

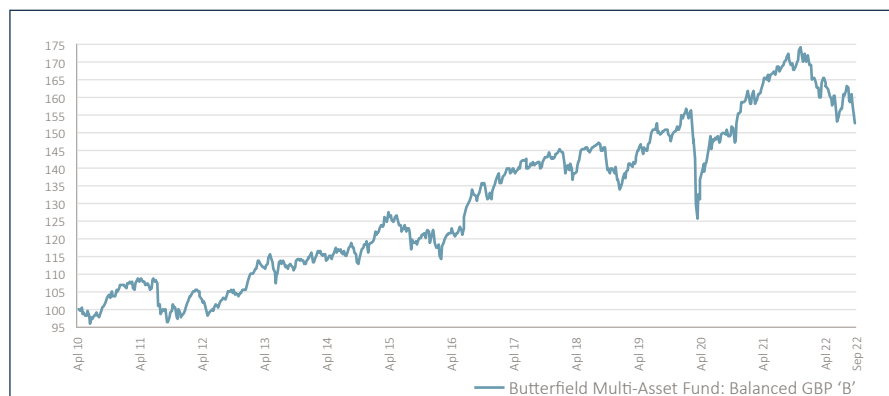
Butterfield Multi-Asset Fund: Balanced GBP as at 30 September 2022

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 -4.18% in September, with the NAV ending the month at £0.8941.
- September was the worst month for global stocks since the Covid-induced crash in March 2020.
- Emerging markets returns were also weak with the MSCI Emerging Markets Index falling by -11.7% in local currency terms.
- In the fixed income markets, UK government bonds, measured by the FTSE Gilts All Stocks index, dropped -8%, with long-dated (over 15 years to maturity) gilts sinking -11%.
- In USD terms, Gold fell by -2.95% but returned 1.37% in sterling, highlighting the currency impact over the month.

September commentary

Global markets remained highly volatile in September as rising interest rates, high inflation and further uncertainty surrounding the Russia-Ukraine conflict continued to push equity valuations lower.

The MSCI World Net TR index, which measures the returns on global developed equities, slid 9.3% in local currency terms, making it the worst month for global stocks since the Covid-induced crash in March 2020.

Towards the end of September, in the UK, newly appointed Chancellor Kwasi Kwarteng delivered his mini-Budget. Among the announcements were a vast array of tax cuts, including lowering the basic rate of income tax to 19%, reversing the National Insurance rise and scrapping the planned corporation tax rise. A further measure, namely the scrapping of the additional 45% income tax rate, has since been reversed.

Markets reacted unfavourably with gilt prices plummeting to the extent that the Bank of England stepped in and announced some emergency gilt buying. The pound also weakened, at one point reaching an all-time low of \$1.0373, before bouncing back at the end of the month to just below \$1.12.

In what has been a very difficult year for both stocks and bonds markets so far, valuations look attractive with stocks already pricing in a relatively high probability of at least a moderate recession and Government bonds also pricing in a significant amount of further tightening.

Total return to 30 September 2022	Since launch	5 years	3 years	1 year	YTD	3 months	1 month	3 years annualised	5 years annualised
Class A	45.78%	6.28%	-0.52%	-10.46%	-11.70%	-1.35%	-4.27%	-0.17%	1.23%
Class B	52.74%	8.84%	1.09%	-10.01%	-11.37%	-1.22%	-4.23%	0.36%	1.71%
Class C (launched 31 August 2021)	-10.59%	-	-	-9.55%	-11.03%	-1.08%	-4.18%	-	-

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.

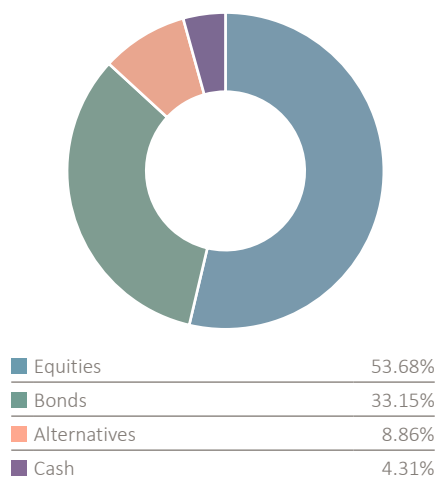
www.butterfieldgroup.com

Key facts as at 30 September 2022

Investment manager and Custodian	Butterfield Bank (Guernsey) Limited
Administrator	Praxis Fund Services Limited
Domicile	Guernsey
Fund size	£26.53 million
Dealing frequency	Daily
Dealing cut-off	Daily at 5pm
Available for sale	Channel Islands
Share class	Class A
Minimum investment	£10,000
Minimum additional	£1,000
NAV per share	£1.4578
Expense ratio*	1.50%
Ongoing charges figure	2.03%
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	£1.5274
Expense ratio*	1.00%
Ongoing charges figure	1.53%
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	£0.8941
Expense ratio*	0.50%
Ongoing charges figure	1.03%
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	8.70%
iShares Core FTSE 100	6.42%
iShares Physical Gold ETC	5.17%
JP Morgan US Value	4.96%
iShares Core S&P 500	4.93%
Lyxor UK Government 0 - 5 Yr	4.90%
Loomis Sayles US Growth	4.74%
Artemis Lux US Select	4.74%
Findlay Park American Fund	4.70%
Liontrust GF Special Situations	4.10%
Total Top 10	53.36%
15 other holdings	42.33%
Cash	4.31%
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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