

INCOME UPLIFT

QUARTER FOUR | TWO THOUSAND AND TWENTY TWO



CS INVESTMENT MANAGERS

Soaring inflation, an outbreak of war and accelerated levels of quantitative tightening by central banks resulted in 2022 being a year that is unlikely to be replicated in the near future. Although the year was a negative one for most asset classes, the fourth quarter provided some hope that 2023 could be a more positive year. Overall, the Income Uplift strategy group returned a solid 2.85% over the quarter, primarily lead by large-cap equities in UK and Europe. The full year performance was -5.72%; a strong relative performance amongst our peers.

We spotted rising inflation on the horizon early in the year and made moves to try to protect portfolios. Raising and holding cash was an obvious option, but if we take a look at our top winners over the year, our energy and alternative holdings performed best.

Of the latter, BH Macro was the stand-out performer. Their strategy offers diversification properties, providing uncorrelated returns as it tends to benefit from market volatility. Multiple trading strategies are employed, investing across a range of asset class derivatives such as commodities, interest rates, equities and currencies. With heightened volatility across the board, this provided a plethora of opportunities to provide a significant positive return.

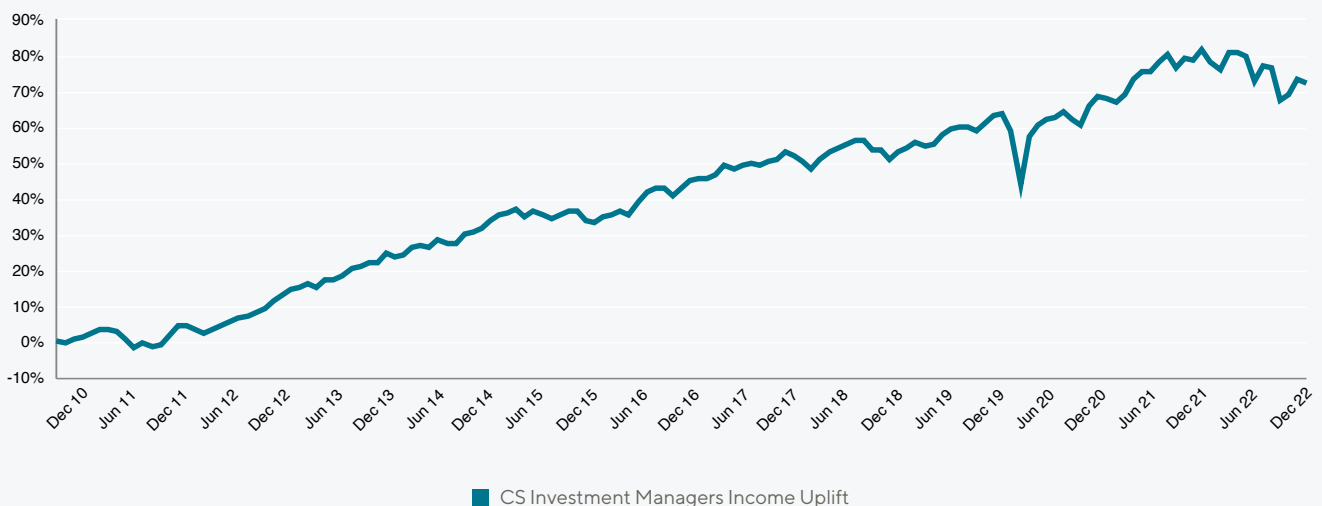
We also saw solid gains from our investments in Shell and iShares Oil & Gas ETF. Clearly, the war in Ukraine and subsequent reduction in supply of oil from Russia had a

significant effect on oil prices, benefiting companies who had exposure to these areas.

The start of Q4 saw the continued fall of both government and corporate bonds on the back of the Truss-Kwarteng mini-budget. After the re-pricing, we moved to close our underweight position by adding new positions in this space, namely Artemis Corporate Bond Fund and Premier Miton Monthly Income Bond fund. We also added a government index-linked bond, commonly known as a Linker, which was trading on an attractive valuation as well. Although a relatively short maturity (March 2024), we believed that the inflation forecasts for the UK over the next 12-18 months made this a good home for cash.

