



**THROGMORTON**  
PRIVATE CAPITAL

# Throgmorton Select Portfolios



## Monthly Commentary December 2020

Independent Advice. Bespoke Solutions.

### Market Update & Portfolio Positioning

“Global equities posted the largest monthly gain since 2008, but economies still face challenges in their recovery from their steep declines in 2020”

#### November Review

Global equities posted the largest one-month gain since 2008 following the news of positive trial results of several COVID-19 vaccines. Furthermore, the vaccine developed by Pfizer and BioNTech was found to be more than 90% effective. It will still take time for the vaccines being developed to be approved for broad global use, as well as being produced and distributed in substantial quantities. The continued spread of the disease has intensified in the northern hemisphere, leading to more regional restrictions, which has made it a challenge for global economies to recover from their steep declines earlier in the year.

Trade negotiations between the UK and the European Union are ongoing. An agreement would realistically need to be reached shortly to ensure sufficient time for its ratification by both the UK and European Parliaments before the end of the year.

#### LGT Vestra Portfolio Positioning

With markets remaining volatile we continue to look to invest in companies with attractive long-term growth prospects, with robust models and strong balance sheets. Over the long-term, it is these companies that should perform well and benefit the performance of the portfolios. In the current market conditions we continue to favour a selective approach to our exposure to global equities, government debt and corporate bonds.



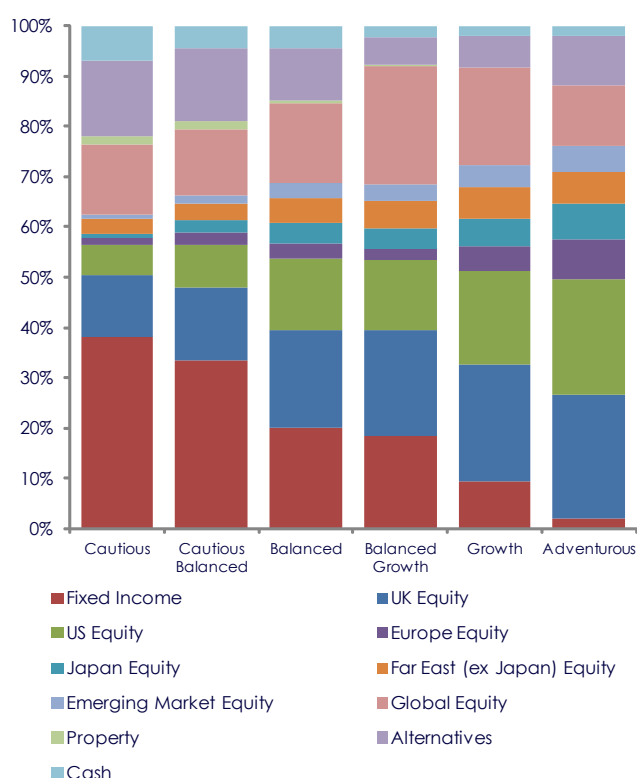
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## Cornelian

### Asset Allocation as at 30/11/2020



### Cornelian Portfolio Positioning

The portfolios captured a significant amount of the rebound in November.

Equity allocations were the main driver of overall performance, and the recently increased allocations to UK and European equities were particularly beneficial as they led regional equity returns over the month. We had also increased the level of Sterling-hedged international equity exposure in the portfolio, considering the outlook for sterling as trade talks between the UK and the European Union continued. This proved beneficial over the month as Sterling strengthened.

Notable positive contributions to portfolio performance also came from fixed income and alternatives. We maintain our preference for corporate bonds over government debt in the portfolios, which was supported by the performance generated by the TwentyFour Dynamic Bond, Baillie Gifford Strategic Bond and PIMCO Global Investment Grade Bond funds. Within the alternatives allocation, commercial property was the top performing alternative allocation and was supported also by contributions from our allocations to absolute return and private equity funds.

**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 30/11/2020

	1 Year Return % <sup>1</sup>	3 Year Return % <sup>1</sup>	5 Year Return % <sup>1</sup>	Volatility % <sup>2</sup>
SP3 Cautious	5.35	13.54	29.02	4.56
SP4 Cautious Balanced	6.20	15.17	35.90	6.25
SP5 Balanced	6.56	16.81	42.83	7.45
SP6 Balanced Growth	6.61	17.89	48.98	8.94
SP7 Growth	6.78	18.72	54.17	10.16
SP8 Adventurous	6.75	19.36	59.49	11.59

Data source FE Analytics 30/11/2020. 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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