

# WAVERTON

INVESTMENT MANAGEMENT

## PLATFORM PORTFOLIO SERVICE

The Waverton model portfolios are available exclusively to clients of financial advisers through third party investment platforms to provide a cost effective and efficient means of investment.

- Portfolio range for a wide variety of risk profiles
- Real return investment objectives
- Diversified investment in a variety of asset classes
- Defined risk and volatility parameters
- Expertise in alternative assets
- Available through the majority of investment platforms
- Independently assessed by Defaqto; ARC; Dynamic Planner; Synaptic

*“Regardless of the vagaries of markets, we believe that a commitment to active management, high levels of personal service and a value for money proposition will remain at the heart of what we do.”*

*Andrew Fleming, Chief Executive*

## WAVERTON PORTFOLIO RANGE

Our range of mandates are shown below. Over the long term, we will aim to achieve a return in excess of inflation (i.e. a real return), which is reflected in the ‘Indicative Long Term Returns’ assumption for each portfolio.

Mandate	Risk Description*	Time Horizon	Indicative Volatility of Returns †		Reference Index			Indicative Long Term Return §
			Historic	Band	Equity	Bond	Cash ‡	
Growth	Volatile	7 years	12	6 - 16	75	15	10	CPI + 3.5%
Balanced	Medium volatility; diversified	6 years	10	5 - 13	60	25	15	CPI + 3.0%
Cautious	Medium volatility; highly diversified	5 years	8	4 - 10	45	35	20	CPI + 2.5%
Defensive	Low volatility; highly diversified	4 years	6	3 - 9	33.3	33.3	33.3	CPI + 2.0%
Conservative	Low volatility; highly diversified	4 years	5	2 - 6	20	40	40	CPI + 1.5%

Risk Descriptions*	Explanation	Reference Indices Weighted according to mandate type
Volatile	A high risk of losses in the short to medium term	Equities MSCI AC World Index
Medium volatility; diversified	A significant risk of some loss over the short to medium term, moderated through asset class diversification	Fixed Income Markit iBoxx £ Gilts Index Markit iBoxx £ Corporates Index
Medium volatility; highly diversified	Risk of meaningful losses is moderated through a high degree of diversification across asset classes	Cash GBP Libor 1 Month
Low volatility; highly diversified	Risk of modest losses, the impact of which will be limited by a high degree of asset class diversification	

†Historic volatility of returns as at 31.07.16 and based on returns since January 1986. Bands reflect the potential range of volatility as a result of asset allocation changes within the indicated limits. For example, the lower end of the Equity volatility band reflects the fact that there is flexibility to reduce equity exposure to as low as 65% in exceptional circumstances – in favour of Bonds and Cash

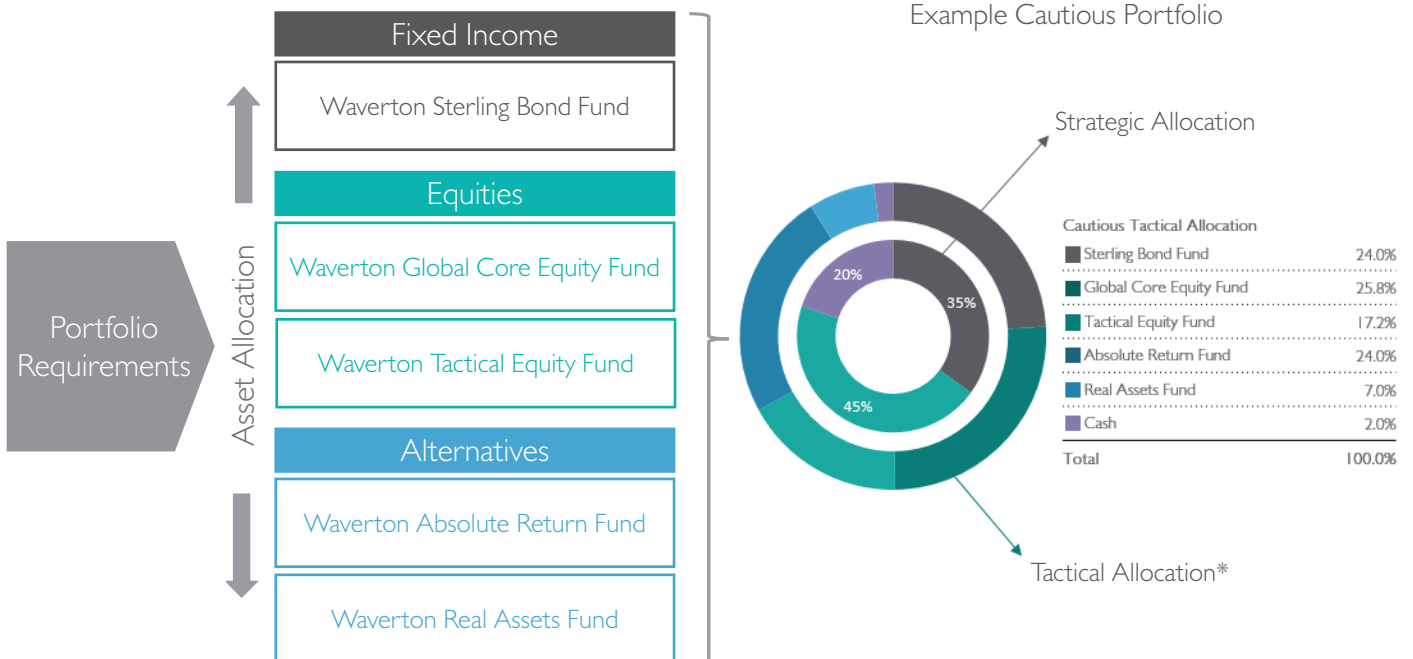
‡In actual portfolios this will include other asset classes such as Commodities, Property Funds and Hedge Funds

