WINTER 2023

LIONTRUST views

THE IMPORTANCE OF REMAINING INVESTED

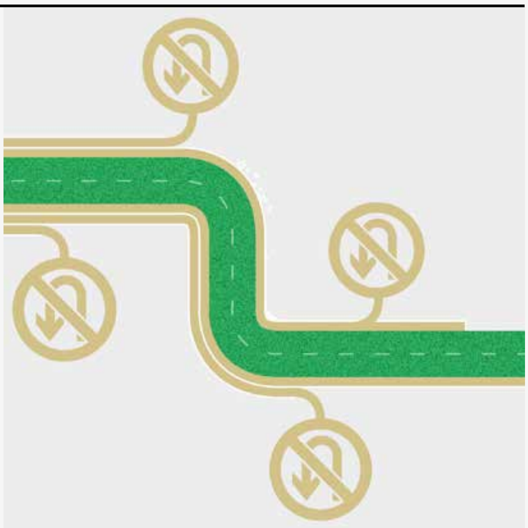
The benefits of keeping your money invested for the longer-term rather than trying to time the highs and lows of market movements.

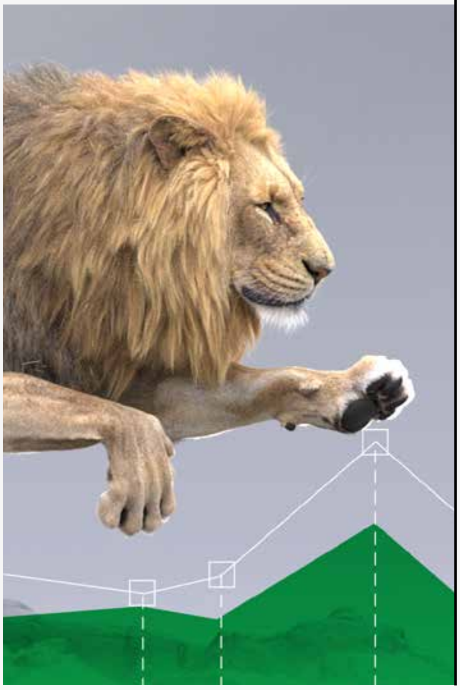
PORTFOLIO POSITIONING:
What are we changing?
We explain the changes we are making to portfolios given our view that a lot of bad news is priced into markets

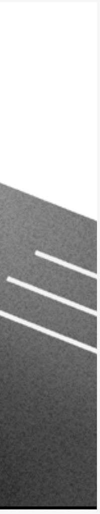
FINDING INVESTMENT OPPORTUNITIES IN 2023
A look at the likely drivers of investment markets in 2023

LIONTRUST
COURAGE · POWER · PRIDE

CONTENTS







WELCOME

Welcome to the first edition of *Liontrust Views* in 2023.

In this edition we examine the political and economic factors that have driven global markets in recent months and look at what we believe might lie ahead. We outline our positioning with regards to the asset classes in which we invest and explain how we see the opportunities and risks they pose.

This publication is also a guide to how the Liontrust Multi-Asset Funds have performed and outline what market developments mean for your investments.

Financial markets opened this year in recovery mode, having performed positively over the last three months of 2022, when they ended a rare run of three successive negative quarters earlier in the year.

The last year has also provided a lesson in just how volatile markets can be. But history shows they do recover at some stage and on page 12–13 we explain the benefits of taking a long-term view when investing – trying to time entry and exits from markets can be a hazardous pursuit.

We hope you enjoy reading this edition of Views and we welcome your feedback. ■

VIEWS OF THE MULTI-ASSET TEAM

RISKS

Central banks have been walking a tightrope between raising interest rates to tame inflation while avoiding too much damage to the economy. They delivered statements in December warning interest rates would stay higher for longer – but pricing pressures appear to be abating, with inflation rates in the US and Europe down from the highs they hit earlier in 2022.

An economic slowdown and the impact that will have on company earnings and financial strength is a broad worry in 2023. Our own view though is that a mild recession is more likely than a protracted downturn, with the global economy in reasonable shape.

Sadly, the war in Ukraine continues and could step up again this year if President Putin deploys the fresh troops he has mobilised. The energy crisis resulting from the war has caused particular challenges for Europe.

