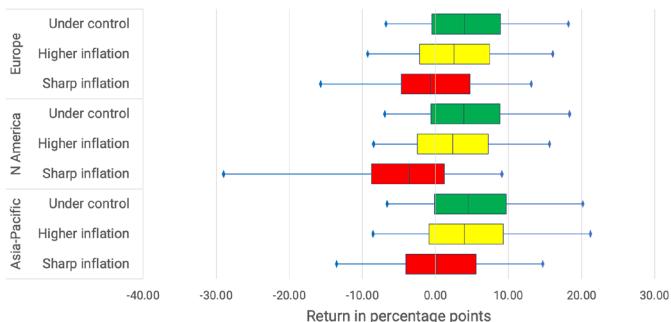
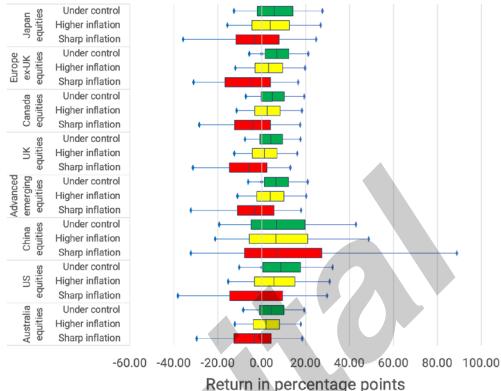


## 1. Return distribution by region



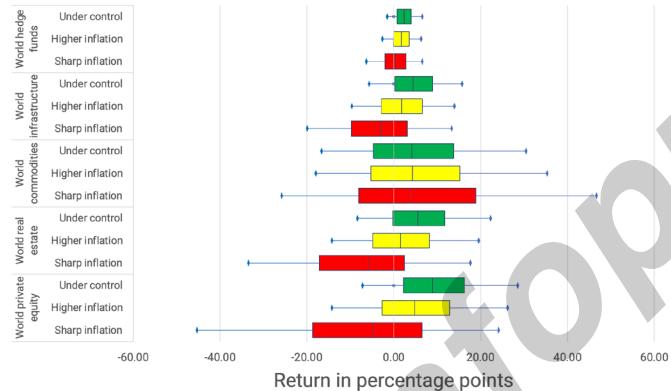
Source: Risk.net; analytics provided by Sapiat

## 2. Return distribution by regional equities



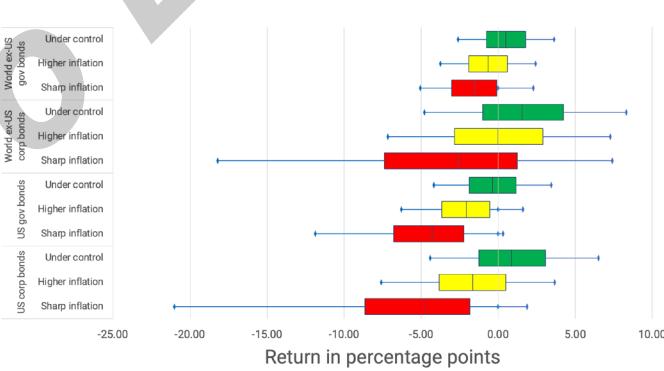
Source: Risk.net; analytics provided by Sapiat

## 3. Return distribution by alternative assets



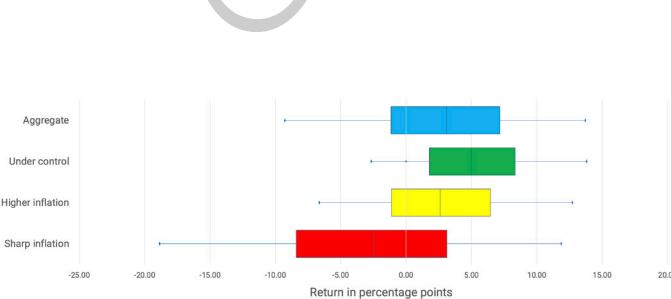
Source: Risk.net; analytics provided by Sapiat