While this year will certainly require a degree of flexibility, we are encouraged by the initial positive market moves to start the new year and are optimistic that it can continue.

CS Investment Managers Income Uplift Performance (net of fees)



Source: CS Managers Ltd. Data as at 31/12/22



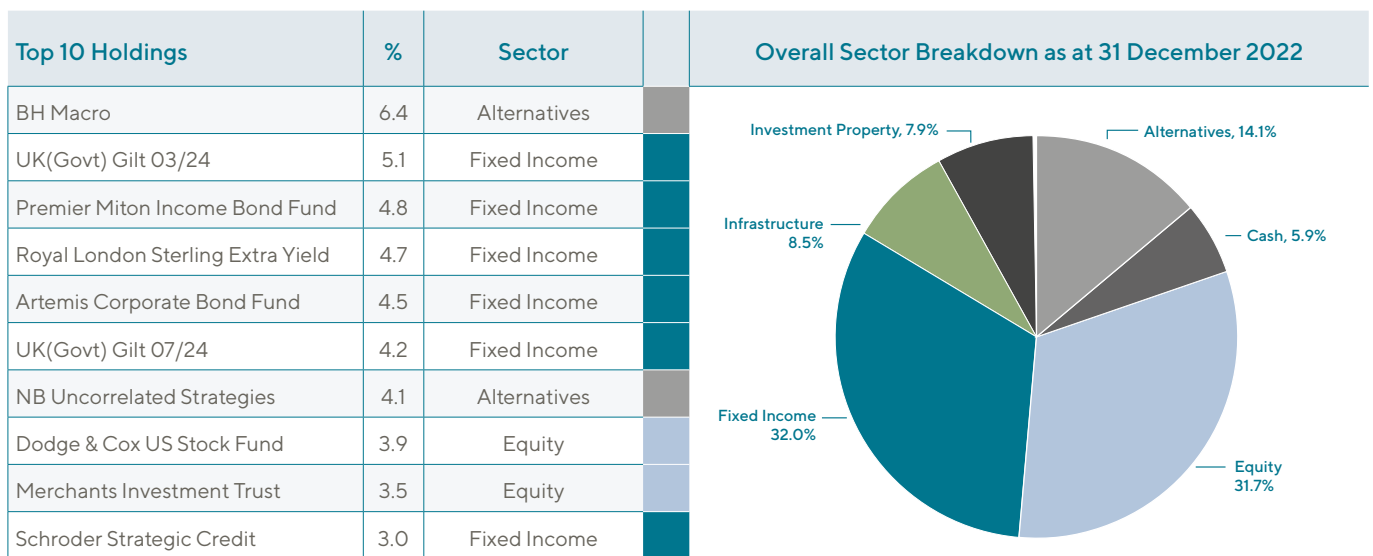
INCOME UPLIFT QUARTERLY REVIEW

QUARTER THREE | TWO THOUSAND AND TWENTY TWO

Total Return	CS Investment Managers Income Uplift Strategy Portfolio	UK CPI Inflation
3 Months	2.9%	2.8%
1 Year	-5.3%	10.5%
3 Years	5.3%	17.2%
5 Years	12.3%	21.6%
Since 31/12/2010	70.8%	36.3%

Source: CS Managers Ltd and Office for National Statistics data as at 31/12/22

Asset Allocation



Source: CS Managers Ltd as at 31/12/22

Performance from 31 Dec 2010 – 30 Sept 2022 is drawn from stylised aggregate portfolios constructed from the discretionary portfolios managed by CS Investment Managers. The figures were calculated on a monthly basis, net of fees and other charges and adjusted for contributions and withdrawals. From 1 October 2022, performance figures are drawn from a composite group of non-constrained discretionary portfolios managed by CS Investment Managers under an Income Uplift investment strategy. These figures have been calculated net of fees and dealing costs and adjusted for contributions and withdrawals. Performance of individual portfolios may vary due to factors such as the portfolio size, stock selection and timing of investment transactions.

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