

WS Opie Street Balanced Fund

Fund Commentary

Whilst we typically pen this commentary as at the period end (in this case the 31st March), significant geo-political events have of course unfolded soon afterwards, warranting a post-dated narrative.

Stockmarkets enjoyed a strong start to 2025, with various global markets hitting record highs in the first quarter, including the UK (FTSE 100), the US (S&P500) and Europe (Euro Stoxx). However, the pace at which this bullish investor sentiment has unravelled is not far off unprecedented.

On April 2nd, Trump and his loyal disciples celebrated 'Liberation Day', with the announcement of a sweeping set of tariffs, effected by way of an 'Executive Order' (extraordinary powers wielded by the President), bringing the US 'effective tariff' rate to its highest level since 1910. Whilst the notion of reciprocal tariffs was well signposted by Trump's team, the scale of the tariff increases (and indeed the calculation of the reciprocity) was not.

Whilst Trump has grand long-term visions as to the impact of the tariffs, effectively re-balancing the world order, economic theory (and indeed tried and tested history) would suggest that tariffs will slow economic growth and damage the US (and in doing so global) economy, whilst likely leading to higher consumer prices, at least in the short term.

Global markets have therefore reacted sharply to the news, reflecting concerns around:

- Disrupted global supply chains: Tariffs can significantly disrupt intricate global supply chains, leading to increased costs and inefficiencies for multinational corporations.
- Reduced corporate profitability: Increased import costs and potential retaliatory tariffs from other nations can impact profit margins.
- Geopolitical uncertainty: The tariffs have heightened geopolitical tensions, creating uncertainty about future trade relations and economic stability.
- Investor sentiment: Fear and uncertainty have driven a shift in investor sentiment, leading to a flight to safety and a sell-off in 'risk assets' like equities.

Interestingly, a number of Trump's most ardent supporters (and indeed financial backers) have been, carefully, sounding increasing alarm. As Jamie Dimon, CEO of JP Morgan, put it "America First is fine, as long as it doesn't end up being America alone." Ultimately, it has been the financial market's reaction, and most significantly perhaps the US government debt market's reaction, which has forced Trump to soften his stance (slightly), sticking to a 10% baseline tariff for all (bar China, notably, for which the trade war rages on), but offering a 90 day reprieve for any more punitive tariffs.

In the coming months, we can expect continued volatility in both policy and financial markets, as global trading arrangements are re-negotiated. Portfolio diversification will remain key and we will continue to act pro-actively in our management of the fund, maintaining a focus on the long term.

Performance

Cumulative Performance to 31st March 2025

	3 months	6 months	1 year	3 years	5 years	Launch ⁴
Balanced Fund ¹	-1.4%	-0.4%	3.2%	4.3%	31.3%	14.4%
Benchmark ²	-0.9%	1.3%	4.6%	13.6%	49.4%	29.3%
Sector ³	-1.2%	0.1%	3.4%	8.7%	44.7%	n/a

Discreet Calendar Year Performance

	2020	2021	2022	2023	2024	2025 to date
Balanced Fund ¹	-0.6%	10.9%	-11.2%	6.1%	6.4%	-1.4%
Benchmark ²	2.0%	12.5%	-8.1%	10.1%	10.7%	-0.9%
Sector ³	5.3%	10.9%	-10.0%	8.1%	9.0%	-1.2%

¹ R Accumulation Shares (net of fees).

² MSCI PIMFA Private Investor Balanced Index (Total Return).

³ IA Mixed Investments 40-85% Shares.

⁴ Fund launch date 1st August 2019.

Past performance is not a guide to future performance. Source: MSCI and Iress.

April 2025

Fund Objective & Policy

The investment objective of the Fund is to provide long-term (5 – 10 years) growth through a combination of capital and income.

The fund adopts a global investment approach, unconstrained by a formal benchmark, with a diversified exposure to a range of asset classes including equities (both UK and global), fixed interest (gilts and corporate bonds), alternatives (including infrastructure, real estate and private equity) and cash.

Typically no more than 75% of the fund will be exposed to equities.

Investment Approach

The Fund's exposure is primarily achieved by investing in collective investments (including investment trusts, OEICs and ETFs).

The blend of active and passive strategies seeks to maximise returns, whilst minimising costs.

The funds are invested on a long-term basis, with low expected portfolio turnover.

Strategic asset allocation is a core focus given the associated contribution to long term investment returns, whilst helping to mitigate risk. Tactical asset allocation will enable flexibility to adjust to changing market conditions.