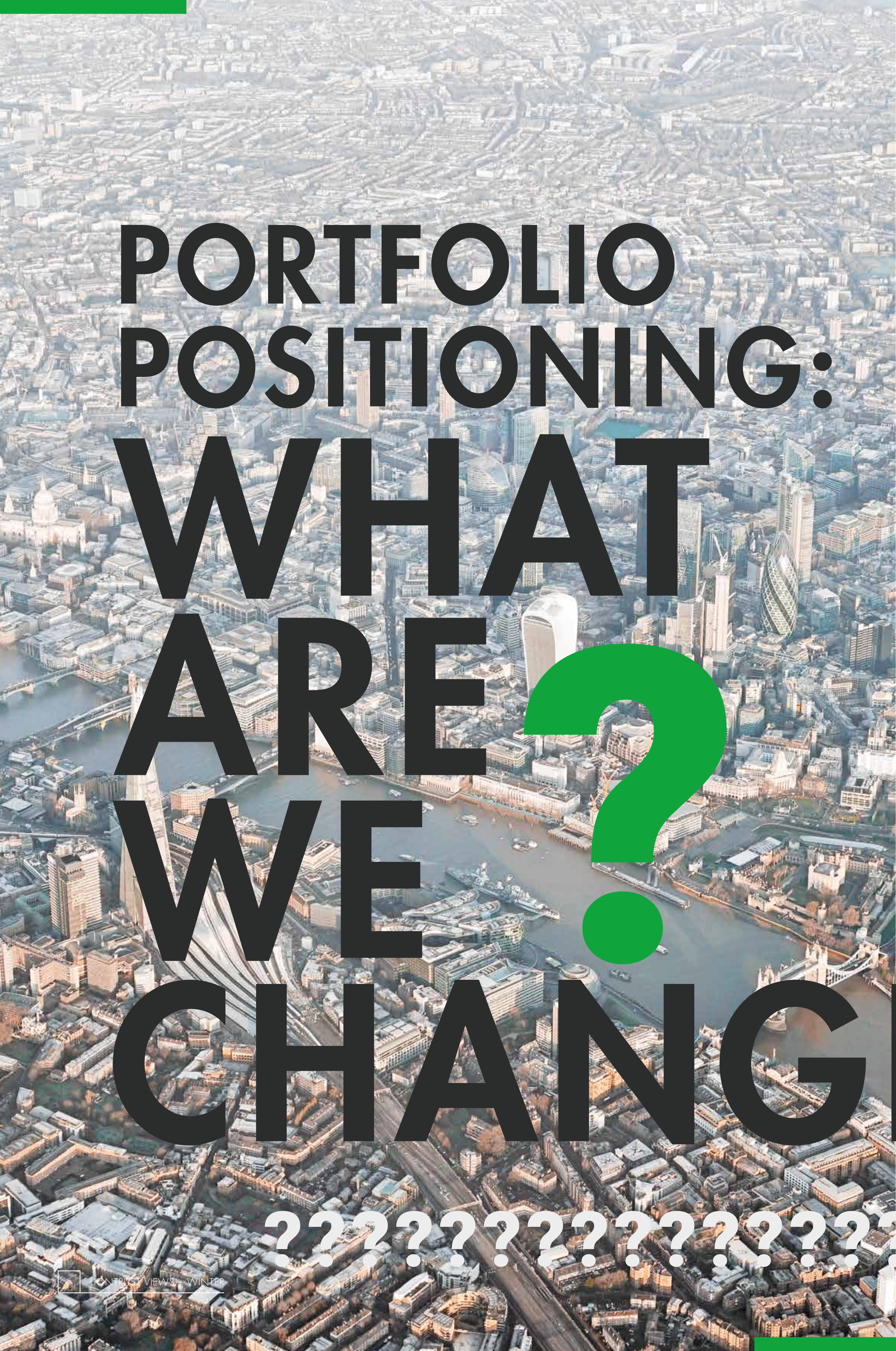
FINANCIAL MARKETS

Stock markets were more settled in the fourth quarter of 2022, ending the severe volatility they went through earlier in the year. The S&P 500 Index, for example, was up around 8% over the quarter.

Bond markets also settled in the fourth quarter after the soaring interest rates used to tackle inflation pushed down their values in a historic sell-off. When interest rates rise, bond prices fall so that the coupons they pay (yields) are in line with what is available elsewhere in the market.

CONCLUSION

The relentless stream of negative economic and geopolitical news dissipated towards the end of 2022, giving investors a reprieve. Positive news was still scarce, but it was enough to support markets in what looked increasingly like a turning point as investors saw opportunities to buy assets at prices that had been knocked down throughout 2022. While there are reasons to be optimistic about 2023, investing is never easy – there are still risks and a cautious approach is still required. ■



PORTFOLIO POSITIONING: WHAT ARE WE CHANGI?

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We believe a lot of bad news has now been priced into markets and pessimism among investors reached extreme lows by the last quarter of 2022.

Corrections brought the prices of stocks and bonds down to levels that factor in significant risks ahead.

We are cautiously raising risk exposure in our portfolios, although we are still remaining within parameters we regard as 'neutral' because of the uncertainties that remain, especially in the short-term.

> Maintaining a broadly diversified portfolio that can benefit from exposure to a broad range of assets is, we believe, a better strategy.

We have been underweight bonds for some time. We are reducing this though as opportunities are emerging to buy bonds offering yields that are attractive relative to the risks involved.

NG

Our increased allocation to bonds also reflects our view that the global market for bonds offering higher yields stands out on a risk-return basis. The risks are higher, but the yields paid by the bonds compensate for this.

There are benefits in broadening our portfolios to non-UK government bonds because central banks in several other countries are further ahead in terms of raising interest rates.

The allocations that hampered our performance in 2022, including gilts, small caps and emerging market stocks, together with our increasing exposure to bonds and especially high yield, will be geared into a market recovery.

We expect many asset classes will revert to performances that are more aligned with longer-term trends. For example, the strong economic growth, favourable demographics and improving governance in emerging markets will deliver for patient investors.

Investors can also take comfort from our investment process, which uses long-term data to align the volatility in portfolios to their chosen risk profiles. It is a process that has been tried and tested through many investment cycles. ■

MARKET OUTLOOK

Many of the risks that beset markets in 2022 have now been factored into asset prices and we see a more positive tone coming into markets.

Whereas the main worry for investors in 2022 was how far central banks would hike interest rates to tackle inflation, their focus is likely to switch now to the earnings and financial strengths of companies. We believe that financial markets still face uncertainties, and this could cause more volatility in the short-term.

We remain cautious about markets but investors should bear in mind that while there may be further downside in markets, staying too long out of them risks missing out on a sustained rally when one appears.

Asset class outlook

When we are positive about an asset class we categorise them as 'overweight' and may look to increase our allocation to this asset class in our portfolios.

Conversely, when we are negative about an asset class we classify it as 'underweight' and may reduce the allocation.

