CLASS / REGIONAL EQUITY ALLOCATION AS AT 30/06/2022



Key Name	Weight
Fixed Interest	55.0%
UK	21.8%
Hedge Funds	6.8%
Cash	6.0%
Products	5.2%
North	2.0%
America	1.0%
Property	0.8%
Cont'l Europe	0.5%
Emerging Far	0.5%
East Japan	0.5%
UK Small Cap	0.5%

STRATEGY PERFORMANCE



Powered by data from FE

Source: Quilter Cheviot, FE fundinfo. Model Performance is shown in GBP, gross of management fees but net of underlying fund costs, with all income reinvested, actual returns may vary.

Past performance is not a reliable indicator of future performance. The value of investments and the income from them can go down as well as up. You may not recover what you invest.

TOP PORTFOLIO HOLDINGS

Allianz Gilt Yield	25.20%
Vanguard Global Short Term Bond Index	19.70%
BlackRock ICS Sterling Liquidity	6.00%
Artemis Income	5.55%
Legal & General UK 100 Index	5.05%
Schroder Recovery	4.45%
Hermes Unconstrained Credit	3.70%
Blackrock UK Equity	3.35%
Liontrust UK Growth	3.35%
L&G Short Dated Sterling Corporate Bond Index	2.80%
BNY Mellon Real Return	2.25%
Janus Henderson Absolute Return	2.25%
Montlake Mygale Event Driven	2.25%
BMO Property Growth and Income	2.00%
AXA US Short Duration High Yield Bond	1.85%
Royal London Sterling Credit	1.75%
iShares North American Equity Index	1.60%
HSBC American Index	1.55%
Schroder ISF US Large Cap	1.55%
Henderson European Selected Opps	1.00%

CHARGES INFORMATION

Annual Management Charge:	0.18%
Weighted Cost of Underlying Collective Funds*	0.58%

Costs and charges data for the underlying funds held within the MPS Strategies is sourced from Morningstar. Where costs and charges data for a fund is not available from Morningstar, Quilter Cheviot will use alternate data sources or reasonable endeavours to estimate this figure.
*This represents the estimated cost of additional charges paid to external third party collective fund managers. This will include the OCF and Transactional Charges.

KEY FACTS

Historic Yield	1.24%
Launch Date	1 July 2021

Source: Quilter Cheviot, FE fundinfo 05 July 2022. All figures to 30 June 2022.

STRATEGY VOLATILITY TARGET

QED Clarion 4	6.84% - 8.80%

Source: Quilter Cheviot, FE fundinfo 05 July 2022. All figures to 30 June 2022.

	YTD	1 YEAR	3 YEARS	5 YEARS	SINCE LAUNCH	1 YEAR TO 30/06/2018	1 YEAR TO 30/06/2019	1 YEAR TO 30/06/2020	1 YEAR TO 30/06/2021	1 YEAR TO 30/06/2022
QED Clarion 4	Due to regulatory restrictions data will be shown once the strategy has a one-year track record.									

Model Performance is shown in GBP, gross of management fees but net of underlying collective fund costs, with all income reinvested, actual returns may vary.

Source: Quilter Cheviot, FE fundinfo 05 July 2022. All figures to 30 June 2022.

IMPORTANT INFORMATION

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Data provided by FE fundinfo, Quilter Cheviot (30 June 2022).

For information on Yield, Volatility, Asset Allocations, and any benchmark changes since the strategy launch, please refer to the 'Important Information Explained' section which can be found on page 3.

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MARKET COMMENTARY

There is no denying that the second quarter (Q2) has been a particularly testing one for investors, with increasingly aggressive measures from central banks to combat stubbornly high inflation weighing on financial markets. Inflation metrics in the US and UK hit their highest levels since the early 1980s, while the equivalent reading for the Eurozone surged to its highest level on record. The Federal Reserve upped the ante with its monetary policy response, delivering its first 0.5 percentage point rise in over 20 years at the start of May before following it up with a 0.75 percentage point increase at the subsequent meeting in June, its largest hike since 1994. The Bank of England also increased rates at both its Q2 meetings, albeit at a slower rate of 0.25 percentage points, as rate-setters in London decided against a faster pace due to growing concerns surrounding a slowing economy.

For equities the declines largely came in the form of derating as share prices declined even while earnings updates for the first quarter remained solid overall. Guidance from companies to analysts continues to be fairly positive, despite cost pressures and earnings estimates remaining marginally higher than at the start of the year. That said, companies are expected to become more realistic in their guidance on future outcomes, especially in the run-up to third quarter results from the end of September. Markets have discounted at least part of the anticipated bad news, but are still not "cheap" in a historical context, especially if earnings come in lower than current estimates.

