

**MANAGING YOUR
INVESTMENT PORTFOLIO**

**STAFFORDSHIRE
COUNTY COUNCIL
CHARITIES**

John Kelly, Client Investment Director

19 November 2019

CCLA

Holdings	Market value	Income yield	Forecast annual income
COIF Charities Investment Fund	£564,247	3.12%	£17,611
Total portfolio	£564,247	3.12%	£17,611

Annual income figures from long-term Funds are based on current Fund share holdings and forecast dividends declared per Fund share in calendar year 2019. Please note that this portfolio valuation is not intended for audit purposes.

Please see valuation risk warning at the end of this presentation.

Source CCLA as at 31st October 2019

Holdings	Market value	Income yield	Forecast annual income
COIF Charities Investment Fund	£4,788,449	3.12%	£149,455
Total portfolio	£4,788,449	3.12%	£149,455

Annual income figures from long-term Funds are based on current Fund share holdings and forecast dividends declared per Fund share in calendar year 2019. Please note that this portfolio valuation is not intended for audit purposes.

Please see valuation risk warning at the end of this presentation.

Source CCLA as at 31st October 2019

Holdings	Market value	Income yield	Forecast annual income
COIF Charities Investment Fund	£2,618,421	3.12%	£81,725
Total portfolio	£2,618,421	3.12%	£81,725

Annual income figures from long-term Funds are based on current Fund share holdings and forecast dividends declared per Fund share in calendar year 2019. Please note that this portfolio valuation is not intended for audit purposes.

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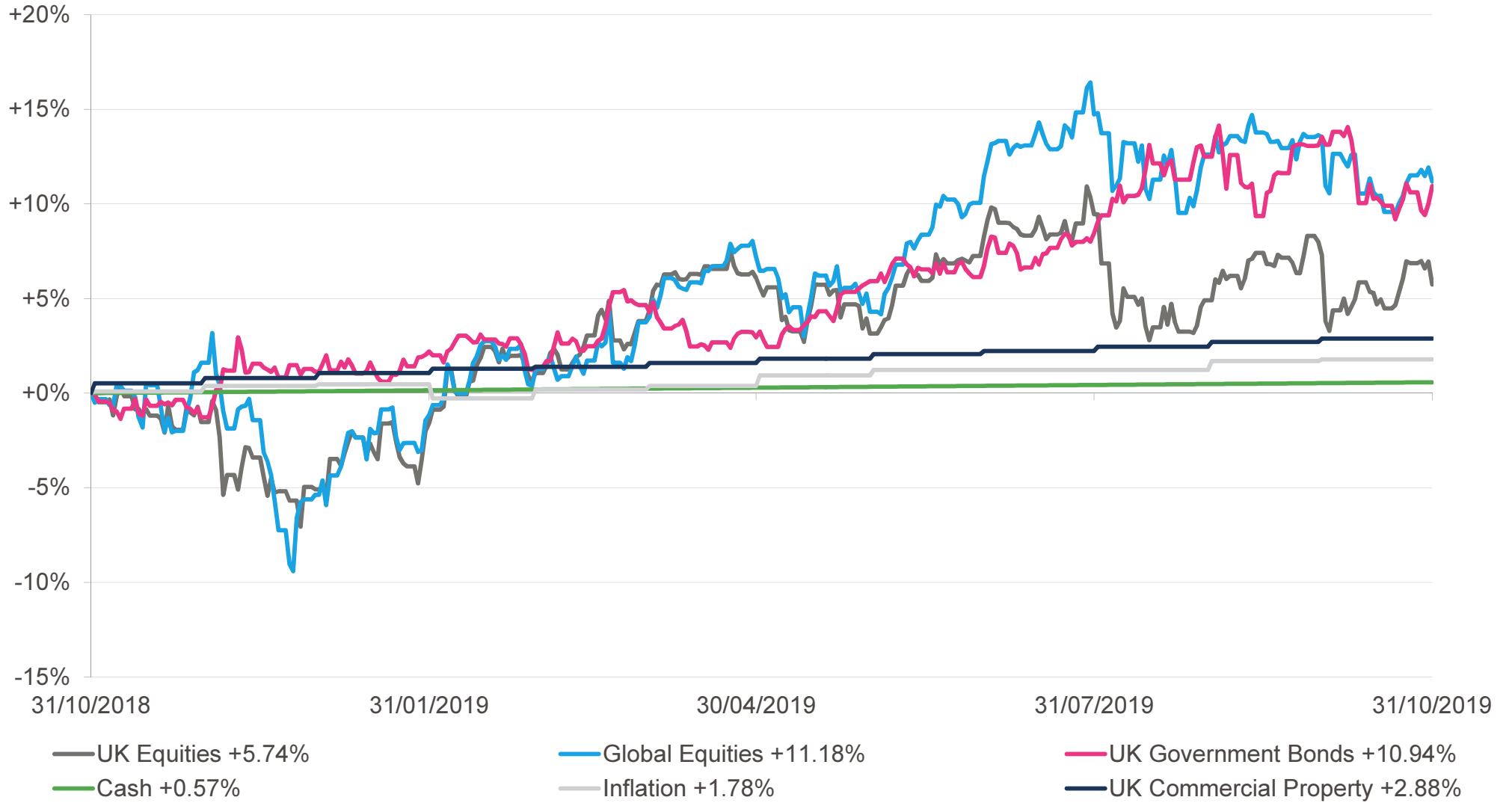
Source CCLA as at 31st October 2019

