

## Whitechurch Ethical Investments - Monthly Update

### Key facts

As at 31st May 2021

#### Model Launch dates -

31st March 2016 - 30th November 2016

#### Minimum investments

- Prestige - £50,000
- PMS Ethical - £3,000
- Regular savings options available
- Different minimums may apply if investing through platforms.

#### Whitechurch Initial Fee

0% of amount invested

#### Whitechurch AMC

- Prestige -direct with Whitechurch
  - » £50,000-£200,000 = 0.4%
  - » £200,000-£300,000 = 0.35%
  - » £300,000-£400,00 = 0.30%
  - » £400,000-£500,000 = 0.25%
  - » £500,000 + = 0.20%

- PMS Ethical Balanced = 0.35%

- Investing through a platform the fee is:

- » Prestige 0.40%
- » PMS Ethical Balanced 0.35%

#### Whitechurch Custodian Fee\*

- 0.52% per annum of portfolio value (charged monthly). Capped at £1,300.
- If investing through a platform there will be no Whitechurch custodian fee. However a platform fee may apply.

#### Advisory Fees\*

To be agreed with Financial Adviser

#### Risk Ratings

From 4/10 - Cautious to 7/10 - High

### Whitechurch Ethical Strategies

Whitechurch Ethical portfolios are suited to clients looking to invest whilst taking into consideration a range of environmental and socially responsible criteria. Our ethical portfolios are available through our range of investment management services and are available through a number of platforms.

**PMS Ethical Balanced** – This strategy is risk rated 5 (medium risk) with an income and growth objective and invests in line with our ethical investment policy. Suitable for clients looking to invest £3,000 upwards. The strategy is available on a range of platforms.

**Prestige Ethical** – These strategies are available in a range of risk profiles with an income and growth objective and invest in line with our ethical investment policy. These strategies are suitable for clients looking to invest £50,000 or more and are available on a number of platforms.

**Personally Tailored Service** – For investors with £250,000 or more who need a more tailored ethical solution our investment managers can create a bespoke client solution.

### Our Ethical Investment Philosophy

Our portfolios combine both positive and negative screening. Positive screens seek to invest in companies providing products and services which are beneficial for the environment and society, many fund managers also look to map their fund investments to the UN Sustainable Development Goals.

We also use a negative screen as we appreciate that many clients want to be clear about areas not to be invested in. Therefore, we look to exclude investment in companies

- Substantially involved in or causing animal testing (non-medical)
- With, or operating in, companies with poor human rights records
- Whose main source of revenue is gambling
- Involved in arms production and export
- Involved in the production and sale of tobacco\*
- Involved in the production and sale of alcohol\*
- Involved in pornography and nuclear power
- With negative environmental impact

\*Where the majority of the company's proceeds come from sources other than alcohol or tobacco sales they may not be excluded. Often managers will implement a threshold level e.g. no more than 5% of revenues to come from tobacco sales.

## Performance to 31st May 2021

Start	30/04/2021	28/02/2021	30/11/2020	31/05/2020	31/05/2018	31/05/2016	31/05/2018
End	31/05/2021	31/05/2021	31/05/2021	31/05/2021	31/05/2021	31/05/2021	31/05/2021
Performance Comparison Table	1M	3M	6M	12M	3 Years	5 Years	Volatility (3 Years)
PMS Ethical Balanced	-0.3%	4.0%	5.8%	16.0%	27.0%	-	10.5%
<b>ARC £ Balanced Asset PCI</b>	<b>0.0%</b>	<b>3.5%</b>	<b>4.6%</b>	<b>11.6%</b>	<b>13.4%</b>	<b>30.8%</b>	<b>7.9%</b>
Prestige Ethical Income & Growth 4	-0.1%	2.6%	3.4%	11.3%	19.1%	36.7%	7.7%
<b>ARC £ Cautious PCI</b>	<b>0.1%</b>	<b>2.4%</b>	<b>2.8%</b>	<b>7.3%</b>	<b>10.5%</b>	<b>20.4%</b>	<b>5.0%</b>
Prestige Ethical Income & Growth 5	-0.1%	4.1%	5.7%	16.6%	25.0%	50.5%	10.8%
<b>ARC £ Balanced Asset PCI</b>	<b>0.0%</b>	<b>3.5%</b>	<b>4.6%</b>	<b>11.6%</b>	<b>13.4%</b>	<b>30.8%</b>	<b>7.9%</b>
Prestige Ethical Income & Growth 6	-0.4%	4.7%	6.9%	20.7%	-	-	12.3%
<b>ARC £ Steady Growth PCI</b>	<b>-0.1%</b>	<b>4.4%</b>	<b>6.1%</b>	<b>15.3%</b>	<b>16.6%</b>	<b>42.5%</b>	<b>10.2%</b>
Prestige Ethical Income & Growth 7	-0.8%	4.9%	7.9%	22.9%	36.6%	74.6%	13.3%
<b>ARC £ Equity Risk PCI</b>	<b>-0.2%</b>	<b>5.4%</b>	<b>8.3%</b>	<b>20.2%</b>	<b>21.1%</b>	<b>54.1%</b>	<b>12.4%</b>

