

## Butterfield Multi-Asset Fund: Balanced GBP

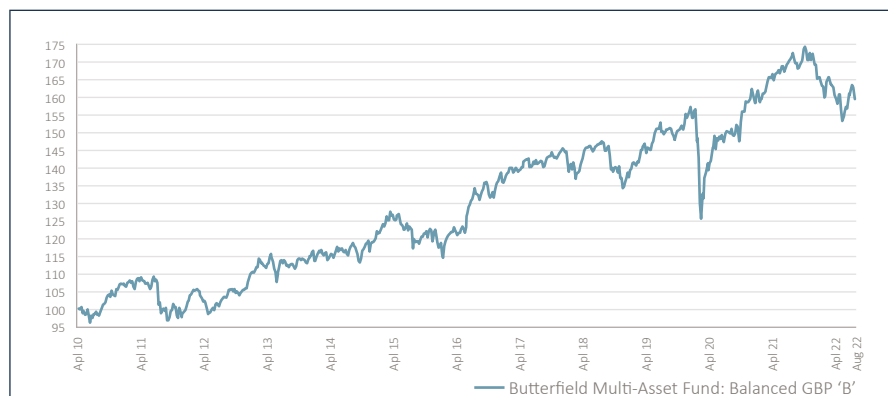
as at 31 August 2022

### 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 declined in value by -0.89% in August, with the NAV ending the month at £0.9331.
- Equity markets declined as central banks re-affirmed their commitment to bringing inflation under control.
- Global inflation pressures began to abate as commodity prices fell and Ukraine's grain exports resumed. However, an unscheduled shutdown of the Nord Stream 1 pipeline pushed gas prices higher.
- Value stocks once again outperformed Growth stocks, as has been the trend during 2022.
- In Fixed Income markets, higher yields led to negative returns in August.
- Dollar strength remains a key trend this year. The Euro has dropped to parity with the US Dollar and Sterling is currently 1.156 versus the US Dollar.

### August commentary

After a buoyant July, August saw equity markets take another leg down as investors became ever-more focused on the probability of a recession. The MSCI World index closed the month 4.1% lower. European equities led the declines, with the MSCI Europe ex UK index falling 4.7%. With the market focused on an impending energy crisis in Europe, it is no surprise that this was the worst performing region this month. Droughts and heatwaves in both China and Germany have caused logistical disruptions this summer, further exacerbating the current market uncertainties. Inflation continued to rise in the Eurozone, with expectations of a further interest rate rise in September.

US employment continues to surprise on the upside with 528,000 jobs created in July, beating market expectations. In the US, there are signs inflation may have peaked, with the year-on-year number rising by 8.5%, down from 9.1% the previous month. However, towards the end of August Jerome Powell gave a hawkish speech at Jackson Hole, which left investors concerned about the level of rate rises yet to come. This led to volatile trading.

Bond yields rose sharply over the month with UK gilts underperforming most other global government bond markets. On August 4, the Bank of England raised interest rates by 50 basis points to 1.75%.

| Total return to 31 August 2022    | Since launch | 5 years | 3 years | 1 year | YTD    | 3 months | 1 month | 3 years annualised | 5 years annualised |
|-----------------------------------|--------------|---------|---------|--------|--------|----------|---------|--------------------|--------------------|
| Class A                           | 52.29%       | 10.05%  | 4.53%   | -7.60% | -7.76% | -0.93%   | -0.97%  | 1.49%              | 1.93%              |
| Class B                           | 59.49%       | 12.69%  | 6.11%   | -7.13% | -7.45% | -0.81%   | -0.93%  | 2.00%              | 2.42%              |
| Class C (launched 31 August 2021) | -6.69%       | -       | -       | -6.69% | -7.14% | -0.69%   | -0.89%  | -                  | -                  |

| 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.

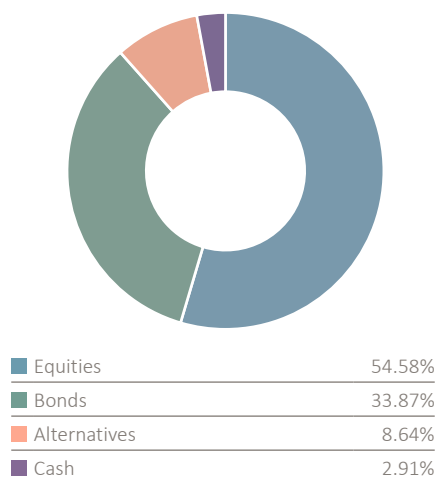
[www.butterfieldgroup.com](http://www.butterfieldgroup.com)

## Key facts as at 31 August 2022

|                                  |                                     |
|----------------------------------|-------------------------------------|
| Investment manager and Custodian | Butterfield Bank (Guernsey) Limited |
| Administrator                    | Praxis Fund Services Limited        |
| Domicile                         | Guernsey                            |
| Fund size                        | £27.40 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                    | £1.5229                             |
| Expense ratio*                   | 1.50%                               |
| Ongoing charges figure           | 2.04%                               |
| 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                    | £1.5949                             |
| Expense ratio*                   | 1.00%                               |
| Ongoing charges figure           | 1.54%                               |
| 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                    | £0.9331                             |
| Expense ratio*                   | 0.50%                               |
| Ongoing charges figure           | 1.04%                               |
| 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

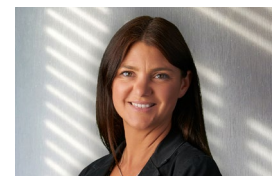
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|---------------------------------|----------------|
| iShares UK Gilts 0-5 years ETF  | 8.69%          |
| iShares Core FTSE 100           | 6.48%          |
| iShares Core S&P 500            | 5.03%          |
| JP Morgan US Value              | 5.02%          |
| iShares Physical Gold ETC       | 4.97%          |
| Loomis Sayles US Growth         | 4.90%          |
| Lyxor UK Government 0- 5 Yr     | 4.90%          |
| Artemis Lux US Select           | 4.84%          |
| Findlay Park American Fund      | 4.77%          |
| LionTrust GF Special Situations | 4.16%          |
| <b>Total Top 10</b>             | <b>53.76%</b>  |
| 15 other holdings               | 43.33%         |
| Cash                            | 2.91%          |
| <b>TOTAL</b>                    | <b>100.00%</b> |

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](http://www.butterfieldgroup.com/investments/asset-management/butterfield-funds/multi-asset-balanced-fund)

## Multi-Asset Fund team



**Tony Abreu**  
VP, Senior Investment Manager



**Emma Alford**  
AVP, Investment Manager



**Nigel Garrard**  
VP, Investment Strategy

## Contact us



**Stefano Finetti**  
VP, Business Development  
Tel: +44 (0)1481 751215  
Email: [stefano.finetti@butterfieldgroup.com](mailto:stefano.finetti@butterfieldgroup.com)

[www.butterfieldgroup.com](http://www.butterfieldgroup.com)

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