


**MPS-GROWTH STRATEGY**  
 JUNE 2020



## INVESTMENT OBJECTIVE

The objective of this portfolio is to grow capital over the medium to longer term. Investors should expect a high correlation to stock market behaviour and rewards, including significant fluctuations in value, with limited protection in times of market weakness.

## KEY INFORMATION

Launch Date	January 2013
Historic Yield	1.75%
Initial Charge	0.00%
Investment Management Charge	0.25% (+VAT)
Fund Underlying Charges	0.63%

## TOP TEN HOLDINGS

Legal & General US Index	6.79%	Hermes Unconstrained	4.83%
Cash	6.20%	Threadneedle UK	4.69%
TwentyFour Monument Bond	5.99%	Dodge & Cox Worldwide US Stock	4.61%
Artemis Strategic Bond	5.02%	Hermes US Smid Equity	4.61%
LF Lindsell Train UK Equity	4.89%	Man GLG Japan CoreAlpha	4.04%

## RISK LEVEL



## INVESTMENT STRATEGY

Our investment strategy has three key components:

**ASSET ALLOCATION** > Focused on analysing the economic and financial environment, assessing the prospective returns and risks of each of the major asset classes, both over the short and long term.

**FUND SELECTION** > Our rigorous fund selection process involves assessing which funds best allow us to gain exposure to the most attractive asset classes, regions and themes.

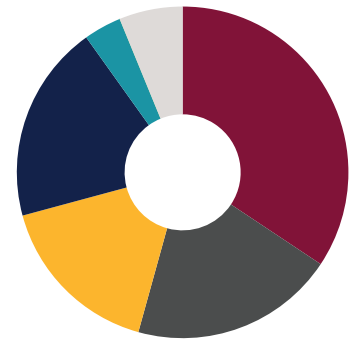
**PORTFOLIO CONSTRUCTION** > These two building blocks are then combined to create portfolios which are designed to meet their specific objectives and are actively managed with regular rebalancing.

The process is run by our research and strategy team and overseen by our investment committee to ensure that the portfolios are managed in line with their objectives and risks are kept to appropriate levels.

# OUR PORTFOLIO

## ASSET ALLOCATION

■ Equities - International	34.3%	■ Equities - UK	20.0%
Equities - Global	2.3%	■ Equities - Thematic	16.5%
Equities - Asia (excluding Japan)	5.5%	■ Bonds	19.3%
Equities - Emerging Markets	3.8%	■ Alternatives	3.7%
Equities - Europe (excluding UK)	2.8%	■ Gold	0.0%
Equities - Japan	4.0%	■ Cash	6.2%
Equities - US	16.0%		



Equity markets ended 2019 on a strong note as hopes have grown of a recovery in global growth on the back of the widespread easing of monetary policy and more recently the reduction in US-China trade tensions. An upturn in global growth over the coming year should fuel a pick-up in corporate earnings, which in turn should provide the basis for further gains in equities.

Equity valuations, however, have risen substantially over the last year, limiting somewhat the scope for further price increases. Even so, prospective returns looked significantly higher for equities than for bonds where the low level of yields leaves return prospects looking very limited.

We increased our equity exposure significantly over the past year and our equity weighting is now back to neutral. We feel this is appropriate as even though the economic outlook has improved markedly, significant risks remain - not least on the geo-political front.

Within equities, we remain positive on Asia/emerging markets and also retain an exposure to various themes such as technology where we believe medium term growth prospects remain favourable. We have also become rather more positive on the UK as political and Brexit-related risks have diminished significantly yet valuations remain relatively cheap.

## PERFORMANCE (%)

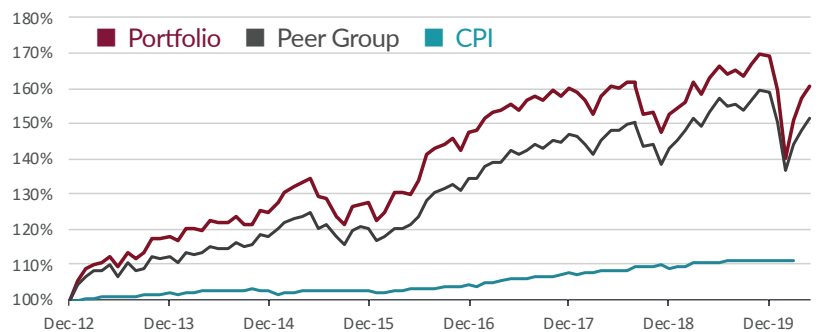
Cumulative (%)					
	3 m	1 yr	3 yr	5 yr	Since Launch
Portfolio	14.5%	-1.6%	4.4%	23.7%	60.3%

Calendar Year Performance (%)					
	2015	2016	2017	2018	2019
Portfolio	2.3%	15.3%	8.9%	-8.0%	15.0%

Past performance is not a guide to future returns.

## GROWTH MPS (SINCE INCEPTION)



Source: Thomson Reuters Datastream; ARC Research Ltd PCI ([www.suggestus.com](http://www.suggestus.com))



This factsheet is for Professional Intermediaries only. Kingswood, Kingswood Group and KW Institutional are trading names of KW Wealth Planning Limited (Companies House Number: 01265376) regulated by the Financial Conduct Authority (Firm Reference Number: 114694) and KW Investment Management Limited (Companies House Number: 06931664) regulated by the Financial Conduct Authority (Firm Reference Number: 506600) with a registered office at 13 Austin Friars London EC2N 2HE. KW Investment Management Limited is also regulated in South Africa by the Financial Sector Conduct Authority (Firm Reference Number: 46775). Both companies are wholly owned subsidiaries of Kingswood Holdings Limited which is incorporated in Guernsey (registered number: 42316) and has its registered office at Regency Court, Glatigny Esplanade, St Peter Port, Guernsey, GY1 1WW. The value of an investment and any income from it may fall as well as rise, may be affected by exchange rate fluctuations and you may not get back the amount you originally invested. Securities may not be suitable for all investors. Past performance data is not representative of past performance on different platforms. This is because MPS on platforms will vary in portfolio composition due to the differing availability of investments. Portfolios are re-balanced at least quarterly and rounding when buying securities may affect the cash held. The information in this factsheet does not constitute an offer of, or an invitation to buy or sell any security.