



CAERUS SELECT

QUARTER TWO 2017
INVESTMENT REVIEW



CAERUS
Portfolio Management





CONTENTS

IMPORTANT NOTES	4.
CONTACT DETAILS	5.
MARKET COMMENTARY	6.
FEATURED ARTICLE: EUROPE EN MARCHE!	7.
CAERUS ACTIVE AND PASSIVE PORTFOLIOS	8.
CAERUS BLENDS	12.
CAERUS TACTICAL INCOME	16.
CAERUS STRATEGIC ETHICAL ACTIVE PORTFOLIOS PROFILE A-D	20.
PORTFOLIO CHANGES	28.
INDEX AND PEER GROUP RETURNS	29.



IMPORTANT NOTES

Views and opinions

The views and opinions expressed in this document are those of CAERUS Portfolio Management Limited and Parmenion Investment Management. They should not be taken as a personal recommendation to buy or sell, or as Advice on how any Investment mentioned is likely to perform. Every care has been taken to ensure the accuracy of the information published in this document. It cannot, however, be guaranteed.

Performance data

Unless otherwise stated, all performance figures are from FE, formerly Financial Express Analytics, and are calculated on a total return, bid to bid basis (no initial charges) to 30th June 2017 (net income reinvested). Performance figures include the underlying funds' Annual Management Charges and exclude rebates and external charges from Parmenion or the introducing Adviser.

Where performance data is not available for a period of five years or more, this is quoted from inception date. Where no performance figures are shown, no data is available, which we have labelled as N/A for the purposes of this document.

The tables in this document provide past performance data and should not be taken as a guide to future returns. The data represents the period over which Parmenion Investment Management has operated the funds in their stated configuration. CAERUS Portfolios have been operating using the same formulation since 3rd March 2014.

The data included within this report reflects the performance and charges for the CAERUS Select Portfolios as managed on the Parmenion Platform. This data may differ on other platforms due to fund and share class availability and the trading processes adopted by the platform.

The value of Investments and the income that can be earned from them may go down as well as up and a Client may not get back the full amount invested. Rates and bases of taxation are subject to change. The risks of Investment associated with different asset classes, for example, overseas equity, property, corporate debt, commodities and alternative assets vary in their nature.

Yield

The Quarterly Investment Review quotes the historic yield, which reflects distribution declared over the past twelve months as a percentage of the unit price. It is based on a snapshot of the Portfolio on that day.

Ongoing Charge Figure (OCF)

The Ongoing Charge Figure is defined as the expected total cost of managing and operating the fund for the coming year. OCF includes the Annual Management Charge paid to the fund

manager plus the additional operational charges of the fund (custody, distribution, audit, registration and regulatory fees).

OCF does not include an estimate of performance fees unlike the old measure, Total Expense Ratio (TER), which was based on the experience over the prior year.

The OCF figures quoted in this report are net of any rebates paid to Parmenion from the Annual Management Charge. Any such rebates received are credited to the Client's Portfolio. OCF figures in this report do not include Parmenion's own charges or those of the introducing Adviser; neither do they include any dealing costs associated with buying or selling the funds.

Seeking appropriate Financial Advice

Parmenion is not authorised to provide Investment Advice to individuals. It is important that Clients take a medium to long-term view when investing and are realistic about performance outcomes.

If a Client wishes to obtain Financial Advice as to whether an Investment is suitable for their needs, they should consult an authorised Financial Adviser.

Clients should ensure they have understood the content of their Adviser's Suitability Report before proceeding with any proposed Investment.

Regulatory

CAERUS Portfolio Management Limited is authorised and regulated by the Financial Conduct Authority (FCA No 175524) and is registered in England and Wales, Registered Office, Wiltshire Court, Farnsby Street, Swindon SN1 5AH, registered number 03056894.

CAERUS Portfolio Management Limited is part of the CAERUS Capital Group, which is wholly owned by Intrinsic Financial Services Limited. Old Mutual Wealth Holdings Limited owns 89% of the share capital of Intrinsic Financial Services Limited with the remaining 11% being owned by minority shareholders.

Parmenion Investment Management Ltd is a subsidiary of Parmenion Capital Partners LLP. Parmenion Capital Partners LLP is authorised and regulated by the Financial Conduct Authority, registration number 462085 and is a wholly owned subsidiary of Aberdeen Asset Management PLC and Aberdeen Investments Limited. Parmenion Capital Partners LLP is registered in England and Wales OC322243.



CONTACT DETAILS

CPML contact details

Head Office: Trident 3,
Trident Business Park,
Styal Road, Manchester, M22 5XB.

Office: 0161 488 3540

Email: info.cpml@caeruswealth.com



Parmenion contact details

Head Office: 2 College Square,
Anchor Road,
Bristol, BS1 5UE.

Office: 0345 519 0100

Website: www.parmenion.co.uk

Email: invest@parmenion-im.co.uk



MARKET COMMENTARY



Simon Brett

Director & Chief Investment Officer
Parmenion Investment Management

“History does not repeat itself but it rhymes” is a quote attributed to Mark Twain. In the case of Conservative Prime Ministers it seems this is certainly true!

This time it is Theresa May who has been weakened by The UKs relationship with Europe, taking her place amongst others who have been felled by the UKs relationship with Europe; Thatcher, Major and Cameron.

The surprise election result actually reduced a Conservative parliamentary majority to that of minority government, casting a pall over the type of Brexit that eventually may be achieved. Whether it be “hard” or “soft”, or something in between, Brexit is unlikely to be resolved until the status of EU citizens living in the UK is fixed, the status of the border between the north and the south of Ireland determined, and the exit bill the UK has to pay to the EU is calculated.

Post the referendum in June of last year, the weakness of the pound has led to a rise in inflation, which is now at 2.9%. However, with wage increases stagnating at just 1%, real living standards are once again falling. It appears that, in order to maintain current levels of spending, the consumer is borrowing and running down savings. Savings are at a multi-year low. For every £100 earned the UK consumer is saving a paltry £1.70! Credit card debt is also rising.

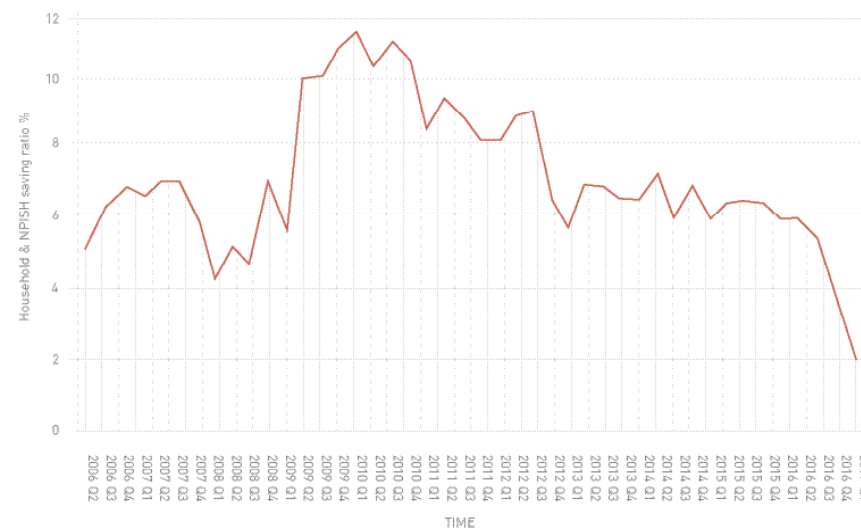
Given that the consumer has been a mainstay of the UK economy during the past year, the question arises whether current levels of spending are sustainable, and what happens if the consumer begins to rein back spending?

Watch consumer and business confidence for early signs that the economy is slowing.

The above leads to the interesting question as to when the Bank of England will raise interest rates.

At the last meeting of the Monetary Policy Committee (MPC) 3 of the 8 members voted for a rise. There is a fine balance to be maintained; raise rates too aggressively and demand may fall too much and push the economy into a recession, don't raise and the Bank of England may be behind the curve, that is raising rates to catch up and control inflation. Any increase is likely to be modest. Perhaps a reversal of the 0.25% cut post the Brexit referendum.

UK household saving ratio



Across the Atlantic the hiking of rates proceeds apace with another rise in June. Rates are now at 1.25%, the third increase. Why? Job growth has lowered unemployment to its lowest level in 16 years along with moderate economic activity and rises in household spending. More rises are forecast in 2017 and 2018. For the moment the Trump legislation blitz appears to be stalling and less has been heard of tax reform and infrastructure spending.

