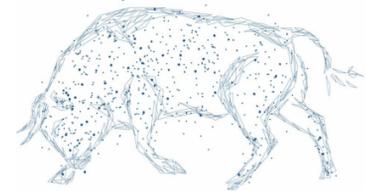


Where money meets intelligence

 **CROSSING POINT**

TACTICAL INVESTORS

Performance update and review, 30 April 2022
Heritage Portfolios



Spring 2022 Heritage Portfolio Update

This year has so far been a difficult and volatile one for investments and our Heritage portfolios have been hit particularly hard. As investment trusts are geared, returns can be amplified, but this can also magnify losses. Our Heritage investments were most negatively impacted by falls in the value of investments in China, which have been constrained by lockdowns, and reductions in the value of technology companies and also in US and UK growth stocks which have been disproportionately impacted by interest rate rises.

China

The Chinese economy was expected to grow over 5% this year. President Xi Jinping had focused on 'common prosperity' to increase the number of those considered to be middle class and to tighten the previous exponential growth in annual income for China's top 10%. Having tightened monetary policy throughout last year, ahead of other economies, the government started to loosen fiscal and monetary policies when they were hit with Covid outbreaks. The Chinese government has stuck to a zero-Covid policy, as their population has little natural immunity without much exposure to Covid and as their vaccines have been found to be less effective as other mRNA vaccines. Lockdowns throughout much of the country has caused reductions in consumer purchases, manufacturing, and exports which has knock on effects throughout the world.

Technology and Growth Stocks

There has been a rotation from growth to value stocks throughout the year. Some of this is cyclical as interest rates rise and monetary policy is tightened. Many of the companies within these sectors are more heavily indebted and therefore further impacted by interest rate rises. Over the long run we would expect many of those growth companies with healthy balance sheets to be able to weather the current inflationary storms, but all growth companies have been tarred by the same brush as growth stocks have been suffering in favour of value-based stocks.

Fixed Income

As interest rates rises are expected to continue over the next few months in order to bring down inflation, we have substantially reduced our fixed income investments across all of our portfolios and moved this allocation to cash. This is a temporary measure and will allow us to more easily re-enter investments as equity and fixed income markets recover.

Active Management

Given the difficulty investment trusts have faced throughout this year due to the rotation from growth to value, the increase in inflation, interest rates, and energy prices, and the success we have found through using trend following on our Guardian portfolios, we decided to include a trend-following overlay to reduce maximum drawdowns and volatility on our Heritage portfolios.

Although it is still too early to see any major changes in the performance of our Heritage portfolios, at the end of April we decided to exit some of the specifically growth geared investment trusts for the time being to move to more alternative assets such as natural resources and infrastructure in the form of unit trusts and to add some value-based investment trusts to add more stability to the portfolios. We have since also moved further out of some of the investment trusts, which had the most negative trends, into cash to protect current investments.

We continue to monitor all the funds and investment trusts in which we either currently invest or are prospectively looking to invest in. We run our trend-following algorithms at least weekly and at the moment are reviewing this information daily. We also have investment committee meetings on a weekly basis, but given an earlier signal, are able to convene in order to trade back into investment trusts or fixed income funds at any time.

Investment trusts are more volatile investments and as such have the potential for much larger returns in the long run. We believe in investment companies and feel that they continue to be strong investments for the long term.



