

Where money meets intelligence

 **CROSSING POINT**

TACTICAL INVESTORS

Performance update and review, 31 December 2021
Heritage Portfolios



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 31 December 2021



- A - Heritage Balanced (11.09%)
- B - IA Mixed Investment 20-60% Shares (10.98%)
- C - FTSE 100 (8.40%)



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	29.78
Global Fixed Interest	12.64
Asia Pacific Emerging Equities	10.47
UK Equities	10.36
Undisclosed	9.00
European Equities	6.85
Japanese Equities	5.10
Other International Equities	3.80
Money Market	3.29
Others	8.92

Heritage Strategic



Name	% Weight
North American Equities	25.52
Global Fixed Interest	19.48
UK Equities	8.33
Asia Pacific Emerging Equities	8.32
Undisclosed	7.00
UK Gilts	6.51
European Equities	6.06
Money Market	4.18
Japanese Equities	4.07
Others	10.73

Heritage Balanced



Name	% Weight
Global Fixed Interest	24.94
North American Equities	21.63
UK Gilts	8.58
UK Equities	7.23
Asia Pacific Emerging Equities	6.70
Undisclosed	6.00
European Equities	5.39
Money Market	5.14
Japanese Equities	3.49
Others	11.08

Heritage Cautious



Name	% Weight
Global Fixed Interest	32.31
North American Equities	15.43
UK Gilts	12.60
Money Market	6.08
UK Equities	5.53
Asia Pacific Emerging Equities	4.77
European Equities	4.01
Undisclosed	4.00
UK Fixed Interest	3.18
Others	12.25



Heritage Portfolio Performance to 31 December 2021

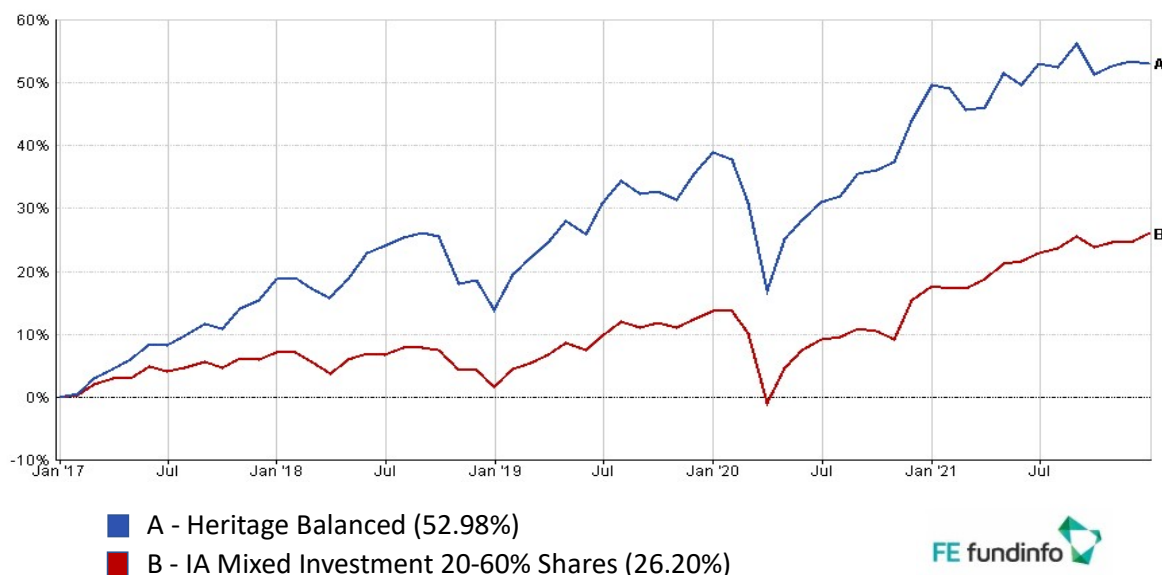
Cumulative Performance (%)					
Heritage	3 months	6 months	1 year	3 years	5 years
Adventurous 85	1.35	-0.55	3.19	45.14	73.26
Strategic 70	1.25	0.19	2.79	38.81	61.12
Mixed 40-85	2.74	4.10	10.95	35.30	39.70
Balanced 60	1.08	0.02	2.27	34.31	52.98
Cautious 45	0.75	-0.05	1.02	27.00	40.81
Mixed 20-60	1.81	2.60	7.20	24.10	26.20

Source: FE Fundinfo, 31 December 2021.

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 31 December 2021

30/12/2016-31/12/2021



Source: FE Fundinfo

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

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Portfolio Volatility to 31 December 2021

3-Year Volatility Measures							
Heritage	Volatility	Alpha	Beta	Sharpe	Max DD	Sortino	Info Ratio
Adventurous 85	16.30	-1.46	1.43	0.60	-24.85	0.50	0.32
Strategic 70	13.49	-0.78	1.19	0.60	-20.42	0.50	0.17
Mixed 40-85	10.69			0.67	-15.41	0.59	
Balanced 60	10.90	1.64	1.16	0.63	-15.78	0.55	0.61
Cautious 45	8.44	1.55	0.90	0.57	-11.84	0.49	0.23
Mixed 20-60	8.66			0.46	-12.89	0.37	

Source: FE Fundinfo, 31 December 2021.

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, December 2021

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	53	Moderate to Adventurous	Moderate
Heritage Balanced	69	Adventurous	Moderate to Adventurous
Heritage Strategic	84	Adventurous	Adventurous
Heritage Adventurous	102	Adventurous	Adventurous

FE Default Investment Portfolio Risk Level	Investment Term	
	Short (3-7 Year)	Medium (8-15 Years)
	FE Risk Score	FE Risk Score
Cautious	5-15	25-35
Cautious to moderate	15-25	35-45
Moderate	25-40	40-55
Moderate to Adventurous	40-60	55-70
Adventurous	60-120	70-130

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Platform Availability

Crossing Point Heritage portfolios are available on the following platforms:



Heritage Portfolio Costs, 31 December 2021

Portfolio	DFM Charge	Fund Cost	Total
Heritage Adventurous	0.30%	0.66%	0.96%
Heritage Strategic	0.30%	0.58%	0.88%
Heritage Balanced	0.30%	0.53%	0.83%
Heritage Cautious	0.30%	0.44%	0.74%

Fund Costs at 31.12.2021.

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 concession 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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