Holdings	Market value	Income yield	Forecast annual income
COIF Charities Investment Fund	£2,280,166	3.12%	£71,167
COIF Charities Investment Fund (Acc)	£26,737	n/a	n/a
Total portfolio	£2,306,903	3.08%	£71,167

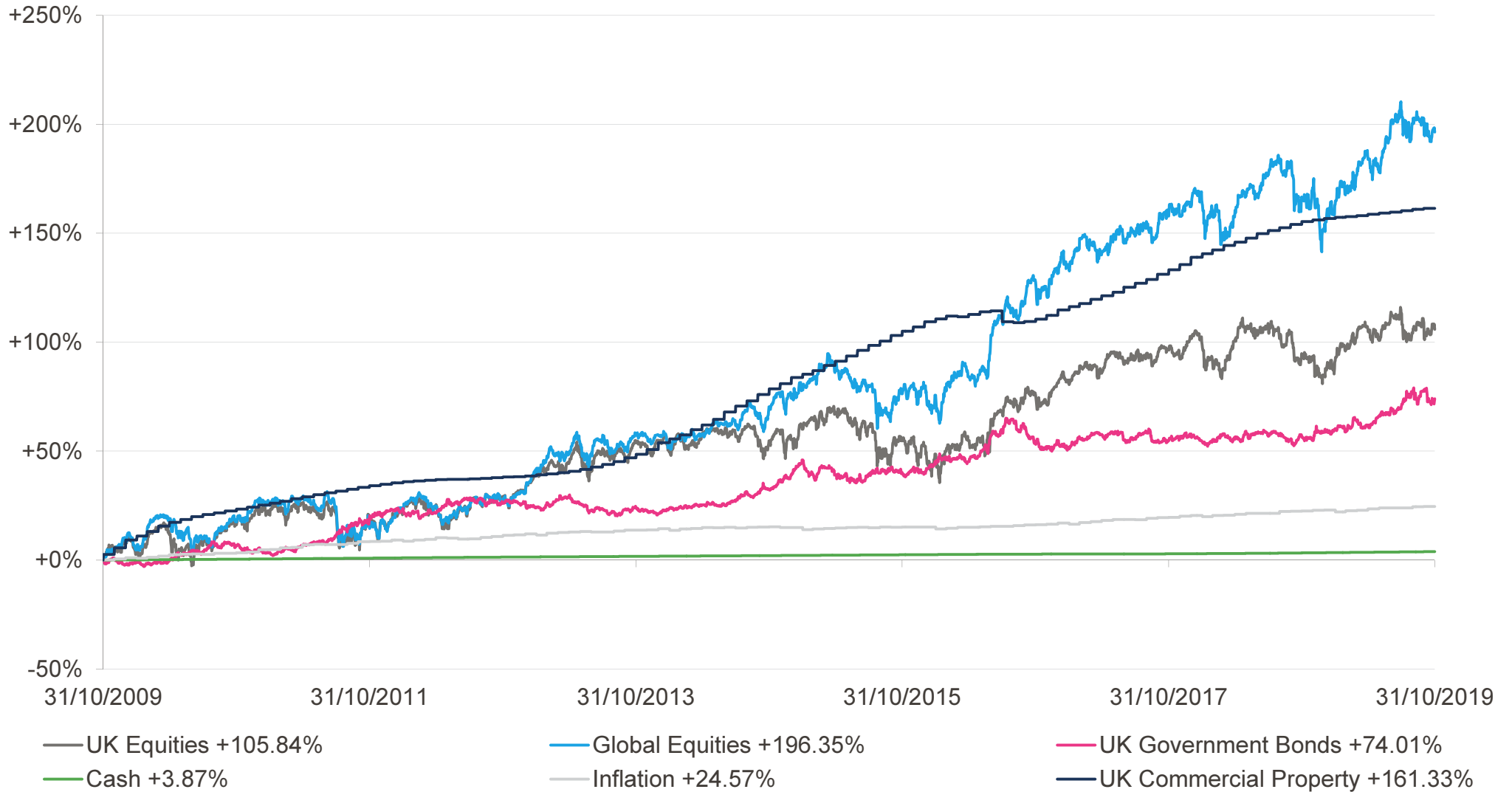
Annual income figures from long-term Funds are based on current Fund share holdings and forecast dividends declared per Fund share in calendar year 2019. Please note that this portfolio valuation is not intended for audit purposes.

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Source CCLA as at 31st October 2019

