



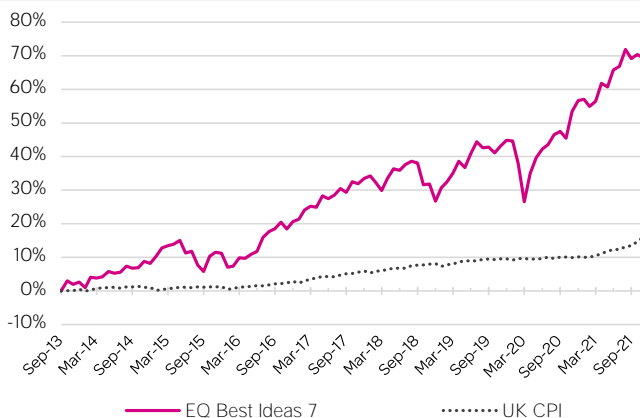
# Best Ideas 7 - Balanced Plus Model Portfolio Factsheet

30 Nov 2021

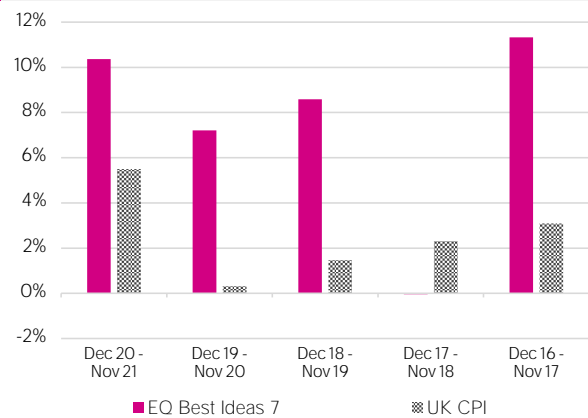
Our signature strategy invests in the very best ideas unearthed by our research team. This includes both specialist, actively managed funds and passive tracker funds, with an overall aim of beating the market.

This portfolio has a range of investments with different risks, where equity holdings are limited to 80%. It aims to reduce investment risk by diversifying across regions and asset classes, and achieve a balance of capital protection and participation in equity market growth. We benchmark this portfolio against the UK Consumer Price Index (UK CPI).

## Past performance since inception: 30/09/2013 to 30/11/2021



## Discrete performance



## Cumulative performance

	3M	6M	1Y	3Y	5Y	Since incep.
EQ Best Ideas 7	-1.46%	5.36%	10.36%	28.47%	42.97%	69.36%
UK CPI	2.49%	3.72%	5.50%	7.39%	13.27%	15.96%

## Discrete performance

	Dec 20 - Nov 21	Dec 19 - Nov 20	Dec 18 - Nov 19	Dec 17 - Nov 18	Dec 16 - Nov 17
EQ Best Ideas 7	10.36%	7.21%	8.58%	-0.04%	11.33%
UK CPI	5.50%	0.32%	1.47%	2.31%	3.09%

## Volatility

	1Y	3Y	5Y	Since incep.
EQ Best Ideas 7	6.04%	9.64%	8.30%	7.57%
UK CPI	1.39%	1.33%	1.24%	1.19%

## Underlying fund charges & yield

Ongoing charges	0.61%
12 month indicative yield	0.67%

## Portfolio manager



### Kasim Zafar, CFA

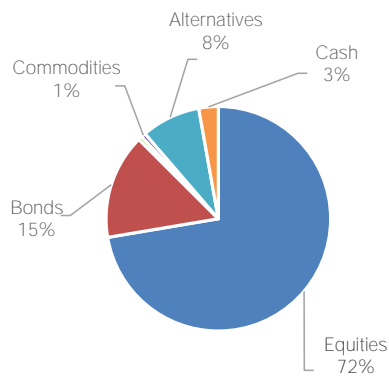
Kasim is EQ's Investment Strategist and also the Investment Manager for the EQ Investors Best Ideas and Low Cost model portfolios. He leads EQ's research in portfolio strategy and supports the investment team's fund research across all asset classes. He began his career in investments in 2002 at a boutique alternative investment specialist, moving into multi-asset investing in 2010. He has gained experience as an investment manager and analyst across global capital markets, building portfolios with varying risk and return objectives. Kasim is a CFA charter holder, being a regular member of the CFA Institute and CFA UK. He graduated with a BSc (Hons) in Physics from Imperial College.

Model performance is shown in sterling, net of underlying fund charges and an EQ management fee of 0.59% (including VAT) per annum, but excludes platform and advice fees. Underlying fund charges may vary depending on platform. All income reinvested; actual returns may vary. UK Consumer Price Index (CPI) is the commonly accepted measure of domestic inflation, following average month on month changes in the prices of goods and services purchased by UK households. Due to significant lag on CPI valuation, the previous month's CPI figure is carried over to the latest month. Data sources: EQ, Morningstar.

