

# The Verso Wealth Management Portfolios (previous Pavis Premier portfolios)

## Quarterly Snapshot - 30th June 2024

Pages 2 to 5: Performance of Verso WM Portfolios since inception.

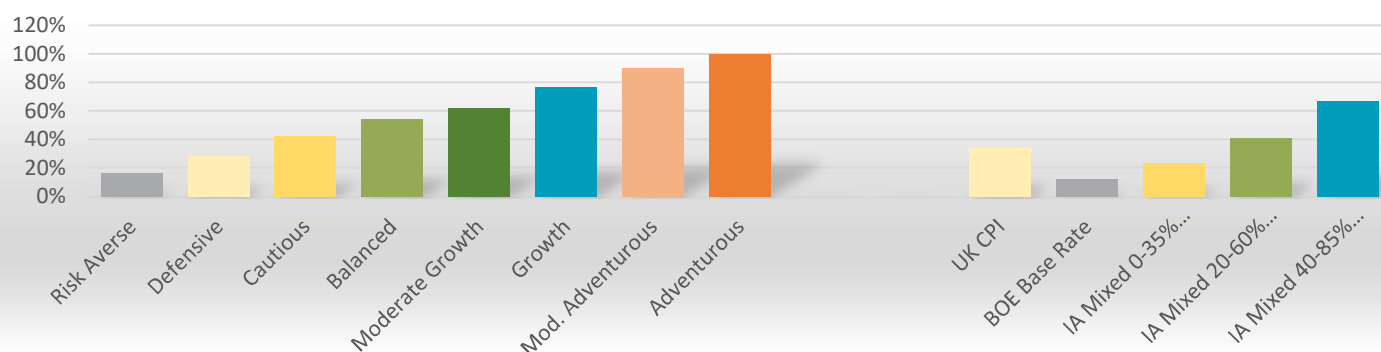
Page 6: Rebalance and planned CAPE adjustments for following quarter.

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# Verso WM - Standard Portfolios