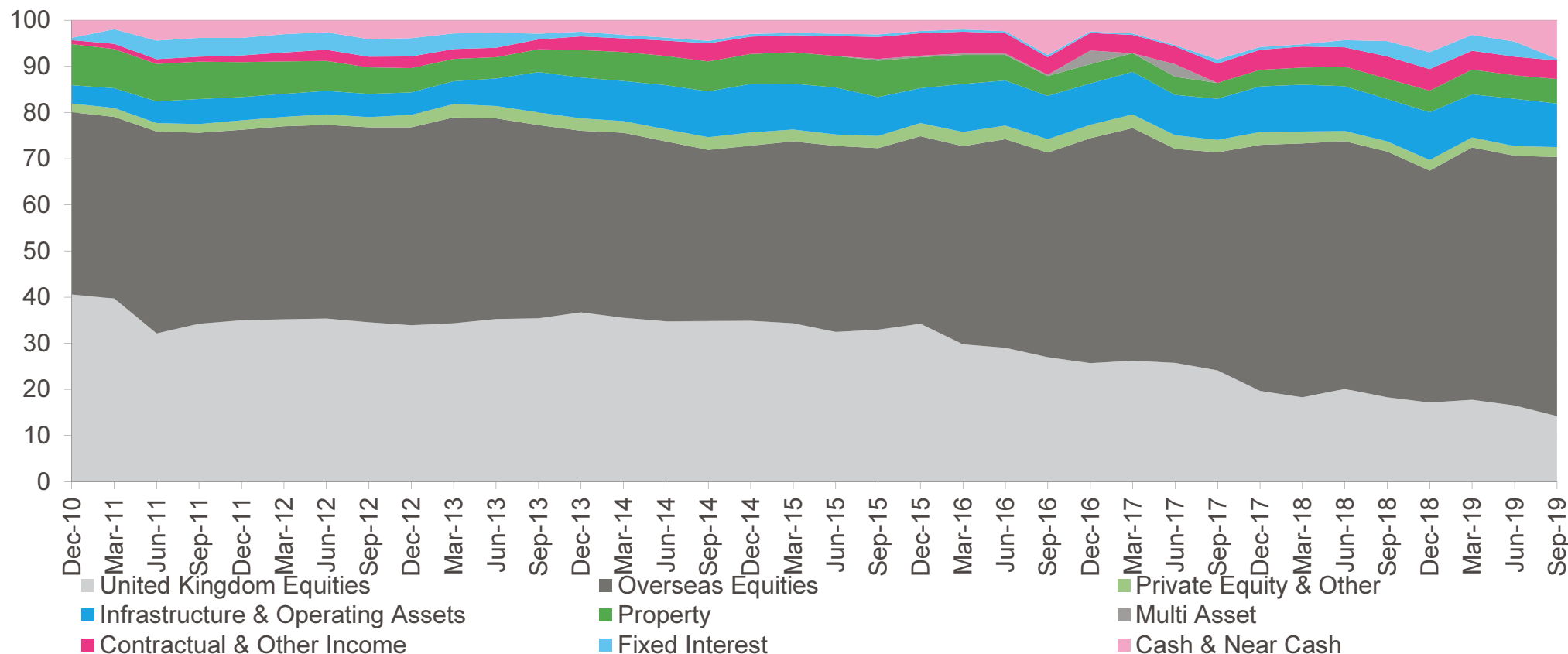


Source: Bloomberg as at 31 October 2019



Source: Bloomberg as at 31 October 2019

Asset Allocation % since December 2010

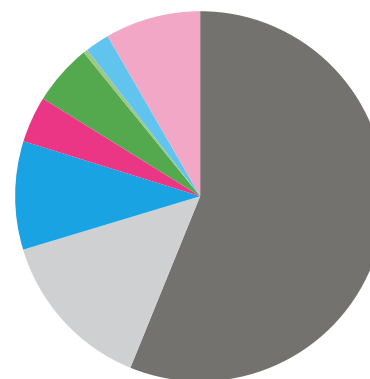


Asset Class	Min since 2010		Asset Class	Min since 2010	
	2010	Max since 2010		2010	Max since 2010
United Kingdom Equities	14.20	40.55	Multi Asset	0.00	2.96
Overseas Equities	37.11	56.16	Contractual & Other Income	0.86	4.90
Private Equity & Other	1.83	3.10	Fixed Interest	0.30	4.05
Infrastructure & Operating Assets	3.95	10.51	Cash & Near Cash	1.93	8.50
Property	3.44	8.94			

Source: CCLA as at 30 September 2019

- A multi-asset, long-term fund suitable for most charities
- Designed to help meet growth and income requirements
- Seeks to provide highly diversified and well balanced spread of investments
- Growing income, current yield 3.09%*
- Fund size £2,694m

Asset allocation



- Overseas Equities 56.16%
- UK Equities 14.20%
- Infrastructure & Operating Assets 9.47%
- Contractual & Other Income 4.01%
- Property 5.31%

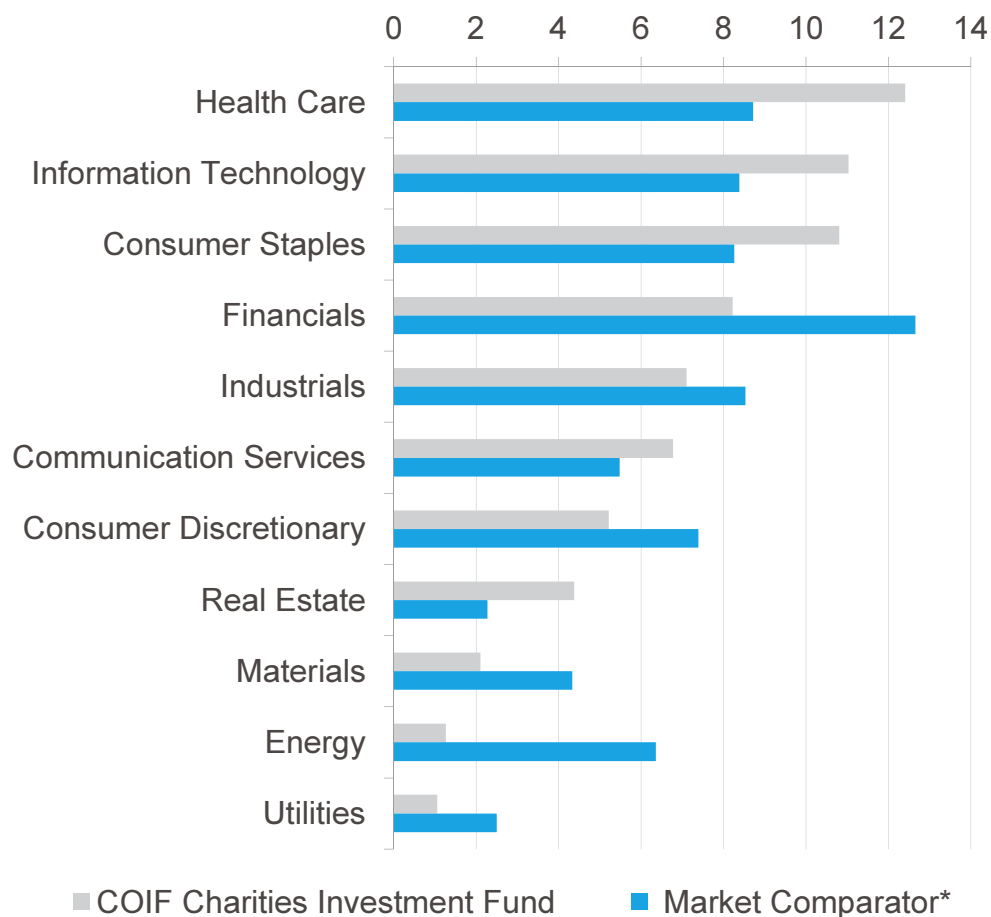
Overseas Equity	%
North America	35.8
Europe ex UK	13.4
Asia Pacific ex	
Japan	4.7
Japan	2.0
Latin America	0.3
	56.2