Meanwhile in Europe, the convincing victory of Macron in France has been welcomed by markets and seen as a positive for mainstream Europe. The FTSE Developed Europe ex UK index was the best performing major market in the second quarter, up 4.95% in sterling terms.

Given his majority in Parliament, it appears Macron has a mandate for radical change in French labour laws, and hopefully reducing the high unemployment. Whether in practice this can be achieved remains a moot point. Watch this space.

And finally, geopolitics remains a possible flashpoint that may cause stock markets problems. North Korea remains a concern and the standoff between Saudi Arabia and its neighbour Qatar has yet to be resolved. Either may provide an unpleasant shock to the status quo.

As always in such uncertain times it is timely to remind investors to remain comfortable with the level of risk and reward within their portfolios. The rest of 2017 may yet spring a few more surprises!



Jasper Thornton-Boelman

Investment Analyst

Parmenion Investment Management

In similar fashion to last year, June concluded with some large swings in equity and bond markets. But rather than the perpetrator being the collective voice of the UK public, this time it was the hawkish words of Central Bankers that caused a reaction.

At the centre was Mario Draghi and his proclamation that deflation was over and rather an era of reflation had dawned. Whether these words were wise or not can be debated. Perhaps the additional ECB statement that followed indicates they at least weren't received as intended. What is clearer are the circumstances that led to these positive comments; Europe has been the positive surprise of 2017 thus far.

Political uncertainty and Europe have been synonymous with each other of late. However, with victory for Emmanuel Macron's En Marche party and defeat for the Freedom Party in the Netherlands, the tide of populism has somewhat subsided. Notwithstanding Italy and Germany, where elections are still to come, for many the removal of these political headwinds has contributed to making Europe a much more viable place to invest, as can be seen by recent inflows to the asset class.

Compared to the US, for example, Europe is in the infant stage of recovery. This is reflected in both economic data and stock market valuations, where companies are generally cheaper as per price-to-earning and price-to-book ratios. While being in the early stage of a recovery can provide ample growth opportunities it is not without uncertainty, and the manner in which it will manifest across so many differing countries is unknown.

That said, overall indicators for the region have been encouraging for a while now; unemployment has continued to fall, both inflation and wage growth have consistently stayed above 1%, and Euro Area economic activity in June grew at its fastest rate since April 2011 (as per Manufacturing PMI).

Euro Area Manufacturing PMI



Source: Trading Economics, 2017

This has all fed confidence into the market, with the FTSE Europe ex UK index returning 12.01% compared to 5.41% for the FTSE World ex Eurobloc over the first 6 months of the year. However, the strongest test of European resilience will likely come when the ECB begin to reduce their Bond buying activity. This has reduced and kept interest rates low, encouraging investment and growth. With 2018 as the consensus start date for this first step in policy tightening, the extent of the European recovery will be measured by its ability to absorb this reduction in stimulus.

Whether the decline in European populism persists will likely hinge on the extent to which the economic recovery feeds through the whole population. Continuously improving fundamentals should bring more political stability and this can only enhance the investment attraction of the region.



CAERUS ACTIVE AND PASSIVE PORTFOLIOS

The CAERUS offering is built around seven asset classes; Managed Liquidity, Fixed Interest, Property, UK Value and Income, UK Growth, Developed Markets and Emerging Markets. An Investor in the CAERUS offering assumes that the risk and return relationships between the various asset classes are stable over the long term. Thus, the asset allocations for the ten Risk Graded portfolios will not change frequently.

CAERUS Active and Passive portfolios

	MANAGED LIQUIDITY	FIXED INTEREST	PROPERTY	UK VALUE AND INCOME	UK GROWTH	DEVELOPED MARKETS	EMERGING MARKETS	TOTAL
Risk Grade								
1	80%	20%	0%	0%	0%	0%	0%	100%
2	25%	55%	10%	5%	5%	0%	0%	100%
3	15%	55%	10%	10%	5%	5%	0%	100%
4	15%	35%	10%	20%	10%	10%	0%	100%
5	5%	30%	10%	20%	15%	20%	0%	100%
6	0%	25%	10%	20%	20%	25%	0%	100%
7	0%	15%	15%	20%	20%	25%	5%	100%
8	0%	0%	15%	20%	15%	35%	15%	100%
9	0%	0%	10%	15%	15%	35%	25%	100%
10	0%	0%	0%	10%	15%	40%	35%	100%

Portfolios are rebalanced to their asset allocation on a quarterly basis.

Net Ongoing Charge Figure (OCF) and historic yield by risk grade

The fund OCF and historic yield for each Risk Grade are shown below. The data included will vary from month to month, depending on the fund selection of the Investment manager and the expenses of the underlying funds themselves. These figures are therefore only included for the purposes of transparency.

CAERUS Active

	RISK GRADE 1	RISK GRADE 2	RISK GRADE 3	RISK GRADE 4	RISK GRADE 5	RISK GRADE 6	RISK GRADE 7	RISK GRADE 8	RISK GRADE 9	RISK GRADE 10
Fund OCF	0.22%	0.54%	0.62%	0.66%	0.76%	0.81%	0.83%	0.90%	0.93%	0.98%
Historic Yield	0.66%	1.95%	2.18%	2.26%	2.33%	2.36%	2.33%	2.08%	1.82%	1.46%

Fund OCF and Historic Yield data correct as at 3rd July 2017

CAERUS Passive

	RISK GRADE 1	RISK GRADE 2	RISK GRADE 3	RISK GRADE 4	RISK GRADE 5	RISK GRADE 6	RISK GRADE 7	RISK GRADE 8	RISK GRADE 9	RISK GRADE 10
Fund OCF	0.11%	0.15%	0.15%	0.16%	0.15%	0.15%	0.19%	0.20%	0.18%	0.13%
Historic Yield	0.58%	1.85%	2.14%	2.48%	2.72%	2.87%	2.95%	2.89%	2.72%	2.48%

Fund OCF and Historic Yield data correct as at 3rd July 2017

Portfolio holdings as at 30th June 2017

The current portfolio holdings for CAERUS Active and Passive are shown in the tables below, as at 30th June 2017. Please refer to page 28 for details on fund changes over the period.

CAERUS Active

MANAGED LIQUIDITY	FIXED INTEREST	PROPERTY	UK VALUE AND INCOME	UK GROWTH	DEVELOPED MARKETS	EMERGING MARKETS
BlackRock ICS Institutional Sterling Liquidity Heritage	Allianz Gilt Yield	Standard Life Investments UK Real Estate Income Feeder	Rathbone Income	Neptune UK Mid Cap	CF Morant Wright Nippon Yield	Aberdeen Emerging Markets Equity
Federated Short-Term Sterling Prime	Fidelity Moneybuilder Income	L&G UK Property Feeder	Invesco Perpetual Income	JOHCM UK Opportunities	JPM US Equity Income	MI Somerset Emerging Markets Dividend Growth
	Kames Investment Grade Bond	Threadneedle UK Property Authorised Trust Feeder	Threadneedle UK Equity Income	Jupiter UK Special Situations	Pioneer US Fundamental Growth	Fidelity Emerging Markets
	Goldman Sachs Global Fixed Income Plus Portfolio		Trojan Income	Liontrust Special Situations	Stewart Investors Asia Pacific Leaders	Schroder Global Emerging Markets
	M&G Index Linked Bond		Unicorn UK Income	Schroder UK Smaller Companies	Jupiter European	
	M&G Optimal Income		CF Miton UK Multi Cap Income		Fidelity American Special Situations	
	Jupiter Strategic Bond				Threadneedle European Select	
					Schroder Tokyo	
					FP CRUX European Special Situations	

CAERUS Passive

MANAGED LIQUIDITY	FIXED INTEREST	PROPERTY	UK VALUE AND INCOME	UK GROWTH	DEVELOPED MARKETS	EMERGING MARKETS
BlackRock ICS Institutional Sterling Liquidity Heritage	Vanguard UK Investment Grade Bond Index	Standard Life Investments UK Real Estate Income Feeder	Vanguard FTSE UK Equity Income Index	Vanguard FTSE UK All Share Index	Vanguard US Equity Index	Vanguard Emerging Markets Stock Index
Federated Short-Term Sterling Prime	L&G All Stocks Index Linked Gilt Index	L&G UK Property Feeder			Vanguard FTSE Developed Europe ex UK Equity Index	
	Vanguard Global Bond Index GBP Hedged	Threadneedle UK Property Authorised Trust Feeder			L&G Japan Index	
	Vanguard UK Government Bond Index				L&G Pacific Index	

CAERUS Active - portfolio returns to period end 30th June 2017

All portfolios continue to perform in line with their relative risk over all periods, (except Risk Grade 9 over 5 years), owing to the strong relative performance of UK Equity, Developed Markets Equity (over 1 to 5 years) and Emerging Markets Equity (over 3 months to 3 years).

