CONSERVATIVE ALPHA
PORTFOLIO

EDITION 29 June 2018

RISK

4

ESTATE CAPITAL

Cautious to Balanced Investor

You don't seek risky investments but don't avoid them either. Your aim is a longer term return. You accept modest yet frequent fluctuations in value and the risk of a moderate loss.

Potential return of 21.94% & potential loss of -12.80%

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The Conservative Alpha Portfolio is a growth style strategy. It is aimed at medium to long term investors who are seeking above average capital growth from a cautious to balanced portfolio.

The chosen investment funds can invest in UK and overseas equities, commercial property, cash, fixed interest securities, commodities and alternative investments.. They are actively managed by leading fund managers to maximise total return whilst maintaining control of risk.

The Conservative Alpha Portfolio performance is benchmarked against the average performance of the IA Mixed Investment 20%–60% sector and has a risk rating and investor profile of 4 out of 10.

RISK

Potential return of 21.94%
& potential loss of -12.80%.

4

ACTIVE

Managed daily by our personally selected fund managers.

75%

EQUITY

Held in risk to drive growth, vs the stability of bonds & property.

44%

FEES

The weighted total cost for the portfolio including management, trading & research costs.

0.92%

Risk

Prospective Risk Level

Historic Risk Level

A **risk level 4** investor should be prepared to accept annual returns somewhere **within the range of a -12.80% loss and a 21.94% gain** — returns within this range would be expected 95% of the time. It should be remembered that there is a 5% chance that **risk level 4** portfolios will experience an annual return outside this range — this means an investor may experience **losses greater than -12.80% or gains greater than 21.94%** at some point(s) during their investment in one year.

It is important to remember the figures are not intended to be and should not be taken as a projection of the likely returns from the portfolio risk levels. This is intended to support the risk discussion following the completion of a risk profile questionnaire. They show the implied volatility and mean expected return of risk levels 1 to 10 to two standard deviations in one year (ie all returns are expected to be between these extremes in 95 years out of 100; this is often described as a 95% confidence level). The figures shown are the expected arithmetic average returns and the ranges assume that returns are based on a log normal distribution. Figures are shown net of tax and underlying manager fees.

Range of Returns

Upper Return

21.94%

In 95 years out of 100, this is the highest expected level of return for a given level of risk. There is a 2.5% chance that returns could fall outside the upper return figure in one year.

Average of All Returns

4.57%

This is the average of all possible returns within a risk level in one year.

Lower Return

-12.80%

In 95 years out of 100, this is the lowest expected level of return for a given level of risk. There is a 2.5% chance that returns could fall outside the lower return figure in one year.

Asset Allocation

	Money Markets	*Fixed Interest*	*Property*	*UK Equity*	*US Equity*	*European Equity*	*Asian Equity*	*Japan Equity*	*Global Equity*	*Other Assets*
Conservative Alpha	24%	21%	11%	8%	14%	4%	9%	3%	2%	4%
Benchmark IA Mixed Investment 20%-60%	7%	37%	3%	15%	5%	4%	3%	0%	12%	14%
Difference Portfolio v Benchmark	17%	-16%	8%	-7%	11%	0%	6%	3%	-10%	-10%

Cumulative Performance Chart

KEY Conservative Alpha Benchmark ● Automated Switch

Powered by data from FE

Cumulative performance chart shows % growth from 18.05.2014 to 18.05.2018 calculated using bid prices with income re-invested into the fund net of tax. The cumulative performance chart shows how the portfolio has performed against the benchmark taking into account the changing composition of the portfolio over the period of time shown.

Cumulative Performance: % Growth to 18/05/2018

	6 months %	*1 year %*	*2 years %*	*3 years %*	*5 years %*
Conservative Alpha	2.72	8.92	22.73	25.27	-
Benchmark IA Mixed Investment 20%-60%	1.29	3.33	17.51	15.05	25.79
Difference Portfolio vs Benchmark	1.43	5.59	5.22	10.22	-

Discrete Performance to Month End Shown: % Growth to 18/05/2018

	30/04/18	*30/04/17*	*30/04/16*	*30/04/15*	*30/04/14*
Conservative Alpha	8.26	11.78	2.48	10.03	-
Benchmark IA Mixed Investment 20%-60%	2.96	12.41	-2.03	8.58	2.98
Difference Portfolio v Benchmark	5.30	-0.63	4.51	1.45	-