Finally, 'neutral' means that we are not positive or negative.

KEY

- ▲ Overweight
- ▼ Underweight
- ▬ Neutral

UNITED STATES

STOCKS	▬	BONDS	▬

US stocks became expensive after a decade in which the technology companies enjoyed phenomenal performance. The corrections seen in 2022 have brought their valuations back to more sensible, and less unattractive levels.

After their prices were driven down severely in 2022, US bonds are offering much more attractive yields that are more in line with historic levels. Higher-risk bonds giving greater yields offer good opportunities and while we consider global government bonds to be 'neutral' the high yield market is attractive enough to be 'overweight'. The US component of both the global government and high yield markets is significant.

EMERGING MARKETS

STOCKS	▲	BONDS	▬

Emerging markets have proven themselves to be better at implementing appropriate policies to deal with inflation than developed countries, creating a supportive economy for companies. Some of them have also benefited from being commodity producers, which have seen significant price rises.

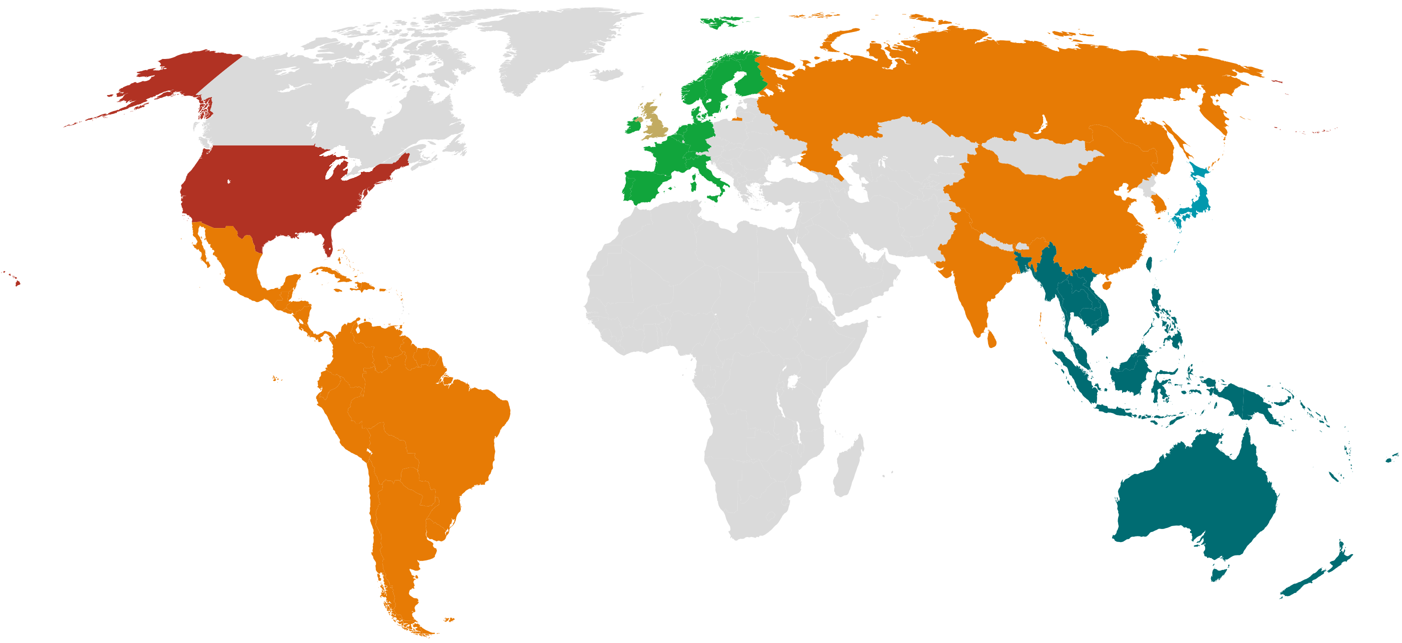
The credit ratings of emerging market bonds are, on average, superior to those of their high-yielding equivalents in developed markets. The Russia-Ukraine situation does highlight the political risks inherent in emerging markets, however.

UNITED KINGDOM

STOCKS	▲	BONDS	▼

The UK stock market outperformed many others in 2022. UK stocks are still relatively cheap though after being disregarded by many international investors after the Brexit vote in 2016.

There is a prospect of significant real yields from UK government bonds once the inflation spike abates, while corporate bonds are also more attractively priced after the corrections seen in 2022. While we consider UK government bonds to be 'underweight' the corporate bond market is attractive enough to be 'neutral'.



EUROPE

STOCKS	▼	BONDS	▬

The outlook for European stocks is tarnished by the Ukraine crisis, from which it is the region most at risk. Some European countries are heavily reliant on Russian energy.

The European Central Bank has implemented some significant interest rate rises in recent months and has pledged more in 2023. These, together with tougher economic conditions threatening to drag on company earnings, will create headwinds for European bonds.

ASIA PACIFIC

STOCKS	▲

Asian economies fared well during Covid and the re-opening of China will provide more support. Asia stocks will also benefit from strong long-term economic growth and favourable demographics.

The strengthening US dollar did cause problems for much of 2022 for Asian countries that use it to repay debts and buy imports. But a weakening greenback is now a positive for the region.

JAPAN

STOCKS	▬

Japanese stocks sold off in line with many other markets in 2022 and so they do look better value. However, many Japanese companies are export-driven, so reduced trade in Asia and a weakening global economy could cause them problems going forward. The Bank of Japan has been an outlier among developed market central banks by refraining from raising interest rates. While this supports the domestic economy, rising inflation could cause issues for Japanese stocks. ■

FINDING INVESTMENT OPPORTUNITIES IN 2023

Investors could be forgiven for suffering cold feet in 2022 as markets were hit by a seemingly relentless chain of negative events, from the war in Ukraine to soaring inflation and global supply chain issues.

