



THROGMORTON
PRIVATE CAPITAL

Throgmorton Select Portfolios



Monthly Commentary June 2024

Independent Advice. Bespoke Solutions.

Market Update & Portfolio Positioning

"The path for future interest rate cuts becomes clearer as the economic outlook continues to improve, supporting both equities and bonds."



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May 2024 Review

The economic outlook continued to improve in May, which generally supported risk assets. Investors are more optimistic despite interest rates remaining high, as the path for future interest rates cuts became clearer.

Generally, developed equity markets outperformed emerging markets. The top performing markets being the US, Europe and the UK.

On the whole, global bonds made a positive return, but there was again regional divergence, with yields having risen in Europe despite expectation of an interest rate cut in June. Yields fell in the US, which produced a positive capital return.

Blackrock Portfolio Positioning

There were no changes to the portfolios over May. Our base case remains that global growth is likely to continue to decelerate and will likely remain slow until central banks pivot to a more aggressive interest raising easing policy. However, we are positive on the outlook for inflation, which we expect to remain closer to, or even below central bank targets.

Within the portfolios, our developed market equities performed well, but Japan and Emerging Markets lagged. Our bonds were flat, mainly due to our US Treasury, Inflation-Linked and Emerging Market holdings.

Throgmorton Select Portfolios Powered by:

Vanguard

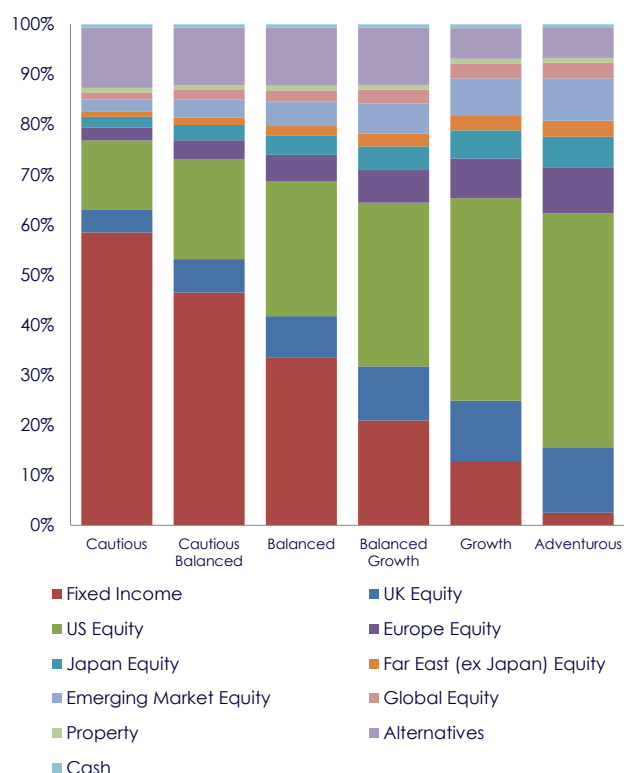
Dimensional

BlackRock

**ATLANTIC HOUSE
GROUP**

Cornelian

Asset Allocation as at 31/05/2024



Cornelian Portfolio Positioning

May was a positive month for performance across the portfolios. Despite higher interest rates, the outlook for bonds is positive and this helped the Starwood European Real Estate Finance Investment Trust and other bonds funds to do well.

Our UK equity holdings performed strongly. The best performer was Future, which operates in the Internet advertising space. The company has instigated a turn-around program that is beginning to produce results, which were well received by investors. We increased the portfolios exposure to Future following this positive news.

Auto Trader also produced a good trading update and reported that car dealers were adopting their 'Deal Builder' service at a scale which will open up a new revenue stream for the company and helped to propel the shares upwards.

Within our alternative holdings, real estate had another good month. UK Commercial Property and Impact Healthcare led the way. UK Commercial Property was taken over by Tritax Big Box during the period, whilst Impact Healthcare produced a robust trading statement showing good occupancy and rental growth.

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 31/05/2024

	1 Year Return % ¹	3 Year Return % ¹	5 Year Return % ¹	Volatility % ²
SP3 Cautious	6.97	0.24	9.57	6.62
SP4 Cautious Balanced	8.66	3.32	17.64	7.55
SP5 Balanced	10.31	6.50	25.12	9.10
SP6 Balanced Growth	11.33	7.92	29.15	10.10
SP7 Growth	13.20	11.36	36.64	11.17
SP8 Adventurous	15.18	16.43	47.80	12.01

Data source FE Analytics 31/05/2024. 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 the historical portfolio asset allocations. 2. Volatility figures calculated on a five year annualised basis.

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