Source CCLA as at 30 September 2019

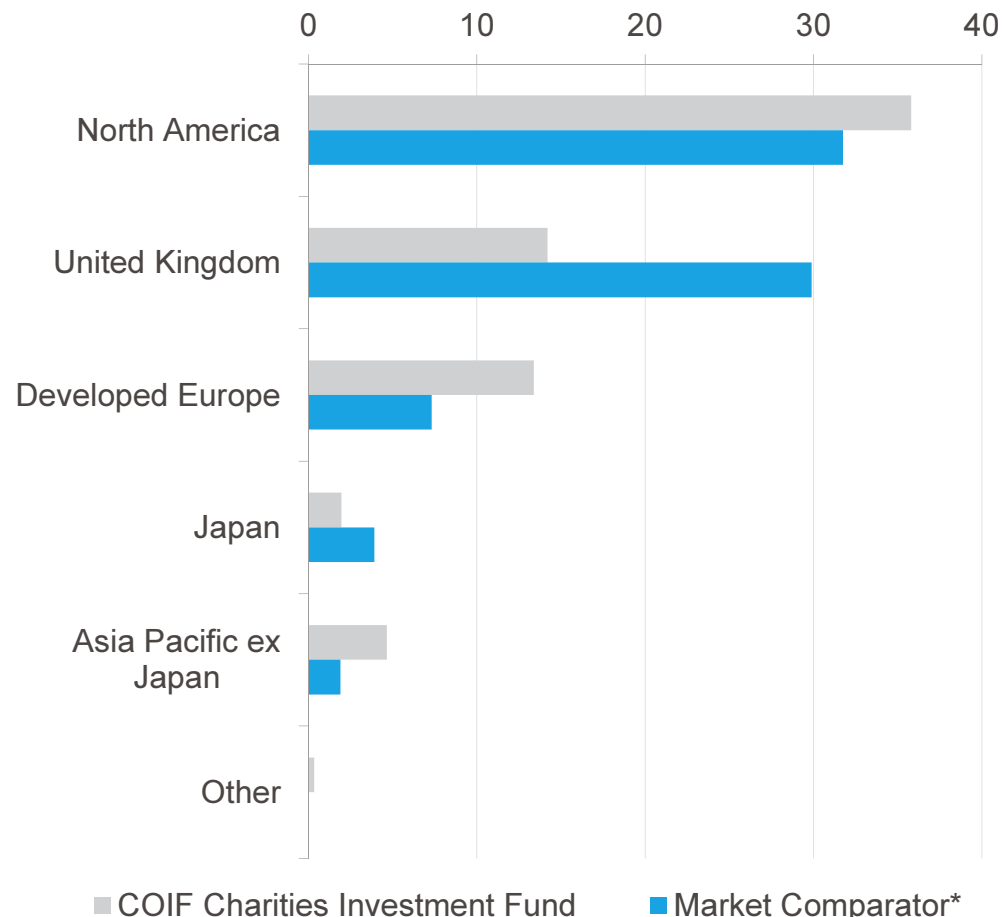
Asset allocation is subject to change.

*Based upon mid-market price as at 30 September 2019 and a projected annual distribution of 51.33p per unit.

Sector allocation (%)



Regional allocation (%)



Source CCLA as at 30 September 2019

*Market Comparator – Equity Composite: MSCI World ex UK Index, 45%; MSCI UK Investable Market Index, 30%.

Sector and regional allocation are subject to change.