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	5 YEAR RETURN
Active						
1	0.09%	0.38%	1.06%	2.13%	3.76%	6.39%
2	0.76%	2.42%	5.66%	8.62%	13.70%	23.58%
3	0.98%	3.10%	7.62%	11.46%	17.80%	31.79%
4	1.39%	4.16%	10.63%	14.26%	21.75%	42.82%
5	1.55%	4.94%	13.66%	18.76%	28.35%	56.30%
6	1.68%	5.47%	15.65%	21.37%	32.19%	64.88%
7	1.86%	6.15%	16.80%	22.37%	33.24%	67.29%
8	2.05%	7.29%	19.61%	27.01%	38.50%	77.07%
9	2.12%	7.95%	20.91%	29.23%	39.45%	76.98%
10	2.13%	8.62%	22.91%	33.06%	42.31%	80.65%

CAERUS Passive - portfolio returns to period end 30th June 2017

All portfolios continue to perform in line with their relative risk over all periods owing to the strong relative performance of Emerging Markets Equity (over 3 months to 3 years) and UK Growth and Developed Markets Equity (over 6 months to 5 years).

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	5 YEAR RETURN
Passive						
1	-0.02%	0.23%	0.53%	2.59%	4.69%	7.66%
2	0.17%	1.50%	3.30%	8.71%	14.27%	24.15%
3	0.25%	2.03%	5.13%	11.33%	17.75%	31.60%
4	0.48%	2.88%	8.27%	13.38%	19.66%	40.00%
5	0.62%	3.72%	11.43%	17.85%	25.38%	52.53%
6	0.73%	4.25%	13.44%	20.34%	28.43%	60.14%
7	0.94%	5.01%	15.02%	21.19%	29.44%	61.91%
8	1.18%	6.46%	19.08%	25.82%	34.87%	70.88%
9	1.28%	7.23%	20.71%	28.08%	36.72%	70.91%
10	1.33%	8.07%	23.17%	31.99%	40.31%	74.51%

Please note that portfolio returns prior to 1st March 2014 are based on the performance of the PIM Strategic Multi-Option portfolios, upon which the structure of the CAERUS portfolios is based.

These returns simulate the performance that would have been achieved by these portfolios had they been in existence during these periods.

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 30th June 2017. Past performance is not an indication of future returns. The value of Investments and any income from them is not guaranteed and can go down as well as up.

CAERUS - asset class returns to period end 30th June 2017

The CAERUS Risk Graded portfolios are built through a weighted exposure to seven underlying asset classes. For transparency purposes the returns of each asset class are given below. These returns should not be considered in isolation as the asset class risk and return characteristics are taken into account within the construction of each risk graded portfolio.

CAERUS Active

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	5 YEAR RETURN
Managed Liquidity	0.06%	0.12%	0.31%	0.71%	1.87%	4.06%
Fixed Interest	0.62%	2.29%	5.63%	11.47%	17.24%	26.27%
Property	1.65%	4.86%	6.73%	6.46%	18.71%	34.20%
UK Value and Income	3.65%	8.65%	19.45%	20.04%	28.98%	78.71%
UK Growth	2.49%	7.66%	24.08%	23.98%	33.44%	78.95%
Developed Markets	0.74%	5.22%	21.37%	40.16%	61.24%	114.60%
Emerging Markets	3.34%	13.54%	26.28%	34.46%	32.41%	53.45%

CAERUS Passive

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	5 YEAR RETURN
Managed Liquidity	0.06%	0.12%	0.31%	0.71%	1.87%	4.06%
Fixed Interest	-0.17%	1.00%	1.82%	11.63%	18.81%	27.37%
Property	1.65%	4.86%	6.73%	6.46%	18.71%	34.20%
UK Value and Income	0.86%	4.51%	14.54%	13.28%	17.09%	57.26%
UK Growth	1.40%	5.47%	18.01%	20.51%	23.58%	64.62%
Developed Markets	0.68%	6.32%	24.20%	42.27%	58.90%	114.85%
Emerging Markets	2.23%	12.55%	27.00%	31.36%	35.19%	44.91%

Please note that portfolio returns prior to 1st March 2014 are based on the performance of the PIM Strategic Multi-Option portfolios, upon which the structure of the CAERUS portfolios is based.

These returns simulate the performance that would have been achieved by these portfolios had they been in existence during these periods.

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 30th June 2017. Past performance is not an indication of future returns. The value of Investments and any income from them is not guaranteed and can go down as well as up.



CAERUS BLENDS

The CAERUS Blended Portfolios are built around the seven asset classes used in CAERUS Active and CAERUS Passive; Managed Liquidity, Fixed Interest, Property, UK Value and Income, UK Growth, Developed Markets and Emerging Markets. An Investor in the CAERUS Blended portfolios assumes that the risk and return relationships between the various asset classes are stable over the long term. Thus, the asset allocations for the ten Risk Graded portfolios will not change frequently. Please refer to pages 10-11 for details on the asset weightings and underlying funds used in the solution.

Net Ongoing Charge Figure (OCF) and historic yield by risk grade

The fund OCF and historic yield for each Risk Grade are shown below. The data included will vary from month to month, depending on the fund selection of the Investment manager and the expenses of the underlying funds themselves. These figures are, therefore, only included for the purposes of transparency.

CAERUS 75% Active & 25% Passive

	RISK GRADE 1	RISK GRADE 2	RISK GRADE 3	RISK GRADE 4	RISK GRADE 5	RISK GRADE 6	RISK GRADE 7	RISK GRADE 8	RISK GRADE 9	RISK GRADE 10
Fund OCF	0.19%	0.44%	0.50%	0.54%	0.60%	0.64%	0.67%	0.73%	0.75%	0.76%
Historic Yield	0.64%	1.93%	2.17%	2.31%	2.43%	2.49%	2.49%	2.29%	2.05%	1.71%

Fund OCF and Historic Yield data correct as at 3rd July 2017

CAERUS 50% Active & 50% Passive

Fund OCF	0.16%	0.35%	0.39%	0.41%	0.45%	0.48%	0.51%	0.55%	0.56%	0.55%
Historic Yield	0.62%	1.90%	2.16%	2.37%	2.52%	2.62%	2.64%	2.49%	2.27%	1.97%

Fund OCF and Historic Yield data correct as at 3rd July 2017

CAERUS 25% Active & 75% Passive

Fund OCF	0.14%	0.25%	0.27%	0.29%	0.30%	0.31%	0.35%	0.38%	0.37%	0.34%
Historic Yield	0.60%	1.87%	2.15%	2.42%	2.62%	2.74%	2.80%	2.69%	2.50%	2.23%

Fund OCF and Historic Yield data correct as at 3rd July 2017

CAERUS 75% Active & 25% Passive - portfolio returns to period end 30th June 2017

All portfolios continue to perform in line with their relative risk over all periods, (except Risk Grade 9 over 3 months and 5 years), owing to the strong relative performance of UK Equity, Developed Markets Equity (over 1 to 5 years) and Emerging Markets Equity (over 3 months to 3 years).

Risk Grade	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	5 YEAR RETURN
1	0.06%	0.35%	0.93%	2.25%	3.99%	6.71%
2	0.61%	2.19%	5.06%	8.65%	13.85%	23.73%
3	0.79%	2.84%	6.99%	11.43%	17.79%	31.75%
4	1.16%	3.84%	10.03%	14.04%	21.23%	42.12%
5	1.28%	4.71%	13.40%	19.03%	28.13%	55.99%
6	1.44%	5.16%	15.09%	21.12%	31.25%	63.70%
7	1.63%	5.87%	16.35%	22.08%	32.29%	65.95%
8	1.84%	7.08%	19.48%	26.73%	37.60%	75.53%
9	1.80%	7.64%	20.83%	28.96%	38.64%	75.32%
10	1.93%	8.49%	22.98%	32.81%	41.83%	79.12%

Please note that portfolio returns prior to 1st March 2014 are based on the performance of the PIM Strategic Multi-Option portfolios, upon which the structure of the CAERUS portfolios is based.