Heritage Portfolios

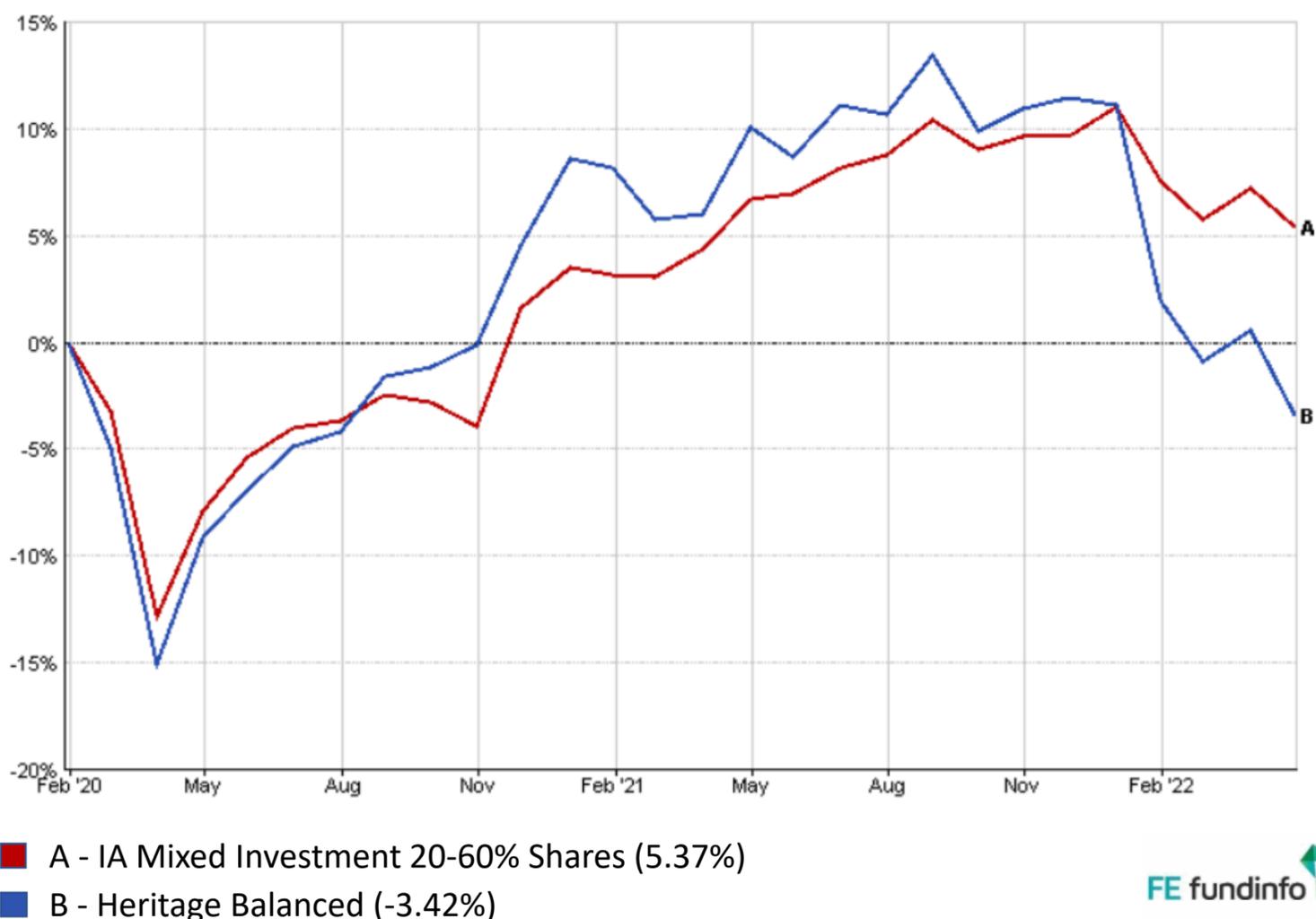
Heritage portfolios are a low-cost actively managed portfolio service designed for long-term capital growth through the use of investment trusts.

Investment trusts highlight lower fees, increased diversification and typically significantly better investment returns over the longer term.

Key Objectives:

- ✘ Superior long-term performance and returns
- ✘ Greater diversification and range of holdings
- ✘ Global equity strategies
- ✘ Flexible investment management
- ✘ Can have lower management costs than open-ended investment companies

Heritage Balanced Portfolio Performance from Crossing Point Launch vs. the IA Mixed Investment 20-60% and the FTSE 100, 1 February 2020 to 30 April 2022

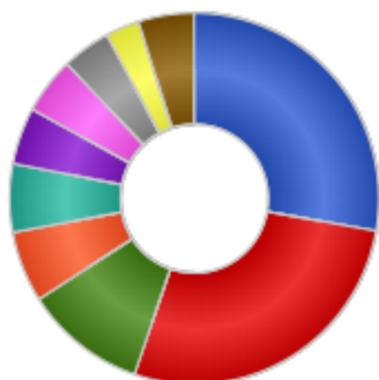


Past performance is not a guarantee of future performance. The value of investments and any income from them can fall and you may get back less than you invested. The performance demonstrated takes into account fund charges within the portfolio only. Transactional, platform, incidental, IFA and Crossing Point charges are excluded, all of which will reduce the performance and eventual returns over the long term.



