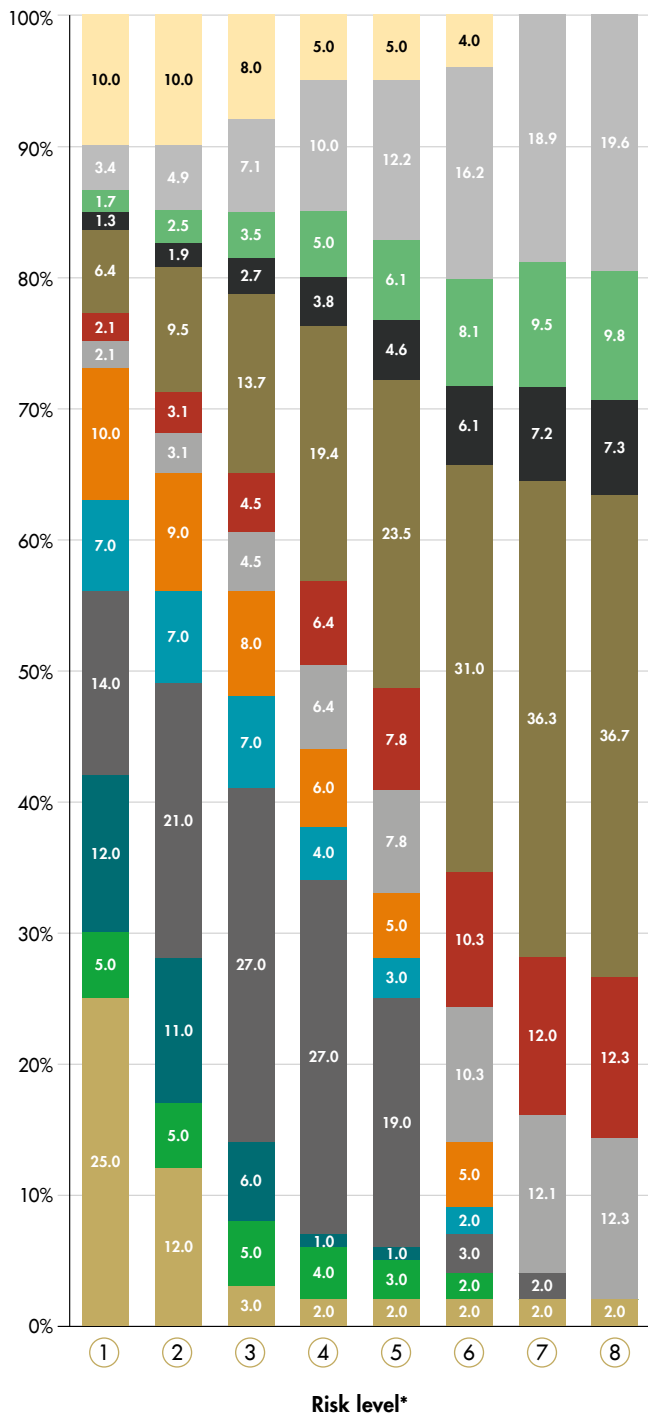




Liontrust Multi-Asset Strategic Asset Allocation for 2024



We review the Strategic Asset Allocations (SAAs) for our Risk Targeted Multi-Asset fund and portfolio ranges once a year in the first quarter.

Determining the SAAs is the first stage in the Liontrust Multi-Asset (MA) investment process, which also includes Tactical Asset Allocation (TAA), portfolio construction, manager selection and implementation.

The SAAs are the primary determinant of suitability and long-term risk and returns for investors. They are essentially the default asset allocations should the Multi-Asset investment team have no views about the relative attractiveness of different asset classes. They are based on analysis of the historical returns, volatility and correlations of a range of asset classes, and other market dynamics.

SAAs for 2024

Three objectives were set as part of this year's review, including:

1. Recalibrate the SAAs in response to updated Capital Market Assumptions (CMAs), which are the expectations about the future performance of asset classes. There have not been any material changes in the asset allocation. We also wanted to ensure consistency in the asset mix while not adding or removing asset classes.
2. There has been a modest widening of the range between the minimum and maximum volatility for each level of risk. This will provide slightly greater flexibility in the use of the asset allocation and asset classes. Too narrow a risk band can lead to sub-optimal asset allocations. For example, the expected long-term volatility range for risk level 6 is changing from 11.2% to 11.6% to a range of 11.3% to 11.9%.
3. Diversify the fixed income allocations from a geographical perspective. Within the new SAAs, there has been a modest reduction in the allocation to UK gilts and UK corporate debt and a broadly commensurate increase in global ex-UK fixed income hedged into sterling. There has also been a slight reduction in global high yield (largely due to changes in the CMAs). The impact of these changes is a small reduction to fixed income and this has been allocated to cash and/or equity. In terms of specific risk levels (1 to 8), the consequences of these rebalances include:

- Raising the cash target in the lowest risk level (1)
- Trimming targets for UK government bonds in the two lowest risk levels and increasing them for risk levels 4 to 6
- Cutting target exposure to UK corporate bonds for risk levels 1 to 7
- Increasing the targets for global government bonds and trimming them for high yield bonds for levels 1 to 6
- Raising the targets for alternatives for risk levels 3 to 6

Source: Liontrust and Hymans Robertson. The chart above shows strategic asset allocation breakdown implemented March 2024.

