

# ACUMEN Megatrends Protection Portfolio



**PORTFOLIO FACTSHEET (GBP)**  
December 2022

**ACUMEN**  
MEGATRENDS PROTECTION PORTFOLIO

31/12/22  
NAV

**85.57**

Highest Ever NAV

**100.61**

Protected NAV

**85.52**

## TITAN ASSET MANAGEMENT COMMENTARY:

Global equities failed to stage a “Santa rally” to mark the end of what has been a tumultuous year for the majority of asset classes. After a strong bounce in the preceding two months, stocks came under pressure in December with the MSCI All-Country World losing -3.91% for the month and ending the year -17.96% lower, its worst year since 2008. All S&P 500 sectors posted declines for December with defensives outperforming cyclicals.

Inflation showed further signs of cooling with softer Consumer Price Index (CPI) prints in both the US and UK, although still remaining well above each respective central banks’ targets. The lower inflation reads did not take central banks off their rate hiking path with the Federal Reserve, Bank of England and European Central Bank all raising their base rates by 50 basis points. Federal Reserve Chair, Jerome Powell reiterated his intentions to bring inflation under control despite the prospects of a weakening economic backdrop. The median dot plot forecast for the Federal Reserve’s policymakers for 2023 year-end was 5.1%, up from 4.6% in September.

The US 10-year Treasury yield moved higher to 3.88% during the month following the Federal Reserve’s hawkish rhetoric, notching the largest annual increase on record. The Bloomberg Global Aggregate Index gained 0.54% in December and ended the year over -16% lower. The Bloomberg Commodity Index declined -2.80% while precious metals had another strong month with Gold gaining 3.14% and Silver up 7.93%. The US dollar Index edged lower for another month following its rampant rise throughout the year.

## INVESTMENT PORTFOLIO EXPOSURE

Cash

Asset Portfolio

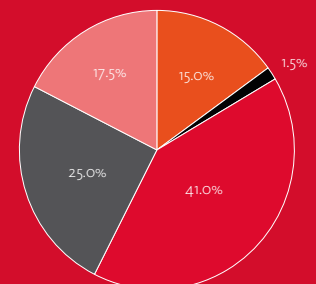
**0.00%**

**100.00%**

At times the portfolio may not be fully exposed to the underlying risk assets (Investment Portfolio), and may increase its exposure to cash. In addition, a proportion of the portfolio is invested in a put option, which is used to provide the 90% protection level. Depending on market performance this put option may reduce exposure to the Investment Portfolio. The above graphic shows the current exposure.

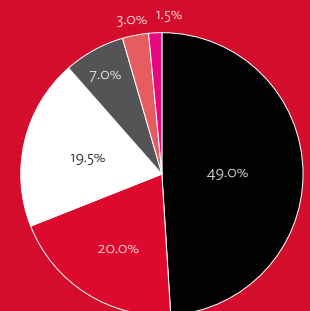
## INDEPENDENT RISK BREAKDOWN BY ASSET CLASS

- Corporate
- Equities
- Alternatives
- Currency
- Government



## INDEPENDENT RISK BREAKDOWN BY REGION

- North America
- United Kingdom
- Europe excl. UK
- Asia excl Japan
- Japan
- Rest of World



Date of data: 31/12/2022

The pie charts above show the asset allocation of the ACUMEN Megatrends Protection Portfolio (AMPP) as measured by their independent risk contribution. Independent risk is the historic volatility of each asset class measured by its standard deviation from 31/03/2018 to 31/03/2022. The portfolio has a long-term volatility tolerance (fluctuations in the price of the portfolio) of 5% to 7%. In order to meet the volatility target, if markets become unsettled, the portfolio may reduce exposure to higher risk investments and increase exposure to lower risk investments such as cash and bonds. In addition, a proportion of the portfolio invests in a put option, which is used to provide the 90% protection level. The percentage invested in the put option will vary depending on market performance.

The ACUMEN Megatrends Protection Portfolio launched on the 17/05/2018. The value of an investment in the ACUMEN Megatrends Protection Portfolio may fall as well as rise. Past performance should not be seen as an indication of future performance. Source of data: Titan Asset Management, Thomson Reuters and Lipper for Investment Management unless otherwise stated.

