



**THROGMORTON**  
PRIVATE CAPITAL

# Throgmorton Select Portfolios



## Monthly Commentary March 2019

Independent Advice. Bespoke Solutions.

### Market Update & Portfolio Positioning

“The equity market turnaround persisted, with global equity markets recovering roughly 75% of the losses from the last quarter of 2018”

#### February 2019 Review

The equity market turnaround persisted for a second month, with global equity markets now having recovered roughly 75% of the losses from the last quarter of 2018.

Macroeconomic data was both reassuring and disappointing, with the risk of recession dropping, but the potential for growth looking limited given weak trade and manufacturing data.

Global central banks remain dovish amid this poor growth backdrop.

#### LGT Vestra Portfolio Positioning

Throughout February we saw the buoyant performance of equity markets continue. The change from hawkish to dovish monetary policy is an environment that we believe is supportive of equity markets despite the lower rates of economic growth, albeit we do expect heightened volatility to remain.

The strongest performance in the Portfolios was driven by US, global defensive and emerging market equities, apart from India. The falls in the Indian stock market caused pain for the direct exposure we have through the Jupiter India Fund and the Stewart Investors Asia Pacific Leaders Fund which is the biggest geographic weighting of the fund at 30%.



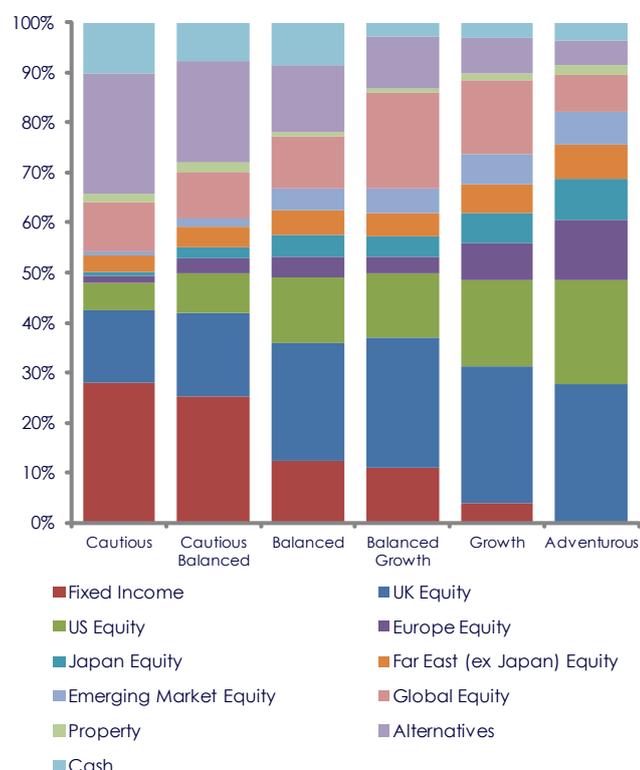
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# Throgmorton Select Portfolios Powered by:



## Cornelian

### Asset Allocation as at 28/02/2019



### Cornelian Portfolio Positioning

Greencore was added to the Portfolios in February. The company is the largest manufacturer and distributor of 'food-to-go' products such as sandwiches, sushi, prepared salads and chilled ready meals in the UK and Ireland. The business is focused on the domestic UK and Irish markets where it holds a dominant position and has solid growth prospects.

Markets continued to recover lost ground in February as fears around US/China trade risks and US monetary policy faded further. Earnings reports from companies continue to be generally well received, with a narrative emerging that, while global growth may be slowing, there is little evidence of the global recession that markets had increasingly anticipated during the fourth quarter of 2018.

Modest political progress along the agonising road to Brexit was sufficient to drive the pound higher against most major currencies, a key risk we identified heading into 2019. Currency exposure has been substantially reduced across the Portfolios through the use of currency-hedged share classes of Unit Trusts and OEICs, benefiting performance in the Portfolios so far this year.

**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 28/02/2019

|                       | 1 Year Return % <sup>1</sup> | 3 Year Return % <sup>1</sup> | 5 Year Return % <sup>1</sup> | Volatility % <sup>2</sup> |
|-----------------------|------------------------------|------------------------------|------------------------------|---------------------------|
| SP3 Cautious          | 0.29                         | 16.01                        | 25.27                        | 4.17                      |
| SP4 Cautious Balanced | 0.22                         | 18.88                        | 28.51                        | 5.04                      |
| SP5 Balanced          | -0.74                        | 22.24                        | 33.43                        | 6.46                      |
| SP6 Balanced Growth   | -0.50                        | 25.57                        | 37.20                        | 6.91                      |
| SP7 Growth            | -0.98                        | 27.53                        | 39.19                        | 7.86                      |
| SP8 Adventurous       | -1.43                        | 27.83                        | 38.69                        | 8.59                      |

Data source FE Analytics 28/02/2019. 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.

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