

Butterfield Multi-Asset Fund: Balanced GBP

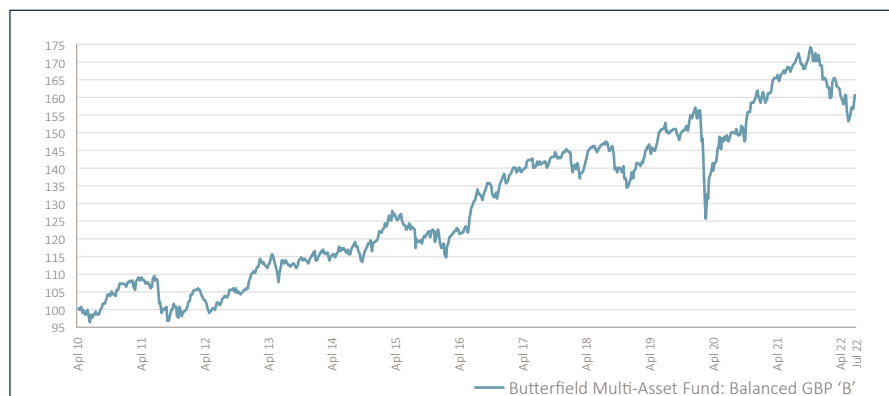
as at 29 July 2022

Objective

The Fund aims to provide investors with solid risk-adjusted returns over the medium to long term. It follows Butterfield's dynamically-managed flagship 'Balanced' strategy, maintaining a balance between capital preservation and long-term capital growth, through a diverse range of investment opportunities from around the world.

Butterfield Multi-Asset Fund is a sub-fund of the Butterfield Bank PCC Limited which is authorised as an open-ended Class B Scheme by the Guernsey Financial Services Commission and listed on the The International Stock Exchange.

Performance chart



Performance summary

- The Fund "C" Class returned 4.16% in July, with the NAV ending the month at £0.9415.
- Equity markets gained in July as investors began to focus on the prospect of interest rate cuts next year, given signs of a slowing global economy.
- Oil prices continued to decline in July having rallied throughout much of the year due to the uncertainty surrounding the Russia – Ukraine conflict. Both West Texas Intermediate and Brent crude oil dipped below \$100 per barrel during the month.
- In Fixed Income markets, UK government bonds, measured by the FTSE Gilts All Stocks index, climbed 2.62%, with long dated (over 15 years to maturity) gilts rising 3.88%.
- Emerging market equities lagged amid weakness in China as they continued to grapple with the Omicron outbreak and a series of rolling lockdown measures were enacted in various cities.

July commentary

July saw the global economy start to feel both the full impact of high inflation, and central banks' attempts to curb it. While the drivers are different, recession risk has risen in the UK and Europe with the US technically already in one as they recorded two consecutive quarters of negative growth in real GDP.

Against this weaker growth backdrop, markets had previously moved ahead of the economy to price in a lot of bad news. However, following the July Federal Reserve meeting, expectations of further tightening into the year-end are relenting. This anticipation of a policy pivot supported risk assets over the month with growth stocks benefiting most, delivering 11.5% total return in July. With its strong growth tilt, the S&P 500 was the best performing equity index, delivering 9.2% total return.

Bond yields fell in July, alleviating some of the intense pressure seen year-to-date (falling yields implies rising prices). Softening data supported bonds as investors weighed an economic downturn and potentially more moderate interest rate rises.

July also showed signs of better inflation data may be ahead with crude oil futures dropping 6.7% during the month. In the agricultural markets, corn and wheat futures declined 17% and 7%, whilst copper slid 3.5%, all in USD terms respectively.

