

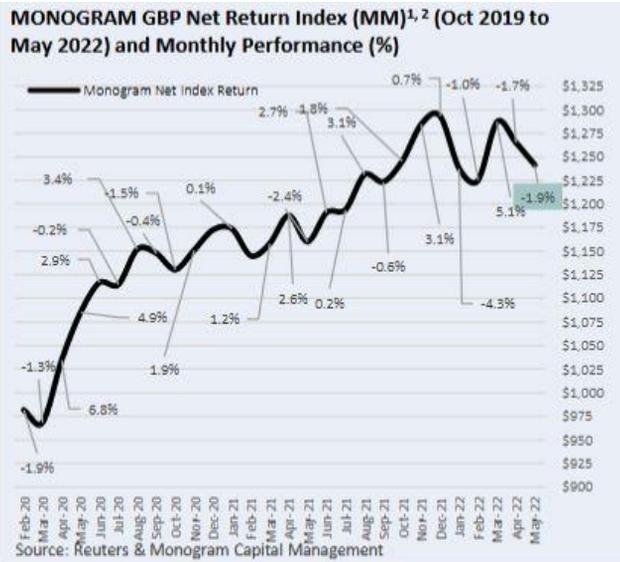
Investment Philosophy

We consider drawdown the only relevant measure of risk and its avoidance is the cornerstone of our investment process. Our process relies on various momentum techniques aimed at identifying, and avoiding underperforming assets. We are prepared to be fully invested in cash. In addition, we believe that markets and the decision-making process of investors in markets, is generally inefficient. We build portfolios that are resilient in the face of market declines and that compound positive returns stably over the course of the market cycle.

Performance Summary

The MONOGRAM Strategy returned -1.9% net in the month of April and -3.8% YTD.

CUMULATIVE PERFORMANCE



EAFE stocks fared better gaining 1.2% (1.5%) and Japan -0.6% (-0.2%). Emerging Market equities remained flat -0.1 (-0.3%), while marginal gains were seen in the fixed income market with US aggregate bonds up 0.6% (0.1%) and credit High Yield 1.4% (1.4%).

Outright stagflation (positive inflation coupled with negative growth) remains a more serious risk in Europe given its reliance on Russia for roughly 40% of its gas supplies. Coupled with the EU's decision to cut 90% of oil imports from Russia. The Fed's May meeting minutes also confirmed it was considering a two-phase approach to policy tightening, getting to neutral – a level that neither stimulates nor restricts the economy – in phase one and then pausing to assess the impact. That opens the door for a dovish pivot, yet a sustained risk asset rally remains unlikely until any such move becomes clearer.

Peer Net Performance in GBP⁴

Performance	Monogram (Net)	AQR (Net)	Aviva (Net)	St Life (Net)	Carmignac (Net)	Invesco (Net)	Ruffer (Net)	VT GTR (Net)
May-2022	-1.9%	-2.3%	1.5%	-1.6%	-0.7%	-1.4%	0.3%	-2.2%
3 Months	1.3%	-5.5%	5.2%	-3.7%	-1.9%	-2.1%	1.1%	-1.8%
6 Months	-3.4%	-7.4%	6.3%	-5.7%	-10.3%	-5.2%	4.8%	-5.9%
9 Months	0.8%	-8.5%	4.3%	-8.3%	-12.8%	-7.7%	6.1%	-3.3%
12 Months	7.0%	-2.6%	5.0%	-8.4%	-13.1%	-5.3%	4.5%	-0.8%
2021	10.3%	11.1%	2.0%	-2.3%	-6.5%	-0.5%	10.0%	15.1%

Source: Reuters & Monogram Capital Management

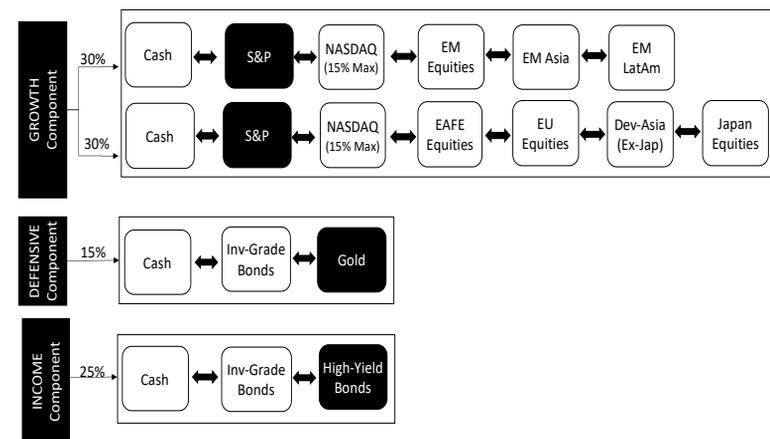
Aviva topped the table for a second consecutive month posting a gain of 1.5% for the month of May, with, Ruffer second at 0.3%.

