

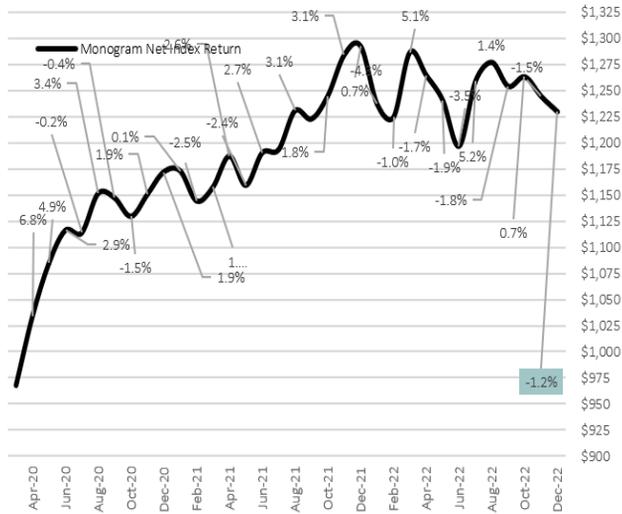
Investment Philosophy

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 are designed to be resilient in the face of market declines. We aim to perform stably over the course of the market cycle.

Performance Summary

The MONOGRAM Strategy for our GBP investors returned -1.1% and -3.9% for the full year.

CUMULATIVE PERFORMANCE



The nearly 20% drop in the S&P 500 resulted from a cocktail of uncertainty: rapidly rising inflation, and the Fed not starting its rate tightening program promptly enough, were tangible home-grown phenomena.

Added to that, the macro factors mentioned in our insights included an impending sense that a recession was imminent, and geopolitical tensions including the Ukraine war, though we noted but did not explicitly write about Taiwan. China's spike in COVID cases brought fear to the US markets, as some of the supply chain issues from 2021 had remained unresolved.

In December, Standard Life took the lead at 3%, with the AQR bringing up the rear at -8.9%.

Peer Net Performance in GBP⁴

Performance	Monogram (Net)	AQR (Net)	Aviva (Net)	St Life (Net)	Carmignac (Net)	Invesco (Net)	Ruffer (Net)	VT GTR (Net)
Dec-2022	-1.2%	-2.7%	1.8%	3.0%	2.0%	1.1%	1.0%	-0.7%
3 Months	-1.9%	1.0%	5.1%	-0.2%	5.4%	4.8%	5.0%	3.2%
6 Months	2.7%	-4.7%	7.2%	-2.5%	6.4%	7.4%	6.8%	1.6%
9 Months	-4.4%	-15.6%	3.9%	-4.3%	3.1%	3.8%	2.3%	-5.2%
2022	-4.9%	-17.3%	5.4%	-9.6%	-3.6%	-1.1%	6.8%	-10.4%
2021	10.3%	11.1%	2.0%	-2.3%	-6.5%	-0.9%	10.0%	15.1%

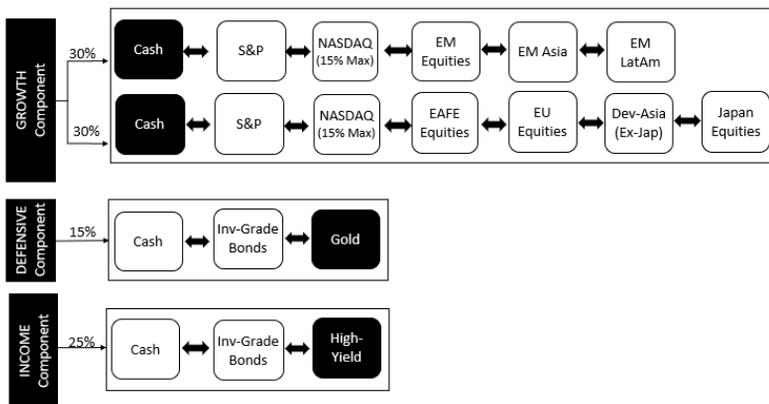
Market Overview

The FTSE 100 index closed for the last time in 2022, down 61 points on 31 December at 7452 points. That was a gain of 0.9% for 2022 as a whole, staying steady overall, during a year in which global markets fell almost by 20%.

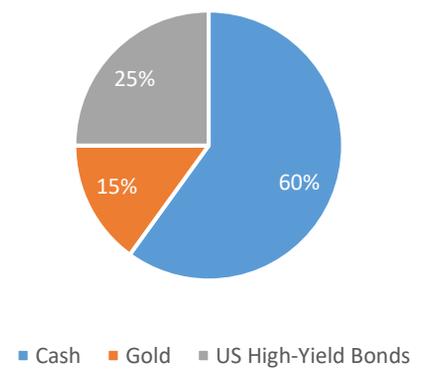
The MCM one-month performance (-1.2%) was disappointing. The full year figure of -4.9% was fair, in the context of the year. The VT GTR 2- year result was well beaten only by Ruffer.

For January 2023, the strategy favours: 60% in cash with 25% in USD High Yield and 15% in Gold. A very defensive positioning.

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: GB00B28S0218, Aviva: GB00BMJ6DT26, AQR: LP68140783, VT GTR: GB00B4VWT948.

The Monogram model's investment process – key points

If a market has shown a net increase in total value in the last twelve months, the model will advise the fund manager to consider investment. It then ranks those positive markets within four sectors, income, defensive, growth (developed), and growth (emerging).

Timely switching is prompted. Unlike other passive-investment funds, the Monogram model is set up to try and ensure that when a market's 'momentum' turns, or it falls behind another market, it will be switched. For next month, the model has exited all equities, having switched out of US equities the month prior.

We aim to avoid over-trading (which has cost and fiscal reporting implications), and we use our committee's monthly review meetings to avoid taking notice of any potential false signals. The Monogram Model has been exhaustively tested to refine the competitive, low cost, simple Absolute Return Model. If, prior to investing in the model, or in the company, you wish to be briefed on the theoretical basis behind the model, and other technical details, please do [get in touch](#).

Before you consider investing, it is natural to ask how easily might this model sit within your existing portfolio?

Investors can select markets, sectors or stocks as well as the currency they are investing in. The Monogram Momentum Model can be run on any selection of markets, sectors or stocks. As an absolute return investment it only invests in large liquid ETFs representing the selected sectors, to reduce costs.

Transparency is a key value in Monogram.

Notice what has happened to the riskless real rate of interest – we invite you to compare our two year performance with selected other TAR products (details on previous page)

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. Any other provider can be used, at the discretion of the client or client advisers.

- 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 rise and fall 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**.

This document should not be construed as investment advice or an offer to invest nor should its content be interpreted as investment or tax advice, for which you should consult your financial adviser and/or accountant. The managed account product is only deemed suitable if provided via an IFA (for retail clients) or if you are an elective professional client.