These returns simulate the performance that would have been achieved by these portfolios had they been in existence during these periods.

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 30th June 2017. Past performance is not an indication of future returns. The value of Investments and any income from them is not guaranteed and can go down as well as up.

CAERUS 50% Active & 50% Passive - portfolio returns to period end 30th June 2017

All portfolios continue to perform in line with their relative risk over all periods, (except Risk Grade 9 over 5 years), owing to the strong relative performance of UK Equity, Developed Markets Equity (over 1 to 5 years) and Emerging Markets Equity (over 3 months to 3 years).

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	5 YEAR RETURN
Risk Grade						
1	0.03%	0.31%	0.80%	2.36%	4.22%	7.02%
2	0.46%	1.96%	4.47%	8.68%	14.00%	23.88%
3	0.61%	2.57%	6.37%	11.40%	17.78%	31.71%
4	0.93%	3.52%	9.44%	13.82%	20.71%	41.41%
5	1.08%	4.33%	12.54%	18.31%	26.87%	54.42%
6	1.20%	4.86%	14.54%	20.86%	30.31%	62.52%
7	1.40%	5.58%	15.90%	21.79%	31.34%	64.60%
8	1.62%	6.87%	19.34%	26.44%	36.69%	73.98%
9	1.70%	7.59%	20.81%	28.68%	38.11%	73.96%
10	1.73%	8.35%	23.05%	32.55%	41.34%	77.58%

CAERUS 25% Active & 75% Passive - portfolio returns to period end 30th June 2017

All portfolios continue to perform in line with their relative risk over all periods, (except Risk Grade 9 over 5 years), owing to the strong relative performance of UK Equity, Developed Markets Equity (over 1 to 5 years) and Emerging Markets Equity (over 3 months to 3 years).

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	5 YEAR RETURN
Risk Grade						
1	0.01%	0.27%	0.67%	2.47%	4.45%	7.34%
2	0.32%	1.73%	3.88%	8.70%	14.14%	24.02%
3	0.43%	2.30%	5.75%	11.37%	17.77%	31.66%
4	0.71%	3.20%	8.85%	13.60%	20.18%	40.71%
5	0.85%	4.03%	11.98%	18.08%	26.13%	53.47%
6	0.96%	4.56%	13.99%	20.60%	29.37%	61.33%
7	1.17%	5.30%	15.46%	21.49%	30.39%	63.26%
8	1.40%	6.67%	19.21%	26.14%	35.78%	72.44%
9	1.49%	7.41%	20.76%	28.39%	37.42%	72.44%
10	1.53%	8.21%	23.11%	32.28%	40.83%	76.03%

Please note that portfolio returns prior to 1st March 2014 are based on the performance of the PIM Strategic Multi-Option portfolios, upon which the structure of the CAERUS portfolios is based.

These returns simulate the performance that would have been achieved by these portfolios had they been in existence during these periods.

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 30th June 2017. Past performance is not an indication of future returns. The value of Investments and any income from them is not guaranteed and can go down as well as up.

CAERUS - asset class returns to period end 30th June 2017

The CAERUS Risk Graded portfolios are built through a weighted exposure to seven underlying asset classes. For transparency purposes the returns of each asset class are given below. These returns should not be considered in isolation as the asset class risk and return characteristics are taken into account within the construction of each risk graded portfolio.

CAERUS 75% Active & 25% Passive

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	5 YEAR RETURN
Managed Liquidity	0.06%	0.12%	0.31%	0.71%	1.87%	4.06%
Fixed Interest	0.42%	1.97%	4.68%	11.51%	17.63%	26.55%
Property	1.65%	4.86%	6.73%	6.46%	18.71%	34.20%
UK Value and Income	2.95%	7.62%	18.22%	18.35%	26.01%	73.35%
UK Growth	2.22%	7.11%	22.56%	23.11%	30.98%	75.37%
Developed Markets	0.73%	5.50%	22.08%	40.69%	60.66%	114.66%
Emerging Markets	3.06%	13.29%	26.46%	33.69%	33.11%	51.32%

CAERUS 50% Active & 50% Passive

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	5 YEAR RETURN
Managed Liquidity	0.06%	0.12%	0.31%	0.71%	1.87%	4.06%
Fixed Interest	0.23%	1.65%	3.73%	11.55%	18.03%	26.82%
Property	1.65%	4.86%	6.73%	6.46%	18.71%	34.20%
UK Value and Income	2.26%	6.58%	17.00%	16.66%	23.04%	67.99%
UK Growth	1.95%	6.57%	21.05%	22.25%	28.51%	71.79%
Developed Markets	0.71%	5.77%	22.79%	41.22%	60.07%	114.73%
Emerging Markets	2.79%	13.05%	26.64%	32.91%	33.80%	49.18%

CAERUS 25% Active & 75% Passive

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	5 YEAR RETURN
Managed Liquidity	0.06%	0.12%	0.31%	0.71%	1.87%	4.06%
Fixed Interest	0.03%	1.32%	2.77%	11.59%	18.42%	27.10%
Property	1.65%	4.86%	6.73%	6.46%	18.71%	34.20%
UK Value and Income	1.56%	5.55%	15.77%	14.97%	20.06%	62.62%
UK Growth	1.67%	6.02%	19.53%	21.38%	26.05%	68.20%
Developed Markets	0.70%	6.05%	23.49%	41.74%	59.49%	114.79%
Emerging Markets	2.51%	12.80%	26.82%	32.14%	34.50%	47.05%

Please note that portfolio returns prior to 1st March 2014 are based on the performance of the PIM Strategic Multi-Option portfolios, upon which the structure of the CAERUS portfolios is based.

These returns simulate the performance that would have been achieved by these portfolios had they been in existence during these periods.

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 30th June 2017. Past performance is not an indication of future returns. The value of Investments and any income from them is not guaranteed and can go down as well as up.



CAERUS TACTICAL INCOME

The CAERUS Tactical Income portfolios aim to deliver a set of target yields while controlling the level of portfolio volatility. Parmenion will use Tactical Asset Allocation to achieve both the target yields and to keep portfolio volatility within the constraints identified for each Risk Grade.

The CAERUS Tactical Income portfolios have, as their name suggests, the flexibility to adopt tactical asset allocations. This means the Parmenion Investment Managers has the capability to alter the asset allocation of the portfolios in light of changing market conditions. This flexibility enhances PIM's ability to increase allocations to income generating assets to meet the target yields, when it is prudent to do so, while simultaneously managing the portfolios' volatility and exposure to risk. All changes to asset allocation are made within prescribed limits only.

Key benefits

- 10 risk graded portfolios
- Rising target yields, rising from 3% to 5.25%
- Tactical asset allocation to make the targeted yields achievable
- Proactive blending of Passive and Active funds
- Natural income arises periodically, not evenly, and can be paid as it arises
- Controlled use of Maximiser Funds
- Portfolio withdrawals can be set in £ or % amounts, monthly, quarterly, half yearly or annually.

What are Maximiser Funds?

Up to 35% of a CAERUS Tactical Income portfolio may be invested in Maximiser Funds to help ensure an attractive level of income. A Maximiser Fund is a portfolio of stocks in which the fund manager has a high level of conviction. Derivatives contracts are written on a select number of underlying companies, carefully managed by a derivatives specialist, generating additional income in return for giving up some potential return on a stock above the level specified in the contract. In this way, Maximiser Funds can generate an income greater than that achieved by only investing in stocks.

Tactical Asset Allocation

Parmenion has designed the CAERUS Tactical Income portfolios using a range of neutral strategic asset allocations as its starting point. These strategic asset allocations are based around the performance and volatilities of various asset class indices over a 20 year period and combined with a qualitative overlay to ensure diversification.

As market conditions change over time, so do the relative volatility and valuations of different asset classes. When prudent to do so, the CAERUS Tactical Income portfolio asset allocations can adapt to ensure that target yields are achieved with the least anticipated risk and within the acceptable range of volatility for each particular risk grade.

