



# Copia Capital Management

## The art of portfolio construction



For advisers only

## Monthly Portfolio Update

August 2020



## **Market performance**

ETF Flows

Risk barometer

Portfolio realignments

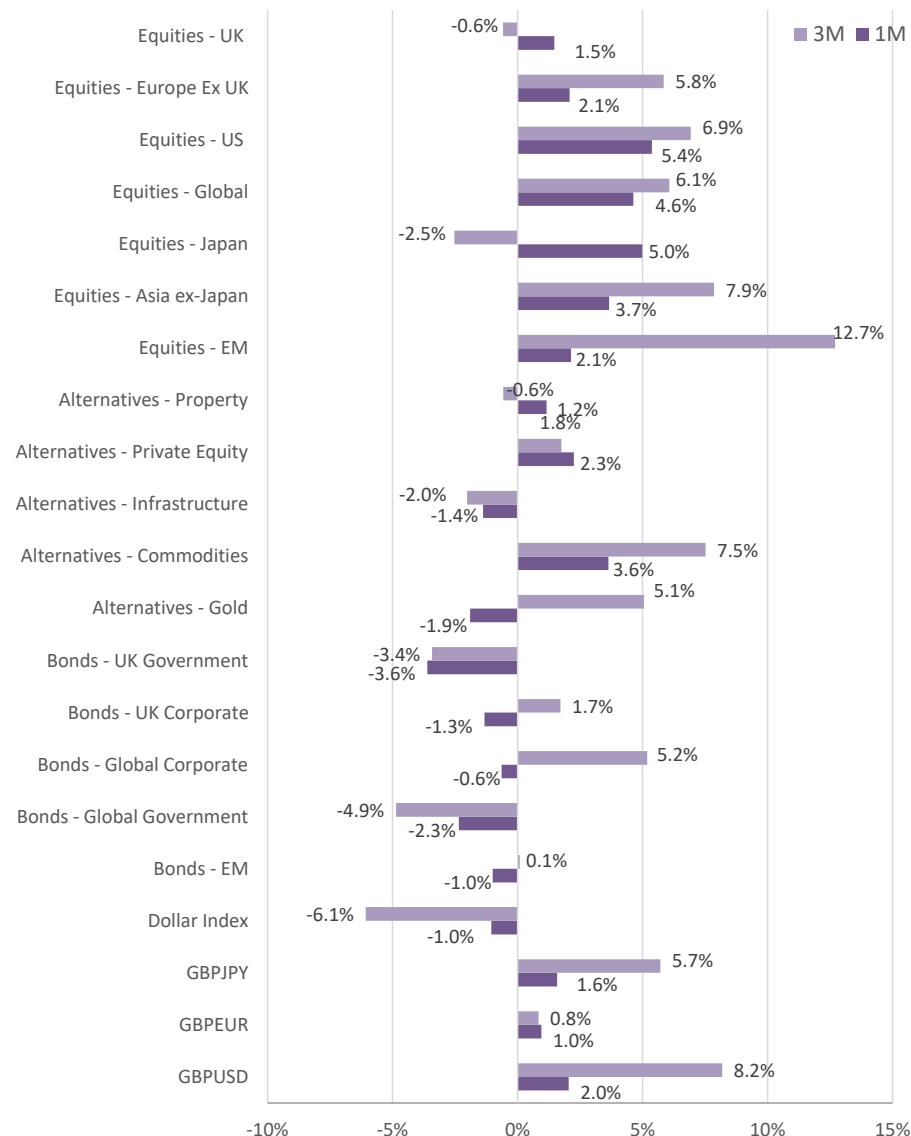
Portfolio performance

Outcome charts

## Market performance

- Equity markets continued to tick higher in August keeping the recovery on track as investors moved into riskier assets. Despite the unprecedented contraction experienced by developed markets in Q2 due to the Covid pandemic lockdowns, the recent corporate earnings showed that companies have been outperforming expectations. Risks of a second wave still remain, but there are no indications from governments on imposing further lockdowns.
- All regional equities had a strong month, with US equities made a new life time high, smashing records by rallying 5.4% driven by Tech stocks, which are favoured by investors as they remained resilient during pandemic and delivered good growth. The Fed's announcement of adjusting the 2% inflation target to an average of 2% has pushed Nasdaq to a new record high.
- Japan equities gained 5% on a weakening yen due to improved global sentiments. Nikkei rallied at the month end following the news that Warren Buffett's Berkshire Hathaway had invested in five leading Japanese trading companies.
- Bond yields jumped on US Fed's shift in its inflation targeting approach as market participants now believe the Fed is willing to let the US economy run hot with high inflation before raising interest rates.
- In the UK however economists mulled tax rises to cover for the ballooning budget deficit caused by the furlough scheme which acted as a dampener for UK Equities.

## Market performance



Source: Bloomberg, Copia Capital Management. All numbers expressed in GBP

## Asset class overview: performance table

### %mm Performance

### Return Characteristics

### Risk Characteristics

	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	3M	6M	12M	36M	2017	2018	2019	YTD	Annualised Volatility 1Y	Annualised Volatility 3Y	Maximum Return Drawdown* 1Y	Maximum Return Drawdown* 3Y
Equities - UK	2.6%	-1.3%	2.8%	2.6%	-2.8%	-9.5%	-15.0%	7.9%	2.2%	0.7%	-2.7%	1.5%	-0.6%	-6.9%	-12.6%	-7.6%	13.1%	-9.2%	19.1%	-18.1%	21.2%	15.0%	35.8%	35.8%
Equities - Europe Ex UK	0.4%	-1.6%	1.8%	1.2%	-1.3%	-6.7%	-11.2%	6.7%	7.1%	4.4%	-0.7%	2.1%	5.8%	7.4%	0.8%	7.7%	16.0%	-9.5%	21.0%	-1.0%	18.0%	13.5%	30.9%	30.9%
Equities - US	-0.2%	-2.6%	4.4%	-0.1%	2.4%	-8.3%	-6.9%	10.7%	4.8%	1.3%	0.1%	5.4%	6.9%	15.5%	10.1%	44.0%	10.5%	0.2%	26.3%	8.5%	18.3%	15.3%	26.4%	26.4%
Equities - Global	0.3%	-2.4%	3.6%	0.0%	1.3%	-7.8%	-8.8%	10.1%	5.3%	2.0%	-0.7%	4.6%	6.1%	12.1%	6.1%	29.0%	11.8%	-3.5%	23.2%	4.6%	18.4%	14.4%	26.2%	26.2%
Equities - Japan	2.9%	-1.4%	1.9%	-1.4%	-0.8%	-7.9%	-3.3%	6.6%	7.5%	0.0%	-7.2%	5.0%	-2.5%	8.1%	0.6%	10.5%	13.5%	-7.5%	13.9%	-1.3%	17.0%	13.2%	24.6%	24.6%
Equities - Asia ex-Japan	0.5%	-2.5%	1.0%	-0.1%	-1.4%	-5.3%	-17.5%	11.1%	1.1%	8.2%	-3.8%	3.7%	7.9%	-0.1%	-7.9%	2.2%	14.5%	-5.1%	13.9%	-6.7%	24.8%	17.1%	31.1%	33.3%
Equities - EM	1.3%	-1.1%	0.4%	4.8%	-4.1%	-3.7%	-12.2%	9.8%	0.7%	8.4%	1.8%	2.1%	12.7%	9.4%	6.4%	6.2%	24.8%	-9.6%	13.9%	1.0%	20.2%	15.5%	25.2%	25.2%
Alternatives - Property	1.3%	-2.6%	-0.5%	-2.5%	2.4%	-5.9%	-20.3%	6.8%	1.6%	1.6%	-3.3%	1.2%	-0.6%	-14.0%	-20.7%	-3.4%	1.6%	0.0%	17.7%	-17.1%	23.3%	16.8%	35.2%	35.2%
Alternatives - Private Equity	2.2%	-3.1%	4.0%	0.9%	2.0%	-8.1%	-24.4%	11.6%	9.7%	2.7%	-3.1%	2.3%	1.8%	-5.8%	-8.2%	13.2%	13.8%	-8.9%	39.3%	-11.6%	32.2%	21.4%	44.5%	44.5%
Alternatives - Infrastructure	-0.7%	-4.0%	-0.3%	0.2%	2.0%	-1.9%	-10.1%	6.2%	5.6%	-0.8%	0.2%	-1.4%	-2.0%	-1.2%	-5.8%	10.9%	3.0%	1.5%	14.6%	-1.2%	14.6%	10.9%	15.7%	15.7%
Alternatives - Commodities	0.1%	-3.4%	-1.2%	3.1%	-6.6%	-2.1%	-7.4%	-0.7%	4.1%	3.2%	0.6%	3.6%	7.5%	2.9%	-7.3%	-5.2%	-6.2%	-3.2%	4.0%	-5.9%	13.3%	10.5%	19.6%	21.9%
Alternatives - Gold	-4.8%	-2.2%	-3.2%	2.0%	4.3%	3.2%	4.2%	4.3%	3.8%	2.7%	4.3%	-1.9%	5.1%	18.5%	17.2%	43.0%	1.6%	4.3%	14.6%	27.6%	11.8%	11.6%	13.6%	13.6%
Bonds - UK Government	-0.1%	-2.0%	-0.4%	-1.8%	3.9%	1.4%	1.5%	2.5%	0.1%	-0.2%	0.4%	-3.6%	-3.4%	0.5%	1.5%	12.5%	1.8%	0.3%	6.6%	5.9%	7.0%	6.3%	11.4%	11.4%
Bonds - UK Corporate	-0.2%	-0.5%	0.2%	-0.4%	2.8%	-0.1%	-6.5%	5.2%	1.0%	1.5%	1.6%	-1.3%	1.7%	1.0%	2.8%	11.6%	4.4%	-1.6%	9.3%	3.7%	9.5%	6.1%	11.4%	11.4%
Bonds - Global Corporate	-0.7%	1.1%	-0.2%	0.9%	1.5%	-0.4%	-6.4%	5.4%	1.3%	2.3%	3.5%	-0.6%	5.2%	5.0%	7.4%	15.3%	8.8%	-3.9%	11.6%	6.2%	9.9%	6.5%	14.9%	14.9%
Bonds - Global Government	-2.0%	-4.5%	-1.2%	-1.7%	1.8%	4.3%	2.5%	0.4%	1.8%	0.2%	-2.8%	-2.3%	-4.9%	-0.4%	-4.0%	8.3%	-3.4%	5.2%	2.5%	5.8%	8.9%	8.4%	11.5%	11.5%
Bonds - EM	-1.7%	-4.7%	-0.5%	0.8%	1.1%	2.1%	-11.3%	0.9%	8.3%	3.2%	-2.1%	-1.0%	0.1%	-3.0%	-6.0%	8.3%	0.1%	0.0%	12.3%	0.1%	16.3%	11.5%	21.0%	21.0%
GBPUSD	1.1%	5.3%	-0.1%	2.6%	-0.4%	-2.9%	-3.1%	1.4%	-2.0%	0.5%	5.5%	2.0%	8.2%	4.1%	9.8%	3.3%	9.5%	-5.6%	3.9%	0.7%	9.8%	8.5%	13.9%	19.9%
GBPEUR	1.9%	2.9%	1.1%	0.7%	0.7%	-2.3%	-3.2%	2.2%	-3.3%	-0.7%	0.6%	1.0%	0.8%	-3.5%	1.3%	3.3%	-4.0%	-1.2%	6.3%	-5.2%	7.2%	5.9%	11.6%	11.6%
GBPJPY	2.7%	5.3%	1.2%	1.8%	-0.7%	-3.3%	-3.5%	1.1%	-1.4%	0.6%	3.5%	1.6%	5.7%	1.6%	8.8%	-1.1%	5.3%	-8.1%	3.0%	-2.4%	9.0%	9.7%	14.1%	19.6%
Dollar Index	0.5%	-2.0%	0.9%	-1.9%	1.0%	0.8%	0.9%	0.0%	-0.7%	-1.0%	-4.2%	-1.0%	-6.1%	-5.9%	-6.6%	-0.3%	-9.9%	4.4%	0.2%	-4.2%	5.5%	5.2%	10.3%	10.3%

