

Portfolio Manager



James Kempster
Manager since July 2010

Portfolio objective

To provide a long-term capital return in excess of the Mixed Investment 40-85% shares sector.

Investment approach

The objective is achieved by using a balanced investment approach, gaining exposure to a number of different asset types including shares and bonds across a broad range of international markets, enabling a better trade-off between risk and return. The performance of all the funds in the portfolio is constantly monitored and formally reviewed on a quarterly basis by an investment committee.

Portfolio manager's commentary

The final quarter of 2018 saw a continuation of familiar themes weighing on markets. The United States were at the centre of things with their trade war with China remaining contentious and it spread to matters of technology and espionage, further damaging their relationship. Additionally, the US central bank made fourth increase to rates which was not what the market wanted to see and they reacted accordingly.

Despite these headwinds, we are conscious that now is not the time to overreact and make drastic changes to try to undo what has already happened. We remain focused on our approach and on the long-term nature of the portfolios.

This quarter we have introduced a new holding in First State Global Listed Infrastructure which we believe will act to reduce the overall correlation of the assets held within the portfolio.

Indicative risk rating

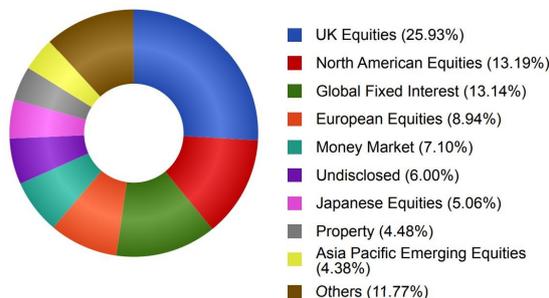
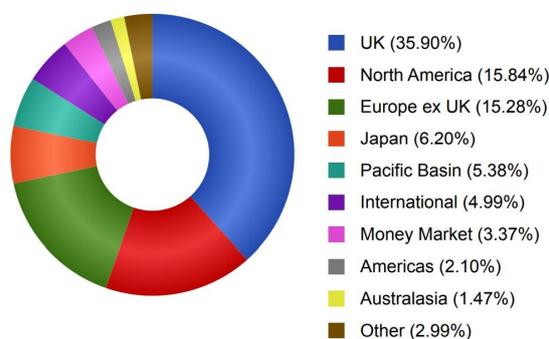


5 year fund performance versus benchmark



Top 10 Holdings

Aberdeen - Sterling Money Market	8%
Fundsmith - Equity	7%
Liontrust - Special Situations	7%
Threadneedle - UK Property	7%
Jupiter - Absolute Return	6%
JPM - UK Higher Income	5%
Schroder - Recovery	5%
First State - Global Listed Infrastructure	5%
Artemis - High Income	4%
Baillie Gifford - Japanese	4%

Asset allocation

Regional breakdown

Important notes

All data are to 31.12.2018. Any fund performance data include explicit (OCF) and implicit (ongoing) fund manager charges but do not include platform, adviser or investment management fees. Full details will be outlined in your product provider illustration. For further information please contact your financial adviser.

Past performance is not a guide to future performance. The value of investments and any income from them will fall as well as rise; you may get back less than the amount invested. Higher volatility investments are subject to sudden and large falls in value and could result in a loss equal to the sum invested. Certain investments (e.g. property) are not readily realisable and investors may experience difficulty in realising the investment or in obtaining reliable information on the value or associated risks. Changes in rates of exchange may have an adverse effect on the value, price or income of investments denominated in currencies other than Sterling.

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Key Investor Information Disclosure Documents (KIIDs) or Key Information Documents (KIDs) for the underlying funds can be found on our website: www.imscapital.co.uk/kiid.

Key facts

Ongoing charge figure	1.31%
ISA qualification	Yes
Twelve month historical yield	2.05%
Volatility*	7.34 (Benchmark 7.07)
Sharpe ratio**	0.36 (Benchmark 0.24)

*Volatility measures how much an investment deviates from its average over a period.

**The Sharpe Ratio measures the trade-off between risk and return.

For the purposes of comparison the ongoing charge figure shown above represents the highest potential fund charge and therefore the actual cost will depend on the provider selected. It does not include adviser or platform fees.

Full details of all charges will be outlined in your product provider illustration. For further information please contact your financial adviser.

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