



INTELLIGENTMONEY

# IM OPTIMUM SUSTAINABLE

FACTSHEET – JUNE 2021

## INVESTMENT OBJECTIVE

This portfolio aims to outperform its benchmark over the long term (5 years or more) through dynamic asset allocation and diversification to meet our objectives. The portfolio has a total return objective with no bias towards income or capital growth.

The objective of a sustainable investment fund is to achieve positive returns for investors while prioritising environmental, social and governance considerations in its investment decisions.

## HISTORIC PERFORMANCE

Cumulative Performance				
1yr	3yr	5yr	10yr	
21.03%	33.61%	-	-	

Discrete Annual Performance				
2021	2020	2019	2018	2017
5.58	11.10%	18.17%	-3.81%	-

All figures to 30th June 2021 and inclusive of charges. The value of investments and the income from them can fall as well as rise and past performance is no guarantee of future returns. You may not recover what you invest. All past performance figures have been synthetically generated prior to launch by replicating the exact underlying holding after charges.

## INVESTMENT MANAGEMENT



### Julian Penniston-Hill:

As Intelligent Money's Chief Executive, Julian is responsible for all investment management oversight, strategy and asset allocation modelling of IM Sustainable. Julian has 25 years of financial services experience having previously been Investment Management Director at Willis Owen, where he was responsible for generating and retaining £1bn of funds.



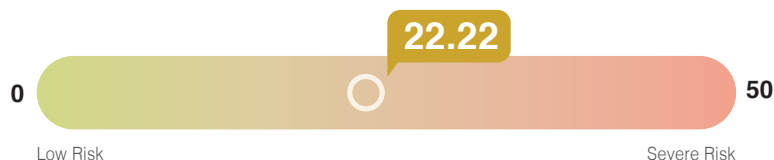
### Will Dickson:

Will is responsible for implementing this strategy, advising upon and running the ongoing investment management on our behalf. Will achieved an Accounting and Finance BSc from the University of Bath, an MSc in Finance and Investment from the University of Exeter and holds Chartered Wealth Manager status from the Chartered Institute of Securities and Investments. He has been recognised by Citywire as one of the UK's top investment managers for three years in a row and is Chief Investment Officer at P1 Investment Management.

## Historical Sustainability Score Percent Rank

28

## Current Sustainability Score

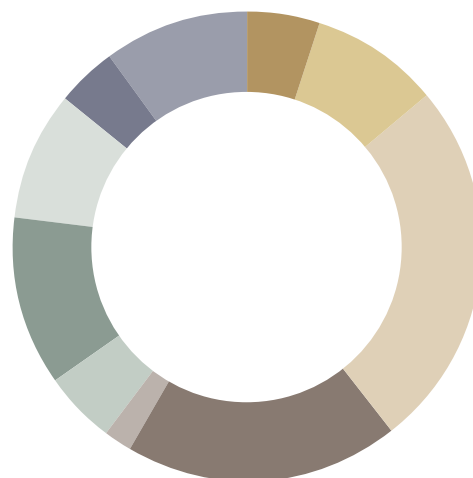


## ESG Breakdown (lower score = lower risk)



Sustainability score correct as of 30th June 2021. Scores and ranks are calculated using an average of the Morningstar ratings for each underlying investment where available.

## ASSET ALLOCATION



- Overseas - Fixed Interest
- Equities - Europe
- Other - UK - Fixed Interest
- Equities - Far East
- Equities - UK - Large Cap
- Equities - Global
- Equities - US
- Cash
- Equities - Japan
- Multi Asset

## MARKET COMMENTARY

The second quarter of the year built on the positive start seen in the first three months. The improving global economy, led by the US, encouraged investors to allocate back to those areas of the markets that were most severely impacted by the pandemic. The sharp rotation that was seen from “growth” to “value” stocks has continued, although in a more moderated manner.

