GUINNESS GLOBAL INVESTORS

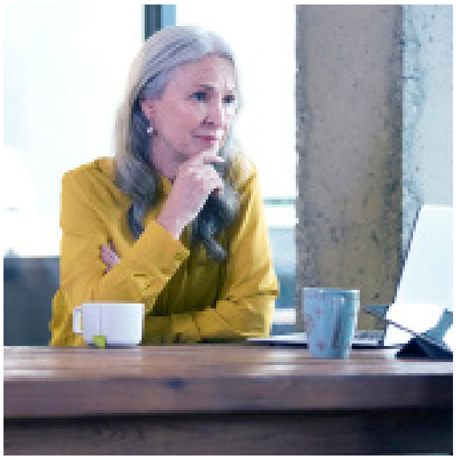
MULTI-ASSET FUNDS

November 2023 Market Update & Investment Report

POWERED BY

RBC Brewin Dolphin

Contents



The Month in a Minute...

October Overview

October represented the third consecutive month where both bond and equity markets fell, in dollar terms, driven by the expectation interest rates will remain higher for longer and the events in the Middle East. Commodities fared better as oil prices rose and gold prices rallied given its safe haven status. Growth stocks outperformed Value whilst Smaller Companies struggled. Regional equity performance was similar with the S&P 500 fairing the best. Government debt underperformed both Corporates and Index Linked with concerns around the sustainability of government finances.

The US economy remains resilient with the advance announcement of Q3 GDP increasing to an annual rate of 4.9%. This was supported by positive jobs reports and strong retail sales. That said, the market came to terms that rates would remain higher for longer and the Federal Reserve haven't ruled out a further rate increase if necessary.

By contrast European and UK economies remain weaker compared to their US counterparts with PMIs and the supply of credit to households and business contracting. Consumer confidence continues to fall and the higher interest rates appear to be biting. The ECB kept rates unmoved for the first time in 10 meetings. The eurozone economy contracted in Q3 with the UK expected to show no growth.

China saw continued weakness in the property sector and there were new controls over the export of US AI chips to China. That aside, there were positive surprises with respect to GDP, industrial production and retail sales.

Given the backdrop of bond and equity markets it's unsurprising the portfolio fell over the month. However, the exposure to UK Gilts and the Alternatives provided support for the portfolio.

The Month in Numbers

As at 31/10/2023	Guinness Multi-Asset Balanced Fund			Guinness Multi-Asset Growth Fund		
	Strategic Asset Allocation	Tactical Asset Allocation	Difference vs SAA	Strategic Asset Allocation	Tactical Asset Allocation	Difference vs SAA
Cash	2.5%	3.5%	1.0%	2.5%	3.5%	1.0%
Bonds	22.5%	23.0%	0.5%	12.0%	12.5%	0.5%
Government Bonds	8.5%	10.0%	1.5%	4.5%	6.0%	1.5%
Inflation Linked Bonds	3.0%	4.0%	1.0%	1.5%	2.5%	1.0%
Corporate Bonds	11.0%	9.0%	-2.0%	6.0%	4.0%	-2.0%
Equities	68.0%	67.5%	-0.5%	83.5%	83.0%	-0.5%
UK equities	2.6%	2.6%	0.0%	3.18%	3.20%	0.0%
International equities	65.4%	64.9%	-0.5%	80.3%	79.8%	-0.5%
US	43.2%	43.0%	-0.2%	53.1%	52.8%	-0.3%
Europe ex UK	8.3%	8.1%	-0.2%	10.1%	10.0%	-0.1%
Japan	4.3%	4.3%	0.0%	5.3%	5.3%	0.0%
Asia ex Japan	8.0%	7.9%	-0.1%	9.9%	9.7%	-0.2%
EM	1.6%	1.6%	0.0%	2.0%	2.0%	0.0%
Alternatives	7.0%	6.0%	-1.0%	2.0%	1.0%	-1.0%
Hedge funds/alternatives	4.0%	3.5%	-0.5%	1.0%	0.5%	-0.5%
Commercial property	1.5%	1.0%	-0.5%	0.5%	0.0%	-0.5%
Gold	1.5%	1.5%	0.0%	0.5%	0.5%	0.0%