## 4. Return distribution by regional bonds



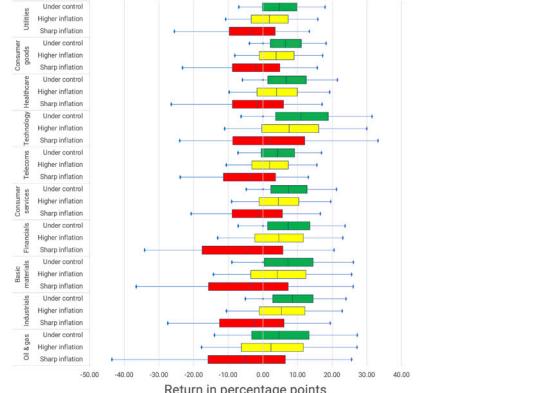
Source: Risk.net; analytics provided by Sapiat

## 5. Return distribution by scenario



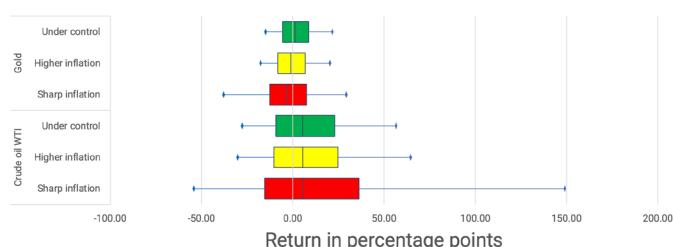
Source: Risk.net; analytics provided by Sapiat

## 6. Return distribution by sector



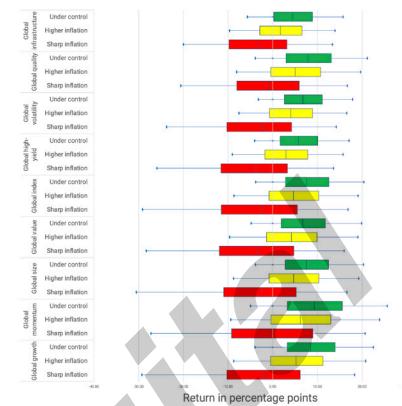
Source: Risk.net; analytics provided by Sapiat

### 7. Return distribution by commodity



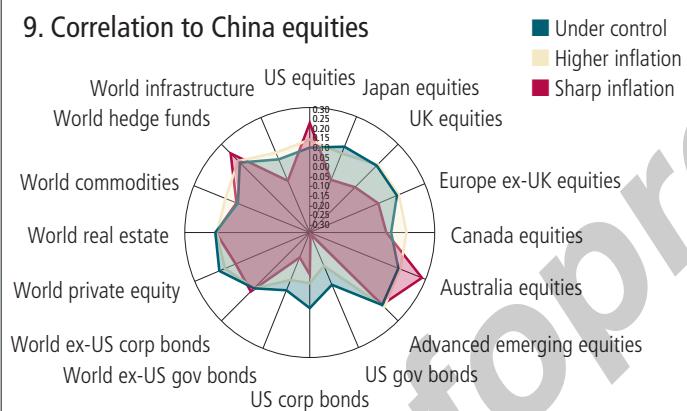
Source: Risk.net; analytics provided by Sapiat

### 8. Return distribution by hedge fund strategy



Source: Risk.net; analytics provided by Sapiat

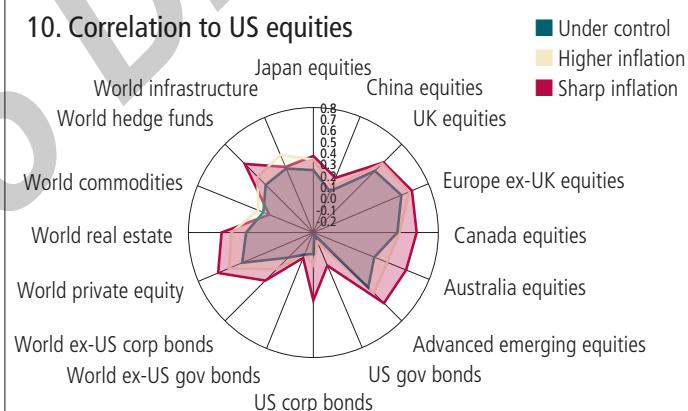
### 9. Correlation to China equities



This chart shows the shifting correlation between one asset class and every other one in the portfolio under each inflation regime

