

IZA Global Stable Portfolio GBP



Iza Capital
Partners

Return Date: 10/31/2023

Portfolio Information

Portfolio Managers:

IZA Capital Partners

Portfolio Launch: June 2018

Target Return: UK CPI + 3%

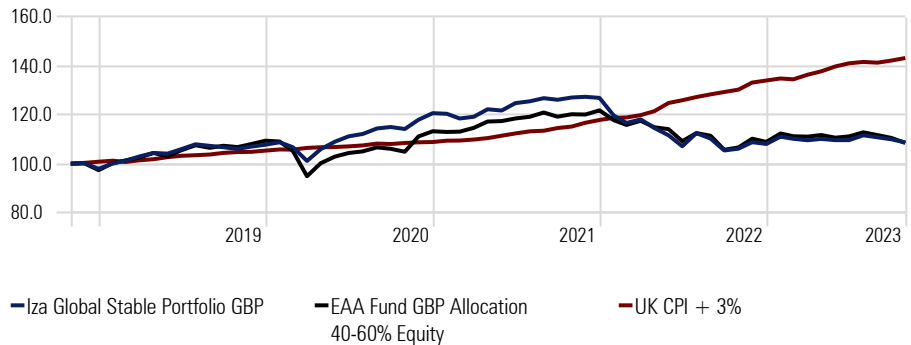
Benchmark:

EAA Fund Cautious Allocation GBP

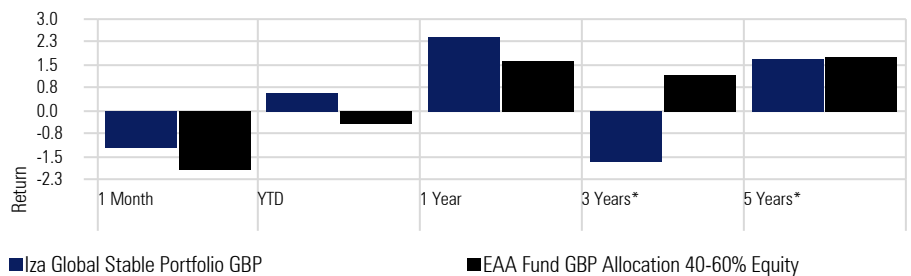
Risk Rating:

Low ○ ● ○ ○ ○ High

Investment Growth



Periodic Returns



Investment Objective and Strategy

The portfolio aims to achieve returns in excess of UK CPI + 3% p.a. over rolling three year periods. Over any three year rolling period the portfolio should always deliver a positive return. Portfolio returns will be generated through interest income, dividend income and capital growth. The portfolio benchmark is the EAA Fund GBP Cautious Allocation category. The portfolio is a multi-manager portfolio ideally comprising at least two underlying funds and not more than six. Fund selection will be bias towards high Sortino ratios, low downside standard deviation and to managers and funds that have successfully navigated sustained negative market conditions. Where possible underlying funds will be given as many of the asset allocation decisions as possible. Underlying investments will be held in multiple first world currencies, however, all performance and risk statistics will be in GBP.

Risk Measures

Time Period: Since Common Inception (6/1/2011) to 10/31/2023

Calculation Benchmark: EAA Fund GBP Allocation 40-60% Equity

	Inv	Bmk1
Return*	6.93	3.58
Std Dev	6.85	6.94
Sharpe Ratio (arith)	0.96	0.47
Sortino Ratio	0.60	0.25
Downside Deviation	1.78	0.00
Alpha	3.24	0.00
Max Drawdown	-17.26	-13.13

Monthly Commentary

Stock markets experienced a third consecutive month of decline, as the Dow Jones Industrial Average dropped by 1.3% (USD), the S&P 500 slipped 2.1% (USD), and the NASDAQ lost 2.8% (USD) of its value. On a global scale, Emerging Markets saw a 3.9% (USD) decrease, while EAFE (Europe, Australasia, and the Far East) suffered a 4.0% (USD) decline. Among different stock categories, small and mid-cap stocks were hit the hardest, with the Russell 2000 plummeting by 6.8% (USD), whereas the larger-cap Russell 1000 fared relatively better with a 2.4% (USD) decrease. In October, both bond and stock markets experienced declines simultaneously due to a sharp rise in bond yields and increased global geopolitical uncertainty, which negatively impacted market sentiment. Notably, commodities stood out as a strong performer during this period, with energy prices surging and investors turning to gold as a safe-haven asset. The bond market continued its downward trend in October, with global bonds witnessing a 1.2% decrease for the month. The US 10-year Treasury yield surpassed the 5% mark for the first time since 2007. This increase was driven by a combination of robust economic data, which made the prospect of "higher for longer" interest rates more likely, and concerns regarding the sustainability of government finances. The rise in yields was observed not only in the global government bond market but also in credit markets, causing spreads to widen. This widening of spreads had a negative impact on the monthly returns for both investment-grade and high-yield bond markets. The Iza Global Stable Portfolio declined by -1.17% for the month. Global stock markets experienced a decline due to the expectation of "higher for longer" interest rates, which negatively affected equity valuations. Additionally, the Israel-Hamas conflict dampened investors' appetite for risk. Developed market equities saw a 2.9% (USD) decrease over the month, while emerging market stocks fell by 3.9% (USD). Notably, growth stocks showed greater resilience compared to their value counterparts, with a return of -2.4% (USD) for growth stocks versus -3.4% (USD) for value stocks during the month. Commodity prices saw a reversal of some of their year-to-date declines in October, as the broad Bloomberg Commodity Index increased by 0.3% (USD). The tragic events unfolding in the Middle East prompted a flight to safety, leading to a rise in gold prices. Meanwhile, concerns about the potential disruption of oil supplies in a wider regional conflict boosted oil prices, although the price of Brent Crude remained below its peak in September. In the UK, despite a notable emphasis on the energy sector, the FTSE All-Share experienced a 4.1% decline in October. Higher interest rates seemed to have an impact, as reflected in a significant nine-point drop in consumer confidence during the same month. Looking at the underlying portfolio holdings we find that Smithson was the portfolio's largest detractor as it declined by -10.1% for the month. Our largest holding the Fundsmith Equity Fund declined by -1.90% for the month. Fundsmith bought a small holding in Fortinet over the month. Fundsmith's top 5 contributors in the month were Microsoft, Novo Nordisk, Nike, L'Oréal and Procter & Gamble. The top 5 detractors were McCormick, Automatic Data Processing, Waters, IDEXX and Mettler-Toledo.