Source: Bloomberg, Copia Capital Management.

### Notes:

Returns based on Total return, assuming income is re-invested immediately and rebalanced on due dates.

The performance of each asset class is represented by relevant indices and expressed in GBP terms, which are selected by Copia Capital Management.

Reference to a particular asset class does not represent a recommendation to seek exposure to that asset class. \*Maximum Return Drawdown is defined as the largest single drop from peak to trough of the value of an asset class or portfolio over any timeframe within the stated period. This information is included for comparison purposes for the period stated, but is not an indicator of potential maximum loss for other periods or in the future.



Market performance

**ETF Flows**

Risk barometer

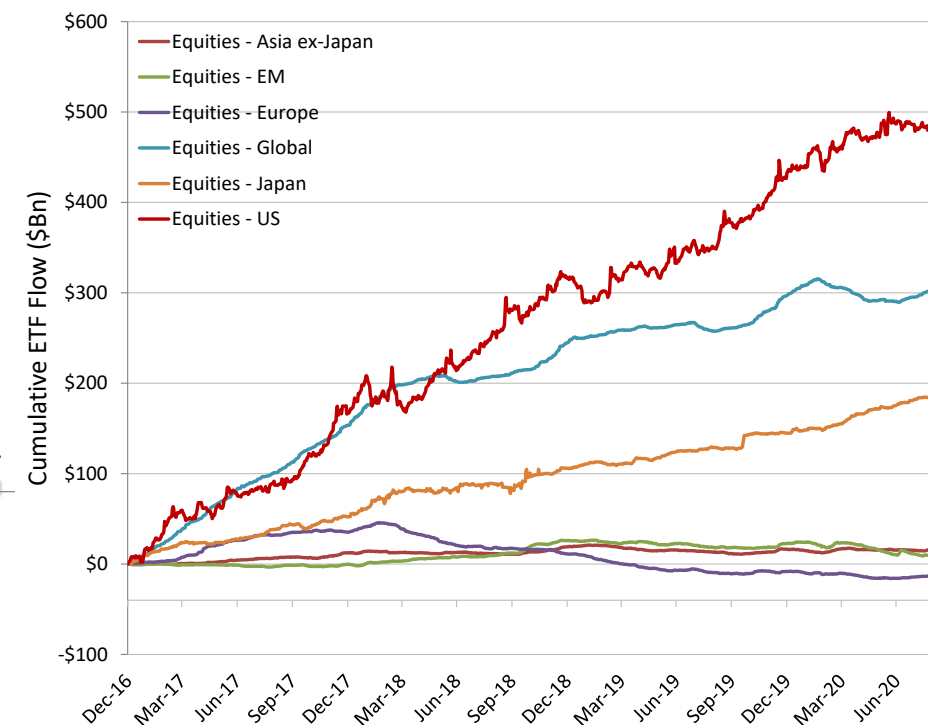
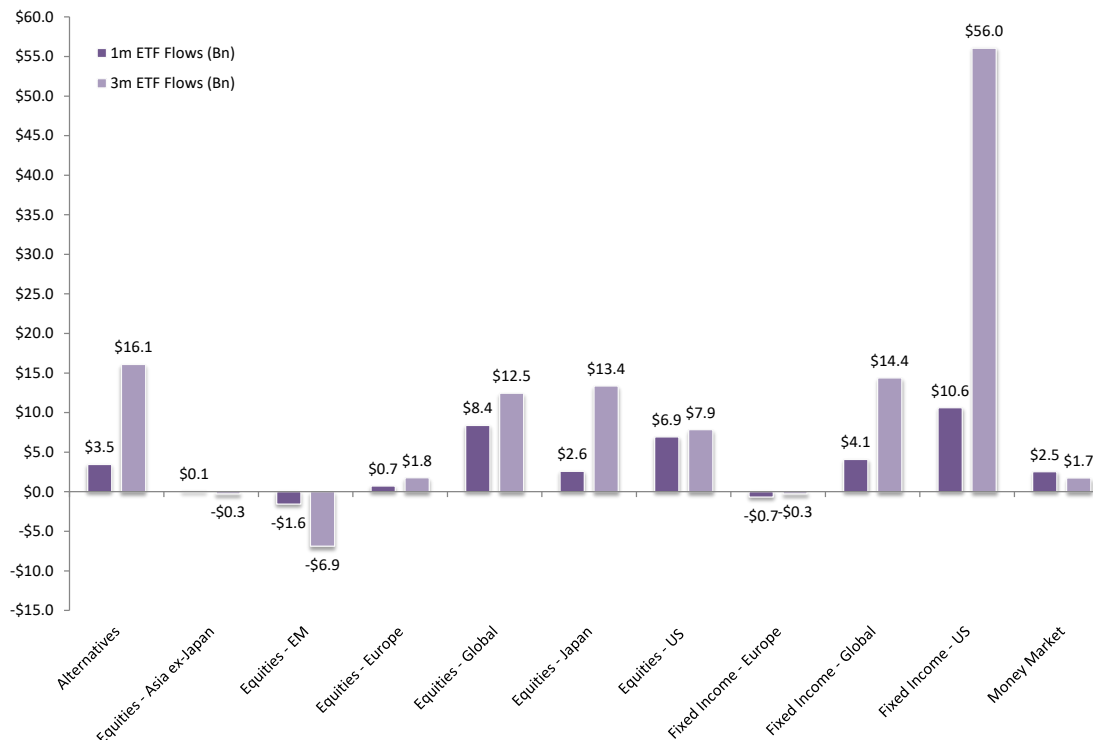
Portfolio realignments

Portfolio performance

Outcome charts

## Net ETF Fund Flows by asset class

- August saw a net inflow into ETFs markets. The US Fixed Incomes ETFs continued to see the most new investments, followed by the Global Equities and US Equities ETFs . Assets in EM Equities and Global Fixed Incomes ETFs had small outflows of \$1.6bn and \$0.7bn respectively.
- As the concerns remain on the second coronavirus wave, investors preferred to use ETFs to diversify portfolios to mitigate risk.





Market performance

ETF Flows

**Risk barometer**

Portfolio realignments

Portfolio performance

Outcome charts

**-0.47**

As of 31-Jul-2020



**-0.40**

As of 31-Aug-2020

Based on our proprietary Prediction Algorithm the Copia Risk Barometer is now reading -0.40 as of 31-August-2020, remaining in the red zone, indicating that the global economic outlook is negative.

## Primary drivers for the Risk Barometer:

- **Government bond markets:** Yield curves around the world have slightly steepened from last month but remain flat relative to historic levels with the term premium offered being very low. A flat yield curve is signalling slow economic growth for 2020 with interest rates expected to remain lower for longer.
- **Equity market pricing:** Apart from US equities most world equity markets especially Europe continue to lack medium term momentum with lingering uncertainty regarding corporate earnings for 2020.
- **Credit Spreads:** Credit spreads have fully normalised with the injection of large liquidity by the Central banks around the world. Credit spreads have become very tight similar to pre-pandemic levels indicating corporate bond investors are fully convinced central banks will do whatever it takes to prevent companies from failing.
- **Overall:** Negative signals are being picked up by the Risk Barometer and is currently indicating a negative economic outlook, unchanged from last month but some signals continue to point toward an improving outlook.