JOHN HUSSELBEE
Head of the Liontrust Multi-Asset Investment team

Unsurprisingly, this 'perfect storm' saw returns on both global equities and bonds fall significantly throughout the year. But 2023 is a new beginning and could provide an opportunity to reset your investment approach.

Let's take a look at some of the key drivers which negatively affected market returns in 2022 and consider what the likely impacts might be in the months ahead.

Inflation

Inflation reached a 41-year high of 11.1% in late 2022, fuelled by the rising cost of food and transport, as well as soaring energy prices which were driven in large part by the war in Ukraine.

However, the energy price cap put in place by the government in October, which lasts until April 2024, should help to keep down the level at which energy costs rise this year. Supply chain disruptions which pushed up food and services costs in 2022 are also showing signs of easing.

In fact, the latest figures show that inflation is falling, with inflation of 9.6% recorded in December. Expectations for inflation in 2023 are around 3% to 4% – some way off the Bank of England's inflation target of 2% but notably more favourable than levels seen in 2022.

Interest rates

A continued decline in inflation would also help to keep interest rates down. This is because central banks would be less likely to raise interest rates aggressively to tackle rising inflation – something seen across many economies in 2022.

However, if inflation persists at a higher level than hoped for, and wages continue to rise due to inflationary pressures, then we could see further interest rate rises announced by the Bank of England in an attempt to combat this.

While the question of what interest rates do in 2023 should still be a consideration for investors, with a less volatile environment expected, the focus may be more on companies' fundamentals, including their earnings and financial strength.

Global economy and recession

There has been much talk in the UK of a prolonged recession – demonstrating our national ability to view the glass as half empty rather than half full, perhaps. Yet while an economic slowdown is a genuine concern, we believe that the global economy remains on a solid footing and as a result the recession will be less severe than many expect. For example, the relaxation of Covid restrictions in China in December is likely to be a major positive for the world economy by easing global supply chains and boosting expectations of economic growth.

What does this all mean for where investors might consider putting their money?

High yield bonds offer attractive spreads

Investing in bonds has traditionally been seen as a low-risk strategy, but the opposite was true in 2022 when market turmoil led to bond prices falling around 16%. Yet as bond prices fell, yields on those bonds increased. This is because as bond prices fall, they are viewed as more risky investments, and so investors are 'compensated' with higher yields. A yield is the return on the capital you invest in a bond.

While the yields available on bonds issued by both governments and companies are now back to more normal, long-term levels, they are still significantly more rewarding than they have been in recent years.

Bonds with high yields (HY) offer very attractive premiums but could inherently be riskier for investors. This is because they are issued by companies rather than the government and are more vulnerable if economic conditions worsen in 2023. In other words, if the UK suffers a deeper recession than expected, the risk of bankruptcy among companies will increase.

Not all sectors are equal, however. For example, cash-rich energy companies are better placed to deal with a downturn than some other sectors, such as those offering non-essential luxury goods, which may be at risk. While the indications are that the recession will be reasonably contained, investors may still wish to consider investing with cautious fund managers who actively assess companies and are more suited to this environment.

> "Going forward in 2023, we believe a diversified, multi-asset portfolio and a long-term view will be more favourable for investors."

In contrast, government bonds can provide a buffer against inflation and the risk of companies defaulting on their debts in an economic slowdown, although the yields will typically be lower as government bonds are perceived to be lower risk.

Reversion to longer-term trends

As highlighted, 2022 was a tumultuous year for markets, with global equities falling by around 19% during this period. However, following a sustained sell-off by investors, equity markets now look more attractively valued.

Looking forward, there are risks, not least further interest rate rises, but if inflation continues to fall then this risk lessens. While nothing can be ruled out, we expect the performances of many types of financial assets around the world to revert to more long-term trend levels after the remarkable outperformance delivered by US technology growth stocks during the 2010s.

We believe emerging markets and smaller companies (small caps) would benefit from an economic recovery in 2023. Why? Well, over time, we would expect the strong economic growth trajectory, favourable demographics, governance improvements and risk premiums of emerging markets to bear fruit for the patient investor.

We are also optimistic that investors in small caps will be rewarded over the longer-term. This is on the basis that smaller companies often have an ability to adapt quickly to market conditions as well as the potential for rapid growth relative to their size.

The importance of the long-term view

Going forward in 2023, we believe a diversified, multi-asset portfolio and a long-term view will be more favourable for investors to address market volatility and reap rewards from across the markets. Investors should therefore consider balancing their portfolios between equities, bonds and other asset classes.

The ride may well be bumpy. The economic outlook is uncertain, and geopolitical risks, and their potential impact on global supply chains and inflation, cannot be dismissed. Meanwhile, the war in Ukraine looks set to continue for some time.

While those hoping for a raging bull market in 2023 are likely to be disappointed, we do anticipate stock markets will regain their powers, especially in emerging markets and small caps, and HY bonds generally should do well. Bond yields are unlikely to fall significantly, despite a likely easing of inflation, given they are at a fair value.

Trying to predict when the recovery will come and which asset classes will outperform is a hazardous pursuit. However, when markets turn upwards, it will happen quickly and if investors are not already invested then they will find it difficult to get back in quickly enough to enjoy all the gains. ■

THE IMPORTANCE OF REMAINING INVESTED

The past 12 months have been challenging for global equity markets with volatility at levels not seen for some time.