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Fund Holdings

	Portfolio Weighting %
Iza Global Balanced A GBP Acc	45.00
Invesco Sterling Bond C GBP Acc	15.00
Rubrics Global Credit UCITS C GBP	15.00
RLBF II Royal London Shrt Dur Crdt Z Acc	10.00
Royal London Sterl Extra Yld Bd A	10.00
ICE LIBOR 1 Month GBP	5.00

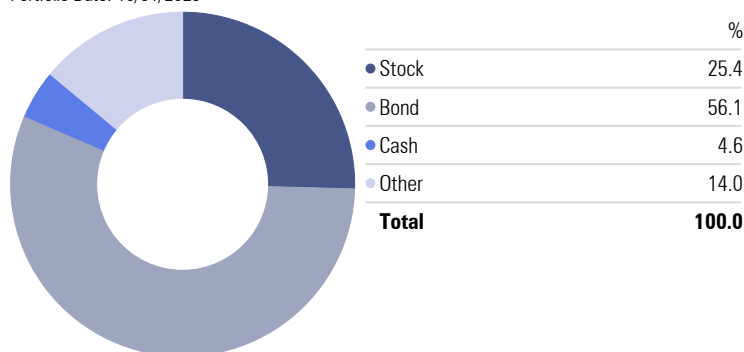
Trailing Returns

Data Point: Return	Calculation Benchmark: EAA Fund GBP Allocation 40-60% Equity						
	1 Mth	3 Mths	6 Mths	YTD	1 Year	3 Years*	5 Years*
Iza Global Stable Portfolio GBP	-1.17	-2.61	-1.31	0.58	2.41	-1.63	1.68
EAA Fund GBP Allocation 40-60% Equity	-1.87	-3.84	-2.89	-0.37	1.74	1.13	1.65

*Annualised

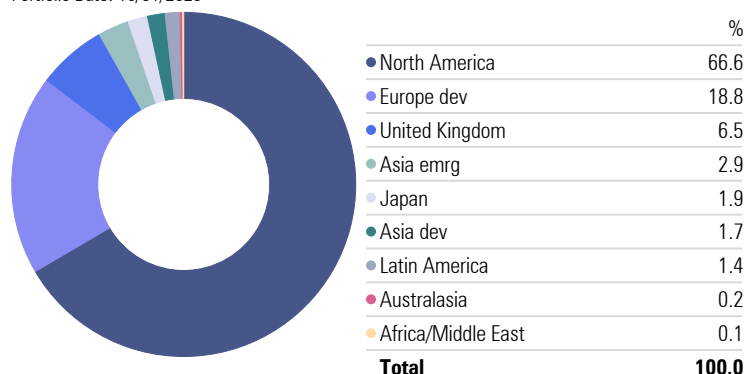
Asset Allocation

Portfolio Date: 10/31/2023



Regional Exposure

Portfolio Date: 10/31/2023



Monthly Returns - Iza Global Stable Portfolio GBP

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2023	2.75	-0.77	-0.55	0.51	-0.46	0.01	1.80	-0.74	-0.72	-1.17			0.58
2022	-5.68	-2.55	1.24	-2.98	-2.60	-4.02	5.00	-1.98	-4.42	0.71	2.49	-0.67	-14.87
2021	-0.22	-1.61	0.62	2.57	-0.42	2.49	0.58	1.03	-0.51	0.73	0.23	-0.35	5.19
2020	0.93	-1.87	-5.26	4.78	2.88	2.02	0.88	2.00	0.53	-0.71	3.33	2.28	11.99
2019	2.22	1.20	1.73	1.35	-0.25	1.78	1.85	-0.58	-0.53	-0.63	0.88	0.73	10.11
2018	0.43	-0.48	-1.46	1.55	1.33	0.27	1.02	0.86	-0.45	-2.66	0.20	-2.32	-1.81

Disclaimer

The Portfolio may be closed to new investments at any time in order to be managed in accordance with its mandate. Permissible deductions may include management fees, brokerage, auditor's fees, bank charges and trustee fees. The portfolio is a long-term investment. Performance figures are produced by IZA Capital Partners, supplied by independent service providers, and are for lump sum investments with income distributions reinvested. IZA Capital Partners is an Authorised Financial Services Provider. The previous month's change in inflation is used as an estimate for the current month (since inflation numbers are released one month in arrears). *Returns are based on the strategic underlying weightings of the funds and will not exactly reflect individual client returns. All returns are net of fund management fees, but exclude advice and administration fees. Prior to portfolio launch date, the performance is pro-forma using the actual underlying fund performances and is net of all fees and expenses. Past performance is not necessarily an indication of future performance.