



CHANDLER

INVESTMENT CONSULTANCIES

# EFG Chandler Balanced Portfolio AMC

January 2022 Factsheet

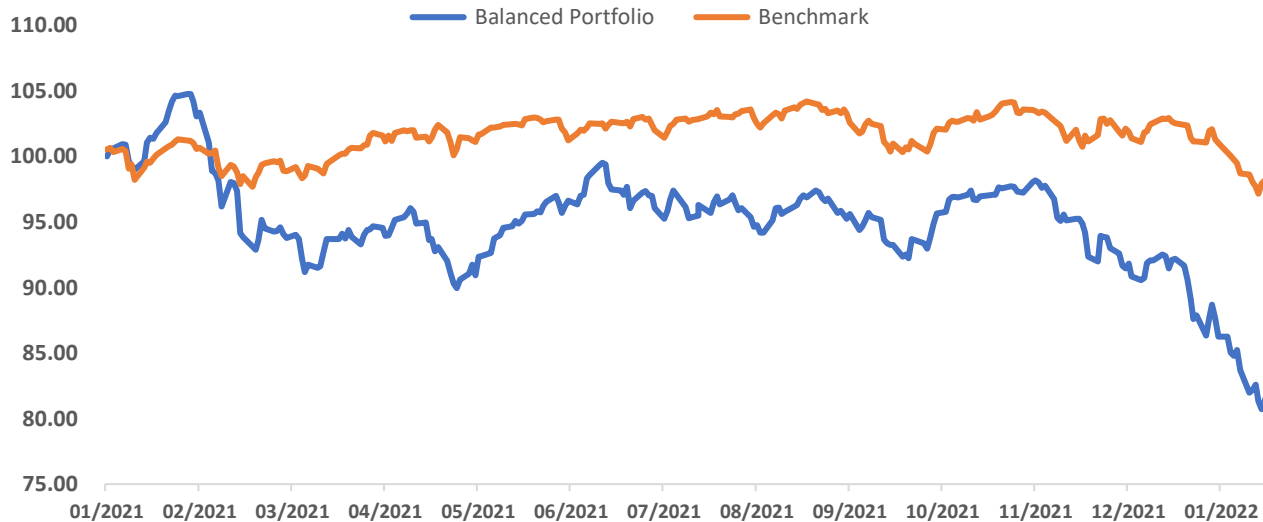
## Investment Approach

The investment objective of the fund is to achieve long-term capital appreciation and yield performance of your investment through a balanced strategy by investing primarily in, but not limited to, equities and fixed income securities throughout the world. The Fund seeks to achieve a total return between 6%-8% per annum over a long-term horizon. The approach is to be a long-term investor and the fund will neither adopt a short-term trading strategies nor engage in any short positions. The fund components will mainly be equities, bonds, funds and money market instruments.

## Fund Facts

|                              |                                       |
|------------------------------|---------------------------------------|
| Issuer                       | EFG International Finance             |
| Advisor                      | Chandler Investment Consultancies FZE |
| Currency                     | USD                                   |
| ISIN                         | CH0583730566                          |
| Benchmark                    | Custom Benchmark*                     |
| Latest NAV (31 January 2022) | 83.34%                                |

## Balanced Portfolio



## Charges

|                 |       |
|-----------------|-------|
| Ongoing Charges | 1.50% |
|-----------------|-------|

## Fund Statistics

|                        |         |
|------------------------|---------|
| Average Yearly Return  | -14.65% |
| Volatility p.a         | 10.39%  |
| Max Drawdown           | -22.47% |
| Return Since Inception | -16.66% |

| Performance | Jan-21    | Feb-21   | Mar-21   | Apr-21  | May-21   | Jun-21  | Jul-21   | Aug-21  | Sep-21   | Oct-21  | Nov-21   | Dec-21   | TOTAL     |
|-------------|-----------|----------|----------|---------|----------|---------|----------|---------|----------|---------|----------|----------|-----------|
| 2021        | ↓ -1.01%  | ↓ -2.73% | ↓ -3.76% | ↑ 2.90% | ↓ -0.71% | ↑ 4.98% | ↓ -3.92% | ↑ 0.85% | ↓ -3.16% | ↑ 3.96% | ↓ -1.74% | ↓ -2.68% | ↓ -7.30%  |
| 2022        | ↓ -10.09% |          |          |         |          |         |          |         |          |         |          |          | ↓ -10.09% |

Past performance is not a reliable indicator of future results. January benchmark performance is as from 20 January 2021.

\*Custom Benchmark is 50% MSCI All Country World ETF & 50% Global Aggregate Bond ETF (net of fees)



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## Manager's Comments

### Market Comments

#### **US**

US stocks fell drastically in January 2022. Investors had been eyeing expected rate hikes with caution. Escalating tensions between the US and Russia over Ukraine added to worries, putting markets in reverse. Comments from Federal Reserve (Fed) Chair Jerome Powell suggested a hike in March is extremely likely, underpinned by high inflation and a strong labour market. Balance sheet reductions will occur over time in a predictable manner primarily through adjustments to reinvestments so that securities roll off our balance sheet." In the meantime, early estimates put Q4 GDP growth at 6.9% (quarter on quarter, annualised), above expectations of a 5.5% increase. The potential for sanctions to deter Russian activity in Ukraine pushed energy stocks significantly higher.

#### **Euro area**

Eurozone shares fell in January amid caution over the outlook for US interest rates and the uncertain situation in Ukraine. There was a sharp divergence between value and growth segments of the market. Soaring food and energy prices contributed to a rise in annual inflation to 5.0% in December, up from 4.9% in November. European Central Bank President Christine Lagarde rejected suggestions that the ECB should start to raise interest rates more quickly than planned in response to the above-target inflation. The ECB said in December that it was very unlikely to raise rates in 2022. Data showed that eurozone GDP increased by 0.3% quarter-on-quarter in Q4 2021, taking the region's economy back to its pre-pandemic size. The flash eurozone composite purchasing managers' index slipped to an 11-month low of 52.4, given weakness in services due to the Omicron wave, which saw some countries impose restrictions on activity.

#### **Emerging Markets**

Emerging market (EM) equities recorded a negative return in January as markets priced in more aggressive policy tightening by the US Fed. South Korea was the weakest market in the MSCI EM index, exacerbated by disappointing Q4 corporate earnings results. Russia was firmly down as tensions with the West in relation to Ukraine continued to rise. China underperformed the index by a smaller margin. Macroeconomic data remained mixed and the authorities announced some modest monetary easing. Mexico, Taiwan, Malaysia and India also finished behind the index. Chinese shares also ended the month in negative territory as global concerns over the Fed's rate hike plan sparked selling by overseas investors, with losses led by the technology sector.

### Fund Comments

The Balanced Portfolio followed the global equity trend in January 2022 and fell as much as 10% for the month, being the worst month of the fund since inception. The biggest detractors are the high exposure to high growth technology stocks in the portfolio which were adversely affected by the FED as these stocks are very sensitive to interest rate hikes. We continue to hold our position as exiting them now would realize the losses. We are closely monitoring the markets to rebound first and will then rebalance the portfolio towards less volatile securities.