



THROGMORTON
PRIVATE CAPITAL

Throgmorton Select Portfolios



Monthly Commentary April 2021

Independent Advice. Bespoke Solutions.

Market Update & Portfolio Positioning

“Equity markets were bolstered in March by the US Federal Reserve indicating that it was unlikely to raise interest rates during 2021”

March Review

Optimism for higher growth has led to a revision of global economic growth forecasts. The estimated growth during 2021 for the US and emerging markets has been revised upwards to 7.5% and 6% respectively. This optimism is based in part on the passing a further US stimulus package and the progress of the Covid-19 vaccine rollout across the globe. In the UK, it is projected that 70% of the population will have received a first vaccine by May and although behind the UK in progress, in Europe it is projected that this will be achieved by September.

During March, equity markets were bolstered by the US Federal Reserve, indicating that it is unlikely to raise its interest rate during 2021. Outside of the US, rising bond yields are of concern to central banks, many of whom have expressed their concern about their ability to control the pace of the global recovery. However, there is a consensus from analysts that there would need to be clear evidence of sustainable inflation before any of the central banks are likely to act and raise interest rates.



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LGT Vestra Portfolio Positioning

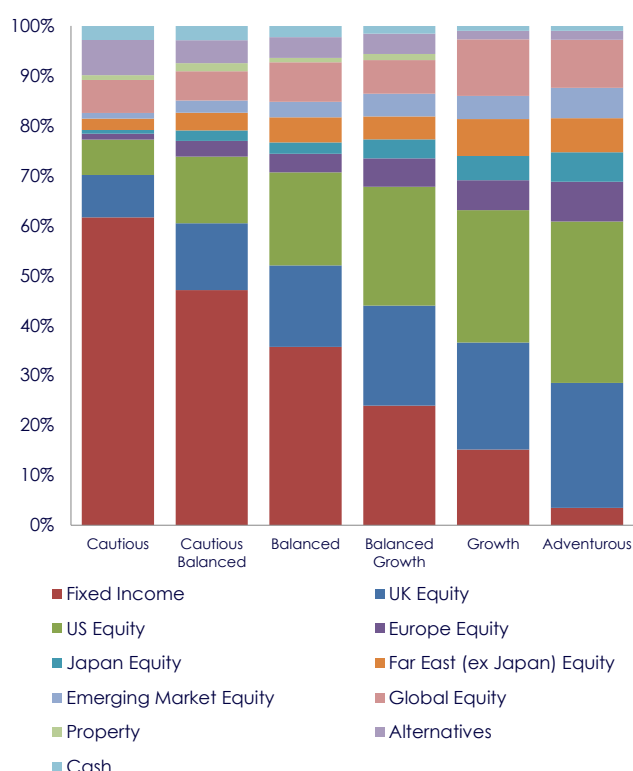
Within the Model Portfolios, we continue to be selective for our equity and bond exposures and continue to focus on companies with attractive long-term growth prospects, robust business models and strong balance sheets.

Throgmorton Select Portfolios Powered by:



Cornelian

Asset Allocation as at 31/03/2021



With this in mind, we have made some changes in March including replacing the Trojan Income fund with the Liontrust Special Situations fund.

Furthermore, from the cash held within the portfolios, we added to our holdings in the CG Dollar fund as well as the Allianz Strategic Bond fund.

Cornelian Portfolio Positioning

During March, we actively traded in the portfolios and purchased the iShares S&P 500 Financial Sector Exchange Traded Fund (ETF) with a view to capturing the expected growth potential for banks and the broader financial services industry due to the US stimulus package. Furthermore, we purchased the Invesco AT1 Capital Bond ETF which invests in large, liquid corporate bonds from major developed market economies.

We also sold the Invesco Global Targeted Return Fund across the portfolios. The Invesco fund is a diversified absolute return strategy that has met its key objectives of low volatility and low correlation with equities. However, this fund has not generated the consistent positive returns desired. Proceeds from the sale of this fund were reinvested into existing holdings within the portfolios.

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 31/03/2021

	1 Year Return % ¹	3 Year Return % ¹	5 Year Return % ¹	Volatility % ²
SP3 Cautious	10.07	14.07	26.61	4.63
SP4 Cautious Balanced	16.53	18.52	35.86	6.25
SP5 Balanced	20.89	21.91	44.55	7.42
SP6 Balanced Growth	25.71	25.36	53.18	8.88
SP7 Growth	29.64	27.19	59.17	10.06
SP8 Adventurous	34.39	30.21	67.16	11.47

Data source FE Analytics 31/03/2021. 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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