



Portfolio objective and information

The portfolio seeks to deliver a total return above that of the FTSE AIM Index while mitigating Inheritance Tax.

Launched 1 March 2015

Benchmark FTSE AIM All Share Index

Data from 30 June 2022

Holding breakdown

Security	Summary	Sector	Market Cap	Div Yield	Weight
AB Dynamics	Provider of testing systems for the global motor industry	Industrial	£262m	0.4%	3.4%
Advanced Medical Slns	Designer, manufacturer and distributor of novel medical polymers	Health Care	£639m	0.7%	3.4%
Alliance Pharma	Acquirer and distributor of pharmaceuticals	Health Care	£616m	1.5%	3.4%
Craneware	Develops and licences computer software for the US healthcare industry	IT	£654m	1.5%	3.4%
CVS Group	Operates animal veterinary practices, a diagnostic business and a pet crematorium	Health Care	£1178m	0.4%	3.4%
Dotdigital Group	Provides software as a service for digital marketers	IT	£208m	1.2%	3.4%
EMIS Group	Designs computer software for the healthcare profession	IT	£1173m	1.9%	3.4%
Fevertree Drinks	A developer and supplier of premium mixer drinks with outsourced manufacturing	Consumer	£1422m	1.1%	3.4%
Focusrite	Manufacturers and distributes hardware and software for musicians	Industrial	£601m	0.5%	3.4%
GB Group	Provides electronic ID verification services, combating fraud and money laundering	IT	£1037m	1.2%	3.4%
Gamma Comms	Telecoms, broadband and data communications systems	IT	£1003m	0.9%	3.4%
Hotel Chocolat Group	Manufacturer and retailer of chocolate and related gifts	Consumer	£391m	0.0%	3.4%
Ideagen	Provider of information management software solutions	IT	£1026m	0.1%	3.4%
IG Design Group	Designs, manufactures and distributes gift packaging and greeting cards	Consumer	£82m	10.1%	3.4%
James Halstead	Manufacturer and distributor of flooring products	Industrial	£846m	3.8%	3.4%
Jet2	Operator of scheduled and charter flights by Jet2.com and provision of holidays	Consumer	£1944m	0.0%	3.4%
Johnson Service Group	Provides workwear rental, laundering and dry-cleaning services	Industrial	£443m	0.0%	3.4%
Keywords Studios	Provides production and user services to digital gaming companies	IT	£1682m	0.1%	3.4%
Learning Tech. Group	Provides IT platforms for online learning and training	IT	£884m	0.8%	3.4%
Next Fifteen Comms	Digital marketing, PR and communications for the technology sector	Industrial	£883m	1.2%	3.4%
Nichols	Supplies soft drinks to the retail, wholesale, catering, licensed and leisure industries	Consumer	£407m	2.0%	3.4%
Renew	Provides specialist engineering and building services	Industrial	£505m	2.6%	3.4%
Restore	Secure services in document storage, online storage and document shredding	Industrial	£595m	1.6%	3.4%
RWS Holdings	Provides services for the translation and validation of European patents	Industrial	£1340m	3.0%	3.4%
Smart Metering Sys	Rents and manages gas meters and lays infrastructure pipes	Industrial	£1092m	3.3%	3.4%
Strix Group	Designs and manufactures kettle safety controls and filtration products	Industrial	£346m	4.9%	3.4%
Thorpe (FW)	Designs, manufactures and supplies professional lighting equipment	Industrial	£445m	1.5%	3.4%
YouGov	Global public opinion data and analytics company	Industrial	£953m	0.6%	3.4%
Young & Co Brewery	Operates a managed and tenanted pub estate	Consumer	£391m	1.6%	3.4%
Averages			£771m	2.0%	

Stock attribution

Top 5 positive stocks over 3 months

Company	Total return
Ideagen	60.2%
EMIS Group	41.6%
IG Design Group	26.9%
Craneware	10.2%
AB Dynamics	6.5%

Top 5 negative stocks over 3 months

Company	Total return
YouGov	-37.2%
Hotel Chocolat	-36.7%
Next Fifteen Comms	-32.8%
Learning Technology Grp	-30.7%
Fevertree Drinks	-29.8%

Attribution notes

Your holdings and performance may vary from those shown due to transaction dates and market movements. For details of your actual performance, please refer to your valuation.

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Commentary

All investors in equities need to be congratulated for their endurance at the moment. The falls in many markets are record-breaking and would test the nerve of even the most steely capitalist.

At this half-way point through the calendar year, the FTSE AIM All Share Index has returned -28% which reflects not only the general weak economic conditions but also the discount that small companies trade at such times (due mainly to their illiquid nature, i.e. the difficulty in selling in times of weak demand).

In terms of the news, it has actually not been bad. Continuing a theme of recent months, another investee stock has been bid for. EMIS, the healthcare software company, agreed to be taken over by US healthcare giant UnitedHealth Group Inc. for 1925 pence per share in cash, nearly a 50% premium to the price before the announcement.

Trading news has been thinner but the three companies that updated us in June all reflected that they, "are confident the full year will be in line with current expectations" (to quote from Keyword Studio's trading update).

Whilst it is pleasing that true value is being realised by takeovers (three so far this year), we remain vigilant to the broader economic slowdown and rising costs of capital.

Performance

Rolling total returns

	3 Months	6 Months	1 Year	3 Years	5 Years
Equilibrium AIM Portfolio	-10.38%	-26.82%	-22.93%	-3.35%	-3.25%
FTSE AIM All Share Index	-15.55%	-27.50%	-28.99%	-1.65%	-3.87%

Discrete annual total returns

	2021	2020	2019	2018	2017
Equilibrium AIM Portfolio	14.84%	2.32%	28.85%	-22.10%	32.55%
FTSE AIM All Share Index	6.12%	21.75%	13.26%	-17.12%	25.97%
ARC IHT Portfolio Index*	18.82%	0.31%	25.26%	-15.20%	18.70%

Volatility

	2021	2020	2019	2018	2017
Equilibrium AIM Portfolio	11.76%	26.77%	12.15%	17.68%	9.91%
FTSE AIM All Share Index	12.37%	32.08%	10.08%	14.85%	6.72%

*The ARC IHT Portfolio Index comprises of similar portfolios invested in AIM stocks to mitigate Inheritance Tax.

Performance data sourced from FE Analytics with income reinvested. Past performance is never a guide to future performance. Investments may (will) fall as well as rise and you may not get back your original investment. Changes in currency exchange rates or interest rates may have an adverse effect on the value of your investments.

The performance is stated after a 1.0% plus VAT Equilibrium Investment Management fee and a platform charge of 0.3% (based on the portfolio being held via Seven Investment Management (7IM)). The figures include dividends that may not yet be credited to your account.

Notes

The views expressed herein should not be taken as statements of fact or relied upon when making investment decisions. The Portfolio consists of stocks quoted on the Index that pay a dividend and that we believe qualify for Business Relief, although this cannot be guaranteed. This fact sheet should be read in conjunction with our **Managing your investments: Specialist** brochure which includes more details about investing in AIM stocks.

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