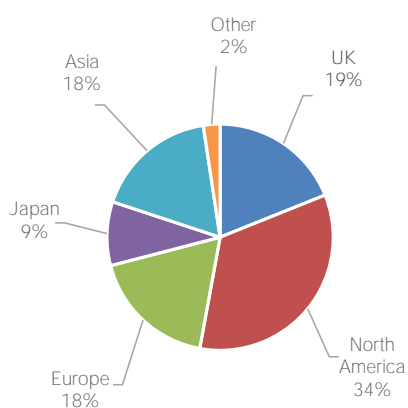
Past performance is not a reliable indicator of future performance. The value of investments and income derived from them can go down as well as up and you may get back less than originally invested.



## Asset allocation



## Equities breakdown



## Asset class outlook

**Equities:** We have a cautiously positive outlook based on the ongoing recovery in the major global economies. The pace of growth should slow relative to the rebound from reopening economies, which is good for corporate earnings. Tempering our enthusiasm is the new variant's potential to create renewed economic disruption; the risk of inflation; and uncertainty from the heavy-handed regulatory crackdown on Chinese internet companies.

**Bonds:** While holding ourselves back from an overtly bullish outlook, we maintain a neutral exposure to the defensive qualities of bonds. But given risks from higher inflation and rising interest rates, we prefer inflation linked bonds and those with a shorter time left to maturity as a good store of value.

**Property:** As we get a better picture of economic scarring, commercial property could once again offer a compelling alternative to low yielding bonds.

**Alternatives:** Our preference continues to be for discretionary strategies that can wade through the highly abnormal environment. We continue to avoid systematic strategies with the one exception of trend following which we think should soon return to form as global uncertainty levels fall.

**Cash:** We maintain cash levels at neutral.

## Equities outlook

**North America:** While slowing from the rebound of economic re-opening, business sentiment is still strong. Supply chains to companies are stretched, with businesses reporting order backlogs and low inventories. Equity market valuations are getting less expensive, and earnings reports are strong. We maintain a slight underweight.

**UK:** Arrival of the omicron variant casts a shadow over the apparent severed link between rising case numbers and hospitalisations. Rising orders for capital goods is a good indication that businesses are starting to make long term plans with the uncertainty of Brexit behind us. We maintain a neutral stance for now.

**Europe:** The accelerating vaccination programme and robust global demand is improving confidence. Meanwhile, expertise in environmental equities should provide a tailwind to growth. We maintain our overweight.

**Japan:** The increase in corporate investment for the future should support Japan's manufacturing industry given its expertise in robotics & automation. Improved vaccination rates should also lead to an improvement in consumer sentiment. We maintain a slight overweight.

**Asia:** Asian equities are dominated by i) Chinese internet companies which are under increasing regulatory pressure and ii) the region's semiconductor companies which are enjoying strong global demand. The region's zero tolerance approach to COVID creates some disruption, which could increase further with the new variant. We reduce our overweight.

## Top holdings

Top holdings	Asset class	Category	Weighting
Ninety One Global Environment	Equities	Global	7.0%
Sanlam Artificial Intelligence	Equities	Thematic	7.0%
Baillie Gifford Positive Change	Equities	Thematic	6.0%
Janus Henderson Strategic Bond	Bonds	Flexible Bonds	6.0%
Liontrust Special Situations	Equities	UK	6.0%
Trojan Ethical	Mixed Investments	Equity 20-60%	5.5%
Schroder Global Sustainable Growth	Equities	Global	5.0%
Montlake DUNN WMA Institutional	Alternatives	Directional Trading	4.5%
Federated Hermes Global Emerging Markets	Equities	Emerging Markets	4.0%
Fidelity Sustainable Water & Waste	Equities	Thematic	4.0%

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This model portfolio factsheet is for illustrative purposes only. The performance of portfolios linked to this model may differ from the performance of the model itself, due to the variation in timing of the initial and subsequent investments. Percentages may not add up to 100% as they are rounded to the nearest percent. This model portfolio is not suitable for all investors: investments may only be undertaken based on a recommendation from a financial adviser. While the information in this factsheet is believed to be correct, it cannot be guaranteed. No representation or warranty, expressed or implied, is given as to its accuracy or completeness. The Ongoing Charges relates to the MIFID II Ex-Ante Ongoing Charge of the underlying funds for re-occurring fees during the fiscal year. The charge includes adviser, administration, custodian, legal and any other fees that will typically not vary from year to year. It will not include any one-off charges (e.g. Entry, Exit or switching charges), Incidental Costs (e.g. performance fees) or Transaction Costs (the costs of buying or selling assets for the fund). The Ongoing Cost is a forward looking estimate, based on the last financial year's information and may vary from year to year. For newly launched funds, which do not have the previous year's information to calculate the Ongoing Cost, the figure is estimated. The Ongoing Cost used for this portfolio is based on the share classes available on the Novia platform, charges may vary across platforms based on share classes available. EQ Investors Limited ("EQ"), its partners and employees accept no liability for the consequences of you or your advisers acting upon the information contained herein. This factsheet constitutes neither investment advice, nor an offer to sell, nor is it a solicitation of an offer to purchase any security or any other investment or product. This factsheet may not be reproduced or distributed in any format without EQ's prior written consent.

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