

INCOME UPLIFT

QUARTER TWO | TWO THOUSAND AND TWENTY ONE



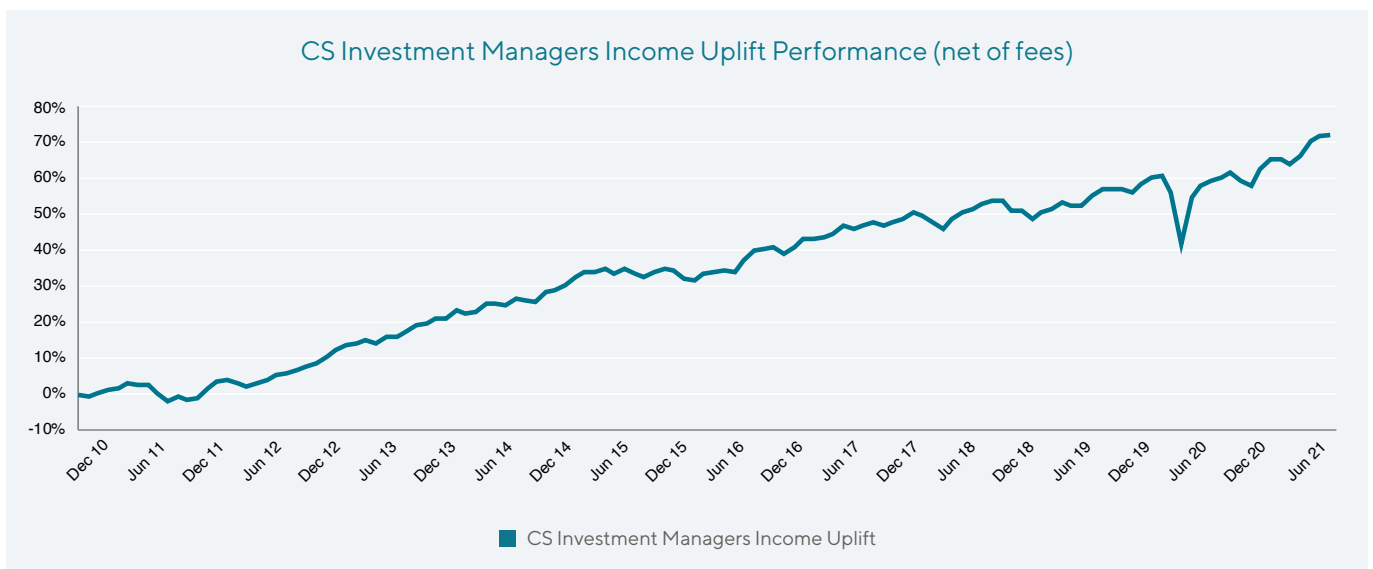
CS INVESTMENT MANAGERS

UK, US and European stocks rose as vaccination campaigns continued to accelerate in the most developed economies, especially in Europe, which is now catching up with the UK and the US. Bond yields pulled back over the quarter in the UK and US, following a strong rise in Q1. US Treasury yields declined 27 basis points, falling to 1.47% and in the UK the 10-year yield fell to 0.72% from 0.85%. In Europe, things were much different amid growing optimism about the region's recovery and accelerating vaccination programme. The German 10-year yield moved to -0.20% from -0.29%, France's 10-year yield moved back into positive territory at 0.13% and the Italian 10-year yield moved up 15 basis points to 0.82%.

REITs have been an indispensable contributor to our Income Uplift portfolios over the years and this quarter, they provided some of the largest contributions, particularly those in the logistics and storage space. Tritax BigBox, Tritax Eurobox and Urban Logistics all returned more than 8% over the quarter due to investors seeking to capitalise on the acceleration in e-commerce and renewed focus by companies on strengthening supply chains post-pandemic and Brexit.

with St Christopher's Place in London being the largest holding. BMO suffered during peak COVID due to the nature of the underlying holdings but has gained strong traction in recent months. The REIT still trades on a 20% discount to NAV and is only paying a dividend equal to 70% of pre COVID levels. With new tenants being brought in on long term leases and lockdown restrictions continuing to be lifted, we believe that the REIT will shortly be back to previous levels.

In terms of portfolio activity, we took the opportunity to increase exposure to one of our longstanding REITs, BMO Commercial Property. The reason for this investment was to benefit from the "re-opening" trade as COVID retreated and the vaccine roll-out progressed. The REIT invests in prime UK commercial property, such as offices, retail, and restaurants,



Source: CS Managers Ltd. Data as at 30/06/21



INCOME UPLIFT QUARTERLY REVIEW

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Total Return	CS Investment Managers Income Uplift Strategy Portfolio	UK RPI Inflation
3 Months	3.7%	2.2%
1 Year	8.2%	3.4%
3 Years	18.2%	7.7%
5 Years	29.2%	15.3%
Since 31/12/2010	74.2%	39.4%

Source: CS Managers Ltd and Office for National Statistics data as at 30/06/21

Asset Allocation

Top 10 Holdings	%	Sector	Overall Sector Breakdown as at 30 June 2021
Dodge & Cox US Stock Fund	4.9	Equity	
BH Global	4.5	Alternatives	
Schroder Strategic Credit	4.0	Fixed Income	
Sequoia Economic	4.0	Fixed Income	
TwentyFour Dynamic Bond Fund	3.9	Fixed Income	
Artemis UK Select	3.6	Equity	
Civitas Social Housing	3.6	Investment Property	
Sanlam Global Inflation	3.2	Fixed Income	
NextEnergy Solar	3.1	Infrastructure	
First Sentier Asia Focus	3.1	Equity	

Source: CS Managers Ltd as at 30/06/21

Performance figures are indicative, drawn from stylised aggregate portfolios constructed from the discretionary portfolios managed by CS Investment Managers. The figures are calculated on a monthly basis, net of fees and other charges and adjusted for contributions and withdrawals. 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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IMPORTANT INFORMATION

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