## Cumulative Performance Since Inception (1/1/2015)



## Breakdown of Performance (%)

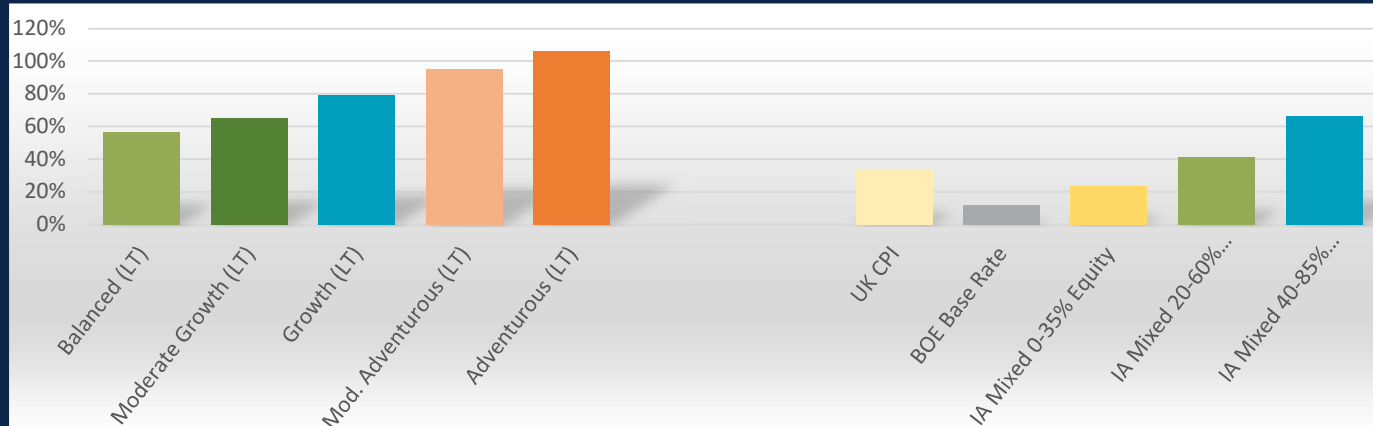
| Verso WM Standard Portfolios  | Since Launch (Annualised) | Since Launch (Cumulative) | 3 Months (Cumulative) | 1 Year (Cumulative) | 3 Year (Cumulative) | 5 Year (Cumulative) | Volatility (Annualised) |
|---|---------------------------|---------------------------|-----------------------|---------------------|---------------------|---------------------|-------------------------|
| Risk averse   | 1.6                       | 16.3                      | 1.0                   | 7.9                 | 1.8                 | 7.4                 | 2.8                     |
| Defensive   | 2.7                       | 28.3                      | 1.1                   | 8.8                 | 2.7                 | 11.2                | 4.3                     |
| Cautious  | 3.8                       | 42.3                      | 1.1                   | 9.5                 | 3.2                 | 14.6                | 5.9                     |
| Balanced  | 4.7                       | 54.0                      | 1.3                   | 10.4                | 5.1                 | 18.1                | 7.1                     |
| Moderate Growth   | 5.2                       | 62.4                      | 1.5                   | 11.1                | 7.6                 | 21.7                | 7.7                     |
| Growth  | 6.2                       | 76.5                      | 1.9                   | 12.3                | 11.4                | 27.3                | 8.6                     |
| Mod. Adventurous  | 7.0                       | 90.1                      | 2.2                   | 13.4                | 15.4                | 33.0                | 9.6                     |
| Adventurous   | 7.6                       | 100.0                     | 2.4                   | 14.2                | 18.1                | 36.8                | 10.3                    |
| <b>Index</b> (please see end of document for explanation of indicies) |                           |                           |                       |                     |                     |                     |                         |
| UK CPI  | 3.1                       | 34.0                      | 0.8                   | 2.0                 | 20.5                | 24.3                | 1.6                     |
| BOE Base Rate   | 1.2                       | 12.1                      | 1.3                   | 5.2                 | 9.0                 | 9.7                 | 0.5                     |
| IA Mixed 0-35% Equity   | 2.3                       | 23.6                      | 0.6                   | 7.6                 | -2.5                | 5.6                 | 5.3                     |
| IA Mixed 20-60% Equity  | 3.7                       | 41.3                      | 1.1                   | 9.4                 | 2.8                 | 15.2                | 7.1                     |
| IA Mixed 40-85% Equity  | 5.5                       | 66.7                      | 1.7                   | 11.8                | 7.2                 | 25.6                | 8.9                     |

## Discrete Annual Performance (%)

| Verso WM Standard Portfolios | 30/6/23 to 30/6/24 | 30/6/22 to 30/6/23 | 30/6/21 to 30/6/22 | 30/6/20 to 30/6/21 | 30/6/19 to 30/6/20 |
|------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Risk averse                  | 7.9                | -0.4               | -5.3               | 3.8                | 1.6                |
| Defensive                    | 8.8                | 0.7                | -6.3               | 7.1                | 1.1                |
| Cautious                     | 9.5                | 1.6                | -7.2               | 9.9                | 1.0                |
| Balanced                     | 10.4               | 2.6                | -7.3               | 12.3               | 0.1                |
| Moderate Growth              | 11.1               | 3.5                | -6.5               | 14.0               | -0.7               |
| Growth                       | 12.3               | 4.8                | -5.3               | 16.7               | -2.1               |
| Mod. Adventurous             | 13.4               | 6.2                | -4.2               | 19.3               | -3.5               |
| Adventurous                  | 14.2               | 7.1                | -3.4               | 21.1               | -4.4               |