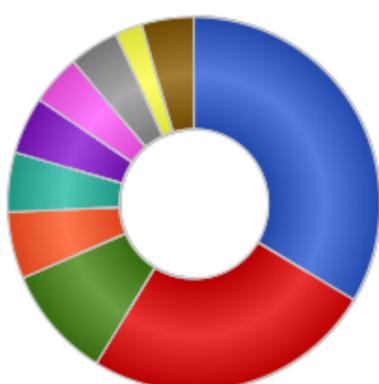
Heritage Portfolio Asset Allocation

Heritage Adventurous



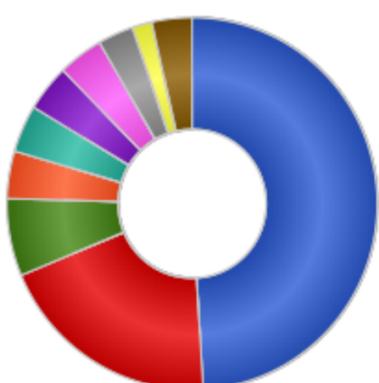
Name	% Weight
North American Equities	27.79
Money Market	27.48
UK Equities	10.65
Property	6.19
European Equities	5.94
Commodity & Energy	4.95
Asia Pacific Equities	4.89
Global Fixed Interest	4.29
Asia Pacific Emerging Equities	2.96
Other	4.88

Heritage Strategic



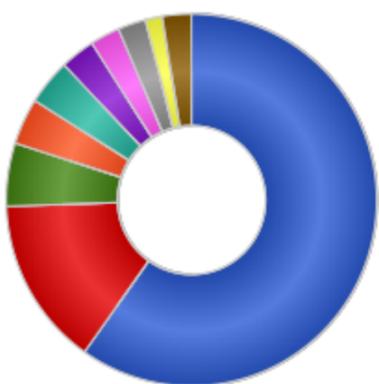
Name	% Weight
Money Market	33.58
North American Equities	25.20
UK Equities	9.75
European Equities	5.79
Property	5.15
Commodity & Energy	4.95
Asia Pacific Equities	4.38
Global Fixed Interest	4.29
Asia Pacific Emerging Equities	2.41
Other	4.51

Heritage Balanced



Name	% Weight
Money Market	49.05
North American Equities	19.67
UK Equities	6.73
Global Fixed Interest	4.12
Property	4.10
European Equities	4.05
Commodity & Energy	3.95
Asia Pacific Equities	3.07
Asia Pacific Emerging Equities	1.77
Other	3.49

Heritage Cautious



Name	% Weight
Money Market	59.81
North American Equities	14.66
UK Equities	5.49
Global Fixed Interest	4.02
Commodity & Energy	3.93
Property	3.06
European Equities	2.59
Asia Pacific Equities	2.43
Asia Pacific Emerging Equities	1.49
Others	2.52



Heritage Portfolio Performance to 30 April 2022

Cumulative Performance (%)					
Heritage	3 months	6 months	1 year	3 years	5 years
Adventurous 85	-6.51	-16.35	-16.22	3.84	33.59
Strategic 70	-5.77	-14.37	-13.67	3.69	28.96
Mixed 40-85	-1.04	-4.05	-0.09	16.45	26.98
Balanced 60	-5.27	-12.91	-12.25	3.89	25.49
Cautious 45	-4.38	-10.55	-9.89	3.05	19.85
Mixed 20-60	-2.07	-3.88	-1.23	10.26	16.33

Source: FE Fundinfo, 30 April 2022.

The Heritage portfolios performance has been impacted over concerns around inflation, the sudden increase in the number of interest rate rises expected this year, the reduction of quantitative easing, and issues in China regarding increased regulation, their Covid-zero policy, and reduced growth. Many of these concerns more specifically impact growth companies such as those which appear in investment trusts. There are also continuing risks due to the coronavirus which could cause further disruption. Heritage portfolios are long-term investments and as such should provide superior returns over longer time periods.

Heritage Balanced Portfolio 5-Year Graph to 30 April 2022

29/04/2017-30/04/2022



- A - Heritage Balanced (25.49%)
- B - IA Mixed Investment 20-60% Shares (16.33%)



Source: FE Fundinfo

Copies of the portfolio factsheets can be found at: www.crossingpoint.co.uk.

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Please call **01792 278 115** or mail mail@crossingpoint.co.uk



Portfolio Volatility to 30 April 2022

3-Year Volatility Measures							
Heritage	Volatility	Alpha	Beta	Sharpe	Max DD	Sortino	Info Ratio
Adventurous 85	17.64	-5.47	1.48	0.00	-24.85	-0.11	-0.45
Strategic 70	14.68	-4.63	1.23	0.00	-20.42	-0.13	-0.66
Mixed 40-85	11.22			0.15	-15.41	0.14	
Balanced 60	12.08	-2.49	1.23	0.00	-15.78	-0.16	-0.37
Cautious 45	9.34	-2.02	0.95	0.00	-12.35	-0.22	-0.57
Mixed 20-60	8.96			0.00	-12.89	-0.02	

Source: FE Fundinfo, 30 April 2022.