Asset Allocation

Fixed Interest	19.5%
• Sovereigns	9.8%
• Corporate Bonds	8.7%
• Cash	1.0%
Equities	68.5%
• UK Equities	17.8%
• Global Equities	50.7%
Alternatives	12.0%
• Real Estate / Assets	4.3%
• Private Equity	1.8%
• Infrastructure	5.9%

Portfolio Positioning

Sovereigns		iShares S&P500 Equal Weight ETF	3.4%
iShares Up To 10 Yrs Ind. Lkd. Gilt Fund	4.0%	JPM Global Emerging Mkts Inc. I/T	3.4%
Vanguard UK Gilt ETF	5.8%	Latitude Global Fund	5.6%
Corporate Bonds		Scottish American I/T	5.3%
Premier Miton Corporate Bond Fund	5.0%	Scottish Mortgage I/T	3.0%
Schroder All Mat. Corp. Bond Fund	3.8%	Trojan Global Income Fund	6.5%
UK Equities		Infrastructure	
Finsbury Growth & Income I/T	4.3%	3i Infrastructure I/T	2.4%
Henderson Smaller Companies I/T	1.7%	Cordiant Digital Infrastructure I/T	2.2%
M. Currie UK Rising Dividends Fund	4.5%	Renewables Infrastructure Group I/T	1.3%
Mercantile I/T	3.3%	Private Equity	
Murray Income I/T	4.1%	Apax Global Alpha I/T	1.8%
Global Equities		Real Estate / Assets	
Blackrock Global Unconstrained Fund	4.8%	JPM Global Core Real Assets I/T	2.2%
Brown Advisory Global Leaders Fund	7.0%	TR Property I/T	2.1%
Clearbridge US Equity Income Fund	4.8%	Cash	
Heriot Global Fund	6.9%		1.0%

Underlying Investment Classes

Investment Trusts	37.1%	ETFs	9.2%
OEICs	52.7%	Cash	1.0%

Fund Managers



Sam Matthews FCSI

Sam is a Chartered Fellow of the CISI and a graduate of Exeter University. Sam joined Barratt & Cooke in 2006 and is an Associate Director.



Edward Sidgwick CFA FCSI

Edward is a CFA Charterholder, a Chartered Fellow of the CISI and a graduate of Durham University. Edward joined Barratt & Cooke in 2011 and is an Associate Director.

Important Information

Market and exchange rate movements can cause the value of an investment and any income from it to fall as well as rise, and you may get back less than originally invested. The information contained within this document does not constitute investment advice and should not be used as the basis of any investment decision. References to specific securities are included for the purposes of illustration only and should not be considered as an investment recommendation. Although Barratt & Cooke considers the information in this document to be reliable, no warranty is given to its accuracy or completeness. The opinions expressed are expressed at the date of this document and may be subject to change without notice. All references to benchmarks are for comparative purposes only. The Fund is registered for distribution to the public in the UK. Investors should carefully read the Prospectus, Key Investor Information Document (KIID) and Supplementary Information Document (SID) for the Fund before making an investment decision. If you are in any doubt as to the suitability of the fund for you, please consult a professional advisor. Factsheet issued by Barratt & Cooke. Barratt & Cooke is the trading name of Barratt & Cooke Ltd (registered in England, No. 5378036), authorised and regulated by the Financial Conduct Authority (No. 428789). Waystone Management (UK) Ltd is authorised and regulated by the Financial Conduct Authority (No. 429093).

Key Fund Details

Launch Date	1st August 2019
Fund Size	£42.4m
Investment Manager	Barratt & Cooke
Fund Managers	Sam Matthews & Edward Sidgwick
ACD	Waystone Management (UK) Ltd.
Depository	The Bank of New York Mellon (International) Ltd.
Auditor	KPMG LLP
Regulator	FCA
Structure	UK OEIC UCITS
Comparator Benchmarks	MSCI PIMFA Balanced Index IA Mixed Investment 40-85% Shares Sector
Dealing	Daily (12 Noon)

Key Share Details

R Income Shares

Price (31/03/25)	392.41p
Distribution Yield	3.1%
Distribution Dates	31st March, 30th September
ISIN	GB00BJMHLW07

R Accumulation Shares

Price (31/03/25)	457.40p
ISIN	GB00BJMHLV99

Cost Details (R Share Class)

Annual Management Fee	0.75%
Underlying Fund Costs**	0.30%*
Administration Costs	0.22%*
Ongoing Charges Figure	1.27%*

*Ex-ante figures. **Excludes Investment Trust costs.

All data as at 31st March 2025.