# Verso WM - Long Term Portfolios

## Cumulative Performance Since Inception (1/1/2015)



## Breakdown of Performance (%)

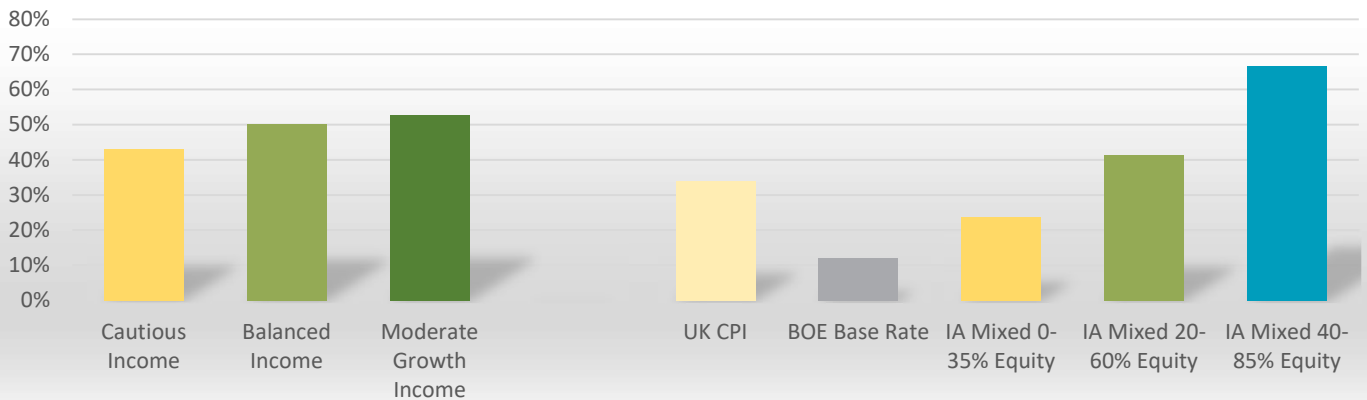
| Verso WM Long Term Portfolios  | Since Launch (Annualised) | Since Launch (Cumulative) | 3 Months (Cumulative) | 1 Year (Cumulative) | 3 Year (Cumulative) | 5 Year (Cumulative) | Volatility (Annualised) |
|--|---------------------------|---------------------------|-----------------------|---------------------|---------------------|---------------------|-------------------------|
| Balanced LT  | 4.8                       | 56.4                      | 0.9                   | 10.5                | 4.2                 | 19.3                | 7.4                     |
| Moderate Growth LT   | 5.4                       | 65.4                      | 1.0                   | 11.3                | 6.5                 | 23.2                | 8.1                     |
| Growth LT  | 6.4                       | 79.5                      | 1.2                   | 12.5                | 10.0                | 29.1                | 9.1                     |
| Mod. Adventurous LT  | 7.3                       | 95.3                      | 1.4                   | 13.7                | 13.7                | 35.3                | 10.1                    |
| Adventurous LT   | 7.9                       | 106.1                     | 1.5                   | 14.5                | 16.2                | 39.4                | 10.9                    |
| <b>Index</b> (please see end of document for explanation of indices) |                           |                           |                       |                     |                     |                     |                         |
| UK CPI   | 3.1                       | 34.0                      | 0.8                   | 2.0                 | 20.5                | 24.3                | 1.6                     |
| BOE Base Rate  | 1.2                       | 12.1                      | 1.3                   | 5.2                 | 9.0                 | 9.7                 | 0.5                     |
| IA Mixed 0-35% Equity  | 2.3                       | 23.6                      | 0.6                   | 7.6                 | -2.5                | 5.6                 | 5.3                     |
| IA Mixed 20-60% Equity   | 3.7                       | 41.3                      | 1.1                   | 9.4                 | 2.8                 | 15.2                | 7.1                     |
| IA Mixed 40-85% Equity   | 5.5                       | 66.7                      | 1.7                   | 11.8                | 7.2                 | 25.6                | 8.9                     |