For many investors, it has been an uncertain time, with the value of investment portfolios seesawing in line with economic ups and downs. In tough times, it's perhaps not surprising that many investors are tempted to cut their losses and withdraw or reduce equity investments – or to work out how to best 'time' the market to come in and out of different investments at the most opportune moments.

But attempting to time the markets can in fact be a recipe for poor returns and missed opportunities. There are many reasons why it is important to stay invested continuously rather then coming in and out – not least of which is the difficulty in successfully timing the markets.

While the maxim that what goes up must come down is not necessarily true when it comes to investing, the value of investments can fluctuate significantly according to a number of factors, from geopolitical turmoil, UK-specific issues, to climate-related events.

The history of asset class returns shows that in developed markets equities typically outperform their government bond counterparts over the long-term, but they do experience large drops in value in between.

Tempting as it might be to pull out of markets because the value of your investments has fallen, by doing so you are crystallising a potentially temporary loss of value into a definite loss. If you then decide to reinvest when markets are stronger, you will be

"Investing in equities should also be a long-term consideration as that's where the real rewards lie."

buying in when equities are more expensive, basically paying more for investments you had previously held.

Investing in equities should also be a long-term consideration as that's where the real rewards lie. You are also more likely to meet your long-term goals by investing continuously over a long period of time, rather than coming in and out of markets. This is amply demonstrated by the graph below, which shows that a £100,000 investment into a Cautious Managed Portfolio in March 2009 would have been worth £206,053 by November 2022 – providing no withdrawals had been made.

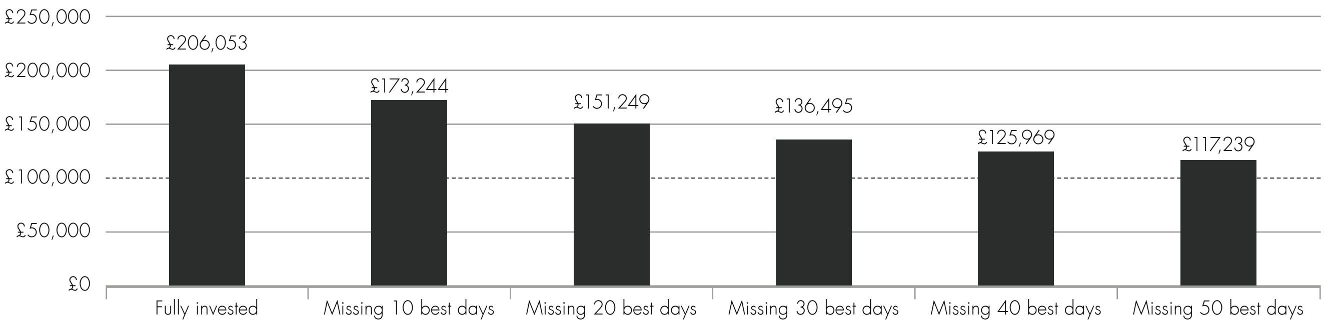
In contrast, if an investor in the same fund had missed only the 10 best days in that period, this figure would have fallen to £173,244. This trend continues – miss the best 30 days and the final fund figure drops to £136,495; while an investor who missed out on the 50 best days due to coming in and out of markets would have seen their fund return just £117,239 over the same period.

These figures also demonstrate the benefits of compound interest. Put simply, time is your greatest friend as an investor. Compounding refers to the benefit you get by reinvesting any returns you receive on your investment each year rather than taking any profits. For compounding to work its magic, it requires the reinvestment of investment returns and time. A bigger pot of money each year means the interest or returns you can potentially receive are greater.

Choosing the right level of risk for you is also key. By maintaining a diverse investment portfolio, you can spread risk, but there is no point in selecting investments that you are constantly worried about going up or down – which takes us back to the need to take a long-term view of your investments.

How much you allocate to higher-risk assets such as equities versus lower-risk assets such as bonds will depend on factors including your investment objectives and your ability to tolerate risk. Long-term investors are usually comfortable investing a higher percentage of their money in equities because the risks can provide greater rewards in the long-term. ■

£100,000 invested in a Cautious Managed Portfolio in March 2009



Source: Liontrust, Morningstar. Cautious Managed Portfolio represented by IA Mixed Investment 20–60% Shares sector average £ total returns from 08.03.09 to 07.11.22.
Past performance is not a guide to future performance

FACTS & FIGURES

QUARTERLY DATA

European (but not UK) stocks
11.70%
FTSE All World Developed Europe excluding UK Index

UK stocks
8.90%
FTSE All-Share Index

Asian (but not Japanese) stocks
7.42%
MSCI Pacific ex-Japan Index

Japanese stocks
4.89%
TOPIX Index

UK corporate bonds
2.81%
Bloomberg Barclays Sterling Aggregate Bond Index

European corporate bonds
2.20%
Bloomberg Barclays European Corporate Bond Index

Emerging market stocks
1.89%
MSCI Emerging Market Index

US stocks
-0.18%
S&P 500 Composite Index

Emerging market bonds
-0.30%
JP Morgan Global Emerging Market Bond Index

Global high yield bonds
-0.71%
ICE Bank of America ML Global High Yield Bond Index

US corporate bonds
-3.83%
Bloomberg Barclays US Corporate Bond Index

Global government bonds
-4.06%
FTSE G7 Index

To highlight the unpredictability of markets, the table below details the performance of global equity and fixed income indices over the past five years (in sterling terms). This table demonstrates how volatile markets can be, and shows the benefits of diversifying your investment, or in other words, not putting all your eggs in one basket.

