Issue date: May 2023

WISE INVESTMENT LIMITED CAUTIOUS

Pershing

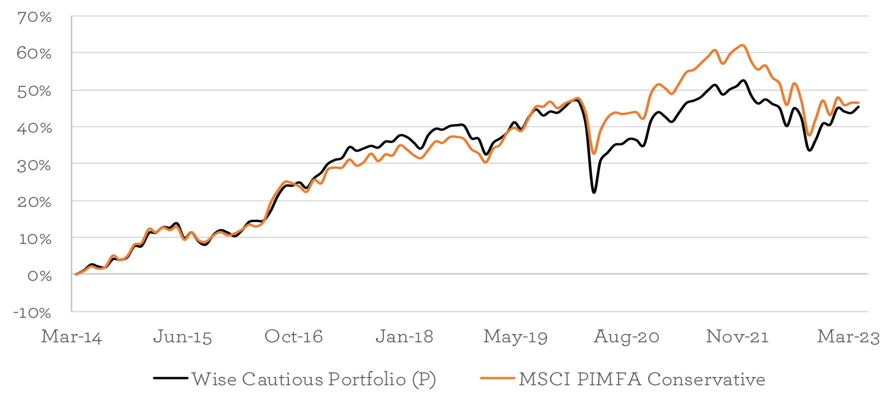
MONTHLY FACTSHEET

all data as at 30th April 2023

PORTFOLIO OBJECTIVES AND STRATEGY

The Wise Cautious Model Portfolio is designed for clients who are looking for a total return in line with the MSCI PIMFA Conservative index over a 5 to 10 year period, but with lower volatility than could be expected from full exposure to the stock market. We aim to achieve this by investing in a select and focussed list of funds (unit trusts, investment trusts and OEICs), with diversification across geography, asset class and investment style. These funds invest in real assets, such as company shares (listed both in the UK and overseas), property, fixed interest and cash. The Portfolio is selected with 20-60% invested in 'medium' risk assets, such as shares and property. 40-80% is held in assets defined as 'moderate', 'low' or 'minimal' risk, which are mainly comprised of fixed interest (UK government and higher quality company debt) and cash, and any remaining balance up to 5% can be invested in higher risk assets, such as shares in specific countries and industries. We therefore consider the portfolio to be suitable for those willing to adopt a cautious risk profile.

PERFORMANCE SINCE LAUNCH (using month-end data)



CUMULATIVE PERFORMANCE

	1m	3m	6m	1yr	3yr	5yr	Launch
Wise Cautious Portfolio (P)	1.2%	0.3%	6.5%	-0.5%	11.2%	5.6%	45.5%
MSCI PIMFA Conservative	0.0%	-0.9%	3.0%	-4.5%	5.5%	9.6%	46.6%

DISCRETE ANNUAL PERFORMANCE

	30/04/2022 30/04/2023	30/04/2021 30/04/2022	30/04/2020 30/04/2021	30/04/2019 30/04/2020	30/04/2018 30/04/2019
Wise Cautious Portfolio (P)	-0.5%	-0.2%	12.0%	-7.4%	2.6%
MSCI PIMFA Conservative	-4.5%	-0.9%	11.4%	-0.6%	4.5%

PORTFOLIO MANAGEMENT

ROBERT BLINKHORN

Head of Investment Management

Robert joined Wise Investment in July 2017 and has 20 years' experience in managing private client multi asset class portfolios. His main responsibility is the selection of suitable investments for portfolios and ensuring our investment service meets your requirements. Robert is a member of the CFA Society of the UK and has successfully passed the examinations for all three levels of the Chartered Financial Analyst qualification.

Key Portfolio Details

Launch Date	28th March 2014
Holdings	11
Historic Yield[1]	3.5%
Volatility[2]	7.1%
Benchmark	MSCI PIMFA Conservative
Model OCF[3]	0.7%
Service Charge[4]	2.2%

Contact Details

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All data used on this factsheet is supplied by Financial Express. Rounding may result in charts and tables not adding up to 100% in displayed data. Performance is based on total returns on a bid-to-bid basis, net of UK dividend tax credits and is calculated referencing a model portfolio. Actual portfolio statistics may differ because of investment performance, cash movements, transaction costs and the timing of sales and purchases within the portfolio. Quoted performance does not include fees levied by Wise Investments Ltd or any fees from custodial services. Service fees will apply. Past performance is not a reliable indicator of future results. This document should not be construed as an investment recommendation.

1 The Historic Yield is the weighted average yield of the model based on the model's current constituents

2 Volatility is the annualised monthly volatility of the model portfolio to the most recent month end over a 3 year period or since launch if this period is less than 3 years

3 The Model OCF calculates the annual charges levied by the underlying fund holdings according to the model portfolio weights

4 The Service Fee incorporates the model OCF, the standard non-tiered annual fees levied by Wise Investments Limited and custodian fees, of which this is the highest possible fee. Further details of these charges are disclosed to clients investing in the model portfolios.