Individual Fund's Performance To 18/05/2018

Cumulative Performance: % Growth

Fund	*% Holding*	*Fund Manager*	*6 months %*	*1 year %*	*2 years %*	*3 years %*	*5 years %*
Artemis Strategic Bond	2.00%	Alex Ralph & James Foster	0.58	3.24	13.98	14.65	27.36
Baillie Gifford American	3.00%	G Robinson, H Xiong, T Slater & K Gibson	21.75	36.40	88.68	107.38	154.44
BlackRock Cash	20.00%	Matt Clay	0.11	-0.40	-0.20	0.12	-0.30
BlackRock European Dynamic	2.00%	Alister Hibbert	1.57	14.60	48.47	48.47	-
Fidelity Emerging Asia	3.00%	Dhananjay Phadnis	2.61	19.58	66.34	52.23	81.32
Fidelity Global Financial Services	1.00%	Sotiris Boutsis	1.94	13.86	51.88	44.66	64.51
Fidelity Special Situations	1.00%	Alexander Wright	8.67	11.24	40.66	36.54	65.85
First State Global Listed Infrastructure	1.00%	Peter Meany & Andrew Greenup	-5.00	-2.45	24.46	35.09	65.40
Fundsmith Equity	3.00%	Terry Smith	2.27	13.37	49.78	75.17	129.72
GAM Star Credit Opportunities	4.00%	Anthony Smouha	-0.48	5.17	20.89	23.32	53.57
Janus Henderson China Opportunities	1.00%	Charlie Awdry & May Ling Wee	4.52	32.78	95.77	67.29	130.63
Janus Henderson UK Property PAIF Feeder	7.00%	M Langlands Pearse & A McLennan	4.76	8.75	10.56	12.38	37.63
L&G Global Inflation Linked Bond Index	5.00%	-	-1.05	0.13	1.16	2.94	-
L&G UK Property	7.00%	Michael Barrie & Matt Jarvis	4.61	8.57	11.18	20.19	50.69
Lindsell Train Global Equity	3.00%	Michael Lindsell & James Bullock	7.00	13.36	40.50	40.75	83.74
Lindsell Train Japanese Equity	3.00%	Michael Lindsell & James Bullock	9.12	22.50	62.50	76.15	129.83
Lindsell Train UK Equity	3.00%	Nick Train	14.21	30.50	61.21	54.25	111.10
Liontrust Special Situations	2.00%	Anthony Cross & Julian Fosh	8.94	14.46	42.35	46.45	78.19
MI Somerset Emerging Markets Dividend Growth	2.00%	Edward Lam & Edward Robertson	-3.71	7.07	41.89	29.93	32.89
Old Mutual Gbl Equity Absolute Returns	4.00%	A Alentorn, I Heslop & M Servent	-1.44	10.09	12.34	18.53	31.89
Old Mutual North American Equity	3.00%	A Alentorn, I Heslop & MServent	3.55	16.88	56.67	65.59	132.14
Old Mutual UK Smaller Companies	1.00%	Daniel Nickols	5.15	16.73	57.12	68.14	120.48
Polar Capital Global Insurance	2.00%	Nick Martin	8.68	29.73	112.90	117.00	192.57
Polar Global Technology	2.00%	Ben Rogoff & Nick Evans	-1.53	6.46	37.18	55.84	90.95
Royal London Corporate Bond	3.00%	Jonathan Platt & Shalin Shah	-0.07	0.98	11.37	14.31	27.32
Royal London Short Duration Gbl High Yield Bond	2.00%	Azhar Hussain & Stephen Tapley	0.62	1.40	4.81	8.76	18.56
Royal London Sterling Extra Yield Bond	3.00%	Eric Holt	1.68	7.03	26.15	26.03	45.53
Schroder Global Healthcare	1.00%	John Bowler	3.19	7.22	27.57	27.46	87.06
Threadneedle High Yield Bond	3.00%	Barrie Whitman & David Blackhouse	0.68	3.31	12.66	12.95	25.72
Veritas Asian	3.00%	Ezra Sun	0.56	24.88	66.70	69.03	106.03

Performance Ratios Over 3 Years

Volatility	*Alpha*	*Beta*	*Sharpe*	*Information Ratio*	*Weighted Average TER*	*Max Loss*	*Max Gain*	*Negative Periods*	*Positive-Periods*
3.73	4.48	0.66	1.06	1.42	0.92	-1.86	9.82	10	26

Maximise your returns with a level of risk you're entirely comfortable with

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