## Discrete Annual Performance (%)

| Verso WM Long Term Portfolios | 30/6/23 to 30/6/24 | 30/6/22 to 30/6/23 | 30/6/21 to 30/6/22 | 30/6/20 to 30/6/21 | 30/6/19 to 30/6/20 |
|-------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Balanced LT                   | 10.5               | 2.8                | -8.3               | 13.6               | 0.8                |
| Moderate Growth LT            | 11.3               | 3.7                | -7.8               | 15.6               | 0.0                |
| Growth LT                     | 12.5               | 5.1                | -6.9               | 18.7               | -1.1               |
| Mod. Adventurous LT           | 13.7               | 6.5                | -6.1               | 21.8               | -2.3               |
| Adventurous LT                | 14.5               | 7.4                | -5.5               | 23.9               | -3.1               |

# Verso WM - Income Portfolios

## Cumulative Performance Since Inception (1/1/2015)



## Breakdown of Performance (%)

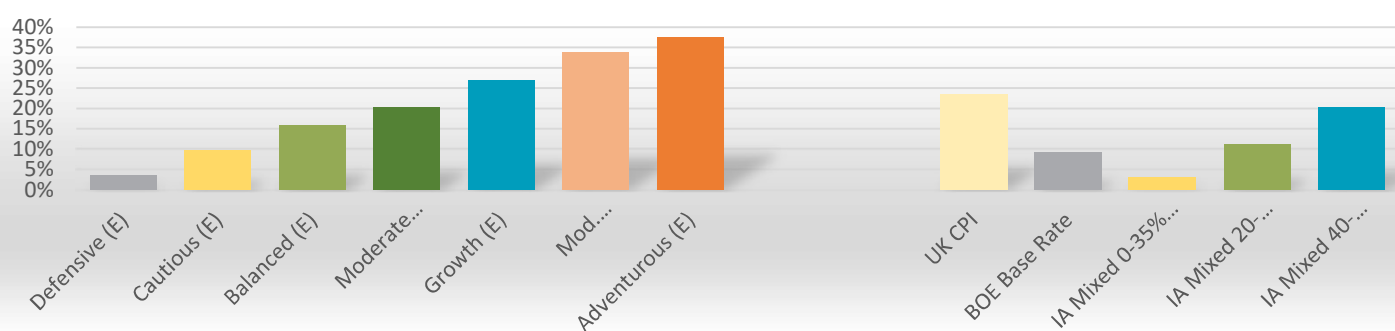
| Verso WM Income Portfolios   | Since Launch (Annualised) | Since Launch (Cumulative) | 3 Months (Cumulative) | 1 Year (Cumulative) | 3 Year (Cumulative) | 5 Year (Cumulative) | Volatility (Annualised) |
|--|---------------------------|---------------------------|-----------------------|---------------------|---------------------|---------------------|-------------------------|
| Cautious Income  | 3.8                       | 43.0                      | 1.1                   | 11.0                | 6.9                 | 15.3                | 7.0                     |
| Balanced Income  | 4.4                       | 50.0                      | 1.3                   | 11.5                | 9.8                 | 18.1                | 7.8                     |
| Moderate Growth Income   | 4.6                       | 52.8                      | 1.3                   | 11.7                | 11.9                | 19.9                | 8.3                     |
| <b>Index</b> (please see end of document for explanation of indices) |                           |                           |                       |                     |                     |                     |                         |
| UK CPI   | 3.1                       | 34.0                      | 0.8                   | 2.0                 | 20.5                | 24.3                | 1.6                     |
| BOE Base Rate  | 1.2                       | 12.1                      | 1.3                   | 5.2                 | 9.0                 | 9.7                 | 0.5                     |
| IA Mixed 0-35% Equity  | 2.3                       | 23.6                      | 0.6                   | 7.6                 | -2.5                | 5.6                 | 5.3                     |
| IA Mixed 20-60% Equity   | 3.7                       | 41.3                      | 1.1                   | 9.4                 | 2.8                 | 15.2                | 7.1                     |
| IA Mixed 40-85% Equity   | 5.5                       | 66.7                      | 1.7                   | 11.8                | 7.2                 | 25.6                | 8.9                     |

