

CWM TAF NHS GENERAL
CHARITABLE FUND

PERFORMANCE UPDATE

01 July to 30 September 2022

CCLA

Capital summary

	Value (£)
Opening value as at 30 June 2022	2,707,517
Cash introduced/(withdrawn)	-
Income reinvested	-
Income paid to Deposit Fund**	-
Capital returns	(9,592)
Closing value as at 30 September 2022	2,697,924

The capital returns number is net of the income declared in the quarter, which is to be paid in the next calendar quarter. Where accounts pay/(receive) income into/(from) deposit accounts which have not been chosen for inclusion in the report, tables may not sum.

Income summary

	Value (£)
Interest reinvested*	-
Dividends reinvested**	-
Income reinvested	-
Interest paid to Deposit Fund**	-
Dividends paid to Deposit Fund**	-
Income paid to Deposit Fund**	-
Interest paid to bank**	-
Dividends paid to bank**	20,751
Income paid to bank	20,751
Total income received	20,751

*Earned during the current quarter

**Earned during the prior quarter

Portfolio summary

	Opening value (£)	Purchases (£)	Sales (£)	Income retained (£)	Capital returns (£)	Closing value (£)
Long-term portfolio						
Ethical Investment	2,707,517	-	-	-	(9,592)	2,697,924
Total Long-term portfolio	2,707,517	-	-	-	(9,592)	2,697,924
Total portfolio	2,707,517	-	-	-	(9,592)	2,697,924

Total return performance

Performance (after fees and expenses)	Current quarter (%)	Last six months (%)	Last twelve months (%)
Your portfolio	+0.4	-5.7	-4.1
Consumer Price Index	+1.6	+5.6	+10.1

‡ CPI is estimated for the most recent month.

Total return net performance is calculated using a time-weighted rate of return, based on weekly valuations with income reinvested. Net performance is calculated after the deduction of the spread incurred on purchases and sales. Past performance is not a reliable indicator of future results.

The value of investments and the income derived from them may fall as well as rise. Investors may not get back the amount originally invested and may lose money. Capital allocations are based on fund asset allocations at the end of the current period. Future distribution payments are not guaranteed.

Allocation figures are rounded to the nearest 0.01%, net performance figures are rounded to the nearest 0.1%.

Fund total return performance

Performance **	Current quarter (%)	Last twelve months (%)	Last three years annualised (%)	Last five years annualised (%)
COIF Charity Fund holdings within portfolio				
Ethical Investment	+0.43	-4.14	+5.89	+7.95
Fund comparator *	-0.78	-5.45	+2.98	+4.93
Market indices				
MSCI UK Investable Markets Index (equities)	-3.86	-2.54	+0.43	+1.86
MSCI World ex UK Index (equities)	+2.29	-3.22	+8.41	+9.63
MSCI World Index (equities)	+2.06	-2.93	+8.06	+9.25
AREF/MSCI™ All Prop Monthly (property) ‡	-3.63	+13.98	+7.93	+7.28
Markit iBoxx £ Gilts Index (fixed interest)	-13.95	-24.79	-10.16	-3.60
Markit iBoxx £ Non Gilts Index (fixed interest)	-11.01	-21.92	-6.88	-2.28
SONIA (cash) §	+0.39	+0.73	+0.31	+0.38

* Fund comparator/benchmark information is contained in the individual fund information section of this report.

** Fund performance is shown after the deduction of all fees and expenses with income reinvested. Comparator returns are based on market indices which are not adjusted for management fees or expenses.