Source: Risk.net; analytics provided by Sapiat

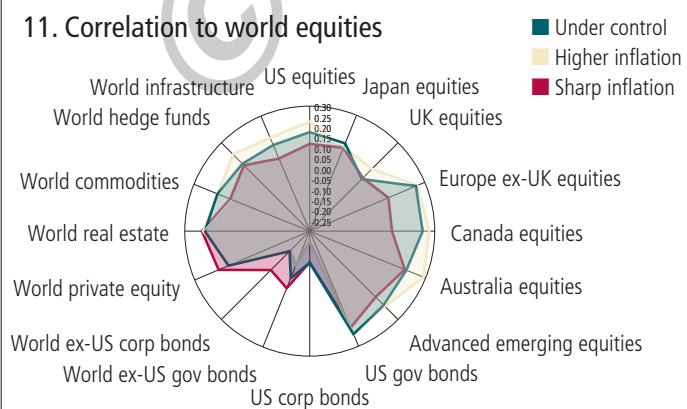
### 10. Correlation to US equities



This chart shows the shifting correlation between one asset class and every other one in the portfolio under each inflation regime

Source: Risk.net; analytics provided by Sapiat

### 11. Correlation to world equities



This chart shows the shifting correlation between one asset class and every other one in the portfolio under each inflation regime

Source: Risk.net; analytics provided by Sapiat

## A. Inflation impact by regime and asset class – summary (%)

		Under control	Higher inflation	Sharp inflation	Under control	Higher inflation	Sharp inflation	Under control	Higher inflation	Sharp inflation
	Weight	Mean return (annualised)			Volatility (annualised)			Conditional VAR (6-month)		
Sapiat model allocation	100.00	10.41	5.49	(6.24)	7.18	8.51	13.67	(7.24)	(14.72)	(33.68)
		Contribution to return			Contribution to volatility			Contribution to CVAR		
US equities	20.00	3.85	2.55	(1.12)	3.22	3.45	5.20	(3.16)	(5.21)	(10.83)
Japan equities	3.00	0.31	0.11	(0.45)	0.20	0.24	0.41	(0.22)	(0.50)	(0.71)
China equities	3.00	0.56	0.59	0.93	0.25	0.29	0.57	(0.17)	(0.15)	(1.40)
UK equities	3.00	0.38	0.18	(0.40)	0.30	0.37	0.60	(0.34)	(0.68)	(3.20)
Europe ex-UK equities	7.00	1.00	0.47	(0.85)	0.62	0.80	1.15	(0.61)	(1.39)	(5.06)
Canada equities	3.00	0.39	0.20	(0.34)	0.32	0.38	0.64	(0.36)	(0.68)	(2.38)
Australia equities	3.00	0.40	0.19	(0.37)	0.32	0.40	0.76	(0.40)	(0.79)	(1.80)
Advanced emerging equities	3.00	0.41	0.25	(0.22)	0.22	0.28	0.50	(0.22)	(0.52)	(1.91)
US government bonds	10.00	(0.07)	(0.44)	(0.95)	(0.05)	(0.05)	0.06	0.03	(0.36)	0.43
US corporate bonds	5.00	0.09	(0.18)	(0.61)	0.02	0.03	0.21	(0.01)	(0.34)	(0.26)
World ex-US government bonds	10.00	0.10	(0.13)	(0.31)	(0.00)	(0.01)	(0.01)	0.05	(0.08)	(0.39)
World ex-US corporate bonds	5.00	0.16	(0.00)	(0.33)	0.08	0.11	0.25	(0.10)	(0.30)	0.12
World private equity	5.00	1.00	0.54	(0.89)	0.55	0.73	1.43	(0.54)	(1.50)	(3.12)
World real estate	5.00	0.61	0.19	(0.70)	0.39	0.49	0.83	(0.41)	(1.05)	(3.44)
World commodities	5.00	0.52	0.61	0.68	0.42	0.54	0.53	(0.49)	(0.45)	2.57
World hedge funds	5.00	0.24	0.17	0.03	0.09	0.11	0.20	(0.05)	(0.15)	(0.59)
World infrastructure	5.00	0.47	0.19	(0.34)	0.25	0.33	0.34	(0.24)	(0.60)	(1.71)