Index percentage growth (%)	**1 Jan 2022 to 31 Dec 2022**	**1 Jan 2021 to 31 Dec 2021**	**1 Jan 2020 to 31 Dec 2020**	**1 Jan 2019 to 31 Dec 2019**	**1 Jan 2018 to 31 Dec 2018**
US stocks	-7.79	29.89	14.74	26.41	1.56
European (but not UK) stocks	-7.49	17.57	8.85	20.50	-9.08
UK stocks	0.34	18.32	-9.82	19.17	-9.47
Japanese stocks	-6.69	-0.11	6.95	11.82	-10.35
Asian (but not Japanese) stocks	6.00	5.75	3.36	13.92	-4.61
Emerging market stocks	-9.62	-1.32	15.02	14.31	-8.92
Global government bonds	-7.63	-5.56	6.19	1.76	5.82
Global high yield bonds	-2.30	2.30	4.70	9.34	2.66
US corporate bonds	-5.15	-0.13	6.50	10.11	3.55
European corporate bonds	-8.75	-7.11	8.57	0.29	-0.15
Emerging market bonds	-5.93	-0.60	2.61	10.00	1.32
UK corporate bonds	-23.15	-4.68	8.36	7.82	-0.13

Past performance is not a guide to future performance. Rebased in sterling where appropriate, i.e. all index returns are recalculated based on exchange rates to give returns for a sterling investor. Source: Morningstar Direct, 31 December 2022.

ACTIVE FUND RANGE

THE LIONTRUST MULTI-ASSET INVESTMENT TEAM

JOHN HUSSELBEE

JAMES KLEMPSTER

MAYANK MARKANDAY

VICTOR ALABRUNE

MALACHI FERGUSON

DAVID SALISBURY

PORTFOLIO CHANGES

BOUGHT ◀

No new funds were added during the quarter

SOLD ▶

Barings EM Sovereign Debt

NN (L) Global Convertible Opportunities

CUMULATIVE RETURN

Fund and share class Total returns for the periods shown (%)	3 MONTHS 1 Oct 22 to 31 Dec 22	1 YEAR 1 Jan 22 to 31 Dec 22	3 YEARS 1 Jan 20 to 31 Dec 22	5 YEARS 1 Jan 18 to 31 Dec 22
Liontrust MA Active Reserve Fund S Acc	2.84	-17.16	-14.47	-10.47
Liontrust MA Active Moderate Income Fund S Acc	2.37	-18.05	-11.17	-6.06
Liontrust MA Active Intermediate Income Fund S Acc	2.60	-14.22	-1.76	6.55
Liontrust MA Active Progressive Fund S Acc	3.55	-13.81	0.94	11.12
Liontrust MA Active Growth Fund S Acc	2.68	-11.82	6.27	17.47
Liontrust MA Active Dynamic Fund S Acc	1.91	-11.65	10.11	18.47

DISCRETE YEARLY PERFORMANCE

Fund and share class Total returns for the periods shown (%)	1 Jan 22 to 31 Dec 22	1 Jan 21 to 31 Dec 21	1 Jan 20 to 31 Dec 20	1 Jan 19 to 31 Dec 19	1 Jan 18 to 31 Dec 18
Liontrust MA Active Reserve Fund S Acc	-17.16	0.44	2.79	5.38	-0.67
Liontrust MA Active Moderate Income Fund S Acc	-18.05	1.64	6.65	9.78	-3.67
Liontrust MA Active Intermediate Income Fund S Acc	-14.22	7.26	6.76	13.38	-4.34
Liontrust MA Active Progressive Fund S Acc	-13.81	10.77	5.73	16.11	-5.19
Liontrust MA Active Growth Fund S Acc	-11.82	13.25	6.42	18.90	-7.03
Liontrust MA Active Dynamic Fund S Acc	-11.65	12.74	10.55	19.14	-9.70

Source: Financial Express, as at 31 December 2022. Total return figures are calculated on a single pricing basis. Performance figures are shown in sterling unless otherwise specified. The fund perfomrance figures are net of all fees.

ASSET ALLOCATION

PERFORMED WELL ▲

UK equities

Europe ex-UK equities

Corporate bonds

Japanese equities

DIDN'T PERFORM AS WELL ▬

Global government bonds

North American equities

FUND SELECTION

PERFORMED WELL ▲

JO Hambro UK Dynamic

Liontrust UK Equity

Liontrust European Dynamic

BlackRock European Dynamic

Liontrust Sustainable Futures Corporate Bond

Loomis Sayles US Growth

Lindsell Train UK Equity

TB Wise Evenlode Income

DIDN'T PERFORM AS WELL ▬

iShares Overseas Government Bond

AB American Growth

Ossiam Shiller Barclays Cape US Sector Value

Past performance is not a guide to future performance. The value of an investment and the income generated from it can fall as well as rise and is not guaranteed. You may get back less than you originally invested. Please refer to page 26 for more information on the Key Risks.