Note: The Risk Barometer score varies between -1.0 and +1.0. A score of -1.0 indicates an extremely poor economic outlook, which is accompanied by a high probability of negative returns in risky asset classes. A score of 0 indicates a neutral economic outlook with almost equal probability of positive and negative returns in risky asset classes. A score of +1.0 indicates an extremely positive economic outlook, which is accompanied by a high probability of positive returns in risky asset classes.



### Risk Barometer history

- The top chart shows the market performance (best and worst returns) during different Risk Barometer regimes.
- The bottom chart shows how the Risk Barometer has moved between different regimes and the triggers for regime changes.
- The Risk Barometer is a forward-looking quantitative model that provides a systematic rules-based approach for dynamic risk management.

Note: The Risk Barometer score varies between -1.0 and +1.0.

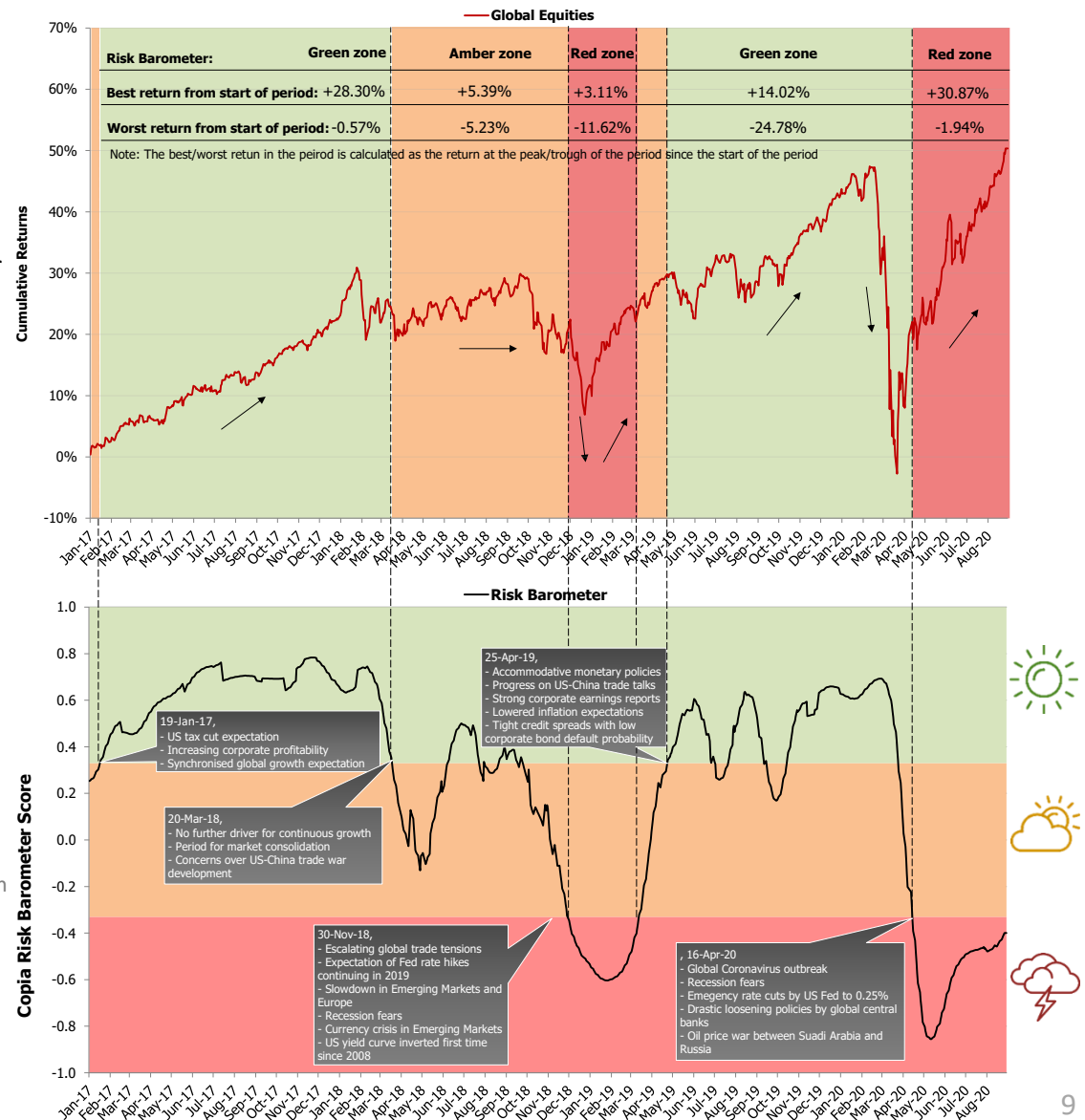
A score of -1.0 indicates an extremely poor economic outlook, which is accompanied by a high probability of negative returns in risky asset classes.

A score of 0 indicates a neutral economic outlook with almost equal probability of positive and negative returns in risky asset classes.

A score of +1.0 indicates an extremely positive economic outlook, which is accompanied by a high probability of positive returns in risky asset classes.

Source: Copia research, Bloomberg Data

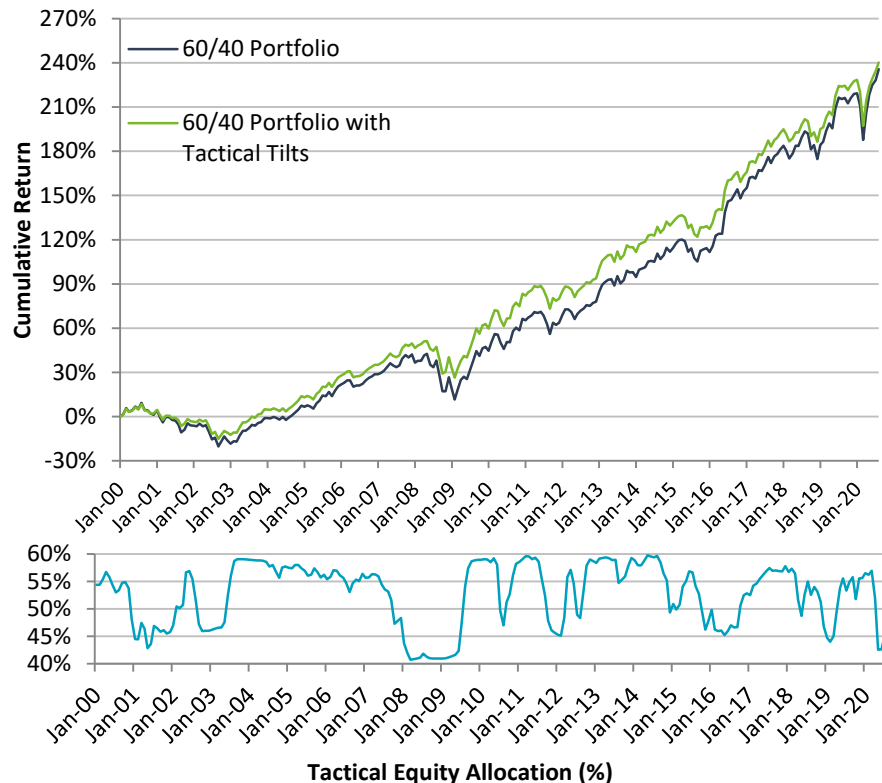
Global Equities Returns is based on actual data of MSCI World Index for the period between 31-Dec-2016 and 31-Aug-2020.



# Risk Barometer Simulated Impact

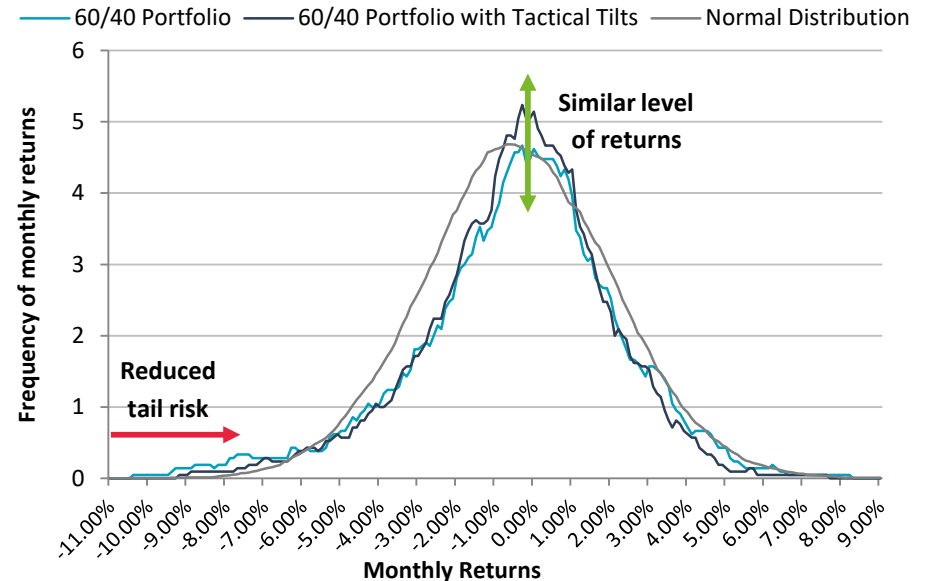
## Impact of dynamic risk management using the Risk Barometer

- Objective is to achieve similar levels of returns, with a narrower dispersion of returns (reduced tail risk)
- Can enhance risk-adjusted returns
- Can deliver a smoother investment journey whilst mitigating downside risk
- We evaluate impact using a theoretical 60/40 portfolio with and without the Risk Barometer



Source: Copia Capital Management

	Annualised Return	Annualised Volatility	Sharpe Ratio	Maximum Drawdown
60/40 Portfolio	6.31%	9.06%	0.70	-27.02%
60/40 Portfolio with Tactical Tilts	6.27%	7.90%	0.79	-21.69%
Impact	→ -0.57%	↓ -12.86%	↑ 14.10%	↓ -19.71%



Note: 60/40 Portfolio consists of 60% allocation to MSCI World ACWI ETF and 40% allocation Global Aggregate Bond ETF rebalanced monthly. Figures are based on historic actual figures in GBP terms for the period 31-Jan-2000 and 31-Aug-2020. All return figures are before fees.

