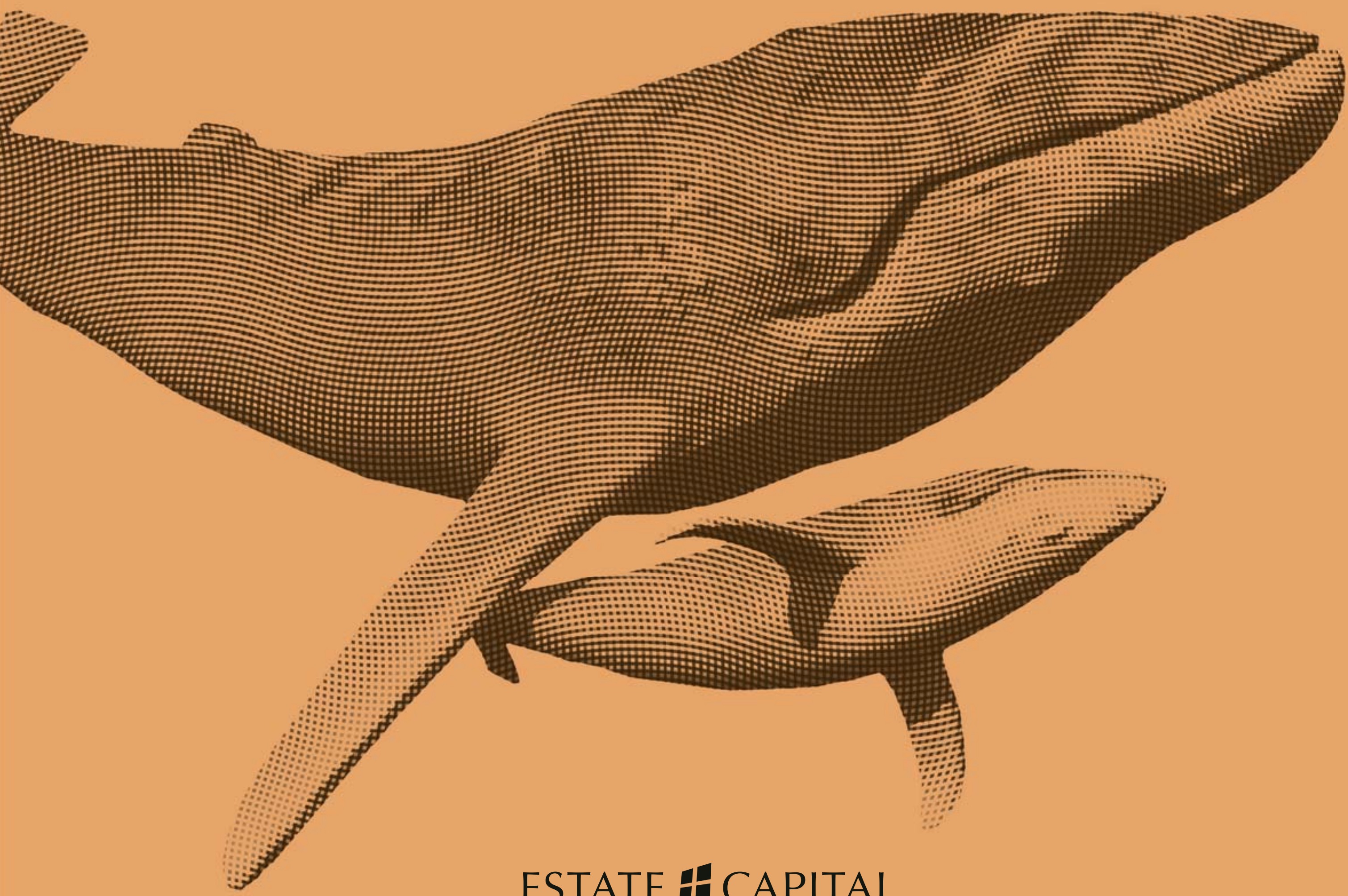
BALANCED ALPHA
PORTFOLIO

EDITION 29 June 2018

RISK

6



ESTATE CAPITAL

Balanced Investor

You are aiming for higher long term returns and accept significant fluctuations in value. You accept the risk of a greater than moderate loss.

Potential return of 29.72% & potential loss of -18.48%

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The Balanced Alpha Portfolio is a growth style strategy. It is aimed at medium to long term investors who are seeking above average capital growth from a balanced portfolio of mainly equity investments.

The chosen investment funds can invest in UK and overseas equities, commercial property, cash, fixed interest securities, commodities and alternative investments. They are actively managed by leading fund managers to maximise total return whilst maintaining control of risk.

The Balanced Alpha Portfolio performance is benchmarked against the average performance of the IA Mixed Investment 40%–85% sector and has a risk rating and investor profile of 6 out of 10.

RISK

Potential return of 29.72% & potential loss of -18.48%.

6

ACTIVE

Managed daily by our personally selected fund managers.

82%

EQUITY

Held in risk to drive growth, vs the stability of bonds & property.

56%

FEES

The weighted total cost for the portfolio including management, trading & research costs.