BLENDED FUND RANGE

THE LIONTRUST MULTI-ASSET INVESTMENT TEAM

JOHN HUSSELBEE

JAMES KLEMPSTER

MAYANK MARKANDAY

VICTOR ALABRUNE

MALACHI FERGUSON

DAVID SALISBURY

PORTFOLIO CHANGES

BOUGHT

L&G All Stocks Gilt

SOLD

iShares Emerging Markets Equity

SPDR Refinitiv Global Convertible Bond

Vanguard UK Long Duration Gilt

iShares ESG Overseas Corporate Bond

Barings Emerging Markets Sovereign Debt

CUMULATIVE RETURN

Fund and share class Total returns for the periods shown (%)	3 MONTHS 1 Oct 22 to 31 Dec 22	1 YEAR 1 Jan 22 to 31 Dec 22	3 YEARS 1 Jan 20 to 31 Dec 22	5 YEARS 1 Jan 18 to 31 Dec 22
Liontrust MA Blended Reserve Fund S Acc	1.93	-16.42	-10.97	-5.19
Liontrust MA Blended Moderate Fund S Acc	1.89	-14.79	-5.96	1.37
Liontrust MA Blended Intermediate Fund S Acc	2.12	-12.88	-1.64	7.11
Liontrust MA Blended Progressive Fund S Acc	2.61	-11.35	1.67	12.24
Liontrust MA Blended Growth Fund S Acc	2.28	-9.19	7.12	19.34

DISCRETE YEARLY PERFORMANCE

Fund and share class Total returns for the periods shown (%)	1 Jan 22 to 31 Dec 22	1 Jan 21 to 31 Dec 21	1 Jan 20 to 31 Dec 20	1 Jan 19 to 31 Dec 19	1 Jan 18 to 31 Dec 18
Liontrust MA Blended Reserve Fund S Acc	-16.42	1.70	4.74	8.93	-2.24
Liontrust MA Blended Moderate Fund S Acc	-14.79	5.69	4.42	11.33	-3.18
Liontrust MA Blended Intermediate Fund S Acc	-12.88	8.71	3.85	12.97	-3.60
Liontrust MA Blended Progressive Fund S Acc	-11.35	11.27	3.07	15.45	-4.38
Liontrust MA Blended Growth Fund S Acc	-9.19	14.25	3.25	19.23	-6.56

Source: Financial Express, as at 31 December 2022. Total return figures are calculated on a single pricing basis. Performance figures are shown in sterling unless otherwise specified. The fund perfomrance figures are net of all fees.

ASSET ALLOCATION

PERFORMED WELL ▲

- UK equities
- European ex-UK equities
- Corporate bonds
- UK government bonds
- Japanese equities

DIDN'T PERFORM AS WELL ▬

- Global government bonds
- North American equities

FUND SELECTION

PERFORMED WELL ▲

- iShares Corporate Bond
- iShares UK Equity
- Liontrust UK Equity
- JO Hambro UK Dynamic
- BlackRock European Dynamic
- iShares Continental Europe

DIDN'T PERFORM AS WELL ▬

- iShares Overseas Government Bond
- Legal & General US
- AB American Growth

Past performance is not a guide to future performance. The value of an investment and the income generated from it can fall as well as rise and is not guaranteed. You may get back less than you originally invested. Please refer to page 26 for more information on the Key Risks.

PASSIVE FUND RANGE

THE LIONTRUST MULTI-ASSET INVESTMENT TEAM

JOHN HUSSELBEE

JAMES KLEMPSTER

MAYANK MARKANDAY

VICTOR ALABRUNE

MALACHI FERGUSON

DAVID SALISBURY

PORTFOLIO CHANGES

BOUGHT ◀

No new funds were added during the quarter

SOLD ▶

There were no fund exits during the quarter

CUMULATIVE RETURN

Fund and share class Total returns for the periods shown (%)	3 MONTHS 1 Oct 22 to 31 Dec 22	1 YEAR 1 Jan 22 to 31 Dec 22	3 YEARS 1 Jan 20 to 31 Dec 22	5 YEARS 1 Jan 18 to 31 Dec 22
Liontrust MA Passive Reserve Fund S Acc	0.78	-15.21	-7.26	1.59
Liontrust MA Passive Moderate Fund S Acc	0.90	-13.59	-4.62	5.24
Liontrust MA Passive Intermediate Fund S Acc	0.96	-11.11	0.30	11.54
Liontrust MA Passive Progressive Fund S Acc	1.04	-8.83	4.27	18.06
Liontrust MA Passive Growth Fund S Acc	1.08	-6.76	9.45	25.42
Liontrust MA Passive Dynamic Fund S Acc	0.64	-6.62	13.21	27.50

DISCRETE YEARLY PERFORMANCE

Fund and share class Total returns for the periods shown (%)	1 Jan 22 to 31 Dec 22	1 Jan 21 to 31 Dec 21	1 Jan 20 to 31 Dec 20	1 Jan 19 to 31 Dec 19	1 Jan 18 to 31 Dec 18
Liontrust MA Passive Reserve Fund S Acc	-15.21	2.89	6.30	10.84	-1.17
Liontrust MA Passive Moderate Fund S Acc	-13.59	4.85	5.27	12.27	-1.72
Liontrust MA Passive Intermediate Fund S Acc	-11.11	7.72	4.75	13.92	-2.39
Liontrust MA Passive Progressive Fund S Acc	-8.83	10.69	3.34	16.92	-3.17
Liontrust MA Passive Growth Fund S Acc	-6.76	13.88	3.08	19.75	-4.32
Liontrust MA Passive Dynamic Fund S Acc	-6.62	14.06	6.29	20.26	-6.35

Source: Financial Express, as at 31 December 2022. Total return figures are calculated on a single pricing basis. Performance figures are shown in sterling unless otherwise specified. The fund perfomrance figures are net of all fees.

