



Action Required

Portfolio Alteration Request

Growth Adventurous

March 2022



Introduction

Following the invasion of the Ukraine, the impact on the global economy will put further pressure on inflation due to the increase in gas and oil prices as well as food costs. Ukraine is one of the largest producers of wheat and the war will limit supplies through the summer which in turn will drive prices up.

The policy makers have some difficult choices to make, rate rises in the US and UK are inevitable, Europe less so as it is Europe that will suffer the most as a result of the invasion. We think rates will rise but slower than planned. Policy makers cannot raise rates too quickly as they will stall and possibly reverse growth into recession. This would result in stagflation which is high inflation but no growth. Not a good outcome for anyone.

As such we are making changes to the portfolio at a strategic and tactical level with the aim to move towards a preservation strategy and further diversifying the portfolio.

The purpose of this document is to provide information pertaining to your existing portfolio and the proposed new portfolio for you to keep for your records.

The information includes:

- fund comparison analysis
- portfolio risk scores
- allocations:
 - asset
 - geography

It should be noted that your own portfolio will differ from this generic comparison and does not reflect the movement in prices or values from the date of any previous switches.

Why is this document important?

We are unable to make the changes to your portfolio(s) without your say so.

What do I need to do?

In order to make the changes to your portfolio(s) please confirm by email at your earliest convenience.

If you are concerned about the level of risk you are currently taking or feel you wish to increase or decrease your risk exposure then we need to talk about this and therefore please let me know and I will arrange for a call with your wealth manager.

I look forward to hearing from you at your earliest opportunity, we are keen to make these changes therefore your prompt reply would be appreciated.

Investment Alterations

Equities

We have a strong view that in these times, quality companies with strong cash flows where many can pass on inflation costs are important, as such we propose to come out of Europe and UK smaller and mid cap stocks and focus on large FTSE 100 companies and funds. We are including a FTSE 100 tracker and an active Manager, Schroder UK Equity Income.

We are taking the same view in the US and retaining the BNY Mellon US Equity Income Fund. There is an increased allocation in our equities in these two areas and retaining our allocation to technology and sustainability.

We have also held our allocation to Infrastructure and Global Healthcare funds as the underlying companies are better placed and have less of an inflation impact such as technology stocks / funds.

We have introduced clean energy funds in the ESG theme as we expect policy makers and governments to increase investment into renewable energy and expediate the infrastructure build so that nations become less reliant on oil and gas, especially out of Russia.

We remain neutral in Japan and the Emerging Markets and global water.

We think this portfolio reflects the new world post the illegal Ukrainian invasion.

Portfolio comparison

Existing Portfolio	% Holdings	Proposed Portfolio	% Holdings
L&G Global Technology Index Trust	10.0%	BNY Mellon US Equity Income	12.0%
iShares Global Water GBP	9.0%	L&G Global Technology Index Trust	10.0%
Fidelity Global Health Care	9.0%	Fidelity Japan	9.0%
BNY Mellon US Equity Income	9.0%	BG Pacific	9.0%
Blackrock Continental Europe	9.0%	iShares Global Water GBP	8.0%
Fidelity Japan	9.0%	Pictet Clean Energy	7.0%
BG Pacific	9.0%	GF Sustainable Energy	7.0%
Aegon Global Sustainable Equity	6.0%	Fidelity Global Health Care	7.0%
BG Positive Change	6.0%	Vanguard FTSE 100 Index Unit Tst	6.0%
ClearBridge Global Infrastructure Income	6.0%	Schroder UK Equity Income	6.0%
M&G Global Listed Infrastructure	6.0%	JH Sustainable Global Equity	6.0%
Invesco Income and Growth	4.0%	BG Positive Change	5.0%
Gresham UK Multi Cap Income	4.0%	ClearBridge Global Infrastructure Income	4.0%
RL UK Equity Income	4.0%	M&G Global Listed Infrastructure	4.0%
Total	100.0%	Total	100.0%

Portfolio risk scores

The new portfolio remains with your chosen risk band and therefore there is no change to your current attitude to investment.

