



**THROGMORTON**  
PRIVATE CAPITAL

# Throgmorton Select Portfolios



## Monthly Commentary March 2021

Independent Advice. Bespoke Solutions.

### Market Update & Portfolio Positioning

“Despite concern regarding new Covid-19 variants, equity markets continue to be supported by fiscal stimulus and low interest rates.”



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#### February Review

On 3rd February, the world reached a psychologically significant milestone as the number of people vaccinated against Covid-19 exceeded the number of confirmed cases, according to the Financial Times vaccine tracker. However, concerns over new variants of Covid-19 have led to the optimism about the pace of the global economic recovery waning. This has been countered somewhat by the prospect of further fiscal support, along with the expectation of low interest rates, which are expected to continue to support equity markets.

The UK enjoyed surprisingly strong growth at the end of 2020 and the new US fiscal support package of \$1.9 trillion raised analysts' expectations for US GDP growth during 2021. However, the Euro area is expected to slip into a “double-dip” recession and regional lockdowns and travel restrictions may reduce growth in China.

#### LGT Vestra Portfolio Positioning

The portfolios are well positioned for all outcomes of the vaccination programme as we continue to favour high quality companies. We retain a significant exposure to inflation-linked bonds across the portfolios, which will continue to provide a hedge against the expectation of rising inflation.

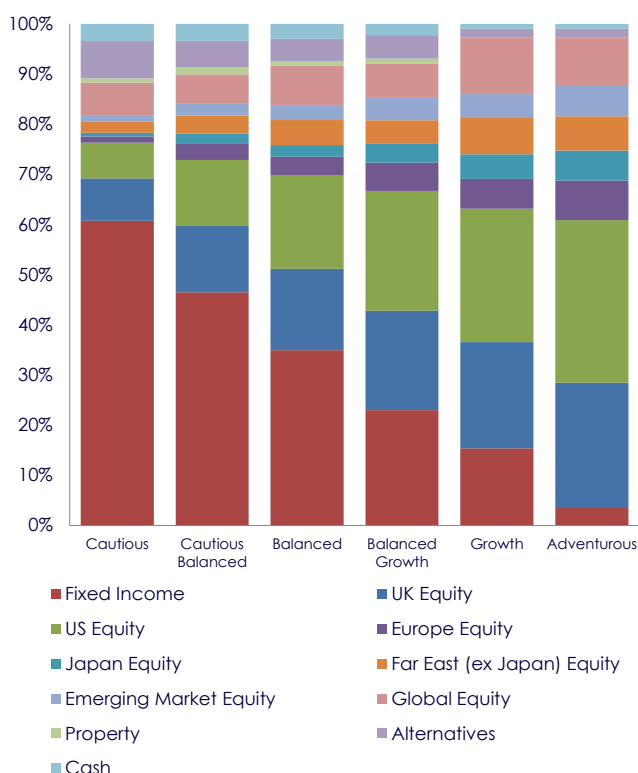
The funds in the portfolio focus on companies with attractive long-term

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## Cornelian

### Asset Allocation as at 28/02/2021



growth prospects, robust business models and strong balance sheets. We continue to allocate to highly experienced active managers who we believe are well positioned to navigate the prevailing market conditions.

### Cornelian Portfolio Positioning

The portfolios ended February with modest gains overall. Our preference for UK equities was beneficial as it outperformed other regions. All equity allocations generated positive returns, with the Artemis US Select Fund and our sterling-hedged European equity fund exposure being contributors.

Within fixed income, the overall return was negative against a challenging backdrop, our preference for corporate bonds over government debt was beneficial with the TwentyFour Income Fund a standout performer over the month. In the Alternatives sector, Commercial Property REITs delivered strong positive returns. US Dollar denominated holdings were impacted by the strength of the currency, as was gold by the rise in bond yields.

Over the course of the month, we purchased positions in Barclays plc and Vesuvius plc, but no other changes were made.

**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 28/02/2021

	1 Year Return % <sup>1</sup>	3 Year Return % <sup>1</sup>	5 Year Return % <sup>1</sup>	Volatility % <sup>2</sup>
SP3 Cautious	4.28	12.77	27.52	4.65
SP4 Cautious Balanced	7.76	15.89	36.92	6.27
SP5 Balanced	10.16	17.97	45.29	7.43
SP6 Balanced Growth	12.21	20.00	53.78	8.89
SP7 Growth	13.77	21.05	59.95	10.08
SP8 Adventurous	15.70	22.56	67.47	11.47

Data source FE Analytics 28/02/2021. 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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