INCOME GENERATING FUND RANGE

THE LIONTRUST MULTI-ASSET INVESTMENT TEAM

JOHN HUSSELBEE

JAMES KLEMPSTER

MAYANK MARKANDAY

VICTOR ALABRUNE

MALACHI FERGUSON

DAVID SALISBURY

PORTFOLIO CHANGES

BOUGHT

No new funds were added during the quarter

SOLD

There were no fund exits during the quarter

CUMULATIVE RETURN

Fund and share class Total returns for the periods shown (%)	3 MONTHS 1 Oct 22 to 31 Dec 22	1 YEAR 1 Jan 22 to 31 Dec 22	3 YEARS 1 Jan 20 to 31 Dec 22	5 YEARS 1 Jan 18 to 31 Dec 22
Liontrust MA Active Reserve Fund S Inc	2.84	-17.15	-14.51	-10.43
Liontrust MA Active Moderate Income Fund S Inc	2.37	-18.05	-11.22	-6.05
Liontrust MA Active Intermediate Income Fund S Inc	2.60	-14.22	-1.73	6.54
Liontrust MA Monthly High Income Fund S Inc	3.94	-12.97	-10.54	-6.96
IA Mixed Investment 0-35% Shares	2.29	-10.87	-4.77	0.06

DISCRETE YEARLY PERFORMANCE

Fund and share class Total returns for the periods shown (%)	1 Jan 22 to 31 Dec 22	1 Jan 21 to 31 Dec 21	1 Jan 20 to 31 Dec 20	1 Jan 19 to 31 Dec 19	1 Jan 18 to 31 Dec 18
Liontrust MA Active Reserve Fund S Inc	-17.15	0.42	2.76	5.36	-0.56
Liontrust MA Active Moderate Income Fund S Inc	-18.05	1.57	6.66	9.82	-3.64
Liontrust MA Active Intermediate Income Fund S Inc	-14.22	7.28	6.78	13.42	-4.42
Liontrust MA Monthly High Income Fund S Inc	-12.97	2.89	-0.10	8.24	-3.91
IA Mixed Investment 0-35% Shares	-10.87	2.84	3.90	8.70	-3.35

Source: Financial Express, as at 31 December 2022. Total return figures are calculated on a single pricing basis. Performance figures are shown in sterling unless otherwise specified. The fund perfomrance figures are net of all fees. IA Mixed Investment 0-35% Shares is the comparator benchmark for the Liontrust MA Monthly High Income Fund.

ASSET ALLOCATION

PERFORMED WELL ▲

Corporate bonds

UK government bonds

European ex-UK equities

Japanese equities

Emerging market debt

DIDN'T PERFORM AS WELL ▬

Global government bonds

North American equities

FUND SELECTION

PERFORMED WELL ▲

Liontrust Sustainable Futures Corporate Bond

iShares Gilt All Stock

Vanguard UK Government Bond

L&G Sterling Corporate Bond

Liontrust UK Equity

JO Hambro UK Dynamic

BlackRock European Dynamic

Barings Emerging Market Sovereign Debt

DIDN'T PERFORM AS WELL ▬

iShares Overseas Government Bond

AB American Growth

Ossiam Shiller Barclays Cape US Sector Value

Past performance is not a guide to future performance. The value of an investment and the income generated from it can fall as well as rise and is not guaranteed. You may get back less than you originally invested. Please refer to page 26 for more information on the Key Risks.

SPECIALIST FUND RANGE

THE LIONTRUST MULTI-ASSET INVESTMENT TEAM

JOHN HUSSELBEE

JAMES KLEMPSTER

MAYANK MARKANDAY

VICTOR ALABRUNE

MALACHI FERGUSON

DAVID SALISBURY

PORTFOLIO CHANGES

BOUGHT

No new funds were added during the quarter

SOLD

There were no fund exits during the quarter

CUMULATIVE RETURN

Fund and share class Total returns for the periods shown (%)	3 MONTHS 1 Oct 22 to 31 Dec 22	1 YEAR 1 Jan 22 to 31 Dec 22	3 YEARS 1 Jan 20 to 31 Dec 22	5 YEARS 1 Jan 18 to 31 Dec 22
Liontrust MA Diversified Real Assets Fund A Acc	0.41	-9.71	-1.13	5.92
Liontrust MA UK Equity Fund S Acc	9.00	-5.96	-0.03	10.85
IA UK All Companies	9.71	-9.06	0.22	8.80

DISCRETE YEARLY PERFORMANCE

Fund and share class Total returns for the periods shown (%)	1 Jan 22 to 31 Dec 22	1 Jan 21 to 31 Dec 21	1 Jan 20 to 31 Dec 20	1 Jan 19 to 31 Dec 19	1 Jan 18 to 31 Dec 18
Liontrust MA Diversified Real Assets Fund A Acc	-9.71	11.80	-2.06	10.23	-2.80
Liontrust MA UK Equity Fund S Acc	-5.96	14.47	-7.13	22.59	-9.55
IA UK All Companies	-9.06	17.25	-6.01	22.24	-11.19

Source: Financial Express, as at 31 December 2022. Total return figures are calculated on a single pricing basis. Performance figures are shown in sterling unless otherwise specified. The fund perfomrance figures are net of all fees. IA UK All Companies is the comparator benchmark for the Liontrust MA UK Equity Fund.

ASSET ALLOCATION

PERFORMED WELL ▲	DIDN'T PERFORM AS WELL ▬
Cyclical real assets Infrastructure debt	Core property

FUND SELECTION

PERFORMED WELL ▲	DIDN'T PERFORM AS WELL ▬
First Sentier Global Listed Infrastructure Legg Mason ClearBridge Infrastructure Value Artemis Income JO Hambro UK Dynamic	Home REIT

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IMPORTANT INFORMATION

KEY RISKS

Past performance is not a guide to future performance. The value of an investment and the income generated from it can fall as well as rise and is not guaranteed. You may get back less than you originally invested.

DISCLAIMER

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