



THROGMORTON
PRIVATE CAPITAL

Throgmorton Select Portfolios



Monthly Commentary December 2022

Independent Advice. Bespoke Solutions.

Market Update & Portfolio Positioning

“US inflation data was better than expected, and helped to trigger an equity market rally. Technology stocks in particular benefited from this rally”

November Review

The better than expected US inflation figures led to a rally in equity markets. On the day the data was released the American S&P 500 and Nasdaq 100 indices were up 5% and 7% respectively. The latter was a relief for technology stocks, which have been amongst some of the worst performing during 2022. Chinese equities also rallied as it appeared that some of the stringent Covid restrictions would be eased. However, it is not expected that the current path of interest rate rises will cease, but it will hopefully slow.

LGT Wealth Portfolio Positioning

The Beutel Goodman US Large Cap Fund was added to our portfolios to provide further diversification to the other US equity funds held. This provides exposure to a concentrated portfolio of stocks (circa 25-35), which specialises in purchasing high quality, but undervalued companies. This purchase was funded by a switch from the M&G North American Value Fund, which has performed well, but we felt that a US based investment manager (Beutel Goodman) would be better placed to benefit from improved market sentiment rather than a UK based one (M&G). We also added some additional exposure to Japan in the portfolios by purchasing an index tracker. During November we also took some of the gains from the Vontobel Short-Term Fund, which is a sustainable bond fund that has produced some excellent returns despite the bond market downturn.

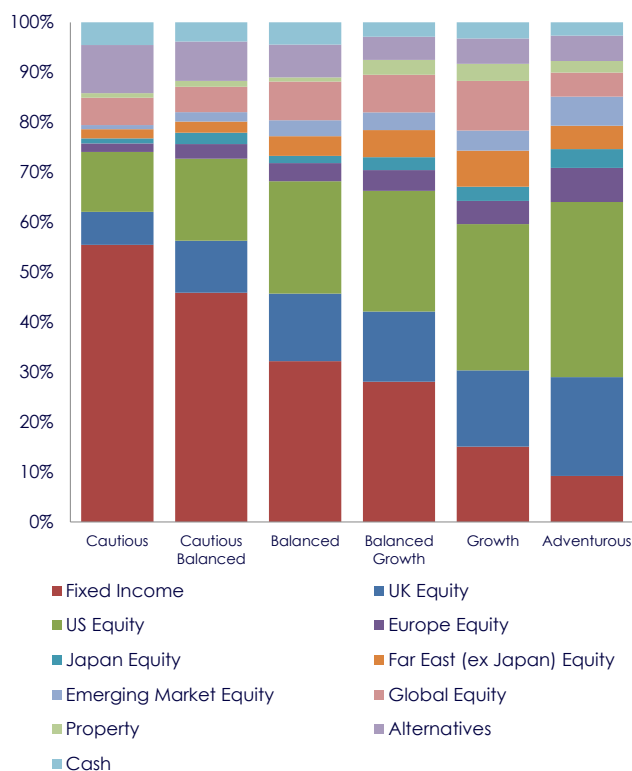


Matthew Cove DipFA
Director
01304 371 753

Throgmorton Select Portfolios Powered by:



Asset Allocation as at 30/11/2022



Cornelian Portfolio Positioning

Our bond holdings produced good returns over the month as yields fell. The recently purchased iShares Core Sterling Corporate Bond Exchange Traded Fund (ETF) continued to perform well.

In our international equity portfolio, the Schroder Asian Total Return and the Blackrock Emerging Markets funds, were notably strong performers as investors welcomed the news that Chinese authorities were looking to assist the property market by promoting construction activity.

The direct UK equity portfolio produced returns similar to the domestic market. Rio Tinto and Prudential produced good returns. Rio Tinto was boosted by Chinese efforts to stimulate the property sector. Prudential was supported by the expectation that the Chinese zero covid lockdown policy could be eased, which would benefit their large sales force in this area that has been impacted by the restrictions imposed.

The funds' infrastructure investments, HICL Infrastructure and Greencoat UK Wind, produced positive returns. However, several of the Real Estate Investment Trusts (REITs) suffered as investors worried that commercial real estate valuations may come under pressure from the slowing economy.

All investment involves risk. It is important you understand that past performance is not a guarantee of future performance. The value of investments and any income derived from them may go down as well as up and you might not get back the full amount you invested.

Investment Performance and Volatility as at 30/11/2022

	1 Year Return % ¹	3 Year Return % ¹	5 Year Return % ¹	Volatility % ²
SP3 Cautious	-9.51	-1.24	4.76	6.44
SP4 Cautious Balanced	-8.90	3.11	9.68	7.53
SP5 Balanced	-8.46	7.00	13.65	9.47
SP6 Balanced Growth	-8.54	8.94	17.53	10.46
SP7 Growth	-7.94	11.99	20.32	11.75
SP8 Adventurous	-5.97	17.41	24.77	12.85

Data source FE Analytics 30/11/2022. Figures are net of underlying fund costs, but gross of all other charges, such as discretionary management fees, platform custody charges, adviser charges & where applicable transaction costs. 1. Performance figures are representative of Cornelian's funds & LGT Vestra's MPS portfolios, which are a reasonable reflection of the performance of LGT Vestra's Volare funds given that the investment process, asset allocation & fund selection is identical to that of the MPS portfolios. 2. Volatility figures calculated on a three year annualised basis.

IMPORTANT: Throgmorton Private Capital Ltd 31-33 High Street, Deal, Kent, CT14 6EL Tel: 01304 371753 www.throgmortononline.co.uk is authorised and regulated by the Financial Conduct Authority (FCA). This document is a general communication and is being provided for informational purposes only. It is not designed or intended to be advice or a personal recommendation of any kind. You are recommended to seek appropriate professional independent advice before taking or refraining from taking any action on the basis of the contents of this publication, which does not contain sufficient information to support an investment decision and should not be relied upon in the evaluation of the merits of any specific investment, investment strategy, product or transaction.