The 60/40 Portfolio with Tactical Tilts consists of dynamic allocation to MSCI World ACWI ETF within a range of 40% to 60% driven by the Risk Barometer. The portfolio is rebalanced monthly and remaining allocation is to Global Aggregate Bond ETF.

Source: Copia research, Bloomberg data.

Market performance

ETF Flows

Risk barometer

**Portfolio realignments**

Portfolio performance

Outcome charts

## August realignment

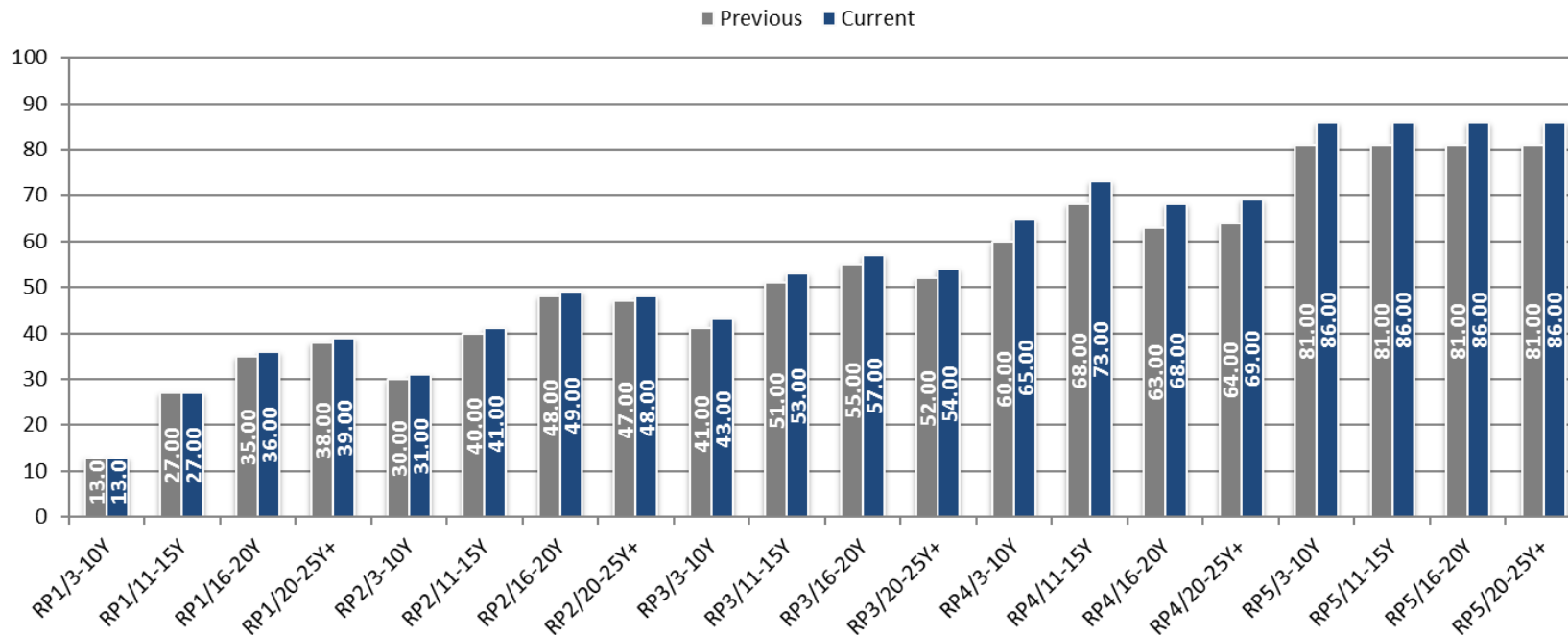
Copia Retirement Income and Enhanced Equity portfolios were realigned in August 2020

2020	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Select & Select ESG												
Volatility Focus												
Retirement Income												
Enhanced Equity												

## Portfolio realignments in August 2020

### Retirement Income range

- The Copia Retirement Income range was realigned on 17 August 2020.
- The Copia Risk Barometer score changed from -0.85 in previous realignment 18-May-2020 to -0.45 (17-August-2020).
- The reading improves but remains within the red zone, indicating a negative global economic outlook.
- Overall equity allocation has been tilted up slightly within the tactical allocation range for all models as shown in the chart below.



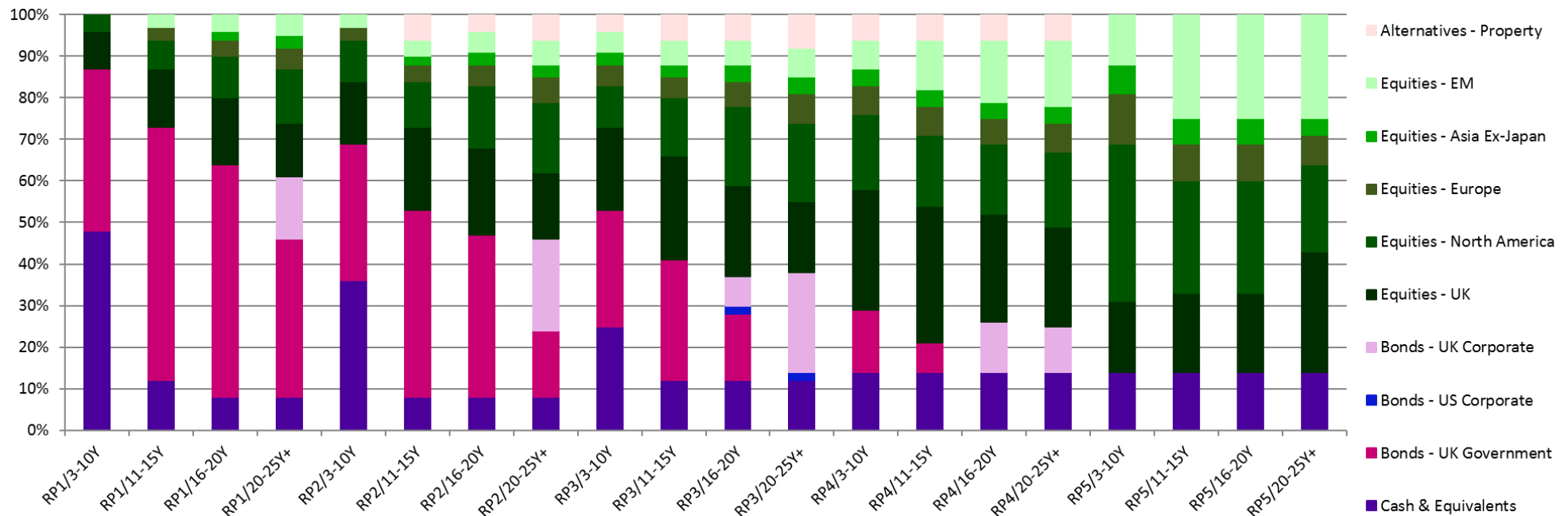
Previous realignment as of 18-May-2020. Current realignment as of 17-August-2020

# Portfolio realignments in August 2020

## Retirement Income range

### Asset Allocation:

- Based on the capital market assumptions and the Risk Barometer reading we create optimised allocations to match five risk profiles over four time horizon ranges. The optimised allocations mitigate “shortfall risk” making the portfolios better suited to match the present value of expected withdrawals over time.
- The current asset allocation for Retirement Income models are as shown in the chart below.



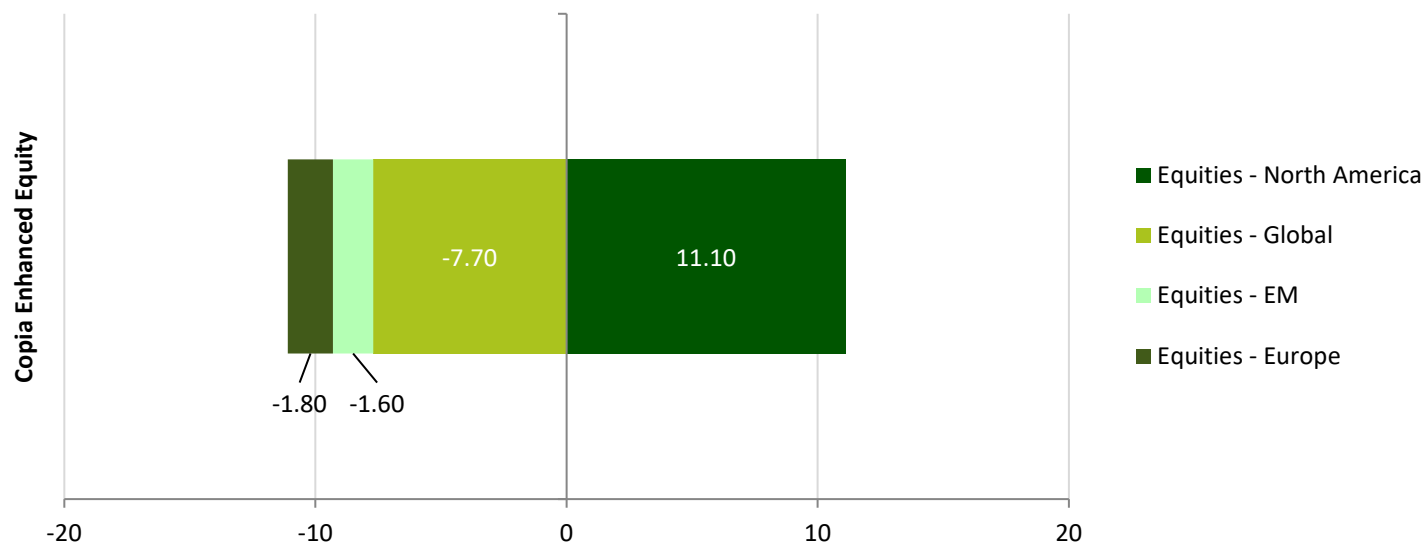
Source: Copia Capital Management

## Portfolio realignments in August 2020

### Enhanced Equity portfolio

#### Asset class changes

The model recommends maintaining the increased equity exposure, adding equity exposure to North America Equities and reducing exposure to Global, EM and Europe Equities.



