

Portfolio Management Service - Cautious Growth

Key Facts

As at 31st March 2019

Launch date

10th March 2009

Minimum investment

- Direct Portfolio - £3,000
- ISA - £3,000 (including transfers)
- £100 per month (ISA, Direct Portfolio)

Whitechurch Initial Fee

0% of amount invested

Whitechurch Annual Management Fee*

0.75% per annum of the portfolio value (+VAT)

Whitechurch Custodian Fee*

0.40% per annum of portfolio value (charged monthly). Capped at £1,000

Advisory Fees*

To be agreed with Financial Adviser

Risk Rating

4/10 - Cautious






* Please refer to brochure for full details of charges

Please note underlying fund charges are in addition to the charges listed above.

Key objectives

The strategy aims to generate medium-term positive returns, through investing in a range of investment strategies that have potential to generate positive returns, irrespective of market conditions. The portfolio will aim to operate with a lower risk than more traditional approaches to portfolio management, which tend to be largely dependent on the performance of equity markets.

Investment manager's comment

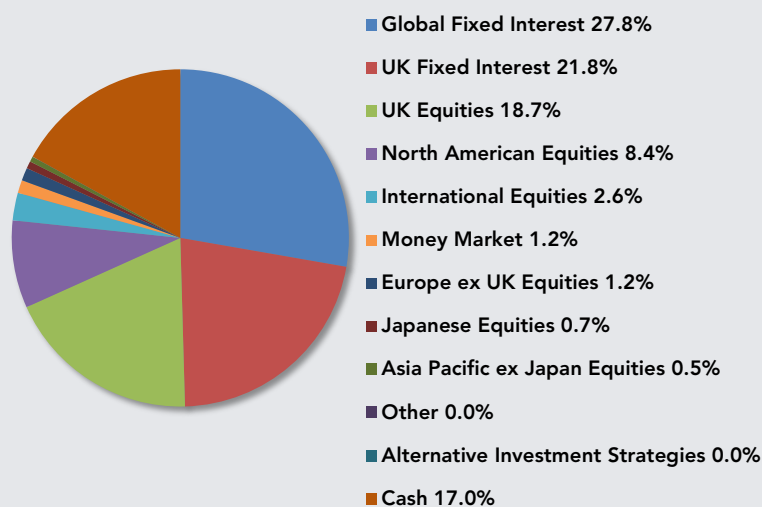
	Looking Back: The strategy made 1.4% over the quarter, underperforming the benchmark ARC £ Cautious PCI, which returned 2.6%. Much of this underperformance stemmed from continued poor performance from the portfolio's absolute return investments. Following a prolonged period of disappointing performance, we have made wholesale changes to remove these absolute return funds from the portfolio.
	Best performing holding: This was TB Evenlode Income C Inc, which returned 9.1%. The fund's focus on high quality businesses with defensible and stable internationally diversified earnings streams stood the fund in good stead over the quarter.
	Worst performing holding: This was the strategy's safe haven exposure, Vanguard US Government Bond Index Inv Inc GBP, which returned -0.2%. Following a strong period of performance in the final three months of 2018, the position was flat over the previous buoyant quarter as the dollar saw modest weakness against sterling.
	Portfolio Changes: During the reporting period; we made extensive changes to remove the portfolio's absolute return investments. We made eight changes, four buys, and four sells. Regarding the absolute return exposure, we sold Jupiter Absolute Return, Odey UK Absolute Return, and SVS Church House Tenax Absolute Return Strategies. In their place, we bought; Fidelity Index UK, a low cost passive UK equity fund, Schroder Strategic Credit L Income, a defensive high yielding bond fund, and Vanguard FTSE Developed World ex UK Equity Index, a passive low cost global equity fund. We sold the portfolio's holding in Janus Henderson UK Property, reinvesting the proceeds into Baillie Gifford Investment Grade Long Bond B Inc. The portfolio was rebalanced over the reporting period to reflect our current investment views, and to ensure the strategy remains aligned with its risk profile.
	Looking Ahead: It was pleasing to see financial markets enjoy some strong performance over the reporting period. However, once again absolute return strategies weighed on the performance of the portfolio. We have now acted to remove the underperforming absolute return funds from the portfolio and believe going back to basics in using a blend of low cost bond and equity investments will unlock future performance for the portfolio. The portfolio is now well placed to deliver an attractive total return, within a cautious risk profile.