1.01%

Risk

Prospective Risk Level

Historic Risk Level

A **risk level 6** investor should be prepared to accept annual returns somewhere **within the range of a -18.48% loss and a 29.72% gain** — returns within this range would be expected 95% of the time. It should be remembered that there is a 5% chance that a **risk level 6** portfolios will experience an annual return outside this range — this means an investor may experience **losses greater than -18.48% or gains greater than 29.72%** at some point(s) during their investment in one year.

It is important to remember the figures are not intended to be and should not be taken as a projection of the likely returns from the portfolio risk levels. This is intended to support the risk discussion following the completion of a risk profile questionnaire. They show the implied volatility and mean expected return of risk levels 1 to 10 to two standard deviations in one year (ie all returns are expected to be between these extremes in 95 years out of 100; this is often described as a 95% confidence level). The figures shown are the expected arithmetic average returns and the ranges assume that returns are based on a log normal distribution. Figures are shown net of tax and underlying manager fees.

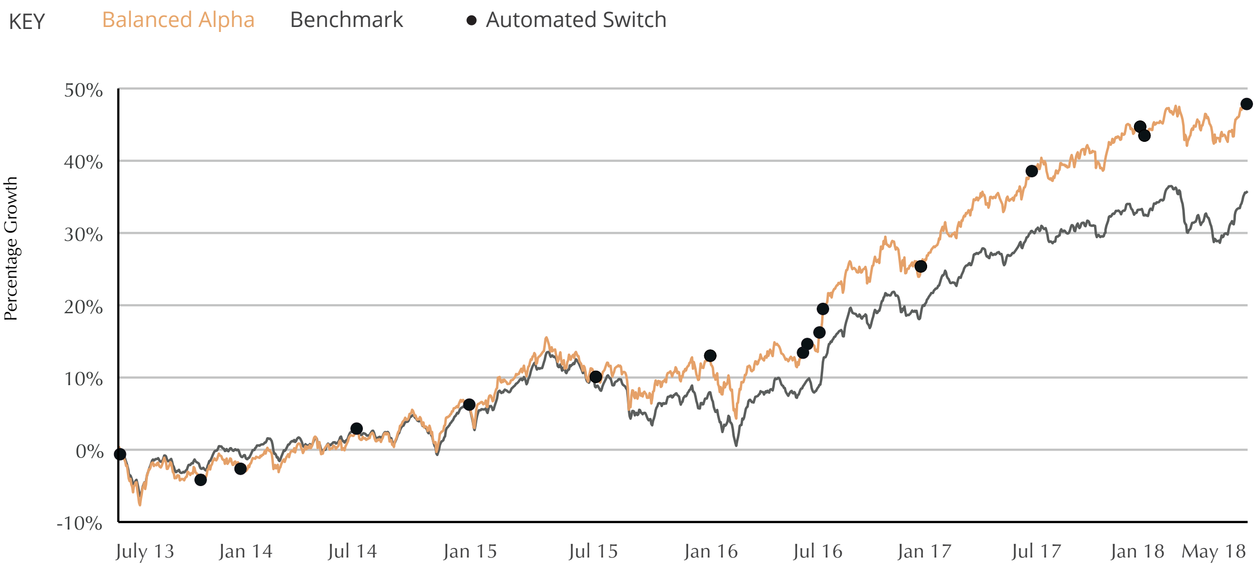
Range of Returns

Upper Return	**29.72%**	In 95 years out of 100, this is the highest expected level of return for a given level of risk. There is a 2.5% chance that returns could fall outside the upper return figure in one year.
Average of All Returns	**5.62%**	This is the average of all possible returns within a risk level in one year.
Lower Return	**-18.48%**	In 95 years out of 100, this is the lowest expected level of return for a given level of risk. There is a 2.5% chance that returns could fall outside the lower return figure in one year.

Asset Allocation

	Money Markets	*Fixed Interest*	*Property*	*UK Equity*	*US Equity*	*European Equity*	*Asian Equity*	*Japan Equity*	*Global Equity*	*Other Assets*
Balanced Alpha	19%	18%	7%	8%	16%	7%	12%	5%	1%	7%
Benchmark IA Mixed Investment 40%-85%	6%	17%	2%	22%	12%	7%	7%	0%	14%	13%
Difference Portfolio v Benchmark	13%	1%	5%	-14%	4%	0%	5%	5%	-13%	-6%

Cumulative Performance Chart



Powered by data from FE

Cumulative performance chart shows % growth from 21/05/2013 to 18/05/2018 calculated using bid prices with income re-invested into the fund net of tax. The cumulative performance chart shows how the portfolio has performed against the benchmark taking into account the changing composition of the portfolio over the period of time shown.