## Discrete Annual Performance (%)

| Verso WM Income Portfolios | 30/6/23 to 30/6/24 | 30/6/22 to 30/6/23 | 30/6/21 to 30/6/22 | 30/6/20 to 30/6/21 | 30/6/19 to 30/6/20 |
|----------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Cautious Income            | 11.0               | 1.8                | -5.5               | 10.9               | -2.7               |
| Balanced Income            | 11.5               | 1.7                | -3.1               | 12.1               | -4.1               |
| Moderate Growth Income     | 11.7               | 1.7                | -1.6               | 12.9               | -5.0               |

# Verso WM - Ethical Portfolios

## Cumulative Performance Since Inception (1/1/2020)



## Breakdown of Performance (%)

| Verso WM Ethical Portfolios   | Since Launch (Annualised) | Since Launch (Cumulative) | 3 Months (Cumulative) | 1 Year (Cumulative) | 3 Year (Cumulative) | 5 Year (Cumulative) | Volatility (Annualised) |
|---|---------------------------|---------------------------|-----------------------|---------------------|---------------------|---------------------|-------------------------|
| Defensive   | 0.8                       | 3.5                       | 0.2                   | 10.2                | -4.9                | 8.8                 | 8.8                     |
| Cautious  | 2.1                       | 9.6                       | 0.4                   | 10.8                | -1.3                | 9.5                 | 9.5                     |
| Balanced  | 3.3                       | 15.9                      | 0.5                   | 11.4                | 2.3                 | 10.5                | 10.5                    |
| Moderate Growth   | 4.2                       | 20.3                      | 0.6                   | 11.8                | 4.7                 | 11.2                | 11.2                    |
| Growth  | 5.5                       | 27.0                      | 0.8                   | 12.4                | 8.5                 | 12.3                | 12.3                    |
| Mod. Adventurous  | 6.7                       | 33.9                      | 0.9                   | 13.0                | 12.2                | 13.5                | 13.5                    |
| Adventurous   | 7.4                       | 37.6                      | 1.0                   | 13.4                | 14.0                | 14.4                | 14.4                    |
| <b>Index</b> (please see end of document for explanation of indicies) |                           |                           |                       |                     |                     |                     |                         |
| UK CPI  | 4.8                       | 23.6                      | 0.8                   | 2.0                 | 20.5                | 24.3                | 1.9                     |
| BOE Base Rate   | 2.0                       | 9.3                       | 1.3                   | 5.2                 | 9.0                 | 9.7                 | 0.6                     |
| IA Mixed 0-35% Equity   | 0.7                       | 3.1                       | 0.6                   | 7.6                 | -2.5                | 5.6                 | 6.8                     |
| IA Mixed 20-60% Equity  | 2.4                       | 11.2                      | 1.1                   | 9.4                 | 2.8                 | 15.2                | 8.8                     |
| IA Mixed 40-85% Equity  | 4.2                       | 20.3                      | 1.7                   | 11.8                | 7.2                 | 25.6                | 10.6                    |

## Discrete Annual Performance (%)

| Verso WM Ethical Portfolios | 30/6/23 to 30/6/24 | 30/6/22 to 30/6/23 | 30/6/21 to 30/6/22 | 30/6/20 to 30/6/21 | 30/6/19 to 30/6/20 |
|-----------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Defensive                   | 10.2               | -1.5               | -12.4              | 7.3                | -                  |
| Cautious                    | 10.8               | 0.5                | -11.4              | 10.4               | -                  |
| Balanced                    | 11.4               | 2.5                | -10.4              | 13.6               | -                  |
| Moderate Growth             | 11.8               | 3.8                | -9.8               | 15.8               | -                  |
| Growth                      | 12.4               | 5.8                | -8.8               | 19.1               | -                  |
| Mod. Adventurous            | 13.0               | 7.8                | -7.8               | 22.4               | -                  |
| Adventurous                 | 13.4               | 9.4                | -8.0               | 24.4               | -                  |

# Rebalance & CAPE Weighting Changes

Regularly rebalancing investment portfolios helps to ensure that they remain aligned to the level of risk and return that investors expect. It also will also have the effect of reducing the holdings where prices have performed most strongly and buying those which have become more attractively priced.

