

**Quarterly update—ending 31<sup>st</sup> January 2025**

**Investment objective**

The objective of the Fund is to provide returns through a combination of capital growth and income over a market cycle (5 years). The fund will primarily gain exposure indirectly via eligible collective investment schemes and other collective investment vehicles (for example, investment companies, exchange traded funds) and may also invest directly in eligible assets (excluding property and commodities). Derivatives will be used only for the purpose of Efficient Portfolio Management.

**Fund manager**



**James Kempster**

James has over 20 years experience building and managing multi-asset investment portfolios. Beginning his career at Canada Life, he has more recently worked with financial advice firms to create managed portfolio solutions for end clients.

**Indicative risk rating**



**Fund managers' commentary**

The quarter was defined by shifting interest rate expectations and geopolitical developments. The Federal Reserve paused its rate cuts, signalling a more cautious approach amid concerns about persistent inflation and the resilience of the US economy. In contrast, the European Central Bank continued its easing cycle, cutting rates further to support growth in the region. The Bank of England is expected to follow suit, with falling gilt yields reflecting market anticipation of lower borrowing costs, providing support for bond markets.

Equity markets experienced heightened volatility following Donald Trump's re-election, as investors reacted to the prospect of renewed trade tensions driven by his proposed tariff plans. Meanwhile, US tech giants, which had been key drivers of market gains, came under pressure after China unveiled advanced AI models, raising questions about the sustainability of growth for companies heavily reliant on AI leadership. In contrast, many European indices finished the month at record highs which was also beneficial for the portfolio.

**Performance summary as at 31/01/2025**

	3 MONTHS	6 MONTHS	1 YEAR	3 YEARS	5 YEARS	SINCE INCEPTION
Discovery Balanced Fund C Acc	3.59%	4.01%	10.82%	10.89%	18.00%	56.45%
IA Mixed Investment 40%-85% Shares	4.67%	5.68%	12.67%	14.91%	28.26%	80.57%

**Three year performance to 31/01/2025**



31/01/2022 - 31/01/2025 Data from FE fundinfo 2025

**Past performance is not a reliable guide to future performance.**

IA sector source: FE fundinfo. All figures quoted are on a total return basis with income reinvested. The since inception date was 05/02/2016.

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### Key facts

Manager Start Date	27/03/2019
Inception Date	05/02/2016
Number of holdings	27
Ongoing charge figure (C)	1.00%
Estimated yield (C Acc)	2.85%
Fund size	£87.76m
ISIN (C Acc)	GB00BYN66598

### Current asset allocation

Alternatives	6.66%
Cash	3.40%
Fixed Interest	19.99%
UK Equities	19.53%
International Equities	40.24%
Property & Infrastructure	6.37%
Multi-Asset	3.80%

### Top 10 holdings as at 31/01/2025

HSBC FTSE 100 Index	8.88%
HSBC American Index	7.28%
Legal & General All Stocks Gilt	5.64%
Fundsmith Equity	5.03%
iShares Overseas Corporate Bond	4.85%
AI Multi-Strategy Target Return	4.75%
Schroder US Smaller Companies	4.21%
M&G Global Dividend	4.10%
HSBC European Index Fund	3.96%
First Sentier Global Listed Infrastructure	3.90%

### About Hawksmoor Investment Management

Hawksmoor Investment Management is an award winning multi-manager investment management business. As a multi-manager business it specialises in identifying the very finest investment talent from around the world and then blending and combining these managers together to create robust, diversified portfolios. Hawksmoor Investment Management have developed their own bespoke manager selection and asset allocation processes and also undertake extensive due diligence on all of the managers before including them in the Discovery Funds.

### Disclaimers

#### FOR PROFESSIONAL ADVISERS ONLY

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**For further information call 01392 410 180 or email [info@discoveryfunds.co.uk](mailto:info@discoveryfunds.co.uk)**