Gross annualised returns % as at 30 September 2019	1 Year	3 Years	5 Years	10 Years
COIF Charities Investment Fund	10.68	11.97	11.73	11.12
Market Comparator*	6.77	8.53	8.79	9.25
CPI plus 5% (Target Benchmark)	6.78	7.38	6.58	7.22

Net annualised returns % as at 30 September 2019	1 Year	3 Years	5 Years	10 Years
COIF Charities Investment Fund	9.97	11.27	11.02	10.45
ARC Steady Growth Charity Index (Peer Group)	4.90	6.31	6.67	7.45

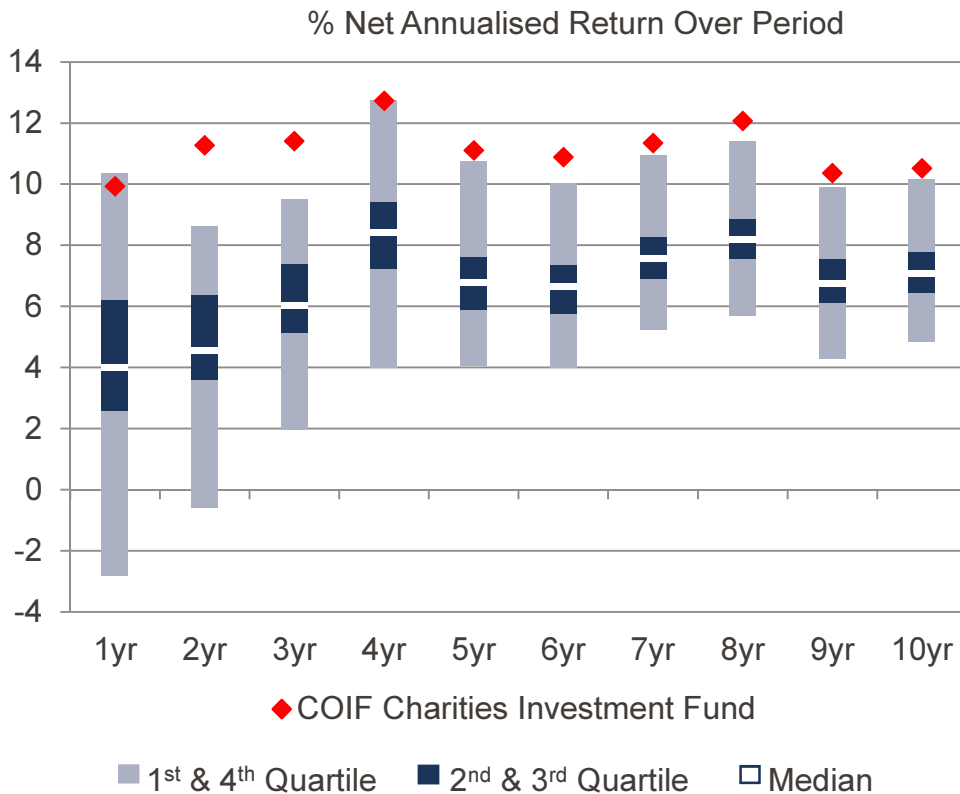
Source: CCLA as at 30 September 2019

* Current market comparator (summary): 45% non-UK equities, 30% UK equities, 15% UK govt bonds (gilts), 5% UK commercial property, 5% cash.

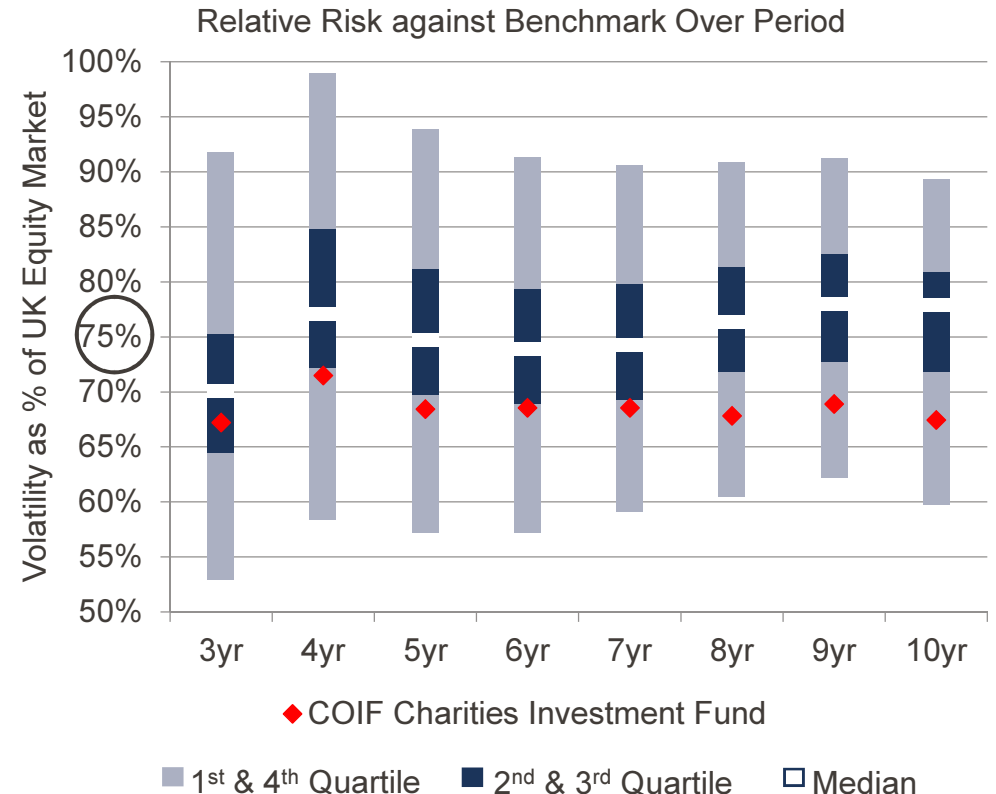
For the Fund's total return objective (CPI + 5% p.a. on average) it is only possible to assess progress over a long time horizon such as the course of a business cycle, which may be ten years or more. The market comparator, which is not a target or a constraining benchmark, is intended to help investors understand the effects of the Fund's active management in different market circumstances, and to see how the Fund's returns vary in the shorter term from those that might be experienced by a more passive investor. The market comparator is subject to change. Please refer to detailed description in the appendix.