Source: Copia Capital Management



Market performance  
ETF Flows  
Risk barometer  
Portfolio realignments  
**Portfolio performance**  
Outcome charts



## Copia Volatility Focus range

%mm Performance												Return Characteristics									Risk Characteristics			
Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	3M	6M	12M	36M	2017	2018	2019	YTD	Since Inception (28 Oct 13)	Annualised Volatility 1Y	Annualised Volatility 3Y	Maximum Return Drawdown* 1Y	Maximum Return Drawdown* 3Y
-0.2%	-0.2%	0.0%	0.2%	0.8%	0.1%	-2.4%	2.2%	-0.1%	0.2%	0.3%	-0.5%	-0.1%	-0.4%	0.2%	3.3%	0.6%	0.0%	3.2%	0.5%	10.9%	3.5%	2.4%	7.8%	7.8%
-0.1%	-0.3%	-0.1%	0.2%	0.9%	0.0%	-2.8%	2.7%	-0.1%	0.2%	0.3%	-0.6%	-0.1%	-0.5%	0.1%	3.7%	0.7%	0.2%	3.5%	0.5%	10.6%	4.2%	2.8%	9.2%	9.2%
-0.1%	-1.1%	0.1%	0.2%	1.1%	-1.3%	-5.1%	4.0%	0.4%	0.3%	0.0%	0.1%	0.4%	-0.4%	-1.5%	3.4%	3.4%	-2.3%	5.9%	-0.5%	17.1%	7.1%	4.7%	14.0%	14.0%
-0.2%	-1.5%	0.0%	0.2%	0.9%	-2.1%	-6.0%	4.6%	0.8%	0.2%	-0.1%	0.3%	0.4%	-0.4%	-3.1%	1.9%	4.0%	-3.3%	6.4%	-1.6%	19.7%	8.4%	5.6%	15.9%	15.9%
-0.3%	-2.4%	0.5%	0.3%	0.5%	-3.6%	-7.7%	5.4%	1.7%	0.3%	-0.1%	0.7%	0.9%	-0.2%	-5.3%	1.0%	6.4%	-4.7%	8.1%	-3.4%	19.6%	11.0%	7.7%	19.7%	19.7%
-0.4%	-2.5%	0.2%	0.2%	-0.3%	-4.2%	-8.6%	5.3%	2.1%	1.0%	0.1%	0.4%	1.6%	-0.2%	-7.0%	0.6%	7.2%	-4.9%	9.3%	-4.7%	19.7%	11.9%	8.4%	21.2%	21.2%
-0.4%	-2.8%	0.2%	0.2%	-0.3%	-4.3%	-9.1%	5.2%	2.4%	1.3%	-0.3%	0.4%	1.4%	-0.7%	-7.9%	1.5%	8.2%	-5.0%	10.2%	-5.3%	22.8%	12.3%	9.0%	21.4%	21.4%
-0.7%	-3.0%	0.0%	0.2%	0.2%	-3.9%	-8.6%	5.1%	2.7%	1.7%	-0.8%	0.3%	1.3%	-0.1%	-7.0%	3.2%	8.7%	-5.5%	10.5%	-3.7%	25.6%	12.0%	9.2%	20.3%	20.3%
-0.4%	-3.3%	0.3%	0.2%	-0.1%	-5.3%	-10.4%	6.0%	2.7%	1.8%	-1.0%	0.8%	1.6%	-1.0%	-9.3%	0.0%	9.3%	-7.0%	12.0%	-6.3%	24.9%	14.3%	10.8%	24.3%	24.3%
-0.5%	-3.3%	0.3%	0.3%	0.2%	-4.9%	-9.6%	5.7%	2.9%	2.1%	-0.1%	1.1%	3.0%	1.2%	-6.6%	3.3%	9.6%	-7.4%	12.7%	-3.6%	28.5%	13.7%	10.7%	22.8%	22.8%

Source: Copia Capital Management

## Copia Enhanced Equity portfolio

%mm Performance												Return Characteristics								Risk Characteristics				
Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	3M	6M	12M	36M	2017	2018	2019	YTD	Since Inception (14 Mar 16)	Annualised Volatility 1Y	Annualised Volatility 3Y	Maximum Return Drawdown* 1Y	Maximum Return Drawdown* 3Y
1.8%	-1.7%	3.2%	1.1%	-1.9%	-6.8%	-9.5%	8.1%	3.1%	1.7%	-1.5%	3.8%	4.0%	4.9%	0.2%	2.5%	15.4%	-7.9%	12.9%	-4.1%	38.8%	16.6%	12.0%	26.7%	26.7%

Source: Copia Capital Management

# Performance table

## Copia Select range

	%mm Performance													Return Characteristics								Risk Characteristics			
	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	3M	6M	12M	36M	2017	2018	2019	YTD	Since Inception (31 Oct 16)	Annualised Volatility 1Y	Annualised Volatility 3Y	Maximum Return Drawdown* 1Y	Maximum Return Drawdown* 3Y
Cautious	0.1%	-2.6%	0.2%	-0.1%	1.4%	-0.5%	-3.3%	3.7%	2.0%	1.1%	-0.6%	-0.7%	-0.3%	2.0%	0.3%	11.4%	3.1%	-0.3%	9.3%	2.9%	15.0%	6.6%	5.4%	9.7%	9.7%
Moderate	0.6%	-2.5%	0.8%	0.1%	0.8%	-2.1%	-5.5%	4.7%	3.3%	1.5%	-1.0%	0.5%	1.0%	3.2%	0.7%	13.8%	6.1%	-1.7%	13.3%	1.8%	20.7%	9.3%	7.1%	13.4%	13.4%
Balanced	1.1%	-2.3%	1.5%	0.8%	-0.2%	-3.9%	-8.6%	6.4%	3.9%	2.3%	-0.5%	1.6%	3.4%	4.5%	1.3%	13.7%	9.0%	-4.0%	16.1%	0.2%	23.4%	13.3%	9.6%	19.8%	19.8%
Growth	1.3%	-2.6%	1.9%	1.2%	-0.6%	-5.0%	-10.2%	7.2%	4.3%	2.8%	-0.3%	2.0%	4.5%	4.9%	0.8%	14.0%	10.1%	-4.3%	17.6%	-0.9%	25.0%	15.6%	11.1%	23.2%	23.2%
Equity	1.5%	-2.5%	2.1%	1.3%	-1.2%	-5.5%	-10.1%	7.1%	4.7%	3.1%	-0.4%	2.7%	5.4%	6.3%	1.6%	14.3%	12.1%	-5.2%	18.1%	-0.8%	27.0%	16.1%	12.1%	24.3%	24.3%