CAERUS Tactical Income portfolios - historic yield, fund OCF and 20 year risk and return data

	TARGET YIELD	HISTORIC YIELD (12 MONTHS)	ANNUALISED RETURN	ANNUALISED STANDARD DEVIATION	MAX 12 MONTH LOSS	MAX 12 MONTH GAIN	OCF
Risk Grade							
1	3.00%	2.37%	4.71%	2.31%	-6.59%	14.53%	0.54%
2	3.25%	3.06%	6.01%	4.06%	-13.69%	23.63%	0.61%
3	3.50%	3.60%	7.03%	5.60%	-17.92%	31.96%	0.67%
4	3.75%	3.98%	7.68%	6.84%	-21.75%	37.70%	0.70%
5	4.00%	4.25%	8.10%	7.97%	-24.81%	41.94%	0.72%
6	4.25%	4.44%	8.31%	9.44%	-27.25%	45.06%	0.73%
7	4.50%	4.59%	8.45%	10.53%	-29.32%	47.24%	0.74%
8	4.75%	4.83%	8.54%	11.72%	-31.81%	49.81%	0.75%
9	5.00%	5.05%	8.59%	13.03%	-34.25%	52.44%	0.76%
10	5.25%	5.19%	8.52%	14.16%	-35.46%	54.56%	0.75%

*Correct as at 3rd July 2017

Please note, the Annualised Return, Standard Deviation, Maximum Loss and Gain figures are based on the simulated returns, of the portfolio's neutral asset weightings over the last 20 years to December 2016. Figures are based on indices and therefore exclude the effect of taxes or fees from Parmenion or the Adviser. Charges are however taken from portfolio liquidity and therefore will not affect the income distributed.

Portfolio holdings as of 30th June 2017

The current fund holdings for CAERUS Tactical Income portfolios are shown in the table below, as at 30th June 2017. Please refer to page 28 for details on fund changes over the period.

Asset Group	Holdings	1	2	3	4	5	6	7	8	9	10
Managed Liquidity	Dimensional Global Ultra Short Fixed Income	18.34%	11.67%	5.00%	1.67%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	AXA Sterling Credit Short Duration Bond	18.33%	11.67%	5.00%	1.67%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	M&G Short Dated Corporate Bond	18.33%	11.66%	5.00%	1.66%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Corporate Bonds	Fidelity Moneybuilder Income	7.50%	7.50%	11.25%	11.25%	10.00%	7.50%	5.00%	2.50%	0.00%	0.00%
	M&G Corporate Bond	7.50%	7.50%	11.25%	11.25%	10.00%	7.50%	5.00%	2.50%	0.00%	0.00%
	Jupiter Strategic Bond	7.50%	7.50%	11.25%	11.25%	10.00%	7.50%	5.00%	2.50%	0.00%	0.00%
	M&G Optimal Income	3.75%	3.75%	5.63%	5.63%	5.00%	3.75%	2.50%	1.25%	0.00%	0.00%
	PIMCO GIS Global Bond	3.75%	3.75%	5.62%	5.62%	5.00%	3.75%	2.50%	1.25%	0.00%	0.00%
High Yield Bonds	Schroder High Yield Opportunities	0.00%	0.00%	1.00%	1.50%	2.00%	3.00%	3.50%	4.00%	4.50%	5.00%
	Threadneedle High Yield Bond	0.00%	0.00%	1.00%	1.50%	2.00%	3.00%	3.50%	4.00%	4.50%	5.00%
Property	Henderson UK Property PAIF Feeder	3.09%	4.12%	3.09%	3.09%	3.09%	2.06%	2.06%	2.06%	2.06%	0.00%
	L&G UK Property Feeder	3.09%	4.12%	3.09%	3.09%	3.09%	2.06%	2.06%	2.06%	2.06%	0.00%
	Threadneedle UK Property Authorised Trust Feeder	6.19%	8.25%	6.19%	6.19%	6.19%	4.13%	4.13%	4.13%	4.13%	0.00%
UK Equity Income	Rathbone Income	0.00%	1.00%	1.50%	1.90%	2.20%	2.60%	2.90%	3.30%	3.50%	3.80%
	Vanguard FTSE UK Equity Income Index	0.00%	3.50%	5.25%	6.65%	7.70%	9.10%	10.15%	11.55%	12.25%	13.30%
	Trojan Income	0.00%	1.00%	1.50%	1.90%	2.20%	2.60%	2.90%	3.30%	3.50%	3.80%
	Artemis Income	0.00%	1.00%	1.50%	1.90%	2.20%	2.60%	2.90%	3.30%	3.50%	3.80%
	Fidelity Enhanced Income	0.00%	3.50%	5.25%	6.65%	7.70%	9.10%	10.15%	11.55%	12.25%	13.30%
US Equity	JPM US Equity Income	0.00%	1.00%	1.50%	2.00%	2.50%	3.50%	4.00%	3.50%	3.00%	2.50%
	Aviva Investors US Equity Income II	0.00%	1.00%	1.50%	2.00%	2.50%	3.50%	4.00%	3.50%	3.00%	2.50%
Europe ex UK	Standard Life Investments European Equity Income	0.00%	1.00%	2.00%	3.00%	4.00%	6.00%	7.00%	8.00%	10.00%	12.00%
Asia Pacific ex Japan	Henderson Asian Dividend Income	0.00%	0.00%	0.00%	0.66%	1.66%	2.66%	3.33%	4.33%	5.66%	6.66%
	L&G Pacific Index	0.00%	0.00%	0.00%	0.67%	1.67%	2.67%	3.33%	4.33%	5.67%	6.67%
	Schroder Asian Income Maximiser	0.00%	0.00%	0.00%	0.67%	1.67%	2.67%	3.34%	4.34%	5.67%	6.67%
Global Maximiser	Schroder ISF Global Dividend Maximiser	1.97%	4.13%	4.22%	4.97%	5.72%	6.56%	8.06%	9.56%	11.06%	11.25%
	Fidelity Global Enhanced Income	0.66%	1.38%	1.41%	1.66%	1.91%	2.19%	2.69%	3.19%	3.69%	3.75%
Total		100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

CAERUS Tactical Income - portfolio returns to period end 30th June 2017

Risk Grades 3 to 9 continue to exceed their income targets over the last 12 months. From a returns perspective, all portfolios have performed in line with their relative risk over all periods (beyond 3 months) owing to the continued relative outperformance of European Equity (over all periods), Asia Pacific Equity (over 6 months to since inception) and US/Global Equity Income (over 1 year to since inception).

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	FROM INCEPTION (01.02.2014)
Risk Grade						
1	0.64%	1.86%	4.04%	6.11%	9.34%	11.57%
2	0.80%	2.72%	6.61%	9.50%	13.82%	16.89%
3	1.02%	3.25%	8.32%	12.07%	17.13%	20.98%
4	1.12%	3.80%	9.99%	14.39%	19.89%	24.41%
5	1.16%	4.30%	11.55%	16.56%	22.48%	27.69%
6	1.14%	4.63%	13.32%	19.12%	25.11%	31.01%
7	1.11%	4.92%	14.63%	20.86%	26.97%	33.58%
8	1.18%	5.42%	15.95%	22.27%	28.56%	35.67%
9	1.28%	6.00%	17.50%	24.08%	30.44%	38.06%
10	1.38%	6.30%	18.56%	25.44%	31.62%	39.49%

CAERUS Tactical Income - asset class returns to period end 30th June 2017

The CAERUS Tactical Income Risk Graded portfolios are built through a weighted exposure to nine underlying asset classes. For transparency purposes the returns of each asset class are given below. These returns should not be considered in isolation as the asset class risk and return characteristics are taken into account within the construction of each Risk Graded portfolio.

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	FROM INCEPTION (01.02.2014)
Asset Class						
Managed Liquidity	0.27%	0.71%	1.88%	3.25%	4.40%	5.20%
Corporate Bonds	1.31%	2.90%	6.39%	10.74%	15.71%	19.14%
High Yield Bonds	2.12%	4.65%	11.57%	15.00%	15.11%	19.98%
Property	1.67%	5.85%	7.02%	6.84%	14.76%	20.21%
UK Equity Income	1.64%	6.14%	14.16%	16.04%	21.60%	29.34%
US Equity	-3.36%	-1.69%	19.35%	44.94%	61.48%	70.66%
Europe ex UK	5.04%	9.70%	25.58%	34.94%	38.72%	46.33%
Asia Pacific ex Japan	1.34%	11.42%	25.77%	36.88%	42.70%	55.36%
Global Equity Income Maximiser	-0.75%	2.17%	20.93%	32.02%	41.54%	49.45%

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 30th June 2017. Past performance is not an indication of future returns. The value of Investments and any income from them is not guaranteed and can go down as well as up.



