

# Close Sustainable Balanced Portfolio Fund

## Monthly fund manager update

JANUARY 2022



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Managing Director

### MONTHLY PERFORMANCE

The Close Sustainable Balanced Fund returned -4.4% in January. This compared favourably to the Investment Association 40-85% Shares Sector, which fell -4.7%.

### MONTH IN REVIEW

Equity markets declined markedly in January over fears of central bank action to tackle high inflation. Longer duration assets, such as high-growth equities and long-dated bonds, suffered the steepest declines in their respective asset classes, while more cyclical industries such as banks and energy outperformed.

Against this backdrop, the holdings contributing most to performance in January were mining company Anglo American, the WisdomTree Platinum ETC, and food and beverage ingredient supplier Tate & Lyle, while technology company Nvidia, pet and livestock drug company Zoetis, and global private equity firm Partners Group were the greatest detractors.

The Fund's low duration position within the fixed income allocation helped to shield against significant losses in bonds, while the alternative holdings helped to provide diversification amid declining markets.

### LOOKING AHEAD

Central banks are tilting hawkish against inflation just at the point when global growth appears to be slowing. As long as both factors remain in evidence we will remain cautious.

As a long-term strategy with low turnover we recommend that unitholders judge our performance over a period of five years or more.

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### IMPORTANT INFORMATION

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