

Close Tactical Select Passive Funds

Monthly fund manager update

APRIL 2021



WEIXU YAN
Investment Director

MONTH IN REVIEW

All Close Tactical Select Passive (TSP) Funds delivered positive performance in April: TSP Conservative added +2.2%, Balanced +2.6% and Growth +3.2%. (Year-to-date figures are below).

US and UK equity markets continued their strong performance from March with EM and Asia not far behind. Interestingly, Sterling appreciated against the Dollar and weakened against the Euro and Yen. Otherwise, all the major asset classes were positive.

This month's best equity ETF was the Lyxor Nasdaq 100 (up +5.6%), followed by the SPDR US Communications Services and Invesco S&P Information Technology with similar returns (+5.2%). The worst equity ETF was the Amundi Solactive Japan which slid -2.4%, mirroring a broader sell-off in Japan.

GBP fixed income remained muted in April with corporates slightly up +0.8%, slightly ahead of gilts at +0.6%. Additionally, there was no significant performance difference

between shorter duration bonds and longer duration indices. Inflation-linked bonds performed best, but only marginally, with the Lyxor FTSE Actuaries UK ILG ETF up +0.9%.

The UBS CMCI Composite (Commodity) ETF was the best performing investment within alternatives - the fund advanced +7.8% as investors sought broad commodity exposure on inflation concerns. The Physical Gold ETCs were up +3.5%, and the iShares FTSE Global Infrastructure ETF contributed positively to performance by adding +2.7%.

GENERAL POSITIONING

The funds remain overweight in equities versus fixed income. Within equities, we still prefer emerging markets and Asia versus other developed markets.

Within our underweight fixed income allocation, we still prefer corporate bonds to government bonds, and short duration to long duration. Within alternatives, we now only invest in infrastructure and commodities, currently evenly split 50-50 between gold and broad commodities.

**CLOSE TACTICAL SELECT PASSIVE FUNDS DISCRETE PERFORMANCE
 AS AT 30 APRIL 2021**

	YTD	2020	2019	2018	2017	2016
Close TSP Conservative Fund	1.4%	2.5%	12.1%	-4.2%	6.5%	14.3%
IA £ 20-60% Equity	3.0%	3.5%	11.8%	-5.1%	7.2%	10.3%
Close TSP Balanced Fund	3.6%	2.5%	15.3%	-5.3%	9.1%	17.6%
IA £ 40-85% Equity	4.7%	5.3%	15.8%	-6.1%	10.0%	12.9%
Close TSP Growth Fund	5.1%	3.6%	17.7%	-5.5%	11.8%	16.4%
IA £ Flexible Investment	5.6%	6.7%	15.7%	-6.7%	11.2%	13.8%

SOURCE: FE Analytics as at 04.05.2021; YTD figures as at 30.04.2021; all are X Acc share classes; performance is total returns, net of fees with dividends reinvested.

IMPORTANT INFORMATION

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