Existing Adventurous Growth Portfolio	Risk Score 81
Proposed Adventurous Growth Portfolio	Risk Score 84

Model portfolio risk bands

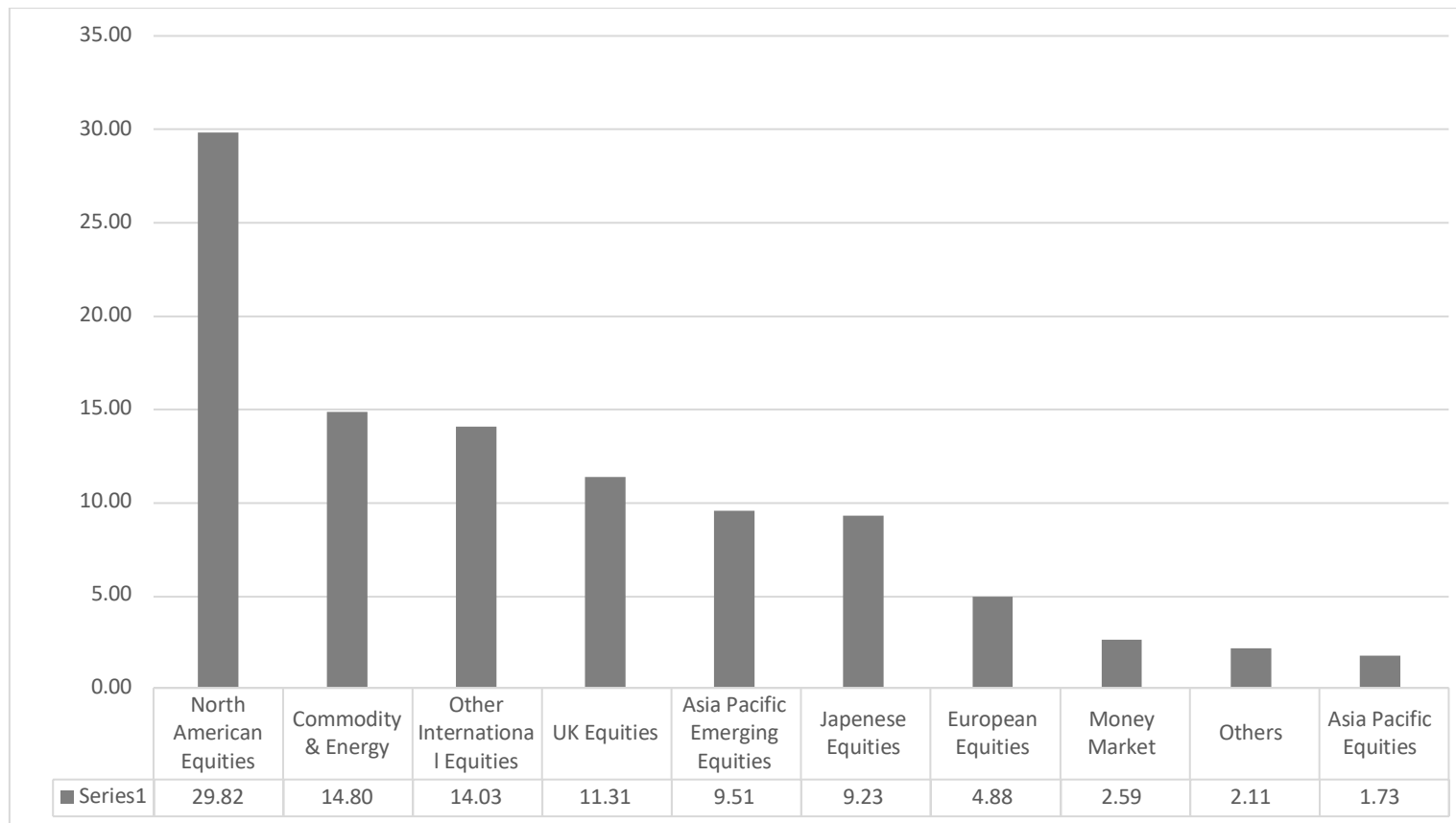
Cautious	Risk Band 25-40
Cautious to Moderate	Risk Band 40-50
Moderate	Risk Band 50-60
Moderate to Adventurous	Risk Band 60-75
Adventurous	Risk Band 75-130