US stocks endured a difficult quarter as selling intensified, with benchmarks posting their worst first six months of the year since 1970. Growth stocks were hit particularly hard as indices slipped into bear market territory after a decline of around 16% for the quarter. Signs that economic activity is slowing are becoming more frequent and clearer as consumer confidence readings, purchasing managers indices' (PMIs) and housing data all softened.

Despite this, the Federal Reserve remains committed to aggressively tightening monetary policy and are widely expected to deliver another 0.75 percentage point hike in July. In light of this government bond yields rose significantly during the second quarter (meaning their values fell). The US 10-year Treasury yield jumped from around 2.34% to a peak of 3.50%, its highest level since 2011, before pulling back to around 3.01%. UK government bonds have also come under pressure, as the Bank of England continues to raise interest rates despite signs of a stalling economy.

UK shares fared better than their US and European counterparts over Q2, although unlike the first quarter when they posted a positive return, they ended the quarter down by a little over 4%. The outperformance was largely due to the benchmark's composition and a greater weighting to energy and mining stocks, which were boosted by rising commodity prices. A sizeable sterling depreciation of around 8% against the US dollar helped the headline return of the UK stock market, given a significant proportion of component companies earn the majority of their revenues in non-sterling terms. This has also cushioned the losses in US stocks to some extent for UK-based investors.

While inflation may be close to a peak in some regions, growth is expected to slow as central banks persist in raising rates, meaning a likely continuation of volatile markets. Providing inflation begins to subside as anticipated, bond yields could be closer to their turning point than equities – although this will still likely need some central bank signal to mark the turning point. Overall, we are relatively cautious in our outlook at this juncture.

ABOUT QUILTER CHEVIOT

Quilter Cheviot has a heritage that can be traced back to 1771. We are one of the UK's largest discretionary investment management firms, focusing on providing and managing bespoke investment portfolios for private clients, trusts, charities and pension funds. The Quilter Cheviot Managed Portfolio Service (MPS) was launched in 2001, and is a model-based discretionary management service investing exclusively in collective investments ("funds").

QED FINANCIAL ASSOCIATES HAS APPOINTED QUILTER CHEVIOT AS THE DISCRETIONARY MANAGER FOR THE QED FINANCIAL ASSOCIATES MANAGED PORTFOLIO SERVICE

QUILTER CHEVIOT
INVESTMENT MANAGEMENT

INVESTMENT MANAGERS

Simon Doherty
Simon joined Quilter Cheviot in 2007 and is lead portfolio manager of the Quilter Cheviot Managed Portfolio Service (MPS) and chair of the firm's Investment Funds Committee. A graduate of Trinity College Dublin with a first class honours degree, Simon has completed the Investment Management Certificate (IMC), the CISI Masters in Wealth Management and has passed Level I of the CFA Program.

Antony Webb
Antony is an Investment Manager on the Quilter Cheviot Managed Portfolio Service (MPS) team, and sits on the firm's Investment Funds Committee. He joined Quilter Cheviot in 2010 after graduating from University College London with a BSc (Hons) degree in Economics. Antony has completed the Investment Management Certificate (IMC), and the CISI Masters in Wealth Management.

QED FINANCIAL ASSOCIATES
Regents Court
St Mary's Street
Penistone
Sheffield
S36 6DT

t: **01226 767 787**
e: **info@qedifa.co.uk**
w: **www.qedifa.co.uk**

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IMPORTANT INFORMATION EXPLAINED

STRATEGY PERFORMANCE
Market and economic conditions will change over time and these and other future developments will impact the future risks and returns of asset classes.

HISTORIC YIELD
The level of yield actually achieved on your portfolio will be dependent on the tax treatment of the product you have invested in and your personal tax circumstances. The historic yield data is calculated using the previous year's dividend information and the bid or mid price from the last dividend. Estimated gross yield is not a reliable indicator of future returns.

ANNUALISED VOLATILITY AND DRAWDOWN
Volatility is a measure of risk and measures the variability of price fluctuations of an investment, or a portfolio of investments. Realised (i.e. experienced) model volatility is expressed as the annualised standard deviation of returns over the stated time period(s), calculated using monthly data. The realised drawdown is the peak to trough decline experienced by the model over the stated time period(s), calculated using monthly data. Estimated annualised volatility and drawdown figures have been calculated based upon an historic analysis of the model's current strategic asset allocation, calculated using monthly data.

EXCHANGE RATE RISK
Changes in exchange rates may have an adverse effect on the value, price or income of foreign currency denominated securities.

ASSET ALLOCATION
Clients investing in the strategy for the first time, either via new business or a switch, will have their portfolio determined by the fund and asset allocations set at the last rebalance date (as detailed on Page 1 of this document for the Asset Allocation). The asset allocation is shown at a point in time reflecting the last rebalance date. Due to market movements there will be a difference in the asset allocation of *existing* clients' portfolios as at the date of the factsheet.