Due to gearing associated with investment trusts, Heritage portfolios can be more volatile than their Investment Association mixed benchmarks, but over time this can also lead to higher returns. This risk can be partially addressed through a diverse asset allocation and selecting the appropriate risk/equity level.

FE Risk Scores, April 2022

FE Fundinfo Risk Scores define risk as a measure of volatility relative to an index of the 100 largest UK companies (the FE Risk Score benchmark) which has a risk rating of 100 and is rebased to sterling. Instruments more volatile than the benchmark have a score above 100 and vice versa giving a reliable indication of risk.

Investment Term Risk Level			
Portfolio Risk	FE Risk Score	Short (3-7 Years)	Medium (8-15 Years)
Heritage Cautious	54	Moderate to Adventurous	Moderate
Heritage Balanced	72	Adventurous	Moderate to Adventurous
Heritage Strategic	87	Adventurous	Adventurous
Heritage Adventurous	105	Adventurous	Adventurous

FE Default Investment Portfolio Risk Level	Investment Term	
	Short (3-7 Year) FE Risk Score	Medium (8-15 Years) FE Risk Score
Cautious	5-15	25-40
Cautious to moderate	15-25	40-50
Moderate	25-40	50-60
Moderate to Adventurous	40-60	60-75
Adventurous	60-120	75-130

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Platform Availability

Crossing Point Heritage portfolios are available on the following platforms:



Heritage Portfolio Costs, 30 April 2022

Portfolio	DFM Charge	Fund Cost	Total
Heritage Adventurous	0.30%	0.60%	0.90%
Heritage Strategic	0.30%	0.55%	0.85%
Heritage Balanced	0.30%	0.45%	0.75%
Heritage Cautious	0.30%	0.37%	0.67%

Fund Costs at 30.04.2022

Excludes platform charges, incidental charges, and transaction charges.

The impact of transaction, platform, and incidental costs may mean illustrations from platforms show different total costs.

IMPORTANT INFORMATION

The Crossing Point Portfolio Management Service is only available to investors who use the ongoing services of a financial adviser. For information purposes only, please contact a personal financial adviser for further information.

Independent financial advisers take no responsibility for the underlying investment strategy, the investment process and the choice of funds will be based purely on Crossing Point Discretionary Fund Managers' experience within the market. By the nature of tactical trading, holdings will be regularly bought and sold, but the investment manager will not seek your permission to do this. Investment decisions will be the responsibility of the Discretionary Fund Manager.

Guardian portfolios show actual performance data from September 2019 onwards. Before September 2019, the performance of the underlying funds is shown by applying the decisions made based on the rules-based trend-following signals that would have been applied over the period. The performance data is substantially the same as what would have been achieved if the portfolios had been 'live'.

Heritage portfolios show actual performance data from December 2019 onwards. Before December 2019, the performance of the underlying funds is shown. The performance data is substantially the same as what would have been achieved if the portfolios had been 'live'.

Performance Calculation: Performance is shown inclusive of ongoing fund charges but gross of transaction and incidental fund charges as well as Crossing Point's investment management charge. Deductions for these charges will have the result of reducing the illustrated performance. Platform and IFA charges are applicable. Please refer to your investment adviser for details. Performance is quoted on an annualised basis and calculated through FE Analytics direct and provided for illustrative purposes only and should not be viewed as the performance of a specific client account.

Past performance is not a guide to future performance. The value of investments and any income from them can fall and you may get back less than you invested. If you invest in currencies other than your own, fluctuations in currency value will mean that the value of your investment will move independently of the underlying asset. The information contained in this documentation has been taken from sources stated and is believed to be reliable and accurate, but without further investigation cannot be warranted as to accuracy or completeness. Tax concessions are not guaranteed and may be charged at any time, their value will depend on individual circumstances.

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Detail of the nature of the investments, the commitment required, and the specific risk warnings are described in the Crossing Point Investment Management Terms of Business with a financial adviser. Reference to any particular fund or portfolio does not constitute a recommendation for investment purposes. Indices are used for comparative purposes only. Persons who do not have professional experience in matters relating to investments should speak with a financial adviser before making an investment decision.

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