Total return to 29 July 2022	Since launch	5 years	3 years	1 year	YTD	3 months	1 month	3 years annualised	5 years annualised
Class A	53.78%	11.01%	5.04%	-5.15%	-6.86%	-1.19%	4.07%	1.65%	2.11%
Class B	60.98%	14.19%	5.33%	-4.68%	-6.59%	-1.07%	4.11%	1.75%	2.69%
Class C (launched 31 August 2021)	-5.85%	-	-	-	-6.31%	-0.94%	4.16%	-	-

Discrete calendar year returns	2013	2014	2015	2016	2017	2018	2019	2020	2021
Class A	8.33%	3.13%	2.65%	10.73%	5.72%	-7.19%	13.95%	2.91%	7.49%
Class B	8.53%	3.48%	3.14%	11.16%	6.21%	-6.85%	14.52%	3.42%	8.04%
Class C (launched 31 August 2021)	-	-	-	-	-	-	-	-	-

Past performance is not necessarily a guide to the future performance and may not be repeated. Performance prior to 15/07/19 was in respect of the Diversified Opportunities Fund.

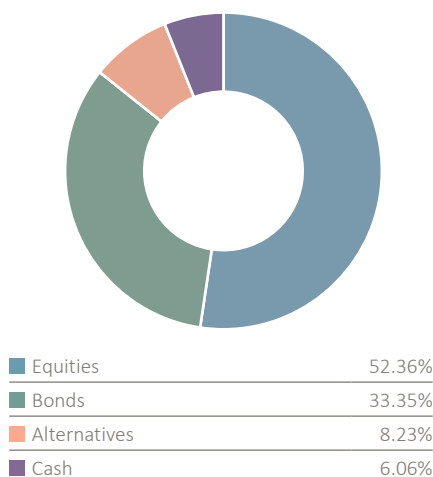
www.butterfieldgroup.com

Key facts as at 29 July 2022

Investment manager and Custodian	Butterfield Bank (Guernsey) Limited
Administrator	Praxis Fund Services Limited
Domicile	Guernsey
Fund size	£27.65 million
Valuation	Weekly
Dealings	Friday
Available for sale	Channel Islands
Share class	Class A
Minimum investment	£10,000
Minimum additional	£1,000
NAV per share	£1.5378
Expense ratio*	1.50%
Ongoing charges figure	2.02%
Bloomberg code	MCDIOPA GU
SEDOL	B4XSK75
ISIN	GG00B4XSK755
UK reporting status	Yes
Distributions	No
Share class	Class B
Minimum investment	£25,000
Minimum additional	£5,000
NAV per share	£1.6098
Expense ratio*	1.00%
Ongoing charges figure	1.52%
Bloomberg code	MCDIOPB GU
SEDOL	B4Y9806
ISIN	GG00B4Y98063
UK reporting status	Yes
Distributions	No
Share class	Class C
Minimum investment	£100,000
Minimum additional	£10,000
NAV per share	£0.9415
Expense ratio*	0.50%
Ongoing charges figure	1.02%
Bloomberg code	MCDIOPC GU
SEDOL	BNK8YL3
ISIN	GG00BNK8YL30
UK reporting status	Yes
Distributions	No

*Expense ratio is inclusive of the fees due to the Investment Manager, Custodian and Administrator as well as other operating expenses of the fund.

Asset allocation



Top 10 holdings

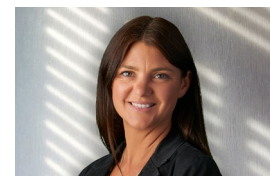
iShares UK Gilts 0-5 years ETF	8.50%
iShares Core FTSE 100	6.31%
Lyxor UK Government Bond 0-5 years ETF	4.77%
Loomis Sayles US Growth	4.75%
iShares Core S&P 500	4.75%
iShares Physical Gold ETC	4.67%
JP Morgan US Value	4.65%
Artemis Lux US Select	4.54%
Findlay Park American Fund	4.47%
LionTrust GF Special Situations	4.20%
Total Top 10	51.61%
15 other holdings	42.33%
Cash	6.06%
TOTAL	100.00%

Full details of the Fund are in the Scheme Particulars and the Supplemental Scheme Particulars available at www.butterfieldgroup.com/investments/asset-management/butterfield-funds/multi-asset-balanced-fund

Multi-Asset Fund team



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