MONTHLY COMMENTARY

Global equity markets were relatively flat in April with positive market returns offset by weakening major currencies against sterling. UK equities led performance across regional markets unencumbered by foreign currency exposure (at least directly that is, many large UK companies earn foreign revenues which diminish with a stronger pound) and coupled with a recovery of share prices in the banking sector where the UK equity market has a large sector weighting. Bank stocks took a hit in March as a suite of mid-sized US banks began to exhibit liquidity strains with investors withdrawing deposits that had been backed by assets which had fallen in value due to interest rate rises. The problem spread to Europe where Credit Suisse finally succumbed to three years of missteps and scandal with a regular outflow from depositors closing their accounts. This prompted the Swiss regulator into forcing Credit Suisse fold itself into domestic peer UBS.

Regulators have acted fairly swiftly to try and contain these events and, so far, appear to be keeping the proverbial lid on the tin of potentially exploding snakes (for those of you that remember the old practical joke). It does look as though these failures are peculiar to specific banks and a function of extending risk that couldn't cope with rapidly rising interest rates or (in the case of Credit Suisse) serious shortcomings in internal governance and culture. So, unlike the Great Financial Crisis we don't think there is a toxic common factor such as subprime mortgages that's linked through the financial system and has the ability to cause a destructive chain reaction. That said, banks can be, and invariably are, quite complex and opaque institutions. The web of relationships between them isn't quite so obvious until the explosions start (at which point it becomes all too clear!). So, although we don't think there is a contagious factor here that is going to grow into a sector wide crisis, we observe how things progress with an element of caution.

UK listed real estate also staged a recovery in April and has clawed back much of what it lost in March. Again, challenges in the banking sector and some relief around the extent of the issue has impacted businesses that traditionally rely on borrowing for their day-to-day activities. However, valuations continue to look compelling in the sector as investors have aggressively discounted share prices on anticipated declines in property values driven by reduced demand from tenants. Although we feel there is some merit to the view that property valuations will have difficulty appreciating significantly in the near term, we do feel the pricing of any potential decline in value has been overdone.

In fixed interest, UK interest rates across the range of maturities rose by around 0.2%. The effect was to push UK Gilts lower particularly Index Linked issues which have a longer maturity as a collective group making them more sensitive to interest rate changes. With generally robust risk appetite corporate bonds managed to end the month relatively unscathed delivering low positive returns. Corporate credit continues to look reasonably attractive to us in absolute terms and relative to prospective returns from other broad asset classes such as equities, particularly when adjusting for risk.

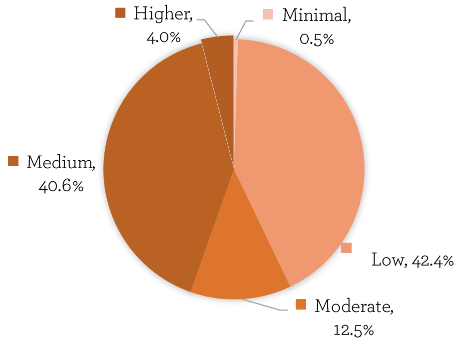
In the Cautious model portfolio, performance was higher by 1.2% in April. This was significantly ahead the MSCI PIMFA Conservative index which was flat over the month. Outperformance came mainly from global equity exposure where a combination of an overweight position and relatively strong security returns delivered excess performance. Leading the contribution to return was Fundsmith Equity and CT Property Growth and Income. Fundsmith delivered strong returns from its consumer brands (L'Oreal, Unilever) exposure as well as Technology names such as Microsoft and Meta. CT Property Growth and Income benefitted from a recovery in listed real estate as sentiment around the banking sector eased.

We are inclined to repeat what we said last month, which is that developed equity markets look reasonable, but not compelling value and by varying degrees across geographies and sectors. The spread of potential return between developed and emerging markets looks attractive and warrants further research. Credit also appears comparatively appealing when compared to developed equity on a risk adjusted basis particularly at the shorter end of the maturity range where rates are higher. As always, we will continue to assess opportunity and move the portfolio towards areas that will capture returns whilst remaining consistent with the strategy's risk tolerance.

HOLDINGS

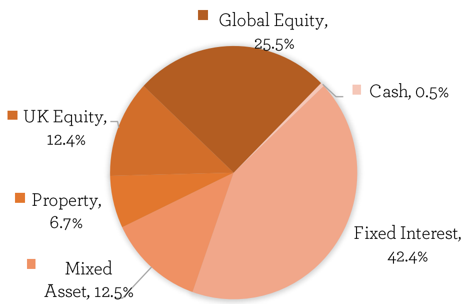
Security	Weight	OCF
M&G Strategic Corporate Bond	14.9%	0.43%
Schroder Strategic Credit	15.0%	0.77%
L&G All Stocks Gilt Index Trust	12.5%	0.15%
BNY Mellon Real Return	12.5%	0.94%
CT Property Growth & Income	6.7%	1.03%
TB Wise Multi-Asset Income	3.5%	1.53%
JOHCM UK Equity Income	8.9%	0.69%
Fundsmith Equity	15.0%	0.94%
BNY Mellon Global Infrastructure Income	6.5%	0.53%
Janus Henderson Global Technology Leaders	4.0%	0.85%
Cash	0.5%	0.0%

ASSET RISK



For Asset Risk Category definitions see the Wise Investment Risk Appendix, supplied to investors in the model portfolios.

ASSET ALLOCATION



IMPORTANT INFORMATION