As at 31/10/2023 in GBP	Euro STOXX	MSCI UK	MSCI AC Asia ex Japan	MSCI Emerging Markets	S&P 500	TSE TOPIX
1m	-2.9%	-3.6%	-3.3%	-3.3%	-1.6%	-3.9%
3m	-7.7%	-3.3%	-7.2%	-6.9%	-2.8%	-2.7%
6m	-6.6%	-5.2%	-3.0%	-1.4%	4.8%	3.0%
1yr	13.4%	7.1%	7.7%	5.1%	4.0%	11.1%
3yr	34.8%	51.4%	-9.9%	-4.8%	41.2%	11.6%
5yr	37.0%	24.6%	16.8%	14.0%	73.0%	19.2%
10yr	92.1%	57.6%	73.0%	49.0%	260.9%	95.9%

Source: RBC Brewin Dolphin, Guinness Global Investors

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Asset Allocation Overview

Positive Asset Class View

Negative Asset Class View

Equities

Factors supportive of global equities at present are the resilience the economy has exhibited and the potential for AI themes to push equity prices higher. The main headwinds are the current stage of the economic cycle (late), monetary policy (tight), US valuation metrics (high), and the returns available on competing assets such as cash (high). Weighing everything up, the cons seem to outweigh the pros. We maintain a mild underweight.

Bonds

We have an overweight to government bonds. Government bond performance has a tight inverse correlation with central bank rate expectations. We envisage rate expectations moving modestly lower in most scenarios over the next year. Among our three government bond categories, we favour Gilts, in large part due to the UK's interest sensitivity and challenging growth outlook. Meanwhile, we remain underweight corporate bonds. Credit spreads are not sufficiently large to compensate for global economic growth risks, in our view.

Alternatives

The gold price has historically been inversely correlated with real (inflation adjusted) bond yields. Notwithstanding the decline over the past four months, gold has held up surprisingly well given the surge in real yields since early 2022, not to mention the strength in the dollar. The reportedly strong buying from foreign official sector purchasers (China, Russia) looking to diversify their reserve holdings probably explains some of the divergence. More recently, the war between Israel and Hamas has sparked a flight to safe havens that also act as good inflation hedges. This has supported gold. Looking ahead, we doubt global real yields will go up or down by much over the next couple quarters. As such, we retain a neutral position to gold. We remain underweight property, as real bond yields should remain elevated (for now), inflation pressure is weakening, and industry fundamentals are challenging.

Cash

We remain overweight. Cash offers an attractive return and is a desirable asset class at a time when the risk/reward backdrop for equities is not great.

US Equities

There are several potential headwinds for the US. Tech stocks appear to have disconnected somewhat from both their industry and macro fundamentals. The broad US market is trading on significantly higher than normal premiums compared to their global ex US counterparts. Finally, the dollar is richly valued, making it vulnerable to a decline in the longer-term. Importantly, these headwinds are offset by several tailwinds. The US, with both its defensive currency and sector composition, is generally a good market to be in when global economic growth slows. Even if digital stocks are expensive, the structural demand backdrop for the goods and services they sell appears strong. Despite their strong performance, there doesn't appear to be excessive froth around tech nor the US market more broadly. Against this mixed backdrop, it doesn't appear to be a good time to make big bets on the US equity relative performance outlook in either direction.

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Equity Allocation by Region

Europe ex UK Equities

After a strong start to the year, Europe ex UK stocks have sharply underperformed in common currency terms since the end of April. Sparking the underperformance has been the fact that the region has low exposure to the names benefitting from the buzz around AI. Globally, when tech stocks outperform, that tends to coincide with Europe ex UK underperformance. European currency weakness vs the dollar since mid-July has made things worse. Looking ahead, it doesn't appear to be a good time to add exposure to AI plays due to concerns about valuation. Equally, given the potential for what currently looks like a mini bubble to turn into a bigger bubble, one would not want to be underweight these AI names relative to the global equity benchmark. With this in mind, and given the mixed backdrop for European FX, in our view it makes sense to continue to hold positions in Europe ex UK that are consistent with it performing broadly in-line with the global equity benchmark.