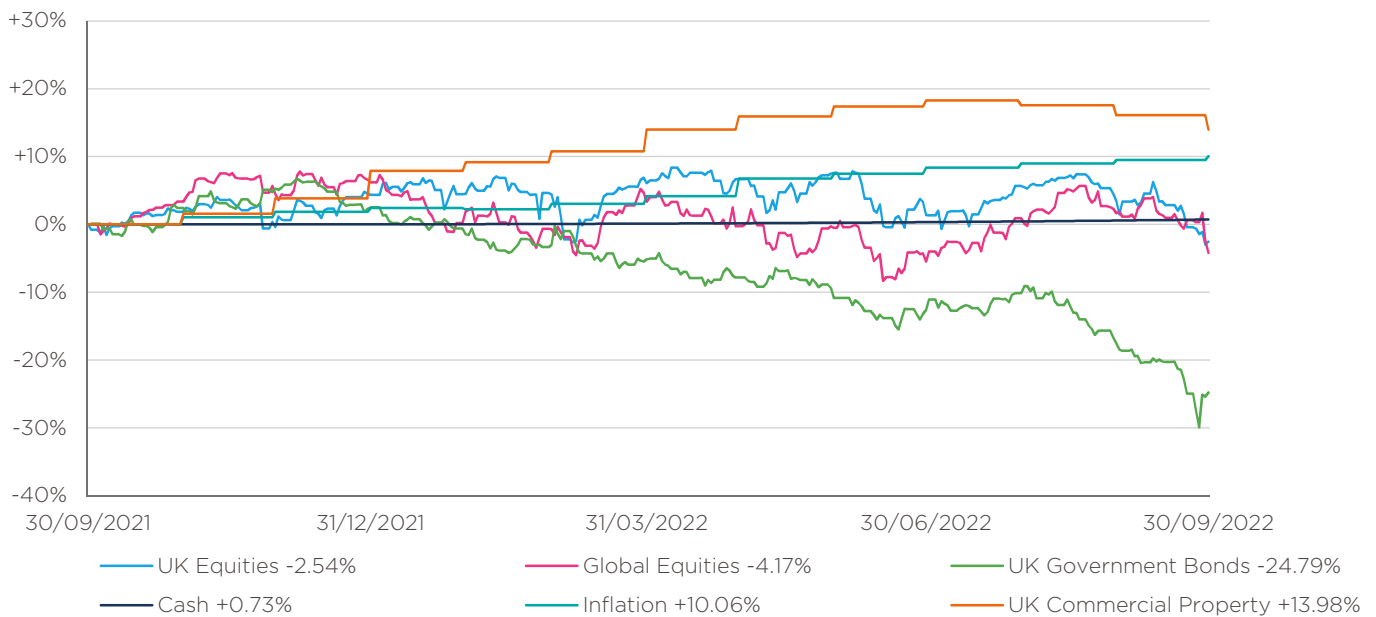
§ From 1/1/21: Sterling Overnight Index Average (SONIA). Initial BM: 7-Day London Interbank Sterling Bid Rate (7-Day LIBID).

‡ MSCI UK Monthly Property is estimated for the most recent month.

Income earned during the quarter

COIF Charity Funds	Distribution per income unit	Payment date	Income payable (£)	
Ethical Investment	2.18p	30/11/2022	21,338.30	The payment is 2.8% more than the equivalent payment in 2021.
Total payable			21,338.30	

Quarterly market review and outlook



Source: CCLA

Equities had another volatile quarter as the unfamiliar conditions experienced since the early days of 2022 continued to challenge markets. The month of July and the early days of August brought a partial recovery from the lows seen in the first half of the year, as investors reacted positively to better-than-expected corporate earnings announcements and to consumer price data from the US that suggested the peak of inflation could be approaching. However, the more optimistic tone evaporated as the world’s leading central banks, led by the US Federal Reserve, signalled firmly that there was more work to be done in the fight against inflation and that monetary policy would continue to tighten.

Elevated inflation and the expectation of further interest rate rises are generally damaging to asset prices, as investors discount more steeply the value of anticipated future cash returns. The same conditions can also be difficult for the corporate earnings which underlay returns at the individual asset level, both because revenues may be difficult to maintain at times of reduced consumer and business demand and also because higher input prices put pressure on company profit margins.

Returns from the global equity index were +1.37% in sterling terms over the period. Sterling-based portfolios were cushioned by the weakening of the domestic currency: in US dollar terms, global equity returns were -6.82% over the quarter. For the first nine months of 2022, global equity returns have been -9.76% to a sterling-based investor, and a dismal -25.63% in dollar terms.

The UK listed market fared better than most global peers, with returns of -3.86% for the quarter and -6.62% year to

date. The difference between the UK and the global market is again partly to do with currency effects (as many large UK-listed businesses derive much of their revenue in other currencies). In addition, the UK market includes a disproportionate weighting in commodities businesses including the oil and gas majors. Despite recent falls in commodity prices, over the year to date these have benefited from supply constraints which are due in part to the war in Ukraine.

Bond markets, which move inversely to yields, retreated even faster than in the previous two quarters. The UK government bonds index was down -13.57% over the quarter, bringing losses for the year to date to -26.36%.

We expect volatility to continue in all the major asset markets as investors digest data releases and policy announcements over the course of a sometimes-painful transition to an economic and monetary environment which is unfamiliar to most participants. The marked decline in sterling – a pattern common to almost all currencies relative to the strengthening US dollar, but exacerbated in the UK by fiscal announcements in late September – has worsened the domestic inflation outlook.

The same fiscal moves have also raised investor concerns about prospects for the UK’s debt burden. This led late in the quarter to a further rise in UK government bond yields, which in addition to the directly-resulting losses already experienced by the fixed interest markets also presents more challenging conditions for commercial property and other alternative assets such as infrastructure. Markets can be expected to react swiftly to further policy announcements from government and from the Bank of England.

The market review, analysis and any projections contained in the document are the opinion of the owner only and should not be relied upon to form the basis of any investment decision.

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