* Risk level 1 uses a 7-year forward looking investment time span instead of the 15 years used for Risk levels 2-8. Our Dynamic Passive range uses Risk Profiles 1-7, our Blended range uses 2-6, and our MPS and WSS services use 1-8.

Important information

Key risks

Past performance does not predict future returns. You may get back less than you originally invested.

The Funds and Model Portfolios managed by the Multi-Asset Team may be exposed to the following risks:

Credit Risk: There is a risk that an investment will fail to make required payments and this may reduce the income paid to the fund, or its capital value. The creditworthiness of a bond issuer may also affect that bond's value. Bonds that produce a higher level of income usually also carry greater risk as such bond issuers may have difficulty in paying their debts. The value of a bond would be significantly affected if the issuer either refused to pay or was unable to pay;

Counterparty Risk: The insolvency of any institutions providing services such as safekeeping of assets or acting as counterparty to derivatives or other instruments, may expose the Fund to financial loss;

Liquidity Risk: If underlying funds suspend or defer the payment of redemption proceeds, the Fund's ability to meet redemption requests may also be affected;

Interest Rate Risk: Fluctuations in interest rates may affect the value of the Fund and your investment. Bonds are affected by changes in interest rates and their value and the income they generate can rise or fall as a result;

Derivatives Risk: Some of the underlying funds may invest in derivatives, which can, in some circumstances, create wider fluctuations in their prices over time;

Emerging Markets: The Fund may invest in less economically developed markets (emerging markets) which can involve greater risks than well developed economies;

Currency Risk: The Fund invests in overseas markets and the value of the Fund may fall or rise as a result of changes in exchange rates.

Index Tracking Risk: The performance of any passive funds used may not exactly track that of their Indices.

Any performance shown in respect of the Model Portfolios are periodically restructured and and/or rebalanced. Actual returns may vary from the model returns.

The issue of units/shares in the Liontrust Multi-Asset Funds may be subject to an initial charge, which will have an impact on the realisable value of the investment, particularly in the short term. Investments should always be considered as long term.

For the Multi-Asset Model Portfolios, any performance shown represents model portfolios which are periodically restructured and/or rebalanced. Actual returns may vary from the model returns. There is no certainty the investment objectives of the portfolio will actually be achieved, and no warranty or representation is given to this effect, whether express or implied. The portfolios therefore should be considered as long-term investments.



Liontrust uses Carbon Balanced Paper to reduce the carbon impacts of all our printed communications. This reduces Liontrust's carbon footprint and has a positive impact on carbon change. www.carbonbalancedpaper.com

LIONTRUST FUND PARTNERS LLP

2 Savoy Court, London WC2R 0EZ Telephone: 020 7412 1700 Web: www.liontrust.co.uk

Disclaimer

This document is issued by This document is issued by Liontrust Fund Partners LLP (2 Savoy Court, London WC2R 0EZ), authorised and regulated in the UK by the Financial Conduct Authority (FRN 518165) to undertake regulated investment business in respect of content related to the Liontrust Multi Asset Funds, and Liontrust Investment Partners LLP (2 Savoy Court, London WC2R 0EZ), authorised and regulated in the UK by the Financial Conduct Authority (FRN 518552) to undertake regulated investment business in respect of content related to the Liontrust Multi-Asset Model Portfolios.

It should not be construed as advice for investment in any product or security mentioned, an offer to buy or sell investments mentioned, or a solicitation to purchase securities in any company or investment product. Examples of stocks and funds are provided for general information only to demonstrate our investment philosophy. The investment being promoted is for units in a fund, not directly in the underlying assets.

The document contains information and analysis that is believed to be accurate at the time of publication, but is subject to change without notice. Whilst care has been taken in compiling the content of this document, no representation or warranty, whether express or implied, is made by Liontrust as to its accuracy or completeness, including for external sources (which may have been used) which have not been verified.

This is a marketing communication. Before making an investment decision, you should familiarise yourself with the different types of specific risks associated with the investment portfolio of each of our Funds and Multi-Asset Model Portfolios. For Liontrust Funds, this information can be found in the final Prospectus and Key Investor Information Documents (KIDs) and/or PRIIP/KID available on our website: www.liontrust.co.uk. Our Multi-Asset Model Portfolios are available exclusively through financial advisers. Financial advisers can find further information on the different types of specific risk associated with the Liontrust Multi-Asset Model Portfolios in the relevant brochure, also available on our website: www.liontrust.co.uk. If you are not a professional investor please consult a regulated financial adviser regarding the suitability of such an investment for you and your personal circumstances. All use of company logos, images or trademarks in this document are for reference purposes only. 2024.04

The Liontrust Multi-Asset Broker Desk is here to answer any questions you have

020 3908 8800

liontrust.brokerdesk@liontrust.co.uk

liontrust.co.uk

Monday to Friday, 9.00am-5.00pm; calls may be recorded.

Email communication is not encrypted or secure and could be intercepted and read. Please do not include any personal or confidential information in any reply

LIONTRUST
COURAGE · POWER · PRIDE