Source: Copia Capital Management

# Performance table

## Copia Retirement Income range

		%mm Performance												Return Characteristics										Risk Characteristics			
		Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	3M	6M	12M	36M	2017	2018	2019	YTD	Since Inception (28 Feb 17)	Annualised Volatility 1Y	Annualised Volatility 3Y	Maximum Return Drawdown* 1Y	Maximum Return Drawdown* 3Y	
RP1	RP1/3-10Y	1.1%	-0.8%	0.2%	0.4%	0.4%	-1.4%	-2.0%	1.8%	0.6%	0.2%	-0.3%	-0.1%	-0.3%	0.0%	0.0%	4.4%	#N/A	-0.9%	6.0%	-0.9%	5.0%	3.6%	2.8%	5.6%	5.6%	
	RP1/11-15Y	1.6%	-1.1%	0.4%	0.8%	0.0%	-2.4%	-3.1%	2.1%	1.1%	0.3%	-0.8%	-0.2%	-0.7%	-0.7%	-1.3%	3.5%	#N/A	-1.9%	8.5%	-3.0%	4.9%	5.4%	4.2%	9.9%	9.9%	
	RP1/16-20Y	2.0%	-1.5%	0.5%	0.8%	0.0%	-2.9%	-4.1%	2.7%	1.4%	0.4%	-1.2%	-0.3%	-1.0%	-1.1%	-2.3%	4.0%	#N/A	-1.9%	9.9%	-4.0%	5.9%	6.9%	5.2%	12.6%	12.6%	
	RP1/20-25Y+	1.8%	-1.5%	0.6%	0.8%	0.1%	-3.3%	-5.3%	3.7%	1.7%	0.6%	-1.0%	-0.3%	-0.7%	-0.9%	-2.4%	5.0%	#N/A	-2.0%	11.0%	-4.1%	7.4%	8.3%	6.0%	15.1%	15.1%	
RP2	RP2/3-10Y	1.6%	-0.9%	0.6%	1.0%	-0.5%	-2.9%	-4.1%	2.3%	1.3%	0.5%	-1.0%	0.3%	-0.2%	-0.9%	-2.0%	1.4%	#N/A	-2.4%	7.8%	-4.2%	2.6%	6.4%	4.7%	10.3%	10.3%	
	RP2/11-15Y	2.2%	-1.2%	0.9%	1.4%	-1.0%	-4.1%	-6.2%	2.8%	1.7%	0.7%	-1.5%	0.4%	-0.4%	-2.3%	-4.1%	0.3%	#N/A	-3.3%	10.8%	-7.2%	2.0%	9.2%	6.6%	15.6%	15.6%	
	RP2/16-20Y	2.3%	-1.4%	0.9%	1.3%	-0.7%	-4.6%	-6.7%	3.4%	2.0%	0.7%	-1.7%	0.3%	-0.7%	-2.3%	-4.8%	1.6%	#N/A	-3.1%	12.3%	-7.5%	3.8%	10.1%	7.2%	17.1%	17.1%	
	RP2/20-25Y+	2.1%	-1.4%	1.1%	1.3%	-0.6%	-4.9%	-8.4%	4.6%	2.2%	1.0%	-1.3%	0.3%	-0.1%	-2.1%	-4.7%	2.7%	#N/A	-3.0%	13.2%	-7.4%	5.3%	12.0%	8.2%	20.1%	20.1%	
RP3	RP3/3-10Y	2.4%	-1.1%	1.1%	1.6%	-1.6%	-4.4%	-7.2%	3.0%	1.9%	0.8%	-1.6%	0.7%	-0.1%	-2.6%	-4.7%	-1.5%	#N/A	-3.6%	10.4%	-8.4%	0.1%	10.4%	7.3%	17.1%	17.1%	
	RP3/11-15Y	2.8%	-1.3%	1.4%	1.9%	-1.9%	-5.4%	-8.4%	3.6%	2.3%	0.9%	-1.9%	0.7%	-0.4%	-3.3%	-5.9%	-2.0%	#N/A	-4.1%	12.5%	-10.3%	0.1%	12.3%	8.6%	20.3%	20.3%	
	RP3/16-20Y	2.6%	-1.4%	1.3%	1.7%	-1.5%	-6.0%	-9.4%	4.4%	2.6%	1.0%	-2.0%	0.8%	-0.2%	-3.1%	-6.4%	-0.2%	#N/A	-4.0%	14.4%	-10.3%	2.4%	13.5%	9.4%	22.3%	22.3%	
	RP3/20-25Y+	2.4%	-1.3%	1.5%	1.8%	-1.5%	-6.1%	-11.0%	5.5%	2.8%	1.3%	-1.5%	0.8%	0.5%	-3.0%	-6.4%	0.3%	#N/A	-3.9%	14.8%	-10.3%	3.1%	15.3%	10.3%	25.0%	25.0%	
RP4	RP4/3-10Y	3.2%	-1.2%	1.8%	2.4%	-2.8%	-6.7%	-10.6%	4.1%	2.8%	1.1%	-2.3%	1.2%	-0.1%	-4.3%	-7.7%	-4.4%	#N/A	-4.9%	14.0%	-13.2%	-2.1%	15.3%	10.6%	25.1%	25.1%	
	RP4/11-15Y	3.3%	-1.2%	1.9%	2.5%	-2.8%	-7.4%	-11.9%	4.6%	3.2%	1.3%	-2.7%	1.2%	-0.2%	-5.2%	-9.1%	-4.9%	#N/A	-4.9%	15.2%	-14.7%	-2.3%	17.0%	11.5%	27.4%	27.4%	
	RP4/16-20Y	3.0%	-1.4%	1.8%	2.5%	-2.7%	-6.9%	-11.9%	5.2%	3.1%	1.3%	-2.3%	1.0%	-0.1%	-4.6%	-8.3%	-3.4%	#N/A	-4.6%	15.2%	-13.6%	-0.6%	16.7%	11.4%	27.2%	27.2%	
	RP4/20-25Y+	2.9%	-1.4%	1.8%	2.6%	-2.8%	-7.0%	-12.1%	5.4%	3.2%	1.3%	-2.3%	1.0%	-0.1%	-4.6%	-8.6%	-3.4%	#N/A	-4.5%	15.4%	-13.8%	-0.6%	17.1%	11.6%	27.6%	27.6%	
RP5	RP5/3-10Y	3.6%	-1.9%	2.2%	2.4%	-3.5%	-7.7%	-11.9%	5.5%	3.8%	1.2%	-2.9%	1.7%	-0.1%	-3.6%	-8.7%	-2.6%	#N/A	-4.2%	16.1%	-14.1%	0.5%	17.8%	12.5%	28.1%	28.1%	
	RP5/11-15Y	3.3%	-1.9%	2.1%	2.9%	-3.8%	-7.4%	-12.5%	5.5%	3.8%	1.2%	-3.1%	1.4%	-0.6%	-4.8%	-9.7%	-4.2%	#N/A	-3.7%	15.2%	-15.2%	-1.1%	18.2%	12.6%	28.4%	28.4%	
	RP5/16-20Y	3.2%	-1.9%	2.1%	3.0%	-3.9%	-7.4%	-12.5%	5.5%	3.8%	1.2%	-3.1%	1.4%	-0.6%	-4.8%	-9.8%	-4.8%	#N/A	-4.0%	14.8%	-15.3%	-1.8%	18.2%	12.6%	28.5%	28.5%	
	RP5/20-25Y+	3.4%	-1.6%	2.1%	3.2%	-4.0%	-7.4%	-12.6%	5.3%	3.7%	1.2%	-3.2%	1.2%	-0.8%	-5.3%	-9.7%	-5.7%	#N/A	-4.6%	15.1%	-15.8%	-2.8%	18.3%	12.6%	28.9%	28.9%	

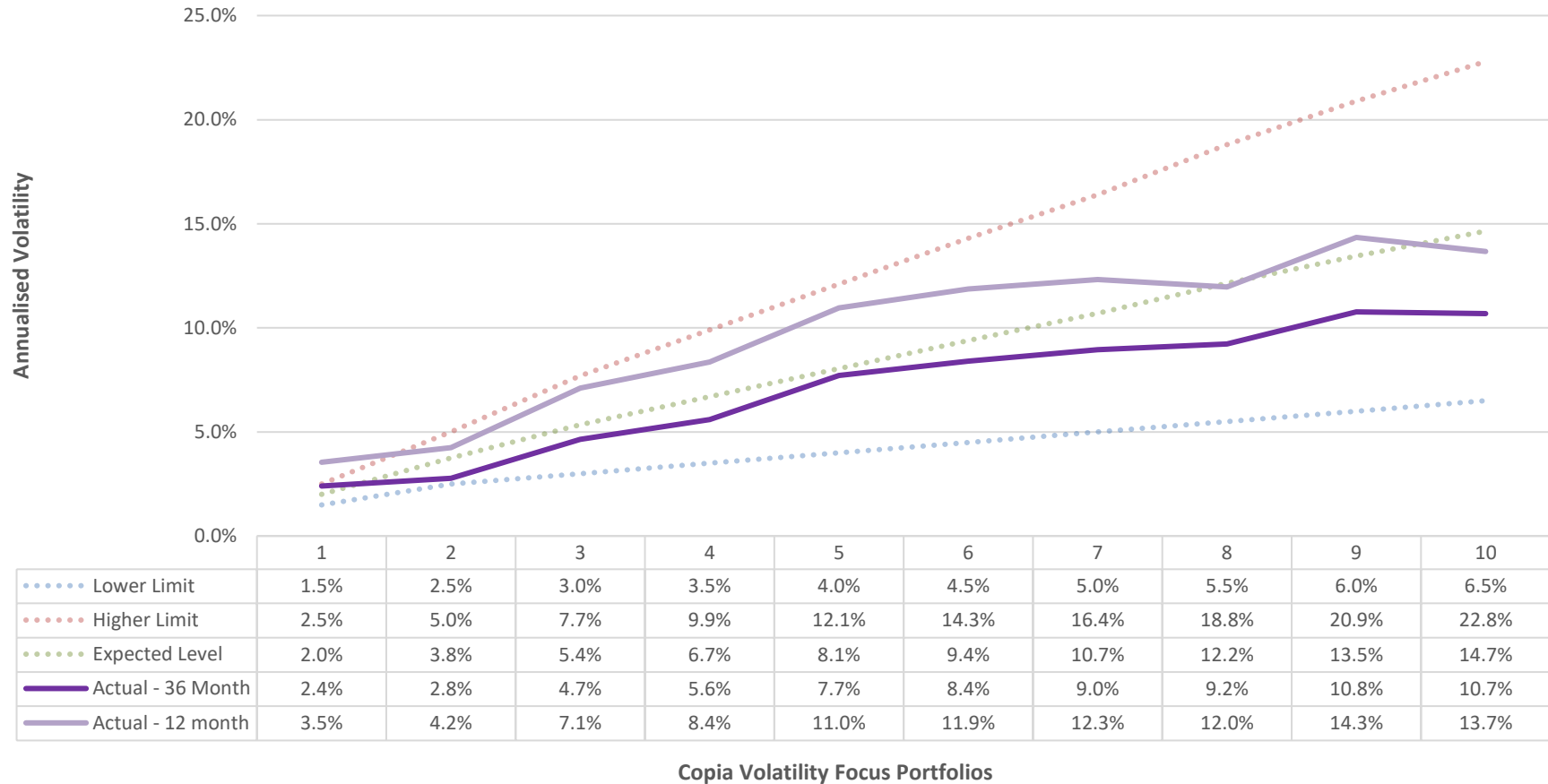
Source: Copia Capital Management



Market performance  
ETF Flows  
Risk barometer  
Portfolio realignments  
Portfolio performance  
**Outcome charts**

