

MAIA Cautious Smart Beta Portfolio Bulletin

Investment Objective: The investment objective is to aim to deliver steady capital growth whilst aiming to minimise potential losses using a cautious investment approach.

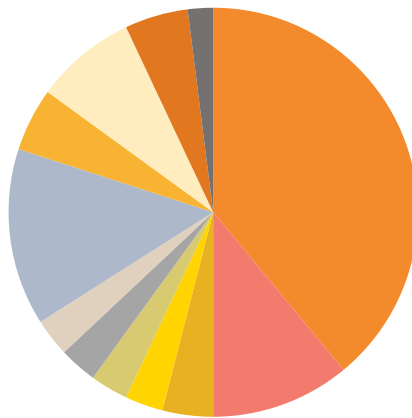
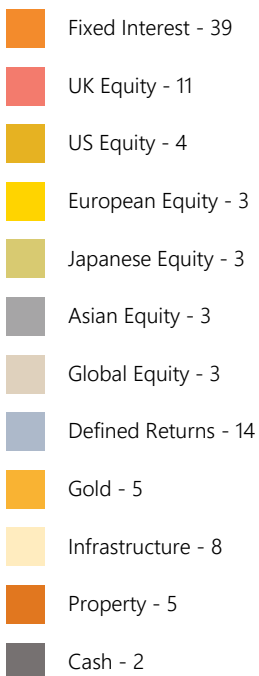
Strategy: The portfolio is made up of predominantly Exchange Traded Funds, adopting a multi-asset approach to portfolio construction.

Guidelines: The portfolio is suitable for investors who are prepared to accept limited risk to their capital but would like a higher return than cash over the long term. It is designed for investors prepared to accept some risks from investing in financial markets, but who are content to target more modest returns in exchange for a lower risk approach. This portfolio is aimed at investors who require an actively managed diversified portfolio and who have an investment horizon of at least 5 years. The portfolio is made up of a blend of funds designed to embrace a range of complementary assets, both traditional equity and bond funds, as well as a selection of the alternative assets that are available in the market place.

Portfolio Managers: The portfolio is managed by Laurence Boyle, Beccie Williams and Sophie Taylor who actively manage the portfolio based on the asset allocation set by the research team.

Asset Allocation (weightings %)

As at 30/06/2020



Top 10 holdings (weightings %)

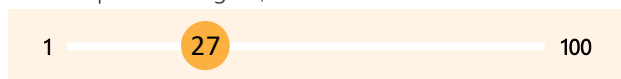
As at 30/06/2020

Top 10	%
Allianz Global Floating Rate Notes Plus	10
SPDR Blmbrg Barclays 0-5 Yr £ Corp Bnd	10
Legg Mason IF RARE Global Infrastructure	8
iShares £ Corp Bond ex-Financials	7
AHFM Defined Returns	6
iShares Global High Yield Corp Bond	6
Liontrust Monthly Income Bond	6
Vanguard FTSE 250	6
Invesco Physical Gold	5
iShares Core FTSE 100	5

Asset Exposure Range Fixed Interest %



Asset Exposure Range Equities %



Annual Management Charge	Ongoing Fund Charges*	Benchmark**
0.5% + VAT	0.39%	IA Mixed Investment 0 -35% Shares

*Source: MAIA Asset Management & FE Analytics, July 2020. **Source: MAIA Asset Management & Morningstar, July 2020.

Market Commentary

The second quarter of 2020 was strong across all asset classes post the sharp falls encountered in the first quarter of 2020. A degree of volatility remains as COVID-19 is still present, and many of the unknowns are yet to play out. However, with the work of governments and central banks globally, liquidity has returned to markets and the measures undertaken have provided global economies the injection they have needed to get through the lockdown measures imposed during the first six months of the year.

The main reason for the increase in returns is the amount of stimulus that has been provided globally to fight lockdowns and the resulting slowdown of economies. Central banks worked in unison to firstly cut interest rates and then implement Quantitative Easing (QE) measures in large amounts. The US, UK, Europe and Japan increased their QE programmes substantially. All central banks have highlighted the need for this to continue for the foreseeable future to fight the global recession we are currently in.

Softer economic data has been steadily improving over the quarter as economies have removed lockdown measures. China has been the barometer for the global economy. The Purchasing Managers Index (PMI), which is a measure of the prevailing direction of economic trends, has moved back into positive territory for the region as capacity utilisation has moved back towards 100%. In the US and Europe, retail sales have improved off their lows and PMIs (both services and manufacturing) have expanded post the lows made in March.

However, this does not mean all the risks are behind us and all data releases are positive. The virus is yet to be contained, with no vaccine so far identified. Over the quarter, Asia and Europe have had lower infection numbers whilst emerging markets, especially Latin America, have seen rising numbers taking the total number infected globally to over 1 million.

Many Asian and European countries have now started to lift lockdown measures along with the US. Major focus is being placed on whether these measures are being reduced too quickly and if so, whether further lockdown measures will be required.

Key People



Sophie Taylor

Product Specialist

T. 01564 796874

M. 07586 347454

E. sophie@maia-am.co.uk

Laurence Boyle

Chief Investment Officer

T. 01564 796875

M. 07799 064055

E. laurence@maia-am.co.uk

Beccie Williams

Head of Research

T. 01564 796876

M. 07894 634497

E. beccie@maia-am.co.uk

T. 01564 796870 E. info@maia-am.co.uk www.maia-am.co.uk

Important information: MAIA Asset Management Ltd is registered in England. Registered office: April Barns, Redditch Road, Ullenhall, Warwickshire, B95 5NY. Company registration No. 237 3988 66. We are authorised and Regulated by the Financial Conduct Authority, Registration Number 747887.

This document is provided for information purposes only and does not constitute advice or a personal recommendation. Past performance is not a guide to future returns. The value of investments and the income from them, can go down as well as up, and you may get back less than you invested. Fluctuations in currency value will mean that investments may be affected by exchange rate variations. The information on which this document is based is deemed to be reliable, but we have not independently verified such information and we do not guarantee its accuracy or completeness.