Market Overview

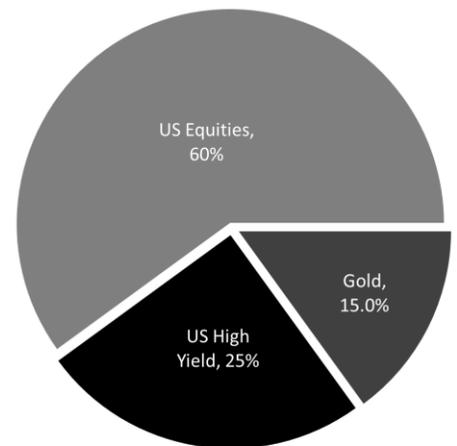
Global equity markets rebounded from their lows towards the end of May, although closing marginally down. The S&P fell -2.4% (GBP -2.6%) with the NASDAQ down -4.6% (-4.9%).

For May 2022, the strategy favours: US Equities (in the Growth Components); Gold (in the Defensive Component); High Yield Bonds (in the Income Component).

MONOGRAM Strategy



MONOGRAM



¹ Performance of the MONOGRAM Model is provided for illustrative purposes to highlight the capabilities of MONOGRAM Capital Management Ltd as an investment manager. It refers to past performance which is not a reliable indicator of future performance. Returns may increase or decrease as a result of currency fluctuations.

² Net: 1% all-in fee.

³ Gary Antonacci, Dual Momentum.

⁴ Fund Identifiers (ISIN); Ruffer: GB00B81SXL02, Invesco: GB00B8CHD613, Carmignac: LP68245753, St Life Aberdeen: GB00B2850218, Aviva: GB00BMJ6DT26, AQR: LP68140783, VT GTR: GB00B4VWT948.

The Monogram model in GBP terms could hardly be more different from the USD version, as the exceptional currency moves have swamped the market moves that lie below. As a result, this model remains in all essentially dollar positions, S&P 500, US High Yield, Gold. It does also give strong results, despite a 1.9% fall in May, as sterling recovered. Even so the resulting fall is only 3.8% year to date.

Both results, the YTD one in particular, are ones that many portfolios and funds would regard as more than satisfactory, for this turbulent year. Indeed, our six-month performance tops that of the comparator group.

While the model is pretty unambiguous on the current weightings, the only competitor is Latin America. However, the model structure excludes any one Emerging Market, if the aggregate of such markets is negative.

As one part of that portion is the heavily underperforming China, for now that barrier can't be bridged.

That provision is to stop over trading, if one of the smaller groupings has a spike in performance. We would not see the utility of this model as being as an entire portfolio; for all our investors, this is a small part of their overall portfolio, as it should be. Additions can be made to it of course; we will therefore keep that filter.

Clearly this portfolio is dominated by currency moves, but then the reality is for GBP investors, sterling weakness has been very apparent this year. How long that persists is of course is a matter for conjecture.

Product Information

The product is offered as a managed account, through two service providers: this is not an exhaustive list, but both feature low rates.

- Archer Daniel Midland (ADM), for accounts over £100,000 in either Dollar or Sterling variants.
- Jarvis Investment Management (JIM), for accounts under £100,000 in Sterling only.

MCM will manage the account, although it is **held in the investor's own name**. The management fee is 0.5% charged quarterly. There are no other charges except for custody with ADM, who charge 1/100 of one per cent per month, (one basis point) on Exchange Traded Funds (ETFs). No stamp duty is charged on ETFs. Dealing charges are a flat £9.50 per trade (JIM), and \$35 for ADM. The model is a low trading one. ADM reports to you daily. JIM reports quarterly. Real time access to your account is offered at no extra charge.

Please remember that the model has policies on the introduction of funds to the market and in cases the movement between asset classes designed to avoid dislocations at the month end, or to avoid buying into a peak. Your own account (and each account is individual) may reflect these changes, although they should be of limited duration.

Investment and Risk Profile

By investing in an account which invests within the Global Total Return category, you are likely to be looking for an investment which aims to produce a positive return, with capital preservation and low volatility. You are however willing to accept, that your investments will fall and rise and you could get back less than you invested and also that when equity markets do well, this account may not deliver the same returns in the short term.

Risk Warnings and other important information. Issued by Monogram Capital Management Limited, ("MCM") MCM is authorised and regulated by the Financial Conduct Authority number **820474**.

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