# Volatility Focus: outcome chart

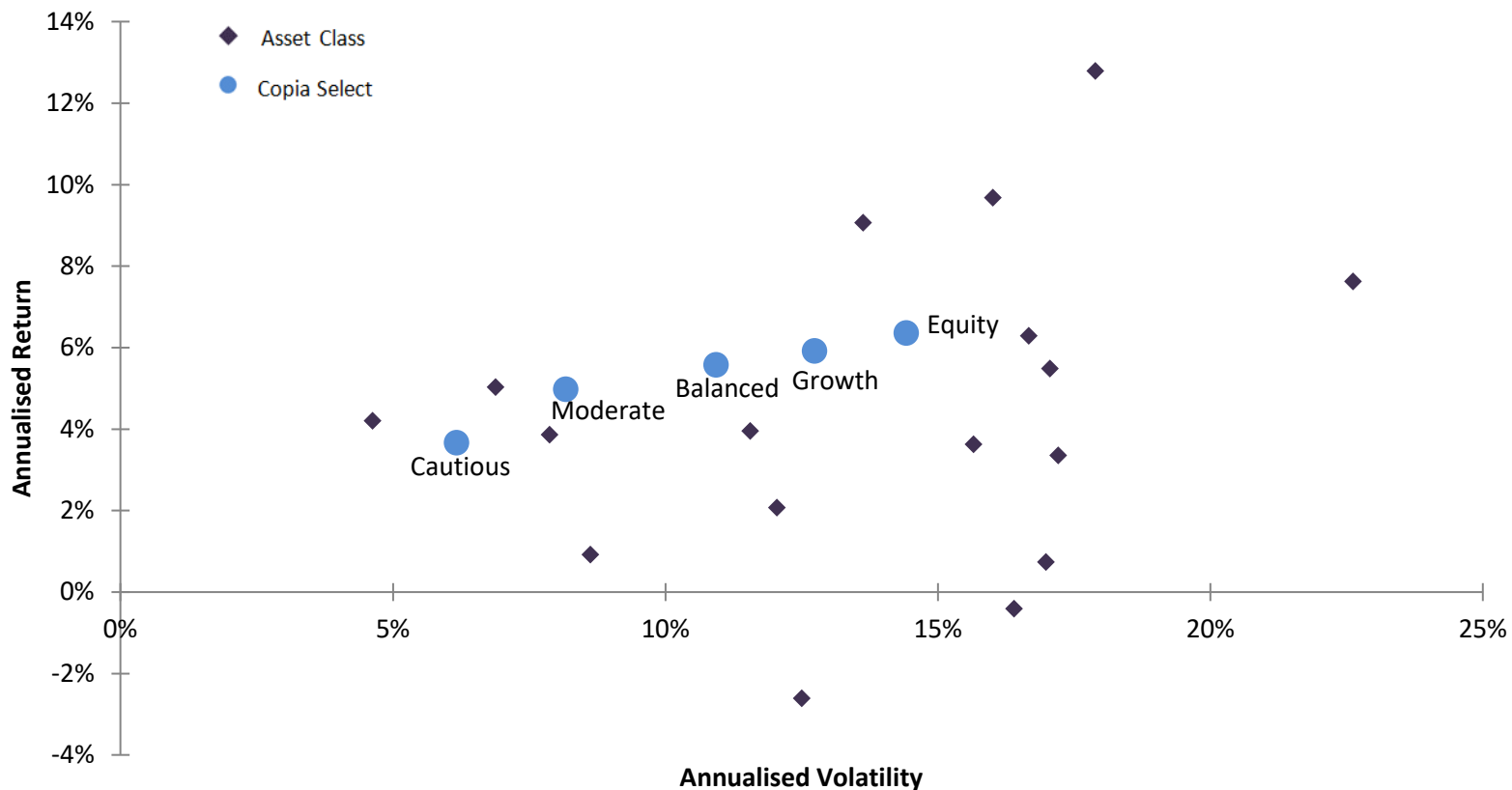
Outcome analysis as at 31 August 2020



*For illustration only*

*Returns based on Total return, assuming income is re-invested immediately and rebalanced on due dates.*

## Outcome (risk-return) analysis as at 31 August 2020

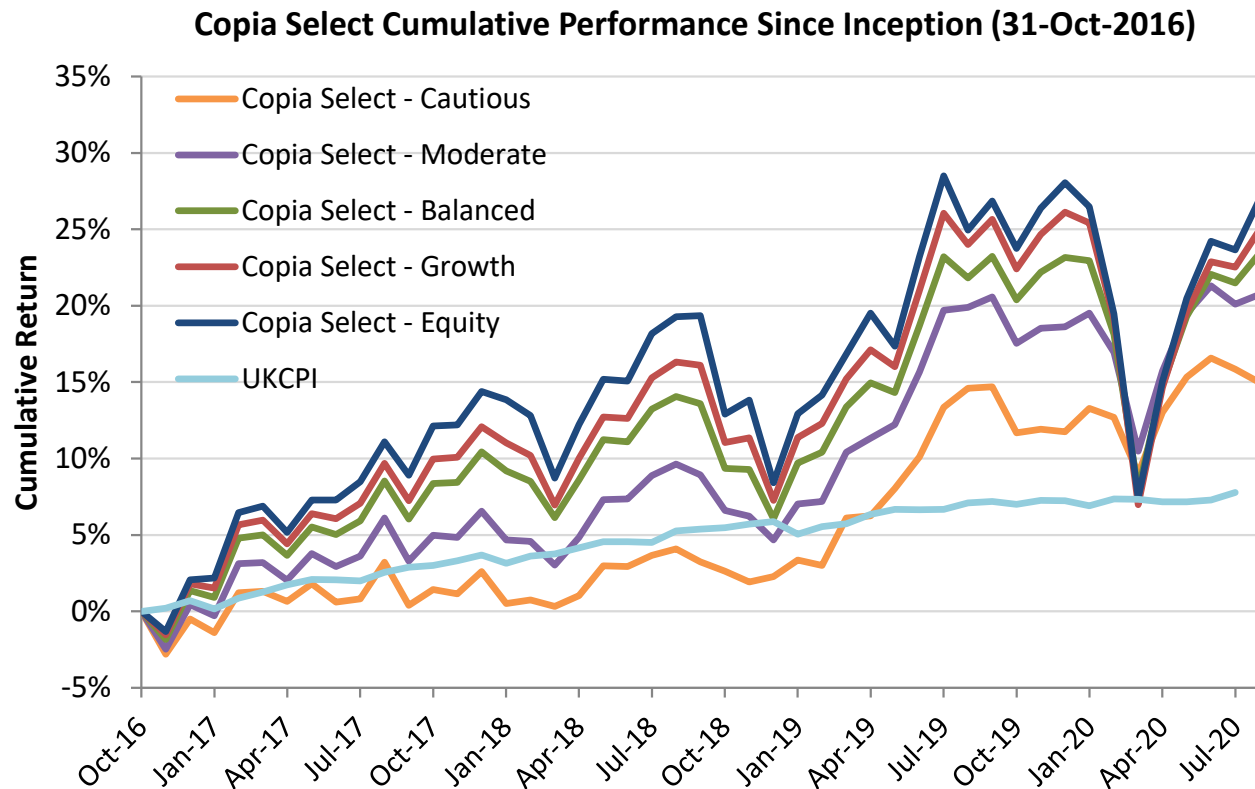


*For illustration only.*

*Returns based on Total return, assuming income is re-invested immediately and rebalanced on due dates.*

***The annualised risk and return figures are calculated based on the period from the inception date of the Select portfolios (31-Oct-2016) to 31-Aug-2020***

Outcome (cumulative return since inception) analysis as at 31 August 2020

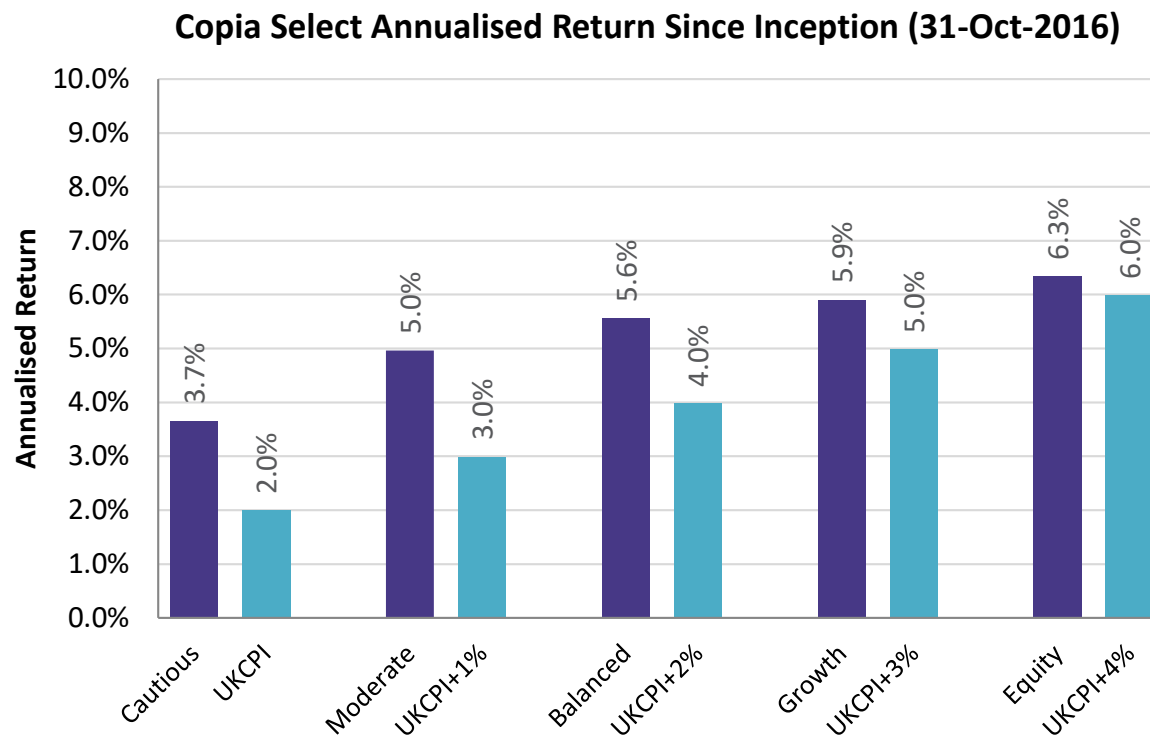


*For illustration only.*

*Returns based on Total return, assuming income is re-invested immediately and rebalanced on due dates.*