§Given the unprecedented interest rate and monetary policy environment, the range of outcomes is likely to be high

# PORTFOLIO CONSTRUCTION

Portfolios are constructed using five specialist Waverton OEIC Funds which are managed specifically to form the building blocks of our model portfolios – the Waverton Sterling Bond, Global Core Equity, Tactical Equity, Absolute Return and Real Assets Funds. The underlying holdings of each fund are managed in a complementary way so that there is a consistent strategy throughout the portfolios.

Our approach is illustrated below:



Fund Prospectus and KIID are available from Waverton on request or can be downloaded from our website.

\*Tactical asset allocation as at 31.01.19

## ADVANTAGES OF OUR APPROACH

- **Best of both worlds:** the simplicity and ease of a platform based portfolio with the sophistication and investment range of a fully discretionary portfolio.
- **Investment range:** potential returns are not compromised by the limitations of the investments available through a platform - the structure of our models allows us to access funds and vehicles from the entire marketplace, which may not be available directly on the platform.
- **Cost efficient:** the fee is 0.4% per annum (not subject to VAT) and platform trading costs are only incurred when asset allocation changes are made.
- **Consistency:** our approach means there is consistency of holdings across portfolios, even if they are held through different investment platforms or investment wrappers.

## INDEPENDENT ASSESSMENT

Independent assessment of our portfolios is available through:



## OUR CHARGES

The Waverton annual management charge (AMC) is 0.4% per annum. This is not subject to VAT.

Below is an estimate of each portfolio's total costs based on the mandate table shown on page one. They are estimated costs for a portfolio's time horizon and based on its long-term strategic allocation but with a 5% weighting to cash and the remaining cash weighting allocated to alternative assets.

Waverton Portfolio	Waverton AMC	On-going Charge	Transaction Costs	Total Costs
Growth Portfolio	0.40%	0.42%	0.18%	0.99% pa
Balanced Portfolio	0.40%	0.40%	0.16%	0.96% pa
Cautious Portfolio	0.40%	0.41%	0.14%	0.94% pa
Defensive Portfolio	0.40%	0.52%	0.12%	1.04% pa
Conservative Portfolio	0.40%	0.56%	0.10%	1.06% pa

The Portfolio TERs have been calculated on the following basis:

- The product charge (ex-ante) and transaction costs (ex-ante) of each Waverton Fund that are used within our portfolios. The source is the P Share Class European MIFID Template (EMT) as at December 2018.
- The costs represent the total expenses of each Fund, including the costs of any underlying holdings and administration charges.
- The costs do not allow for platform charges such as trading charges.
- Figures may not sum due to rounding.

## AVAILABILITY

Our portfolios are available on the following third party platforms:



## THIRD PARTY RISK PROFILES

	Waverton Platform Portfolio				
	Conservative	Defensive	Cautious	Balanced	Growth
Distribution Technology					
Defaqto					
Synaptic					

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## ABOUT WAVERTON

Waverton is an independent investment management house dedicated to providing high quality investment outcomes through bespoke discretionary portfolios and a platform based portfolio service. We are single minded in our approach and only provide investment management services - dovetailing with the financial and tax planning advice provided by financial planners. Founded in 1986, the headcount of the firm today stands at over 140 members of staff, of which a quarter are portfolio managers with responsibility for over £5.4bn of assets (as at 31st December 2018).

## MANAGED PORTFOLIO SERVICE TEAM

Investment Professionals (previous firms)	Investment Expertise	Investment Experience	
		Total (Years)	Waverton (Years)
John Bellamy (Buckmaster & Moore)	Managed Portfolio Service	37	11
Jeff Keen (TriAlpha)	Fixed Income/Asset Allocation	34	10
William Dinning (Coal Pension Trustees)	Asset Allocation	34	1
Tomislav Satchell (Govett Investment Management)	Managed Portfolio Service	33	11
Steven Iffland (Graduate)	Managed Portfolio Service	19	19
Benjamin Jenkins (HSBC)	Analyst	15	13
Luke Hyde-Smith (Brompton Asset Management)	Managed Portfolio Service	14	2
James Mee (Graduate)	Managed Portfolio Service	6	6
Charles Griffin (RBS)	Managed Portfolio Service	5	4
James Carter (Moody's)	Fixed Income Analyst	2	1
<b>Average</b>		<b>20</b>	<b>8</b>

## CONTACT US

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## RISK WARNING

This document is for your personal use only and should not be construed as advice not an offer or inducement to undertake investment business. Please also see the Fund factsheets, KIID documents and prospectus at:

<http://www.waverton.co.uk/investment-funds/fund/>

The value of investments and the income from them can go down as well as up and investors may not recover the amount of their original investment. The sterling value of overseas investments, and the income from them, will fluctuate as a result of currency movements. Past performance is not a guide to future performance.

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For further information about The Funds, copies of each Waverton Fund Prospectus and Key Investor Information Document (KIID) are available from Waverton or their administrator. Details can be found on our website: [www.waverton.co.uk/investment-funds](http://www.waverton.co.uk/investment-funds).

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