UK Equities

After strongly outperforming in 2022 (in common currency terms), UK equity relative performance has underperformed vs the global equity market this year. The main headwind has been the fact that globally, value style stocks have fallen out of favour relative to their growth style counterparts. This tends to weigh on UK equity relative performance given its high exposure to the former (via energy and financials mostly) and low exposure to growth-oriented tech. We would advise against looking at the underperformance this year as an opportunity to raise UK equity exposure vs the global benchmark. Although we expect the outlook for value vs growth equities to be more balanced going forward, the domestic growth backdrop remains challenging.

Japan Equities

At its meeting last week, the BoJ again tweaked its yield curve control framework. 1% on the 10-year JGB yield is no longer a strict cap, but a reference level. Linked to this change, the BoJ dropped its promise to defend the 1% level with offers to purchase unlimited quantities of bonds. The BoJ's actions now leaves us with a vague upper limit, and so the question everyone is now asking is how much higher the BoJ will let JGB yields go. The answer to this question will largely be determined by developments in four connected areas: Japanese bond market functionality, the economic data, the inflation data, and global bond markets. Even without further upside in global bond yields or a particularly strong outlook for the Japanese economy, the BoJ's YCC policy appears out of place in the current environment. The policy was put in place at a time of strong Japanese and global deflation pressure, and the backdrop has clearly changed. As such, we continue to believe it will ultimately be dropped. Linked to this and our expectations for modest declines in global bond yields, we expect yield spreads between JGBs and global bonds to narrow, which should kick start a rally in the yen. If this happens, we suspect Japanese GDP will outperform US GDP in common currency terms, providing a window for Japanese equities to outperform. That said, in the long-term, with both the population and birth rate in freefall and given Japan's lack of enthusiasm for immigration, Japan's demographics should act as a roadblock to any sustained economic and equity outperformance.

Asia ex Japan Equities

Following a promising start to the year, incoming Chinese economic data has disappointed. Property remains a key area of weakness. House prices continue to contract, and residential floor space sold remains deep in negative territory on a y/y basis. Unlike much of the rest of the world, deflation rather than inflation is the bigger concern. Even with the growth stumble, it's still not a bad bet that GDP in China and the region more widely outpaces that of the rest of the world over the balance of this year and next. Meanwhile, more investors are throwing in the towel on China. Despite this attractive combination of decent relative growth prospects and poor investor sentiment, we are not optimistic with regards to Asia ex Japan relative performance. It would be surprising to see much additional downside vs the global market, but equally risk/reward doesn't appear to be attractive.

Emerging Markets ex Asia

Brazil, Saudi Arabia, South Africa, Mexico, and the UAE are the countries with the highest market cap weightings in the EM ex Asia equity index, making it very commodity exposed. We don't expect much upside to commodity prices in an environment where global growth is slowing and China refrains from large scale stimulus. That said, EM ex Asia remains very cheaply valued.

At a glance...

The Multi-Asset Balanced Fund

Medium Risk

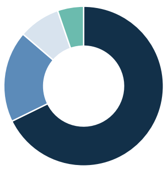
You are prepared to have more than half of your investment held in equities with the aim of achieving a higher investment return over the long term. The greater allocation to equities means your portfolio may experience heightened levels of volatility over the investment term.

The portfolio will typically include two thirds of the assets invested in equities whilst the remainder will be split between cash, fixed income and alternatives. You are prepared to accept fluctuations in the value of your portfolio to achieve your investment goals.

The Fund is actively managed without reference to a benchmark and invests in funds in a range of different asset classes. The investment objective is to provide capital appreciation over the long term. Returns will be generated through both capital growth and income, with a bias towards developed and liquid capital markets. The risk will be diversified by holding collective investments in a range of asset classes and geographies. The management of the portfolio aims to meet the objective conservatively by taking managed risk through fund selection and asset allocation. The portfolio is based on the Brewin Dolphin International MPS Passive Plus Balanced Strategy.

