



# INCOME UPLIFT QUARTERLY REVIEW

QUARTER THREE | TWO THOUSAND AND TWENTY

Global equities continued their recovery in the third quarter of 2020, with different levels seen across the various regions. Consumer discretionary stocks e.g. restaurants, performed well, as people began to return to offices or embrace the high streets again. These trends were aided by schemes such as the 'Eat Out to Help Out' in the UK.

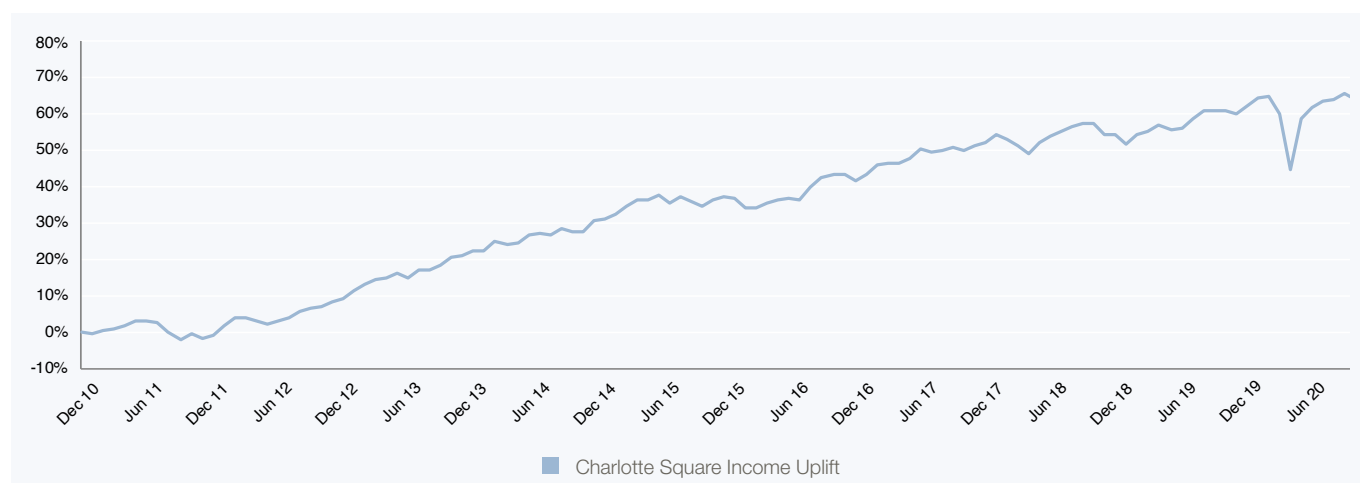
UK Equities continued to lag the wider market due to significant exposure in the index to underperforming sectors such as Oil and Financials. Brexit also continued to affect investor sentiment, resulting in money being placed in better performing markets such as Asia. Regions such as Taiwan, Korea, China and Japan all performed strongly, as demonstrated by our holding in Legg Mason Japan which returned over 15% for the quarter.

September did see a modest sell off as fears over a second wave gained traction, particularly in Europe, and the likelihood of these governments imposing a second lockdown increased. The UK and Continental Europe

imposed localised restrictions where new cases were spiking. In the US, the battle for Presidency grew but with that, worries also grew over uncertainty of a smooth transition of power, should President Trump lose.

Government bonds were little changed over the quarter, with the US and UK 10 year yields down marginally. European government bonds performed well due to larger yield falls in Europe, following the announcement of a €750 billion pandemic recovery fund (prices rise when yields fall). Corporate bonds also fared well, especially high yield bonds or those in sectors perceived to be the worst affected by COVID.

## Charlotte Square Income Uplift Strategy Performance





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Total Return	Charlotte Square Income Uplift Strategy Portfolio	UK RPI Inflation
3 Months	0.4%	0.5%
1 Year	1.8%	1.1%
3 Years	9.1%	7.2%
5 Years	21.2%	13.3%
Since 31/12/2010	61.6%	29.5%

Source: Charlotte Square, CS Investment Managers, Raymond James and Office for National Statistics data as at 30/09/20.

## Asset Allocation

Top 10 Holdings	%	Overall Sector Breakdown as at 30 September 2020
WisdomTree Physical Gold	6.8	
BH Global	4.7	
Merian Gold & Silver	4.3	
Schroder Strategic Credit	4.1	
Barclays US TIPS	3.9	
Sequoia Economic	3.6	
Dodge & Cox US Stock Fund	3.5	
Civitas Social Housing	3.4	
S&W Global Inflation	3.4	
NextEnergy Solar	3.4	

Source: Charlotte Square, CS Investment Managers, Raymond James, data as at 30/09/2020

Performance figures are indicative, drawn from a stylised aggregate portfolio constructed from individual discretionary Income Uplift Portfolios managed by Charlotte Square and CS Investment Managers. The figures are calculated on a monthly basis, net of the Annual Management Charge and additional Dealing Charges, and are adjusted for cash contributions and withdrawals. Please note that the performance of individual portfolios may vary due to factors such as the portfolio size, stock selection and timing of investment transactions.

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