LIQUIDITY PLUS (VERY LOW RISK) GBP MODEL PORTFOLIO

tam active

QUARTERLY FACTSHEET — 31 DECEMBER 2023

PORTFOLIO OBJECTIVE

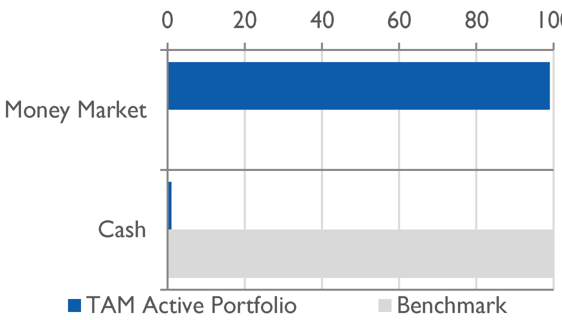
This portfolio comprises investment vehicles focusing on money market funds to deliver cash like returns. Asset classes you could find in this model are cash plus funds and high quality ultra short duration fixed interest.

The Active Liquidity Plus seeks to generate a return moderately higher than cash over the short term (1-3 years or more) while maintaining very low volatility and a high level of liquidity. Portfolios will comprise 100% non-equity investments, though weightings may deviate within set parameters, allowing our managers to react to market conditions.

RISK RATINGS

defaqto 2 RISK RATING VERY CAUTIOUS

ASSET ALLOCATION %



KEY INFORMATION

Portfolio Benchmark	100% Cash
Inception Date	01 July 2023
Accessibility	Direct, Pension, Life Bond, Trust
Minimum Investment	GBP 7,500
Targeted Yield	5.00%

Charges

TAM Platform Fee	0.25%
Annual Management Charge (p.a.)	0.15%
Underlying Fund TER	0.12%

PORTFOLIO HOLDINGS

1.	Aviva Sterling Liquidity Plus Fund	30.00%
2.	Premier Miton UK Money Market Fund	30.00%
3.	Royal London Short Term Money Market Fund	28.00%
4.	Aberdeen Sterling Money Market Fund	11.00%
5.	Cash	1.00%
Total		**100.00%**

QUARTERLY REVIEW

Markets in December continued November's strength to deliver more gains for clients. The extent of the "everything rally" in December helped to propel the fund higher into the end of the year which has been a welcome change to these challenging markets.

The drivers of December's strength continued on the view that central banks have finished with raising interest rates to combat inflation. The gain in the broad global equity market from December was just under 5% with sustainability focused investments within the fund returning more than this.

Bonds were also strong performers, with the likes of emerging market debt returning strongly in December. Government debt also put in a strong reversal with the likes of US treasuries rallying some 7%, and UK gilts rallying 9% from the October lows.

QUARTERLY OUTLOOK

The steep end of year rally has served to price in around 4-6 interest rate cuts within developed economies for 2024, which we think is ambitious given services inflation remains strong, as does the jobs market. It seems prudent that the risk from here is that markets don't get an inflation rate continuing to come down to 2%. This could force central banks to rethink their commentary around 6 interest rate cuts next year, which should see some of the 2023 positivity come out of markets.

When it comes to equities, we remain bullish on funds investing in high quality and sustainable companies. We also think it makes sense to look towards areas of the equity market which remain undervalued, as opposed to those areas which have done so well in 2023, such as the 'Magnificent 7' AI tech stocks.

We are also reevaluating the notion of dividends as a source of core investment return rather than just income, which we see as a strong growth area for markets in the coming years.

TAM Asset Management International Ltd | Nexteracom Tower 1, Ebene, 72201, Mauritius | +230 454 6400 | www.tamint.com