

# GWM Asset Management Balanced

## Portfolio Objectives

GWM Asset Management aims to manage the portfolio to a volatility range of between 9.1% and 10.7% over rolling 10 year time periods. This is not guaranteed and actual volatility may fluctuate outside of these boundaries. The portfolio will be predominantly invested in equities, with some exposure to fixed income and other defensive assets. Equity exposure will range between 53% and 68% at the time of investment.

Performance & Volatility to 30th June 2021								
Performance	3 Months	3 Years	Since Launch	2020	2019	2018	2017	2016
Portfolio	4.2%	17.2%	35.2%	3.2%	13.5%	-3.9%	9.7%	-
*Volatility		9.8%	8.6%	14.3%	5.7%	7.4%	4.7%	-

\*3 months volatility is not displayed as we regard this as too short-term. Past performance is not a reliable indicator of future results. Returns are net of income reinvested and investment management fees in GBP. Performance numbers are shown in discrete periods and volatility numbers are annualised. Ex ante transaction costs shown below are the expected transaction costs which include trading costs, broker commissions and spreads.

Source: GWM Asset Management, FE fundinfo

Portfolio Summary	
Benchmark	GWM Asset Management Growth 4 Strategic Asset Allocation IA Sector
Launch Date	01/09/2016
Yield	1.5%
**Est. Underlying Holdings Charge	0.47%
**Est. Underlying Transaction Cost (ex Ante)	0.20%
Platform Availability	Novia, Transact

## Risk Rating

Risk	The portfolios will be managed to remain within a Finametrica Risk Score of 53 to 75.
Descriptor	Balanced
Expected Volatility (10 year average) (%)	9.1% - 10.7%

## Commentary

Against a backdrop of big upward revisions to expected economic growth in 2021 and sharply higher inflation, the second quarter of the year saw further gains in stock markets and, perhaps surprisingly, falling bond yields. The UK stock market rose by another 5%, taking its year-to-date gain to more than 11%. In the first quarter of the year, economically sensitive 'value' stocks trounced 'growth' stocks. Over the last three months and despite an accelerating economic recovery, however, growth stocks outperformed value stocks by a wide margin as bond yields fell. This demonstrates just how difficult it is to pivot between growth and value in portfolios and we therefore continue to advocate a broadly even balance between these two factors. We remain generally constructive on equities, particularly when compared with bonds and cash. However, our enthusiasm is tempered by lofty valuations and hence the low margin of safety if inflation becomes embedded and interest rates have to rise.

Remaining constructive on equities but valuations are lofty

\*\*Estimated Charge: Weighted average of the OCF of all holdings. Where OCF is unavailable TER is used. The actual charge may vary depending upon Platform. Please note: Historic yield figures will only be provided for funds with at least 12 months of performance history. Where quoted, the yield is the aggregate and weighted position of each underlying fund within the portfolio and is based on the yield published by the manager of each respective fund.

# Portfolio Composition %

Vanguard US Equity Index	13%
L&G All Stocks Gilt Index Trust	6%
Vanguard Global Bond Index Hedged	6%
iShares Japan Equity Index	5%
Jupiter UK Special Situations	5%
Liontrust Special Situations	5%
Vanguard UK Investment Grade Bond Index	5%
iShares Corporate Bond Index (UK)	4%
Janus Henderson Strategic Bond	4%
Legg Mason IF ClearBridge Global Infrastructure Income	4%
Trojan Income	4%
TwentyFour Corporate Bond	4%
BlackRock European Absolute Alpha	3%
BlackRock European Dynamic	3%
GS Emerging Markets Equity Portfolio	3%
Invesco Tactical Bond (UK)	3%
iShares UK Equity Index	3%
Stewart Investors Asia Pacific Leaders Sustainability	3%
Stewart Investors Worldwide Sustainability	3%
HSBC American Index	2%
iShares 100 UK Equity Index	2%
Lazard Emerging Markets	2%
Polar Capital Global Insurance	2%
TB Amati UK Smaller Companies	2%
Threadneedle European Select	2%
Cash	2%



Alternatives	3%	Alternatives
Cash	2%	Cash
UK	21%	Equity
North American	15%	
Europe	5%	
Japan	5%	
Asia Pacific ex Japan	3%	
Emerging Markets	5%	

Global Specialist	9%	Equity
UK Gilts	6%	
Sterling Corporate Bonds	13%	Fixed Interest
International Bonds	13%	

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