Performance figures are calculated to 31/05/2021 net of fees in sterling. Unit Trust prices are calculated on a bid-to-bid basis OEICs, Investment Trust and Share prices are calculated on a mid to mid basis, with net income reinvested. The value of investments and any income will fluctuate and investors may not get back the full amount invested. Currency exchange rates may affect the value of investment. Benchmark figures are based on ARC estimates and are subject to revision. Source: Whitechurch Securities Ltd, FE Analytics.

### Investment Commentary

Equities gained in May as investors' optimism for a strong economic recovery continued, albeit at a slower pace than the previous month. There were positive returns in all major regions during the period.

The recovery of UK equities continued, with the FTSE All-Share returning 1.1%. Again, it was the more domestically focused FTSE 250 index which contributed most to return, as mid-cap stocks continued to outperform their large-cap counterparts. Investor sentiment towards the UK remained strong whilst the so far successful vaccine rollout gathered pace. As at the end of the month, 72% of the UK population over the age of 16 had received at least one dose.

As the gradual reopening of the economy in North America continued, there were modest gains for most major US indices, with the exception of the technology-orientated Nasdaq. The latter, in addition to expensive Consumer Discretionary stocks generally held back performance throughout the month. Economic data was largely mixed. The Purchasing Managers' Index for both Services and Manufacturing sectors registering record high levels, however both the monthly change in inflation and new jobs added were off target.

European Equities experienced a strong month, with the MSCI Europe excluding-UK index returning 2.8% in May. Investor confidence was buoyed by the traction gained by previously pedestrian and widely criticised vaccination programmes, as well as a broadly positive corporate earnings season.

Asian and Emerging Market Equities began the month slowly after being negatively impacted by higher than expected US inflation figures. They did, however, recover towards the end of the month, with a weaker US dollar acting as a major tailwind. The MSCI Asia-excluding Japan and the MSCI Emerging Markets indices returned 1.2% and 2.3% respectively.

Despite worries over rising case numbers and slow vaccination progress, Japanese Equities returned 1.4% during May. A weaker yen and stronger than expected corporate earnings results helped improve investor sentiment.

Fixed income markets continue to trail global equities, as investors continued to opt for a more 'risk-on' approach in anticipation of a strong economic recovery. Broadly speaking, corporate bonds slightly outperformed government bonds, with the exception of Index-Linked Bonds. The returns for both Investment Grade and High Yield Corporate Bonds were generally positive.

The demand for traditional commodities remained strong throughout May, whilst constrained supply also pushed prices higher. This meant for another relatively flat month for most renewable energy stocks. However, as per last month's commentary, we have recently seen significant pledges from three major economies and attention now turns to June's planned G7 summit, which is expected to be dominated by environmental issues.

Whitechurch Securities Ltd, The Old Chapel, 14 Fairview Drive, Redland, Bristol, BS6 6PH. Whitechurch Securities Ltd is authorised and regulated by the Financial Conduct Authority.

FOR UK FINANCIAL ADVISERS ONLY, NOT APPROVED FOR USE BY RETAIL CUSTOMERS AND SHOULDN'T BE RELIED UPON BY ANY OTHER PERSON. This publication is issued and approved by Whitechurch Securities Limited which is authorised and regulated by the Financial Conduct Authority. This fact sheet is intended to provide information of a general nature and does not represent a personal recommendation of the service. If you are unsure, seek professional advice before making an investment. Whilst we have made great efforts to ensure complete accuracy we cannot accept responsibility for inaccuracies. The past is not necessarily a guide to future performance. The value of investments and any income produced can go down as well as up and you may not get back the full amount invested. Levels and bases of, and reliefs from, taxation are subject to change.