Asset & geographical allocations

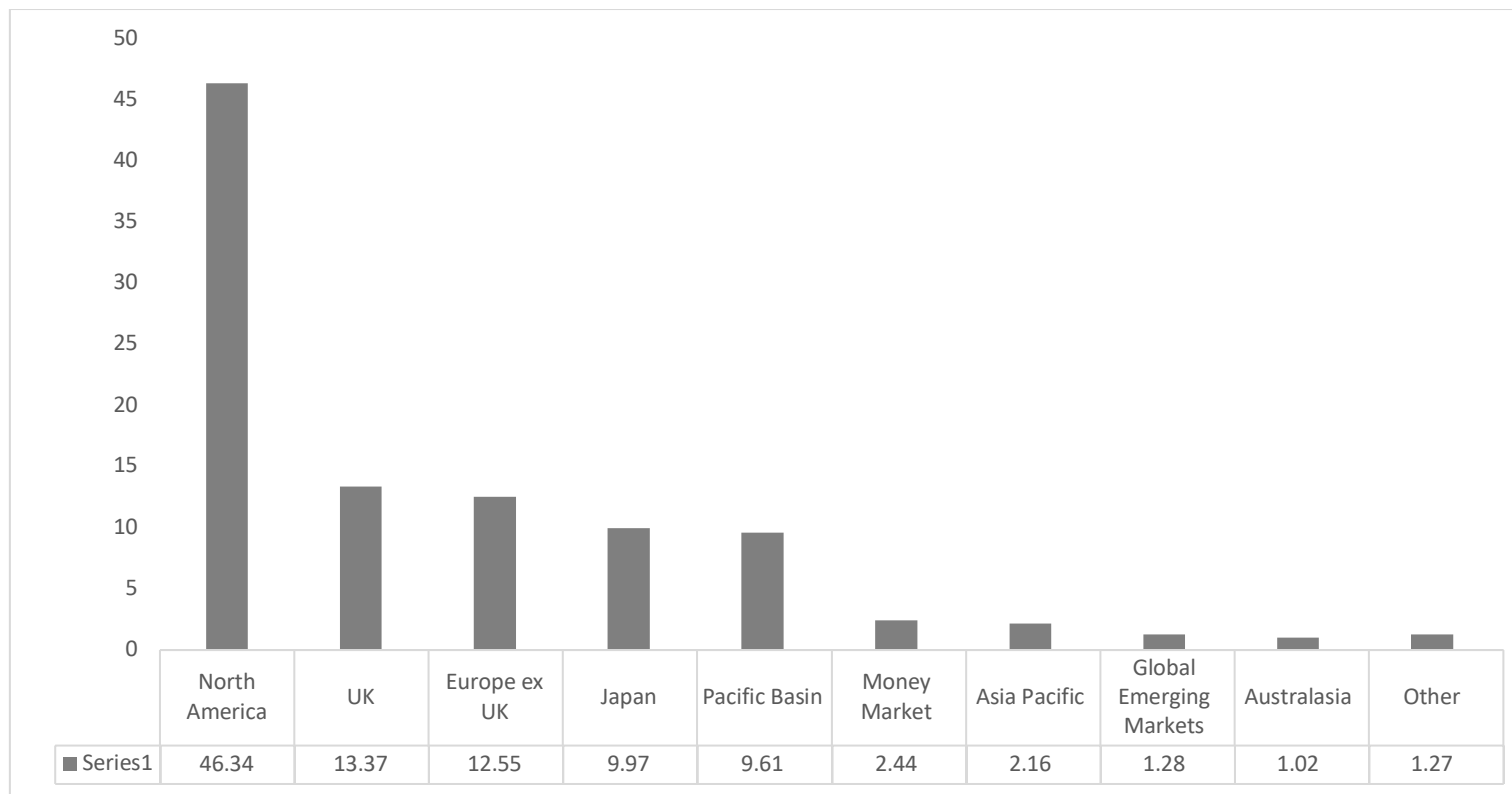
These are produced by our global analytical system using the data and information supplied to them by the fund managers and investment houses hence there are 'undisclosed' or 'other' categories showing based on the sometime limited information supplied to them. When carrying out our in-house analysis we do contact these investment houses directly to drill down and ascertain this information but for the purpose of this report we do, unfortunately, have to use the data supplied.

New portfolio information

Asset type



Geography



Summary

We would like to make these changes quickly and your response is required to start the process.

I look forward to hearing from you soon.

Sarah Lockington



**Thank you. Please confirm your acceptance by emailing
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