CAERUS STRATEGIC ETHICAL ACTIVE PORTFOLIOS: PROFILE A-D

What is Ethical Investing?

Ethical Investment is known by a variety of terms including: 'Green Investment', 'Socially responsible Investment' (SRI) and 'Sustainable finance'. All of these terms refer to financial or Investment services which strive to maximise investment performance and social welfare. In general, Ethical Investment looks to encourage corporate practices that promote environmental stewardship, consumer protection, human rights and diversity, although additional criteria such as the avoidance of weapons, alcohol, tobacco, gambling and pornography are often included as legitimate areas of concern. These criteria can be broadly summarised as environmental, social justice and corporate governance issues or ESG criteria.

What are the benefits of investing Ethically?

Ethical Investment provides the opportunity to invest in ethically sound Investment solutions that cater for a range of ethical preferences. It gives Investors the option to avoid companies that engage in activities that they could not usually support, and proactively invest in companies that recognise their corporate responsibilities. Investing ethically is now one of the fastest growing areas in financial services with funds under management having grown to approximately \$8.72 trillion in the United States alone (Source: <http://ussif.org>).

Solution Description

The CAERUS Strategic Ethical Active Investment Solution offers the discretionary management of active funds across up to eight distinct asset class groups. There is an independent ethical overlay provided by the Ethical Oversight Committee, which includes Julian Parrott and Julia Dreblow. Both Julian and Julia are ethical specialists, with over 20 years experience in ethical investing, previously holding the positions of Chair of the EIA and Director of UKSIF, respectively.

Each asset class is populated with funds according to their Ethical Profile and risk adjusted returns. Incorporated within the solution are four Ethical Profiles (A to D) and ten Risk Graded portfolios (1 to 10), which are designed to capture the majority of Clients' ethical preferences and values. The Ethical Portfolio Selector is available to assist Advisers in identifying the appropriate Ethical Profile for their Client.

Ethical screening criteria by Ethical profile

SCREENING CRITERIA	ETHICAL PROFILE A*	ETHICAL PROFILE B*	ETHICAL PROFILE C**	ETHICAL PROFILE D**
Armaments (Strategic)	✓	✓	✓	✓
Pornography (Production)	✓	✓	✓	✓
Human Rights (Evidenced/Country Based)	✓	✓	✓	✓
Environmental Management / Technology	✓	✓	✓	✓
Animal Testing (Non-Medical)	✓	✓	✓	✓
Tobacco (Production)	✓	✓	✓	✓
Environmental Impact		✓	✓	✓
Gambling			✓	✓
Alcohol Production				✓
Nuclear (Power)				✓

*Exposure to ethical criteria is likely to be limited by the responsible approach to environmental, social and governance issues adopted in Ethical Profiles A and B.

**Ethical Profiles C and D only invest in funds which include the specified ethical criteria, as defined by the Ethical Oversight Committee.

Please note: 'avoidance criteria' does not always mean 'zero involvement' as most ethical funds have de minimis limits which allow for limited (normally non-manufacturing or wholesale related) exposure to excluded areas. This allows funds to be manageable and support otherwise positive larger companies.

CAERUS Strategic Ethical Active - asset class weightings as of 30th June 2017

The CAERUS Strategic Ethical Active portfolios are constructed using up to eight asset classes, each with their own distinctive risk and reward characteristics. Ten Risk Graded portfolios (1-10) are produced, by varying the percentage exposure to each asset class, to match the risk tolerance of a particular client. UK Government Bonds are currently excluded from Ethical Profiles B-D, whilst Ethical Profiles C-D also exclude Property due to the difficulties in screening the underlying tenants. The current split between the asset classes for each of the portfolios are detailed in the tables below. Strategic Investors assume relatively constant long term risk and return characteristics, and as such the underlying asset allocations will only vary where these have materially changed.

CAERUS Strategic Ethical Active - Profile A

Asset Group	1	2	3	4	5	6	7	8	9	10
Managed Liquidity (Unscreened)	70.00%	45.00%	15.00%	5.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
UK Ethical Corporate Bonds	24.00%	28.00%	40.00%	40.00%	32.00%	24.00%	12.00%	4.00%	0.00%	0.00%
UK Gilts	6.00%	7.00%	10.00%	10.00%	8.00%	6.00%	3.00%	1.00%	0.00%	0.00%
UK Property	0.00%	10.00%	15.00%	15.00%	15.00%	10.00%	10.00%	10.00%	5.00%	0.00%
UK Ethical Equity Growth	0.00%	3.00%	6.00%	9.00%	15.00%	18.00%	21.00%	21.00%	24.00%	24.00%
UK Ethical Equity Income	0.00%	2.00%	4.00%	6.00%	10.00%	12.00%	14.00%	14.00%	16.00%	16.00%
International Ethical Equity	0.00%	5.00%	10.00%	15.00%	15.00%	20.00%	25.00%	30.00%	30.00%	30.00%
Ethical Emerging Markets Equity	0.00%	0.00%	0.00%	0.00%	5.00%	10.00%	15.00%	20.00%	25.00%	30.00%

CAERUS Strategic Ethical Active - Profile B

Asset Group	1	2	3	4	5	6	7	8	9	10
Managed Liquidity (Unscreened)	70.00%	45.00%	15.00%	5.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
UK Ethical Corporate Bonds	30.00%	35.00%	50.00%	50.00%	40.00%	30.00%	15.00%	5.00%	0.00%	0.00%
UK Property	0.00%	10.00%	15.00%	15.00%	15.00%	10.00%	10.00%	10.00%	5.00%	0.00%
UK Ethical Equity Growth	0.00%	3.00%	6.00%	9.00%	15.00%	18.00%	21.00%	21.00%	24.00%	24.00%
UK Ethical Equity Income	0.00%	2.00%	4.00%	6.00%	10.00%	12.00%	14.00%	14.00%	16.00%	16.00%
International Ethical Equity	0.00%	5.00%	10.00%	15.00%	15.00%	20.00%	25.00%	30.00%	30.00%	30.00%
Ethical Emerging Markets Equity	0.00%	0.00%	0.00%	0.00%	5.00%	10.00%	15.00%	20.00%	25.00%	30.00%

CAERUS Strategic Ethical Active - Profile C

Asset Group	1	2	3	4	5	6	7	8	9	10
Managed Liquidity (Unscreened)	70.00%	45.00%	15.00%	5.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
UK Ethical Corporate Bonds	30.00%	45.00%	65.00%	65.00%	55.00%	40.00%	25.00%	15.00%	5.00%	0.00%
UK Ethical Equity Growth	0.00%	3.00%	6.00%	9.00%	15.00%	18.00%	21.00%	21.00%	24.00%	24.00%
UK Ethical Equity Income	0.00%	2.00%	4.00%	6.00%	10.00%	12.00%	14.00%	14.00%	16.00%	16.00%
International Ethical Equity	0.00%	5.00%	10.00%	15.00%	15.00%	20.00%	25.00%	30.00%	30.00%	30.00%
Ethical Emerging Markets Equity	0.00%	0.00%	0.00%	0.00%	5.00%	10.00%	15.00%	20.00%	25.00%	30.00%

CAERUS Strategic Ethical Active - Profile D

Asset Group	1	2	3	4	5	6	7	8	9	10
Managed Liquidity (Unscreened)	70.00%	45.00%	15.00%	5.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
UK Ethical Corporate Bonds	30.00%	45.00%	65.00%	65.00%	55.00%	40.00%	25.00%	15.00%	5.00%	0.00%
UK Ethical Equity Growth	0.00%	3.00%	6.00%	9.00%	15.00%	18.00%	21.00%	21.00%	24.00%	24.00%
UK Ethical Equity Income	0.00%	2.00%	4.00%	6.00%	10.00%	12.00%	14.00%	14.00%	16.00%	16.00%
International Ethical Equity	0.00%	5.00%	10.00%	15.00%	15.00%	20.00%	25.00%	30.00%	30.00%	30.00%
Ethical Emerging Markets Equity	0.00%	0.00%	0.00%	0.00%	5.00%	10.00%	15.00%	20.00%	25.00%	30.00%

Portfolios are rebalanced to their asset allocation on a periodic basis.