Asset Allocation

Equities	66.7%
Fixed Income	23.5%
Alternatives	6.2%
Cash	3.7%



Equity Allocation

USA	42.3%
Other International (DM)	20.2%
UK	2.6%
Other International (EM)	1.6%
Cash	3.7%

Holding	% Weight
iShares Core S&P 500 UCITS ETF USD Dist	18.3%
iShares Global Corp Bond UCITS ETF	9.1%
Vanguard FTSE Developed Europe ex UK UCITS ETF	8.1%
iShares Global Government Bond Index	7.1%
SPDR S&P US Dividend Aristocrats UCITS ETF	6.4%
Invesco EQQQ Nasdaq-100 UCITS ETF	6.3%
Vanguard S&P 500 UCITS ETF	6.3%
Vanguard - Pacific Ex-Japan Stock Index Fund	5.6%
Fidelity MSCI Japan Index Fund	4.3%
iShares Global Inflation-Linked Bond Index Fund US	4.1%
iShares Core UK Gilts UCITS ETF USD Hedged (Dist)	3.1%
iShares S&P 500 Health Care Sector UCITS ETF	2.9%
iShares Core FTSE 100 UCITS ETF USD	2.6%
Xtrackers CSI300 Swap UCITS ETF	2.3%
Xtrackers Russell 2000 UCITS ETF	2.1%
iShares Physical Gold ETC USD	1.6%
Lyxor MSCI Emerging Markets Ex China UCITS ETF	1.6%
BlackRock ICS US Dollar Liquidity Fund	1.5%
JPM Global Macro Opportunities USD	1.3%
Winton Trend Fund (UCITS) I USD Acc	1.2%
BNY Global Funds plc - Global Dynamic Bond Fund	1.1%
Amundi Index FTSE EPRA NAREIT Global	1.0%

Risks

The Fund is a multi-asset fund investing primarily in other funds ("Underlying Funds") which may invest in equities, Government Bonds, fixed interest securities (which may include sub-investment grade securities), property and other investments. Investors should be willing and able to assume the risks of equity investing. The value of an investment can fall as well as rise as a result of market and currency movement, and you may not get back the amount originally invested. Further details on the risk factors are included in the Fund's documentation, available at www.guinnessgi.com/literature

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At a glance...

The Multi-Asset Growth Fund

Medium / Higher Risk

You are seeking to generate higher investment returns through a high exposure to equities to help achieve your long-term investment goals.

The portfolio will typically have a very high proportion of your investment held in equities and very low levels of fixed income, cash and alternative asset classes.

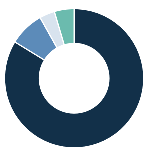
A larger proportion invested in equities is likely to lead to increased volatility in the overall value of the portfolio.

The Fund is actively managed without reference to a benchmark and invests in funds in a range of different asset classes. The investment objective is to provide capital appreciation over the long term. Returns will be generated through both capital growth and income, with a bias towards developed and liquid capital markets. The risk will be diversified by holding collective investments in a range of asset classes and geographies. The management of the portfolio aims to meet the objective conservatively by taking managed risk through fund selection and asset allocation. The portfolio is based on the Brewin Dolphin International MPS Passive Plus Growth Strategy

Holding	% Weight
iShares Core S&P 500 UCITS ETF USD Dist	18.4%
Vanguard S&P 500 UCITS ETF	11.9%
Vanguard FTSE Developed Europe ex UK UCITS ETF	9.9%
SPDR S&P US Dividend Aristocrats UCITS ETF	8.0%
Invesco EQQQ Nasdaq-100 UCITS ETF	7.8%
Vanguard - Pacific Ex-Japan Stock Index Fund	7.0%
Fidelity MSCI Japan Index Fund	5.3%
iShares Global Corp Bond UCITS ETF	4.1%
iShares S&P 500 Health Care Sector UCITS ETF	3.6%
iShares Global Government Bond Index	3.6%
iShares Core FTSE 100 UCITS ETF USD	3.2%
Xtrackers CSI300 Swap UCITS ETF	2.9%
Xtrackers Russell 2000 UCITS ETF	2.6%
iShares Global Inflation-Linked Bond Index Fund	2.6%
iShares Core UK Gilts UCITS ETF USD Hedged (Dist)	2.6%
Lyxor MSCI Emerging Markets Ex China UCITS ETF	2.0%
BlackRock ICS US Dollar Liquidity Fund	1.5%
iShares Physical Gold ETC USD	0.5%
BNY Mellon Global Funds plc - Global Dynamic	0.3%
Winton Trend Fund (UCITS) I USD Acc	0.2%