Cumulative Performance: % Growth to 18/05/2018

	6 months %	*1 year %*	*2 years %*	*3 years %*	*5 years %*
Balanced Alpha	2.46	9.88	31.66	31.67	48.91
Benchmark IA Mixed Investment 40%-85%	2.29	6.05	25.96	22.25	36.53
Difference Portfolio vs Benchmark	0.17	3.83	5.70	9.42	12.38

Discrete Performance to Month End Shown: % Growth to 18/05/2018

	30/04/18	*30/04/17*	*30/04/16*	*30/04/15*	*30/04/14*
Balanced Alpha	8.38	18.99	0.74	11.95	3.26
Benchmark IA Mixed Investment 40%-85%	4.81	16.84	-2.71	10.69	4.28
Difference Portfolio v Benchmark	3.57	2.15	3.45	1.26	-1.02

Individual Fund's Performance To 18/05/2018

Cumulative Performance: % Growth

Fund	*% Holding*	*Fund Manager*	*6 months %*	*1 year %*	*2 years %*	*3 years %*	*5 years %*
Baillie Gifford American	4.00%	G Robinson, H Xiong, T Slater & K Gibson	21.75	36.40	88.68	107.38	154.44
BlackRock Cash	15.00%	Matt Clay	0.11	-0.40	-0.20	0.12	-0.30
BlackRock European Dynamic	2.00%	Alister Hibbert	1.57	14.60	48.47	48.47	-
Fidelity Emerging Asia	3.00%	Dhananjay Phadis	2.61	19.58	66.34	52.23	81.32
Fidelity Global Financial Services	1.00%	Sotiris Boutsis	1.94	13.86	51.88	44.66	64.51
Fidelity Special Situations	1.00%	Alexander Wright	8.67	11.24	40.66	36.54	65.85
First State Global Listed Infrastructure	1.00%	Peter Meany & Andrew Greenup	-5.00	-2.45	24.46	35.09	65.40
FP Crux European Special Situations	2.00%	James Milne & Richard Pease	-0.05	8.05	40.81	46.87	75.27
Fundsmith Equity	3.00%	Terry Smith	2.27	13.37	49.78	75.17	129.72
GAM Star Credit Opportunities	4.00%	Anthony Smouha	-0.48	5.17	20.89	23.32	53.57
Goldman Sachs India Equity	1.00%	Hiren Dasani	-4.00	4.81	48.44	54.11	120.91
Janus Henderson China Opportunities	2.00%	Charlie Awdry & May Ling Wee	4.52	32.78	95.77	67.29	130.63
Janus Henderson UK Property PAIF Feeder	4.00%	M Langlands Pearse & A McLennan	4.76	8.75	10.56	12.38	37.63
L&G Global Inflation Linked Bond Index	3.00%	-	-1.05	0.13	1.16	2.94	-
L&G UK Property	5.00%	Michael Barrie & Matt Jarvis	4.61	8.57	11.18	20.19	50.69
Legg Mason Japan Equity	2.00%	Hideo Shiozumi	14.59	34.43	53.46	155.76	164.24
Lindsell Train Global Equity	3.00%	Michael Lindsell & James Bullock	7.00	13.36	40.50	40.75	83.74
Lindsell Train Japanese Equity	3.00%	Michael Lindsell & James Bullock	9.12	22.50	62.50	76.15	129.83
Lindsell Train UK Equity	3.00%	Nick Train	14.21	30.50	61.21	54.25	111.10
Liontrust Special Situations	3.00%	Anthony Cross & Julian Fosh	8.94	14.46	42.35	46.45	78.19
M&G Global High Yield Bond	2.00%	Stefan Isaacs & James Tomlins	0.71	3.02	13.34	12.84	22.04
MI Somerset Emerging Markets Dividend Growth	2.00%	Edward Lam & Edward Robertson	-3.71	7.07	41.89	29.93	32.89
Old Mutual Gbl Equity Absolute Returns	7.00%	A Alentorn, I Heslop & M Servent	-1.44	10.09	12.34	18.53	31.89
Old Mutual North American Equity	3.00%	A Alentorn, I Heslop & M Servent	3.55	16.88	56.67	65.59	132.14
Polar Capital Global Insurance	2.00%	Nick Martin	8.68	29.73	112.90	117.00	192.57
Polar Global Technology	2.00%	Ben Rogoff & Nick Evans	-1.53	6.46	37.18	55.84	90.95
Royal London Short Duration Gbl High Yield Bond	4.00%	Azhar Hussain & Stephen Tapley	0.62	1.40	4.81	8.76	18.56
Royal London Sterling Extra Yield Bond	4.00%	Eric Holt	1.68	7.03	26.15	26.03	45.53
Schroder Global Healthcare	1.00%	John Bowler	3.19	7.22	27.57	27.46	87.06
Standard Life Global Smaller Companies	2.00%	Andrew Paisley	10.92	26.18	70.76	84.41	118.47
Threadneedle High Yield Bond	2.00%	Barrie Whitman & David Blackhouse	0.68	3.31	12.66	12.95	25.72
Veritas Asian	4.00%	Ezra Sun	0.56	24.88	66.70	69.03	106.03

Performance Ratios Over 3 Years

Volatility	*Alpha*	*Beta*	*Sharpe*	*Information Ratio*	*Weighted Average TER*	*Max Loss*	*Max Gain*	*Negative Periods*	*Positive-Periods*
6.46	3.78	0.86	0.87	1.27	1.01	-3.79	16.95	11	25

Maximise your returns with a level of risk you're entirely comfortable with

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