Performance is shown gross and net of management fees and expenses on a mid price basis.

- Consistent and competitive returns, ahead of the median fund over multiple time periods



- We have achieved these results with volatility within the risk budget of 75% of UK equity market risk

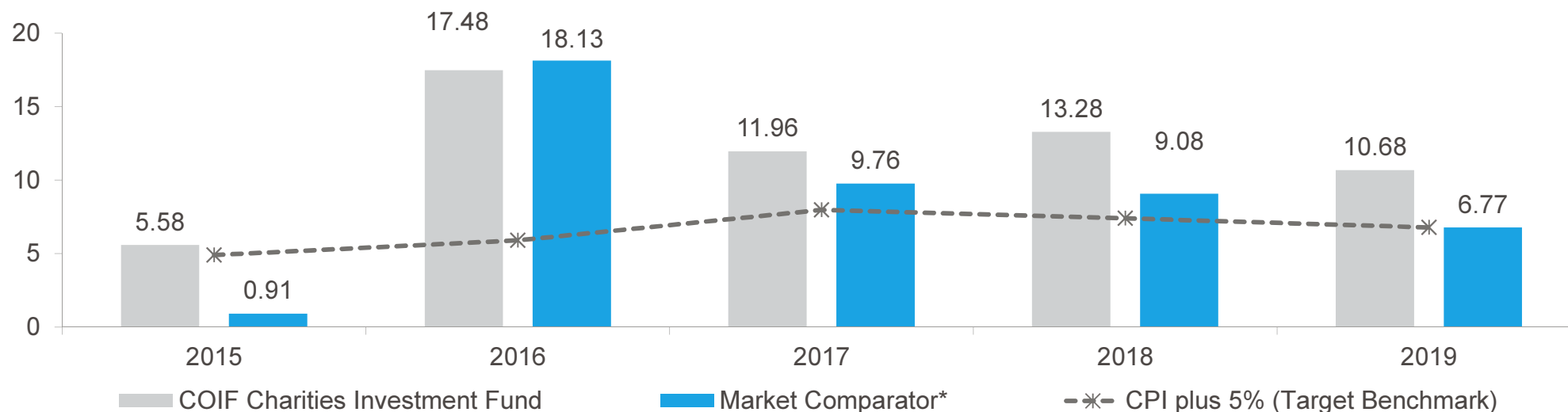


Source: Morningstar and CCLA as at 30 September 2019
Peer group: Investment Association 40%-85% equities fund peer group.

Past performance is not a reliable indicator of future results.

- Equities
 - The sector will be supported by continued economic expansion and rising earnings, sentiment would improve on any easing of trade / Brexit concerns
 - We favour strong companies with growth potential independent of broad economic trends
- Property
 - Capital values are expected continue to ease due mainly to the weakness in the retail sectors
 - Total returns however should be positive because of the contribution from income
- Fixed interest (bonds)
 - A poor choice for long term investors seeking growth
 - Gilt yields are low and negative in real terms. Bonds priced above par will give a guaranteed capital loss
 - Corporate bond markets vulnerable to a turn in the cycle
- Cash
 - Rates will remain low and materially below the inflation rate
 - An asset best suited to those with a requirement for capital security

Discrete year total return performance % (gross) 12 months to 30 September



Source: CCLA as at 30 September 2019

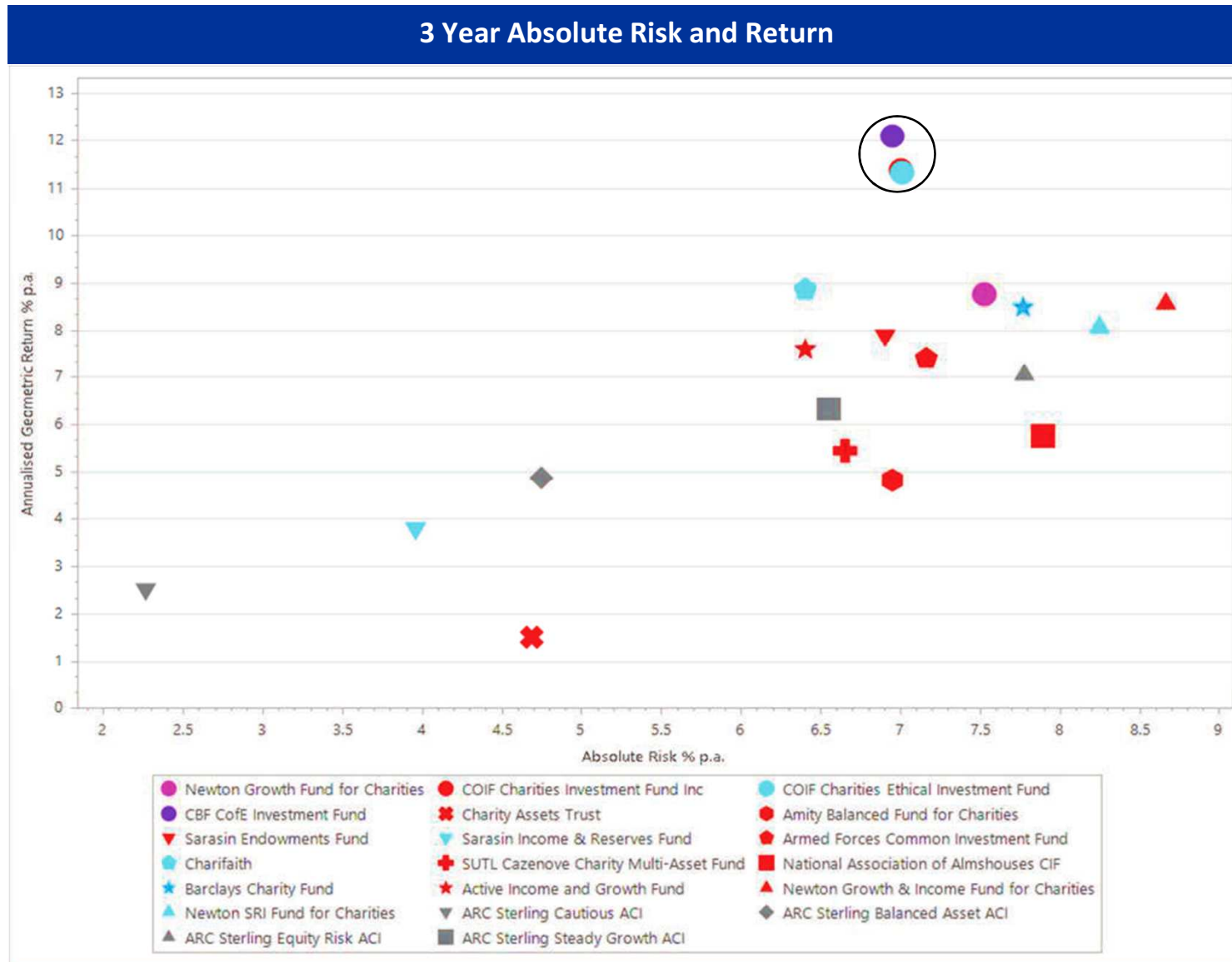
* Current market comparator (summary): 45% non-UK equities, 30% UK equities, 15% UK gov't bonds (gilts), 5% UK commercial property, 5% cash.