Our Verso WM Portfolios will be rebalanced on 31st July 2024 and you will receive contract notes reflecting the sales and purchases that result.

Within our Premier Portfolios we reduce our weighting to equity markets that appear expensive. We use a rules-based approach to measure markets based on the ratio of price to average earnings. This is known as the 'Cyclically Adjusted Price Earnings' (CAPE) ratio.

Below is a summary of the resulting positions for the next quarter:

| Region                        | Move this Quarter | Current Position                 |
|-------------------------------|-------------------|----------------------------------|
| UK                            | No Change         | In line with long-term weighting |
| North America                 | No Change         | 20% below long-term weighting    |
| Europe excl. UK               | No Change         | 10% below long-term weighting    |
| Japan                         | No Change         | 20% below long-term weighting    |
| Developed Pacific (ex. Japan) | No Change         | In line with long-term weighting |
| Emerging Markets              | No Change         | 10% below long-term weighting    |
| Developed World (i.e. Global) | No Change         | 20% below long-term weighting    |

There was not sufficient movement in the CAPE figures across any of the geographical regions this quarter and therefore there are no changes to report. The current position as per the above table will be maintained.

The CAPE ratio is a comparison of a stock or index price to its total earnings, which is used to tell whether its's over or undervalued. It's an extension of the traditional price-to-earnings ratio (P/E) that monitors a ten-year period to account for variations in profitability due to economic cycles.

**Please Note:** As we have made the decision to replace the Verso WM Portfolios with our new discretionary managed Verso IM Portfolios, we will no longer be automatically rebalancing the portfolios each quarter, going forward your adviser will review and rebalance your portfolio annually if required.

## Reference Indices

| Index                            | Details   |
|----------------------------------|---|
| <b>UK Consumer Price Index</b>   | The Consumer Price Index (CPI) is a measure that examines the weighted average of prices of a basket of consumer goods and services, such as transportation, food and medical care. The speed at which the prices of the goods and services bought by households rise or fall provides a measure of inflation over a given period (Consumer Price Inflation.)   |
| <b>Bank of England Base Rate</b> | The base rate is the official interest rate set by the Bank of England's Monetary Policy Committee (MPC)  |
| <b>IA Mixed 0-35% Equity</b>     | Funds in this sector are required to have a range of different investments. Up to 35% of the fund can be invested in company shares (equities). At least 45% of the fund must be in fixed income investments (for example, corporate and Government bonds) and/or "cash" investments. "Cash" can include investments such as current account cash, short-term fixed income investments and certificates of deposit.           |
| <b>IA Mixed 20-60% Equity</b>    | Funds in this sector are required to have a range of different investments. The fund must have between 20% and 60% invested in company shares (equities). At least 30% of the fund must be in fixed income investments (for example, corporate and government bonds) and/or "cash" investments. "Cash" can include investments such as current account cash, short-term fixed income investments and certificates of deposit. |
| <b>IA Mixed 40-85% Equity</b>    | Funds in this sector are required to have a range of different investments. However, there is scope for funds to have a high proportion in company shares (equities). The fund must have between 40% and 85% invested in company shares.  |

## Disclaimer

Source: FE Analytics

You should remember that past performance is not a guide to future performance. The portfolios' investments are subject to normal fluctuations and other risks inherent when investing in securities. There can be no assurance that any appreciation in value of units will occur. The value of investments and any income derived from them may fall as well as rise and investors may not get back the original amount they invested. There is no certainty the investment objectives of the portfolios will actually be achieved and no warranty or representation is given to this effect. The portfolios therefore should be considered as medium to long-term investments. All performance is given gross of any deduction in fees with the exception of the underlying assets. The portfolios were launched on 1/1/2023.

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