Performance Table	0-12m	12-24m	24-36m	36-48m	48-60m	5 Year Cumulative	Volatility (3 Years)
PMS Cautious Growth - Risk 4	-1.2%	-3.0%	-2.3%	-1.5%	0.7%	-7.2%	3.3%
ARC £ Cautious PCI	0.9%	0.7%	7.1%	-1.4%	6.0%	13.8%	2.9%

Source: FE Analytics, Whitechurch Securities. Performance figures are calculated net of fees in sterling. Unit Trust prices are calculated on a bid-to-bid basis. OEICs & Investment Trust prices are calculated on a mid-to-mid basis, with net income reinvested. The past is not necessarily a guide to future performance. The value of investments and any income will fluctuate and investors may not get back the full amount invested. Currency exchange rates may affect the value of investment.

Asset allocation - Portfolio breakdown

(at 31st March 2019)



Source: Financial Express 31st March 2019. Asset allocation numbers may not add up to 100% due to rounding. Negative asset allocation can occur due to the underlying positions employing hedging strategies.

Current holdings

- Baillie Gifford Investment Grade Long Bond B Inc
- Evenlode Global Income
- Fidelity UK Index
- JOHCM UK Dynamic
- Schroder Strategic Credit
- TwentyFour Absolute Return Credit
- Vanguard FTSE Developed World ex UK Equity Index
- Vanguard US Government Bond Index
- Cash

For further information about any of the areas included in this or any of our other strategies in the Portfolio Management Service please contact your Financial Adviser.

Risk Profile 4/10 - Cautious

This is a cautious strategy, whereby the majority of the portfolio will be in lower risk investments. This strategy will invest up to a maximum of 35% in equities with the aim of enhancing returns over the medium to long-term and combating inflation. Investors accept that the overall portfolio will show losses over certain periods but are accepting a degree of risk in return for a potentially higher return over the long term.

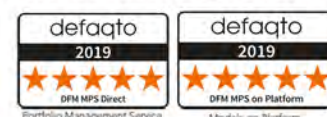
Whitechurch Risk Ratings

Risk is defined as the risk to the capital or original investment (based on a minimum 5 year investment term). Whitechurch provides a risk rating of portfolios on a scale of 1 to 10 (1 being the lowest risk and 10 being the highest risk). Full guidelines are available in the Whitechurch Portfolio Management Service brochure.

Other strategies under the Portfolio Management Service

- Dynamic Defensive Strategy 3/10 - Low Risk
- Dynamic Cautious Strategy 4/10 - Low Risk
- Monthly Distribution Strategy 5/10 - Balanced
- Dynamic Balanced Strategy 5/10 - Balanced
- Ethical Balanced Strategy 5/10 - Balanced
- Dynamic Steady Growth Strategy 6/10 - Above Average
- Global Income & Growth Strategy 6/10 - Above Average
- Dynamic Growth Strategy 7/10 - High Risk
- Stockmarket Growth Strategy 7/10 - High Risk
- Energy & Global Shift Strategy 8/10 - Aggressive

Award Winning Services



For further information about any of the areas included in this or any of our other strategies in the Portfolio Management Service please contact your Financial Adviser.

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This fact sheet is intended to provide information of a general nature and does not represent a personal recommendation of the service. If you are unsure, seek professional advice before making an investment. Whilst we have made great efforts to ensure complete accuracy we cannot accept responsibility for inaccuracies. The past is not necessarily a guide to future performance. The value of investments and any income produced can go down as well as up and you may not get back the full amount invested. Levels and bases of, and reliefs from, taxation are subject to change.

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