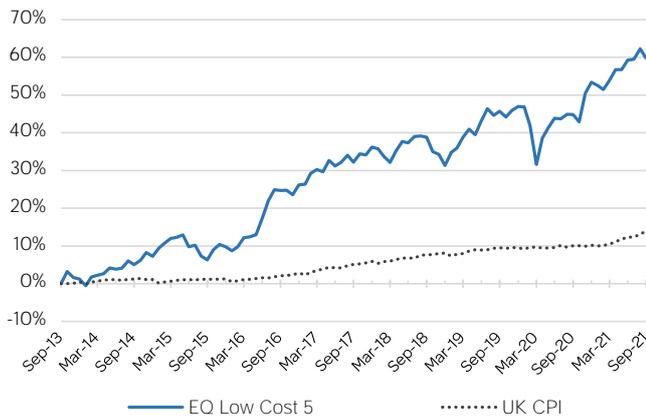




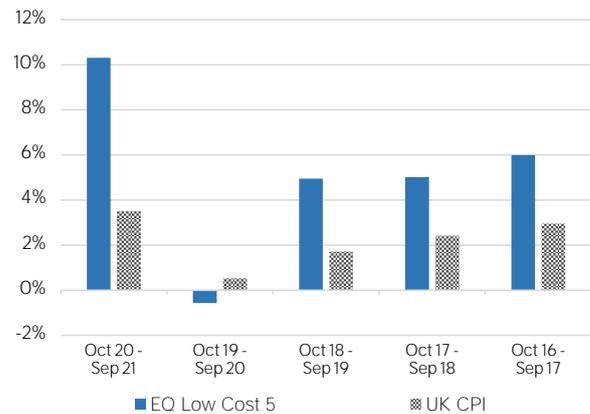
This strategy invests mainly via low cost tracking funds. We will only select an active fund in cases where we have concerns about the passive options.

This portfolio maintains a bias towards lower volatility investments with equity holdings limited to 60%. It focuses on capital protection with a moderate participation in equity market growth, and aims to reduce investment risk by diversifying across regions and asset classes. We benchmark this portfolio against the UK Consumer Price Index (UK CPI).

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



Discrete performance



Cumulative performance	3M	6M	1Y	3Y	5Y	Since incep.
EQ Low Cost 5	0.31%	3.84%	10.30%	15.10%	28.11%	59.78%
UK CPI	1.41%	3.17%	3.51%	5.84%	11.61%	13.94%

Discrete performance	Oct 20 - Sep 21	Oct 19 - Sep 20	Oct 18 - Sep 19	Oct 17 - Sep 18	Oct 16 - Sep 17
EQ Low Cost 5	10.30%	-0.57%	4.94%	5.02%	5.99%
UK CPI	3.51%	0.53%	1.71%	2.42%	2.96%

Volatility	1Y	3Y	5Y	Since incep.
EQ Low Cost 5	6.64%	8.00%	6.74%	6.35%
UK CPI	1.17%	1.14%	1.12%	1.12%

Underlying fund charges & yield	
Ongoing charges	0.11%
12 month indicative yield	1.58%

Portfolio manager



Kasim Zafar, CFA

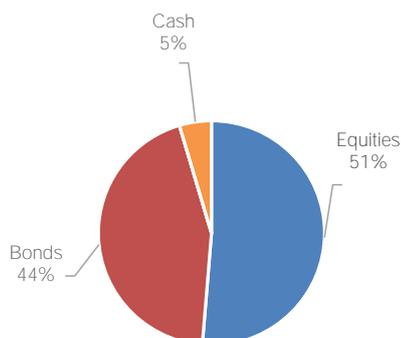
Kasim is EQ's Investment Strategist and also the Investment Manager for the EQ Investors Best Ideas and Low Cost model portfolios. He leads EQ's research in portfolio strategy and supports the investment team's fund research across all asset classes. He began his career in investments in 2002 at a boutique 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 0.39% (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



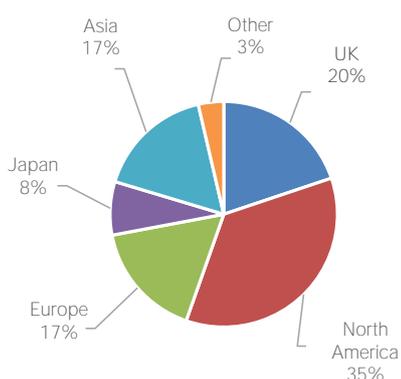
Asset class outlook

Equities: Our positive outlook is driven by the ongoing recovery in the major global economies of US, UK, and Europe, which means people and businesses are getting back to work. This is good for corporate earnings, for which various indicators point to continued earnings growth ahead. Tempering this positive outlook are three things. Uncertainty around the spread of the delta variant and the risk created for 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, we prefer inflation linked bonds and those with a shorter time left to maturity as a good store of value.

Cash: We maintain cash levels at neutral.

Equities breakdown



Equities outlook

North America: The US economy is re-opening and while weakening slightly, business sentiment is very strong. Supply chains to companies are stretched, with businesses reporting order backlogs and low inventories. Equity market valuations continue to be expensive, but earnings reports are strong. We take some profits and run a small underweight.

UK: The high rate of vaccination in the UK is helping to break the link between rising case numbers and hospitalisations. While falling, positive sentiment continues across manufacturing and services sectors and we are seeing rising orders for capital goods, which indicates businesses are starting to make long term plans with the uncertainty of Brexit behind us. We maintain a neutral stance.

Europe: The accelerating vaccination programme and robust global demand is improving confidence. Meanwhile, expertise in environmental equities should provide a tailwind to growth. We move from neutral to 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 moderately increase our 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 is creating disruption given the spread of the delta variant. We reduce our overweight.

Top holdings

Top holdings	Asset class	Category	Weighting
L&G Short Dated Sterling Corporate Bond Index	Bonds	Investment Grade	18.2%
Vanguard US Equity Index	Equities	United States	17.8%
L&G Sterling Corporate Bond Index	Bonds	Investment Grade	15.3%
Fidelity Index UK	Equities	UK	11.3%
iShares Continental European Equity Index	Equities	Europe	8.2%
iShares Emerging Markets Equity Index	Equities	Emerging Markets	7.0%
Vanguard US Government Bond Index	Bonds	Government	5.7%
Vanguard UK Government Bond Index	Bonds	Government	5.7%
Fidelity Index Japan	Equities	Japan	3.9%
L&G Pacific Index	Equities	Asia	3.1%



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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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