For the Fund's total return objective (CPI + 5% p.a. on average) it is only possible to assess progress over a long time horizon such as the course of a business cycle, which may be ten years or more. The market comparator, which is not a target or a constraining benchmark, is intended to help investors understand the effects of the Fund's active management in different market circumstances, and to see how the Fund's returns vary in the shorter term from those that might be experienced by a more passive investor. The market comparator is subject to change. Please refer to detailed description in the appendix.

Performance is shown gross of management fees and expenses on a mid price basis. Net returns will be lower after the deduction of fees and charges.

Theme	Further Details	COIF Charities Investment Fund
Climate Change	Oil sands extraction	5% revenue screen applied
	Energy coal extraction	5% revenue screen applied
Armaments	Nuclear weapons	
	Strategic military sales	
	Civilian firearms	
	Landmines, cluster munitions, chemical or biological weapons	Restricted if have any involvement in the production of these weapons
Tobacco		Tobacco Producers
Adult Entertainment		10% revenue screen applied (Production only)
Gambling		10% revenue screen applied (Online Gambling only)
ESG Minimum Standards	Score less than 2 on any FTSE ESG Theme	CCLA Default Approach
Third Party Funds		Screened Against Ethical Investment Criteria

The majority of ethical restrictions are applied on a revenue basis through standard and bespoke data feeds provided by MSCI