Net Ongoing Charge Figure (OCF) and historic yield by risk grade

The fund OCF and historic yield for each risk grade are shown below. The data included will vary from month to month, depending on the fund selection of the Investment manager and the expenses of the underlying funds themselves. These figures are, therefore, only included for the purposes of transparency.

CAERUS Strategic Ethical Active - Profile A

	RISK GRADE 1	RISK GRADE 2	RISK GRADE 3	RISK GRADE 4	RISK GRADE 5	RISK GRADE 6	RISK GRADE 7	RISK GRADE 8	RISK GRADE 9	RISK GRADE 10
Fund OCF	0.23%	0.37%	0.51%	0.57%	0.64%	0.68%	0.72%	0.76%	0.78%	0.80%
Historic Yield	1.00%	1.56%	2.24%	2.41%	2.45%	2.26%	2.08%	1.90%	1.81%	1.71%

* Fund OCF and Historic Yield data correct as at 3rd July 2017

CAERUS Strategic Ethical Active - Profile B

	RISK GRADE 1	RISK GRADE 2	RISK GRADE 3	RISK GRADE 4	RISK GRADE 5	RISK GRADE 6	RISK GRADE 7	RISK GRADE 8	RISK GRADE 9	RISK GRADE 10
Fund OCF	0.23%	0.37%	0.52%	0.58%	0.65%	0.68%	0.72%	0.76%	0.78%	0.80%
Historic Yield	1.16%	1.75%	2.51%	2.68%	2.66%	2.42%	2.16%	1.93%	1.81%	1.71%

* Fund OCF and Historic Yield data correct as at 3rd July 2017

CAERUS Strategic Ethical Active - Profile C

	RISK GRADE 1	RISK GRADE 2	RISK GRADE 3	RISK GRADE 4	RISK GRADE 5	RISK GRADE 6	RISK GRADE 7	RISK GRADE 8	RISK GRADE 9	RISK GRADE 10
Fund OCF	0.23%	0.35%	0.48%	0.54%	0.61%	0.66%	0.70%	0.73%	0.77%	0.80%
Historic Yield	1.16%	1.79%	2.57%	2.74%	2.73%	2.47%	2.21%	1.97%	1.83%	1.71%

* Fund OCF and Historic Yield data correct as at 3rd July 2017

CAERUS Strategic Ethical Active - Profile D

	RISK GRADE 1	RISK GRADE 2	RISK GRADE 3	RISK GRADE 4	RISK GRADE 5	RISK GRADE 6	RISK GRADE 7	RISK GRADE 8	RISK GRADE 9	RISK GRADE 10
Fund OCF	0.24%	0.36%	0.50%	0.55%	0.62%	0.66%	0.70%	0.73%	0.76%	0.79%
Historic Yield	1.16%	1.79%	2.58%	2.75%	2.75%	2.50%	2.24%	2.00%	1.87%	1.75%

* Fund OCF and Historic Yield data correct as at 3rd July 2017

CAERUS Strategic Ethical Active (A-D): portfolio holdings as of 30th June 2017*

The fund universe for each of the Ethical Profiles is determined by the Ethical Oversight Committee (EOC) as per the ethical screening criteria defined on page 20 of the QIR. The table below shows the current holdings for each Ethical Grade (A-D), to demonstrate the impact of the ethical screening on fund selection and for the purposes of transparency. Please note these holdings may change over the period, depending on the views of the investment manager. Details of any fund changes over the period, are available on page 28 of this document.

Illustration of the impact of Ethical screening on portfolio holdings as of 30th June 2017

FUND		A	B	C	D
Managed Liquidity (unscreened)	BlackRock ICS Institutional Sterling Liquidity Heritage				
	Federated Short-Term Sterling Prime				
Ethical Corporate Bonds	Rathbone Ethical Bond				
	Kames Ethical Corporate Bond				
	F&C Responsible Sterling Bond				
	Liontrust Sustainable Future Corporate Bond				
	Royal London Ethical Bond				
UK Government / Inflation Linked Bonds	Allianz Gilt Yield				
	M&G Index Linked Bond				
Property	Henderson UK Property Feeder				
	L&G UK Property Feeder				
	Threadneedle UK Property Feeder				
Ethical UK Equity Growth	Royal London Sustainable Leaders				
	Liontrust Sustainable Future UK Growth				
	EdenTree Amity UK				
	Premier Ethical				
	F&C - Responsible UK Equity Growth				
	Liontrust UK Ethical				
	Kames - Ethical Equity				

FUND		A	B	C	D
Ethical UK Equity Income	F&C Responsible UK Income				
	Henderson Global Care UK Income				
Ethical International Equity	Henderson Global Care Growth				
	F&C Responsible Global Equity				
	Liontrust Sustainable Future Global Growth				
	Liontrust Sustainable Future European Growth				
Ethical Emerging Markets Equity	Stewart Investors Asia Pacific Sustainability				
	Stewart Investors Global Emerging Markets Sustainability				

*Fund weightings are excluded, as it would depend upon the risk grade selected.

CAERUS Strategic Ethical Active (Profile A-D): portfolio returns to period end 30th June 2017

All portfolios continue to perform in line with their relative risk over all periods (except Risk Grade 10 over 3 months), owing to the strong relative performance of UK and International Ethical Equity over all periods and Ethical Emerging Markets Equity over 6 months to 5 years.

CAERUS Strategic Ethical Active - Profile A

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	5 YEAR RETURN
Risk Grade						
1	0.15%	0.81%	2.06%	3.98%	6.48%	14.35%
2	0.77%	2.46%	5.41%	7.89%	12.85%	25.67%
3	1.36%	4.15%	9.16%	12.98%	20.62%	39.07%
4	1.78%	5.17%	11.55%	15.57%	24.47%	48.36%
5	2.15%	6.20%	13.91%	17.43%	28.27%	56.77%
6	2.38%	7.07%	16.13%	19.85%	31.76%	64.19%
7	2.67%	8.05%	18.43%	21.93%	35.29%	72.32%
8	2.76%	8.70%	19.95%	23.95%	38.33%	75.75%
9	2.84%	9.16%	21.23%	25.33%	40.65%	80.53%
10	2.71%	9.29%	21.69%	26.64%	42.42%	82.53%

CAERUS Strategic Ethical Active - Profile B

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	5 YEAR RETURN
Risk Grade						
1	0.33%	1.02%	2.27%	3.72%	5.89%	14.60%
2	1.07%	2.89%	6.04%	8.32%	13.31%	28.66%
3	1.71%	4.66%	9.69%	12.63%	19.65%	42.24%
4	2.08%	5.53%	11.96%	15.09%	23.35%	50.94%
5	2.38%	6.49%	14.25%	17.04%	27.34%	60.14%
6	2.56%	7.29%	16.39%	19.55%	31.05%	68.34%
7	2.76%	8.15%	18.56%	21.78%	34.92%	77.32%
8	2.79%	8.73%	19.99%	23.89%	38.20%	83.03%
9	2.83%	9.15%	21.22%	25.33%	40.64%	89.37%
10	2.70%	9.28%	21.69%	26.63%	42.41%	92.94%

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 30th June 2017. Past performance is not an indication of future returns. The value of Investments and any income from them is not guaranteed and can go down as well as up.