Source: Risk.net; analytics provided by Sapiat

## B. Stress scenarios – the five bears (%)

		Under control	Higher inflation	Sharp inflation
	Weight	Mean return (annualised)		
Sapiat model allocation	100.00	(2.12)	(13.03)	(28.96)
		Contribution to return		
US equities	20.00	0.26	(4.69)	(10.75)
Japan equities	3.00	(0.22)	(0.22)	(0.52)
China equities	3.00	0.49	0.32	1.34
UK equities	3.00	(0.44)	(1.13)	(2.00)
Europe ex-UK equities	7.00	(0.75)	(2.22)	(4.14)
Canada equities	3.00	(0.51)	(1.08)	(2.30)
Australia equities	3.00	(0.17)	(0.72)	(1.65)
Advanced emerging equities	3.00	(0.18)	(0.62)	(1.12)
US government bonds	10.00	(0.34)	(0.09)	1.36
US corporate bonds	5.00	(0.17)	(0.10)	0.50
World ex-US government bonds	10.00	(0.09)	0.06	0.98
World ex-US corporate bonds	5.00	0.14	(0.03)	(0.21)
World private equity	5.00	(0.40)	(1.50)	(3.24)
World real estate	5.00	(0.12)	(0.94)	(2.51)
World commodities	5.00	0.99	1.05	(2.49)
World hedge funds	5.00	0.15	(0.03)	(0.44)
World infrastructure	5.00	(0.75)	(1.11)	(1.78)

Source: Risk.net; analytics provided by Sapiat

### C. Impact of inflation as seen by different regions (%)

		Europe	N America	Asia-Pacific	Europe	N America	Asia-Pacific	Europe	N America	Asia-Pacific
	Weight	Under control			Higher inflation			Sharp inflation		
Sapiat model allocation	100.00	9.39	9.39	11.06	6.30	5.59	12.20	(0.83)	(11.28)	3.21
		Contribution to return			Contribution to return			Contribution to return		
US equities	20.00	3.40	3.39	4.28	2.74	2.23	5.82	0.68	(3.30)	2.92
Japan equities	3.00	0.26	0.25	0.28	0.27	0.48	0.24	0.49	0.75	0.29
China equities	3.00	0.55	0.54	0.61	0.61	0.66	0.78	0.75	0.59	0.69
UK equities	3.00	0.31	0.31	0.39	0.22	0.22	0.47	(0.08)	(0.58)	0.16
Europe ex-UK equities	7.00	0.85	0.82	1.14	0.48	0.23	1.30	(0.47)	(2.29)	0.15
Canada equities	3.00	0.32	0.32	0.40	0.18	0.14	0.42	(0.26)	(0.85)	(0.03)
Australia equities	3.00	0.36	0.38	0.42	0.26	0.28	0.42	(0.02)	(0.54)	0.17
Advanced emerging equities	3.00	0.35	0.33	0.40	0.24	0.18	0.40	(0.05)	(0.58)	0.16
US government bonds	10.00	(0.02)	(0.07)	(0.14)	(0.39)	(0.48)	(0.49)	(0.90)	(1.00)	(0.97)
US corporate bonds	5.00	0.12	0.09	0.06	(0.13)	(0.18)	(0.17)	(0.48)	(0.61)	(0.50)
World ex-US government bonds	10.00	0.13	0.11	0.09	(0.10)	(0.15)	(0.13)	(0.40)	(0.33)	(0.46)
World ex-US corporate bonds	5.00	0.16	0.18	0.10	(0.00)	(0.03)	(0.02)	(0.39)	(0.52)	(0.23)
World private equity	5.00	0.91	0.92	1.08	0.54	0.44	1.12	(0.48)	(1.62)	(0.00)
World real estate	5.00	0.58	0.59	0.68	0.27	0.15	0.59	(0.36)	(1.43)	(0.03)
World commodities	5.00	0.48	0.61	0.56	0.84	1.24	0.82	1.61	2.19	1.25
World hedge funds	5.00	0.22	0.22	0.24	0.19	0.17	0.25	0.12	(0.05)	0.18
World infrastructure	5.00	0.41	0.39	0.48	0.10	0.02	0.37	(0.60)	(1.12)	(0.55)

Source: Risk.net; analytics provided by Sapiat