*Available CPI data has been used as a comparator for real returns. CPI data for August 2020 is currently unavailable and not shown.*

Outcome (annualised return since inception) analysis as at 31 August 2020



*For illustration only.*

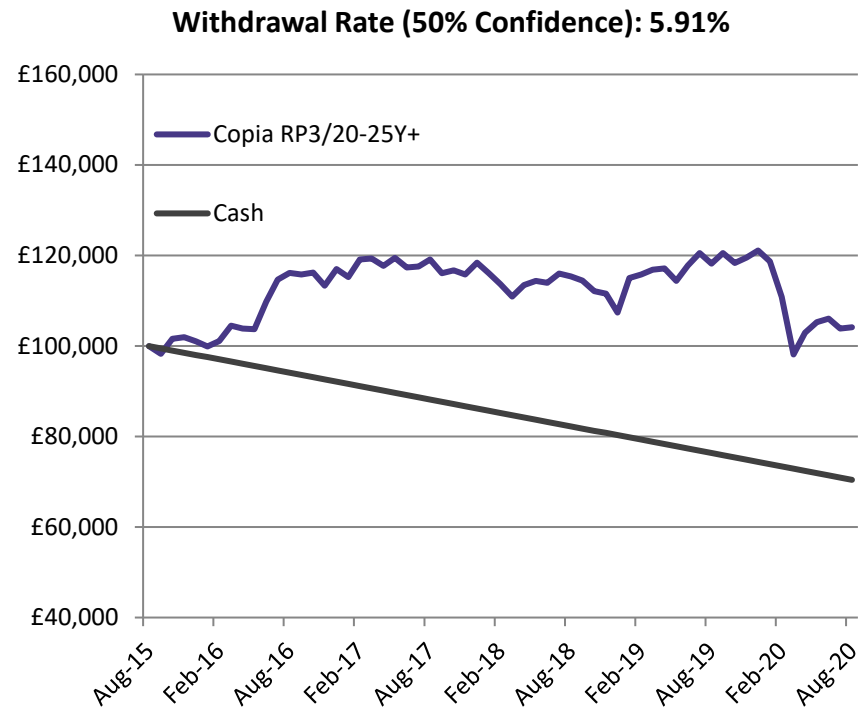
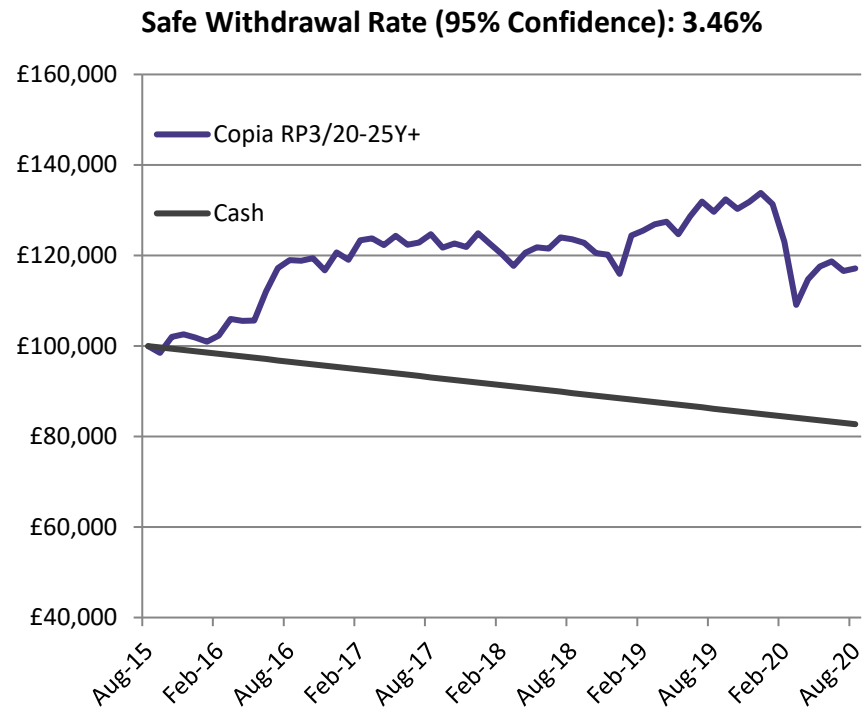
*Returns based on Total return, assuming income is re-invested immediately and rebalanced on due dates.*

*Available CPI data has been used as a comparator for real returns. CPI data for August 2020 is currently unavailable and not shown.*



## Retirement Income: outcome chart

Outcome analysis as at 31 August 2020



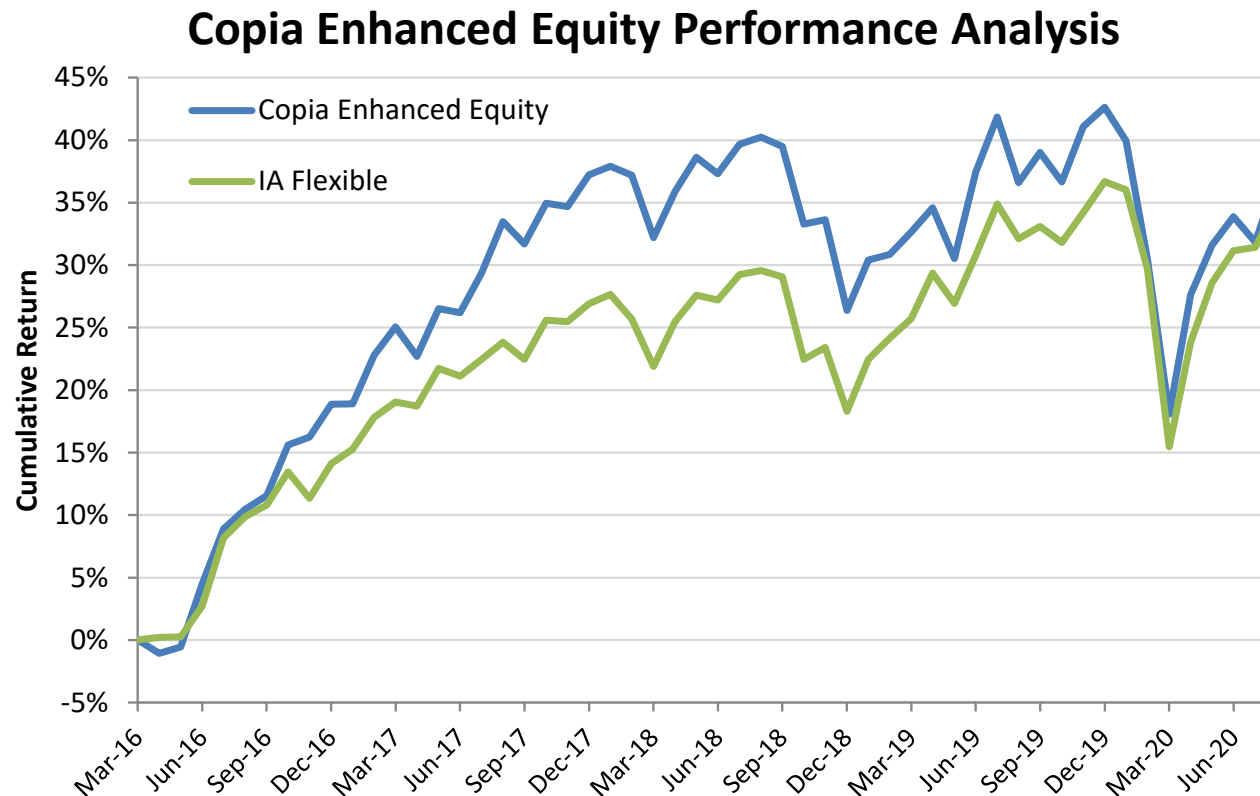
*For illustration only.*

*Returns based on Total return, assuming income is re-invested immediately and rebalanced on due dates.*

***Performance includes simulated performance for data prior to launch date (28-Feb-2017). Actual data is used from 1-Mar-2017 to Present***

# Enhanced Equity portfolio: outcome chart

Outcome analysis as at 31 August 2020



*For illustration only.*

*Returns based on Total return, assuming income is re-invested immediately and rebalanced on due dates.*



# Copia Capital Management

## The art of portfolio construction

### Disclaimer

Some figures and numbers in this document are based on Copia's simulation data. Figures relating to simulated performance is not a reliable indicator of the future. Models are prepared in accordance with tolerance to risk and not client circumstances and information is from given sources and taken to be reliable and accurate, which Copia cannot warrant for accuracy or completeness.

This document is intended to provide information for professional Advisers only and is not intended for onward transmission to clients. Copia does not provide advice – Advisers must seek their own compliance/legal advice before relying on the information provided in this document. Copia is a trading name of Novia Financial plc. Novia Financial plc is a limited company registered in England & Wales. Register Number: 06467886. Registered office: Cambridge House, Henry Street, Bath, Somerset, BA1 1JS. Novia Financial plc. is authorised and regulated by the Financial Conduct Authority. Register Number: 481600

© Copia Capital Management All Rights Reserved.