Asset Allocation

Equities	82.5%
Fixed Income	12.8%
Alternatives	1.0%
Cash	3.7%



Equity Allocation

USA	52.3%
Other International (DM)	25.1%
UK	3.2%
Other International (EM)	2.0%
Cash	3.7%

Risks

The Fund is a multi-asset fund investing primarily in other funds ("Underlying Funds") which may invest in equities, Government Bonds, fixed interest securities (which may include sub-investment grade securities), property and other investments. Investors should be willing and able to assume the risks of equity investing. The value of an investment can fall as well as rise as a result of market and currency movement, and you may not get back the amount originally invested. Further details on the risk factors are included in the Fund's documentation, available at www.guinnessgi.com/literature

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Expert thinking

When you invest with Guinness Global Investors you have a team of experts working for you.

Strength and depth

They are part of our broader team who collaborate to interpret the wider market and economic environment and identify those funds that meet our standard for investment, adding up to the strength and depth of insight we need to deliver for you.

"The Guinness Multi-Asset fund range follows a tried and tested investment approach so our investors can be confident about what to expect from it."
- David Hood,
Head of Investment Solutions

Meet the Guinness team

Jonathan Waghorn
Co-Manager
Jonathan joined Guinness Global Investors in September 2013 and is co-manager on the Guinness Multi-Asset range

Will Riley
Co-Manager
Will joined Guinness Global Investors in May 2007 and is co-manager on the Guinness Multi-Asset range

Meet the RBC Brewin Dolphin team

David Hood
Head of Investment Solutions
David joined RBC Brewin Dolphin in March 2009 as a quantitative analyst. He heads up the investment solutions team which specialises in model portfolio, fund construction and risk analysis.

Guy Foster
Head of Research
Guy is our Chief Strategist and oversees our broader team, which uses its collective expertise to make both strategic and tactical recommendations for asset allocation by RBC Brewin Dolphin.

Janet Mui
Investment Director
Janet is investment director at RBC Brewin Dolphin. As part of the research team, Janet is responsible for the commentary and communication of RBC Brewin Dolphin's macro/investment views to clients and the media.

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Notes

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Important Information

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Documentation

The documentation needed to make an investment, including the Prospectus, the Key Information Document (KID), the Key Investor Information Document (KIID) and the Application Form, is available in English from the website www. guinnessgi.com , or free of charge from:-

The Manager: Waystone Management Company (IE) Limited (Waystone IE) 2nd Floor 35 Shelbourne Road, Ballsbridge, Dublin DO4 A4E, Ireland; or,

the Promoter and Investment Manager: Guinness Asset Management Ltd, 18 Smith Square, London SW1P 3HZ. Waystone IE, as UCITS Man Co, has the right to terminate the arrangements made for the marketing of funds in accordance with the UCITS Directive.

Investor Rights

A summary of investor rights in English is available here: https://www.waystone.com/waystone-policies/

Residency

In countries where the Funds are not registered for sale or in any other circumstances where their distribution is not authorised or is unlawful, the Funds should not be distributed to resident Retail Clients. NOTE: THIS INVESTMENT IS NOT FOR SALE TO U.S. PERSONS.

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The Funds are a sub-fund of Guinness Asset Management Funds PLC (the "Company"), an open-ended umbrella-type investment company, incorporated in Ireland and authorised and supervised by the Central Bank of Ireland, which operates under EU legislation. If you are in any doubt about the suitability of investing in these Funds, please consult your investment or other professional adviser.