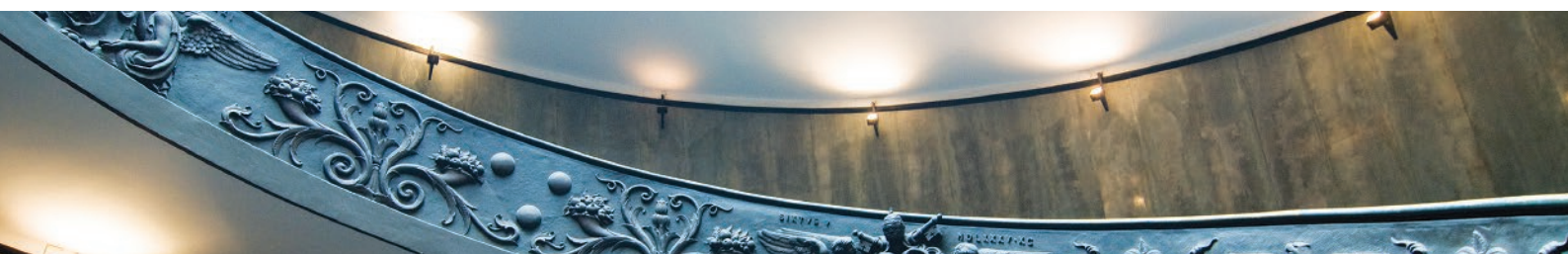
The inflation debate still continues and the long-term outlook remains uncertain. Although the headline figures seen over the last quarter have been high and generally surprised on the upside, there continues to be a strong influence of transient effects, such as a higher oil price and supply chain disruptions. However, if this persists for long enough and there are permanent changes to the trend of globalisation, higher inflation may become more persistent. It is likely that the peak in headline inflation will be seen over the coming months.

The pandemic and government action continues to drive market direction. This is being seen geographically as well as between sectors and themes. Western developed markets have conducted vaccination programmes more quickly than others and this has given confidence to investors that lockdown easing this time will be more permanent. In contrast, Asian economic and many Emerging Markets remain disrupted to varying magnitudes. The main disparity to this is China, which saw a relative return to normality in mid-2020 and little in the way of further

disruption. Resultingly, the boost from this reopening is now fading and it is likely that below trend growth will be seen in the short term. This, in combination with a major outbreak in India and government actions in Japan among others, has led Asia and Emerging Market equities to underperform those in developed markets over the quarter.

On a sector basis, there has been no change in the winners during the second quarter, although the rate of outperformance has moderated. More cyclical and lower quality companies have seen the strongest gains as the strengthening global economy is expected to boost those that were previously struggling. Conversely, while the pandemic winners, such as technology shares, have not materially fallen, they have lagged the wider market. This sector dynamic has also led to UK and European markets continuing to outperform the US. There are signs that this dynamic may now be beginning to change.

Looking forward, we see that, provided economies continue to reopen, the current market dynamic is set to continue. Growth shares remain at elevated valuations and although there has arguably been some overbuying in “recovery” stocks in aggregate they remain at less challenging levels. Nevertheless, it is comforting to see that the market is becoming more balanced and less dominated by a handful of names.



Intelligent Money is authorised and regulated by the Financial Conduct Authority. The underlying Investment Manager of our IM Optimum Portfolios is P1 Investment Management. P1 Investment Management is registered in England with number 752005, registered office at Senate Court, Southernhay Gardens, Exeter Devon, EX1 1NT. P1 Investment Management is regulated by the UK Financial Conduct Authority.

This document is not a solicitation or an offer to buy or sell any security. The information on which the document is based is deemed to be reliable, but we have not independently verified such information and we do not guarantee its accuracy or completeness. Changes in exchange rates may have an adverse effect on the value, price or income of foreign currency denominated securities. Estimated gross yield is not a reliable indicator of future returns. The securities and investment services discussed in this factsheet may not be suitable for all recipients. Intelligent Money recommends that investors independently evaluate particular investments and strategies, and seek the advice of a financial advisor. The appropriateness of a particular strategy will depend on an investor's individual circumstances and objectives.