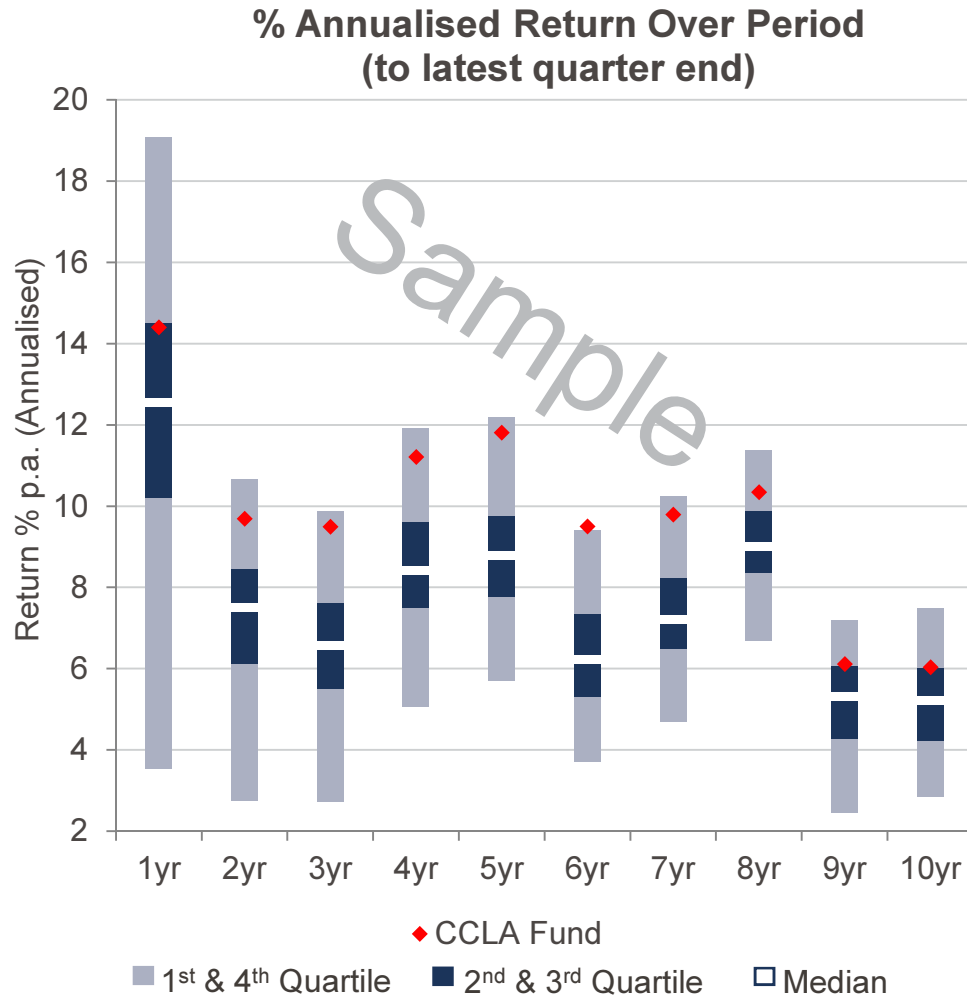


Source: Asset Risk Consultants Ltd as at 30 September 2019

Past performance is not a reliable indicator of future results.

Strong returns within an ethical framework

- CCLA's multi-asset funds are actively managed to achieve practical objectives such as protecting the real value of capital and income and controlling volatility, but success in achieving these aims can only be measured over the longer term.
- To give our clients insight into the progress of their investments over shorter periods we have created the market comparator. This is not a formal target or a constraining benchmark but is intended as a reasonable guide to how the total return of the actively-managed Funds differs from that of more passive portfolios. It is based on established investment market indices, weighted in proportions which reflect the return objectives of the Fund.
- To keep the information relevant the market comparator is adjusted from time to time to reflect changes in long term return expectations and any structural changes in the Fund. These alterations are reviewed and approved by the COIF Board before they are implemented.
- Current market comparator (summary): 45% non-UK equities, 30% UK equities, 15% UK government bonds (gilts), 5% UK commercial property, 5% cash.
- Market comparator detail and history are as follows:
 - From 1.1.18:* MSCI World ex UK Index, 45%; MSCI UK Investable Market Index, 30%; MSCI UK Monthly Property Index, 5%; Markit iBoxx £ Gilts Index, 15% and 7 day LIBID, 5%.
 - From 1.1.16 to 31.12.17:* MSCI UK Investable Market Index, 45%; MSCI Europe ex UK Index, 10%; MSCI North America Index, 10%; MSCI Pacific Index, 10%; IPD UK Monthly Property Index, 5%; Markit iBoxx £ Gilts Index, 15% and 7 day LIBID, 5%.
 - From 01.01.12 to 31.12.2015:* MSCI UK All Cap 45%, MSCI Europe Ex UK (50% Hedged) 10%, MSCI North America (50% Hedged) 10%, MSCI Pacific (50% Hedged) 10%, IPD UK Monthly Property Index 5%, BarCap Gilt 15% & 7 Day LIBID 5%.



- The bar charts show the range of returns from comparable competitor funds over varying time periods
- Graph based on annualised total returns of all the funds graphed (2.5%-97.5%) and splits the fund performance results into four quarters. These quartiles and their ranges are shown along with the average (median) return
- Competitive data is the relevant Investment Association (IA) fund universe. Data shows total returns, net of fees.
- Volatility data uses monthly return data. FTSE All Share volatility (data from Morningstar) has been used as the reference when comparing volatility of CCLA and competitor funds.

Source: Morningstar and CCLA.

Past performance is not a reliable indicator of future results.

There is no initial charge. Annual management expenses (accrued daily, paid monthly) due to CCLA on the COIF Charity Funds are deducted before declaration of distributions and interest. The expenses of the Investment Fund, Global Equity Income Fund and Property Fund are taken from capital. The expenses of the Fixed Income Fund and the Deposit Fund are taken from income. Fund charges applied to capital may result in capital erosion.

Holdings in the Investment Fund, Ethical Investment Fund, Global Equity Income Fund and the Fixed Interest Fund are valued at the mid market price. Holdings in the Property Fund are valued based on the net asset value of a share.

Please note that income yields or forecast annual income is not guaranteed and can change over time due to changes in fund constituents, interest rates and the average maturity date of the securities held by a fund. The income yield on the Fixed Interest Fund is an indication of the expected level of Income.

This document is a financial promotion and is issued for information purposes only. It does not constitute the provision of financial, investment or other professional advice. To ensure you understand whether our product is suitable, please read the Fund Factsheet document and the Scheme Particulars. We strongly recommend you seek independent professional advice prior to investing. Investors should consider the risk factors identified in the Scheme Particulars.

Past performance is not a reliable indicator of future results. The value of investments and the income derived from them may fall as well as rise. Investors may not get back the amount originally invested and may lose money. Any forward looking statements are based upon our current opinions, expectations and projections. We undertake no obligations to update or revise these. Actual results could differ materially from those anticipated.

Investment in the Fund is only available to charities within the meaning of section 1 (1) of the Charities Act 2011. Investments in the Fund and the Fund are not covered by the Financial Services Compensation Scheme (FSCS). The Fund is approved by the Charity Commission as a Common Investment Fund under section 24 of the Charities Act 1993 (as has been replaced by the Charities Act 2011) and is an Unregulated Collective Investment Scheme and an unauthorised Alternative Investment Fund.

The company CCLA Fund Managers Limited (registered in England & Wales No. 8735639 at Senator House, 85 Queen Victoria Street, London, EC4V 4ET) is authorised and regulated by the Financial Conduct Authority and is the manager of the COIF Charity Funds (Registered Charity Nos. 218873, 803610, 1046249, 1093084, 1121433 and 1132054).

For information about how we obtain and use your personal data please see our Privacy Notice at <https://www.ccla.co.uk/our-policies/data-protection-privacy-notice>.

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