CAERUS Strategic Ethical Active - Profile C

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	5 YEAR RETURN
Risk Grade						
1	0.33%	1.02%	2.27%	3.72%	5.89%	14.83%
2	0.93%	2.58%	5.72%	8.17%	12.01%	26.41%
3	1.58%	4.31%	9.58%	13.39%	19.27%	41.42%
4	2.00%	5.33%	11.97%	15.97%	23.05%	50.22%
5	2.30%	6.29%	14.25%	17.92%	27.02%	58.96%
6	2.51%	7.15%	16.39%	20.14%	30.81%	67.23%
7	2.71%	8.02%	18.56%	22.37%	34.68%	75.84%
8	2.74%	8.59%	19.99%	24.49%	37.95%	81.24%
9	2.80%	9.08%	21.22%	25.62%	40.51%	87.53%
10	2.70%	9.28%	21.69%	26.63%	42.41%	91.27%

CAERUS Strategic Ethical Active - Profile D

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	5 YEAR RETURN
Risk Grade						
1	0.34%	1.04%	2.31%	3.82%	6.09%	15.08%
2	0.96%	2.60%	5.80%	8.28%	12.39%	27.04%
3	1.62%	4.34%	9.72%	13.53%	19.89%	42.82%
4	2.05%	5.37%	12.14%	16.06%	23.75%	51.96%
5	2.36%	6.31%	14.45%	17.93%	27.60%	60.74%
6	2.56%	7.17%	16.60%	20.03%	31.35%	69.21%
7	2.76%	8.03%	18.78%	22.14%	35.17%	78.03%
8	2.79%	8.61%	20.20%	24.17%	38.47%	83.24%
9	2.86%	9.09%	21.44%	25.24%	40.91%	89.47%
10	2.75%	9.29%	21.90%	26.22%	42.77%	93.17%

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 30th June 2017. Past performance is not an indication of future returns. The value of investments and any income from them is not guaranteed and can go down as well as up.

CAERUS Strategic Ethical Active (Profile A-D): asset class returns to period end 30th June 2017

UK and International Ethical Equity continue to relatively outperform over all periods, whilst Ethical Emerging Markets Equity has also delivered attractive relative returns over 6 months to 5 years.

CAERUS Strategic Ethical Active - Profile A

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	5 YEAR RETURN
Asset Class						
Managed Liquidity	0.06%	0.12%	0.31%	0.50%	1.88%	7.94%
UK Ethical Corporate Bonds	1.22%	3.70%	7.86%	13.79%	19.43%	38.87%
UK Government Bonds	-1.73%	0.14%	3.56%	17.60%	29.60%	32.49%
Property	1.72%	5.00%	7.06%	7.10%	20.10%	35.80%
UK Ethical Equity Growth	4.83%	10.37%	26.07%	16.48%	32.14%	89.89%
UK Ethical Equity Income	4.39%	8.11%	17.95%	15.95%	31.23%	87.21%
International Ethical Equity	3.87%	11.30%	26.98%	36.56%	47.19%	91.50%
Ethical Emerging Markets Equity	-0.75%	7.65%	16.80%	33.51%	56.09%	71.31%

CAERUS Strategic Ethical Active - Profile B

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	5 YEAR RETURN
Asset Class						
Managed Liquidity	0.06%	0.12%	0.31%	0.50%	1.88%	7.94%
UK Ethical Corporate Bonds	1.22%	3.70%	7.86%	13.79%	19.43%	38.87%
Property	1.72%	5.00%	7.06%	7.10%	20.10%	40.46%
UK Ethical Equity Growth	4.83%	10.37%	26.07%	16.48%	32.14%	89.89%
UK Ethical Equity Income	4.39%	8.11%	17.95%	15.95%	31.23%	87.21%
International Ethical Equity	3.87%	11.30%	26.98%	36.56%	47.19%	91.50%
Ethical Emerging Markets Equity	-0.77%	7.63%	16.78%	33.49%	56.06%	107.31%

CAERUS Strategic Ethical Active - Profile C

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	5 YEAR RETURN
Asset Class						
Managed Liquidity	0.06%	0.12%	0.31%	0.50%	1.88%	7.94%
UK Ethical Corporate Bonds	1.22%	3.70%	7.86%	13.79%	19.43%	39.79%
UK Ethical Equity Growth	4.83%	10.37%	26.07%	16.48%	32.14%	89.67%
UK Ethical Equity Income	4.39%	8.11%	17.95%	15.95%	31.23%	81.84%
International Ethical Equity	3.87%	11.30%	26.98%	36.56%	47.19%	89.15%
Ethical Emerging Markets Equity	-0.77%	7.63%	16.78%	33.49%	56.06%	107.31%

CAERUS Strategic Ethical Active - Profile D

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	5 YEAR RETURN
Asset Class						
Managed Liquidity	0.06%	0.12%	0.31%	0.50%	1.88%	7.94%
UK Ethical Corporate Bonds	1.26%	3.74%	8.01%	14.17%	20.17%	40.79%
UK Ethical Equity Growth	5.03%	10.35%	26.97%	15.68%	30.78%	90.08%
UK Ethical Equity Income	4.39%	8.11%	17.95%	15.95%	31.23%	81.84%
International Ethical Equity	3.89%	11.34%	27.10%	35.72%	49.58%	95.10%
Ethical Emerging Markets Equity	-0.77%	7.63%	16.78%	33.49%	56.06%	107.31%



PORTFOLIO CHANGES

Portfolios affected: CAERUS Strategic Active

BUY CF Miton UK Multi Cap Income

REDUCE Unicorn UK Income

The halving of our holding in Unicorn was prompted by our 5% percentage ownership of the fund, rather than any quantitative or qualitative concerns. The CF Miton UK Multi Cap team is led by the experienced Gervias Williams. The fund seeks to invest in companies with strong cash positions that are able to maintain and grow dividends in expected tougher economic climates. At present many smaller companies fulfil these objectives and hence the current bias in the portfolio (64% of the fund). Over the past 3 years the fund has returned 33% versus 24% for the IA Equity Income sector, and with less volatility.

Portfolios affected: CAERUS Strategic Active

BUY Schroder Tokyo

REDUCE CF Morant Wright Nippon Yield

We switched half of our holding of CF Morant Wright Nippon Yield into Schroder Tokyo. Given our 5.25% holding of the fund and the fact it has soft closed to new business (taking monies from existing investors only) may have resulted in the holding becoming even greater. The holding of Schroder Tokyo adds diversification to our Japan exposure as the fund manager Andrew Rose focuses on quality stocks with an attractive valuation and runs a structural overweight to Small and Micro caps. Another appeal is the fund managers 20 year plus experience of investing in Japan plus the extensive research capabilities of the company itself.



INDEX AND PEER GROUP RETURNS

Index and peer group returns to period end 30th June 2017

Performance data for comparative indices is included below over various market periods.

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	5 YEAR RETURN
Comparative Indices						
IA Mixed Investment 0-35% Shares	0.72%	2.86%	7.51%	11.10%	14.87%	27.41%
IA Mixed Investment 20-60% Shares	1.21%	4.17%	11.86%	13.95%	19.33%	40.61%
IA Mixed Investment 40-85% Shares	1.59%	5.43%	16.14%	18.34%	26.41%	57.27%
IA Flexible Investment	1.72%	6.14%	17.91%	19.36%	27.72%	58.75%
LIBOR GBP 12m	0.17%	0.35%	0.75%	1.78%	2.80%	4.88%
IBOXX Sterling Gilts All Maturities	-1.33%	0.33%	-0.96%	12.99%	23.44%	23.28%
Citi UK Inflation-Linked Securities Index	0.74%	2.61%	10.15%	26.88%	44.84%	54.21%
IBOXX Sterling Corporates All Maturities	0.83%	2.71%	6.84%	16.57%	23.80%	44.42%
Barclays Global Aggregate GBP (H)	0.71%	0.95%	-1.29%	6.20%	9.86%	17.93%
PIM Property Index	1.25%	2.73%	3.60%	4.56%	15.62%	31.73%
FTSE All Share	1.42%	5.50%	18.12%	20.73%	23.87%	65.25%
FTSE UK Equity Income	0.89%	4.58%	14.70%	13.55%	17.61%	58.88%
FTSE North America	-0.86%	3.93%	21.31%	46.59%	68.65%	131.43%
FTSE Europe Ex UK	4.63%	12.01%	28.72%	36.88%	37.49%	101.31%
FTSE Asia Pacific Ex Japan	1.31%	12.69%	27.70%	36.36%	48.03%	75.58%
FTSE Japan	1.53%	5.22%	23.97%	33.57%	58.99%	97.41%
FTSE World ex UK	0.48%	6.26%	23.31%	42.45%	57.67%	112.37%
FTSE Emerging	0.24%	9.18%	24.08%	28.65%	37.30%	48.89%

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 30th June 2017. Past performance is not an indication of future returns. The value of Investments and any income from them is not guaranteed and can go down as well as up.

CAERUS Portfolio Management Limited

Wiltshire Court
Farnsby Street
Swindon
SN1 5AH

Registered in England & Wales under No 03056894.

CAERUS Portfolio Management Limited is authorised and regulated by the Financial Conduct Authority and is entered on the FCA register (www.fsa.gov.uk/register) under reference 175524.