



**THROGMORTON**  
PRIVATE CAPITAL

# Throgmorton Select Portfolios



## Monthly Commentary November 2022

Independent Advice. Bespoke Solutions.

### Market Update & Portfolio Positioning

“Stock markets ended the month on a positive note, with developed market equities returning 7% on average as investor sentiment picked up”

#### October Review

After a volatile start to October, stock markets ended on a positive note. Developed market equities returned 7%, and although emerging market equities fell 3%, these still recovered from a more severe fall at the start of the month. However, geopolitical risks remained at the forefront of investors' minds, with tensions between Russia and Ukraine escalating. Furthermore, leading economic indicators have shown a slowdown in developed market activity and therefore an increased risk of recession.

The combination of high inflation and solid labour markets continued to support hawkish action from central banks. This in turn meant that bond yields continued to rise, which led to the global bond market delivering an overall negative return of -1%.

#### LGT Wealth Portfolio Positioning

We reduced the volatility in the lower risks portfolios by adding the Vontobel Sustainable Short Term Bond Fund. This fund predominantly invests in lower volatility, high quality investment grade bonds, that have a high ESG (Environment Sustainable Governance) rating. In the higher risk portfolio, the L&G Global 100 Fund was added. This tracks the performance of multi-national, blue chip companies of major importance to the global economy by replicating the S&P Global 100 Index. Furthermore, we added to our holdings in the Ruffer Diversified Return for its diversification benefits.

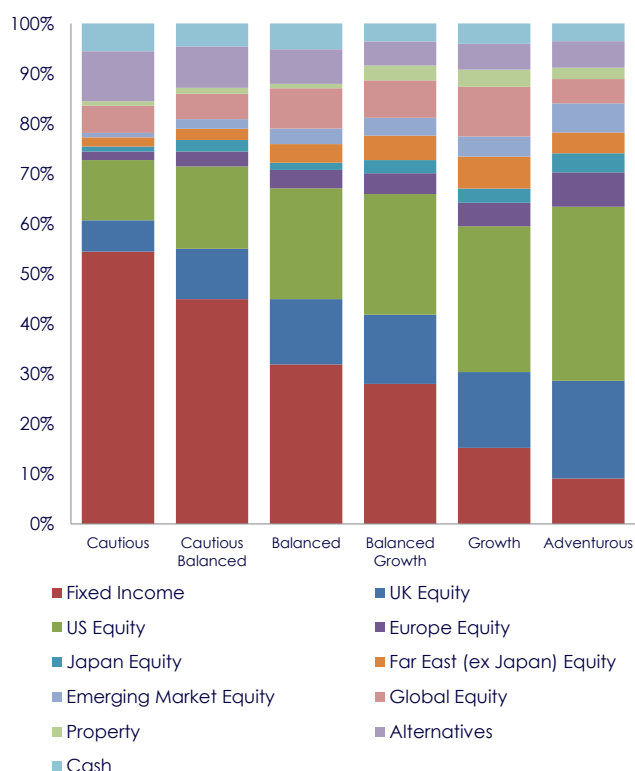


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## Asset Allocation as at 31/10/2022



## Cornelian Portfolio Positioning

Our bond investments produced a positive return during October with the most notable returns coming from the iShares Core Sterling Corporate Bond Exchange Traded Fund (ETF).

Within our global equity holdings, the L&G Global Health and Pharmaceuticals Index Trust and the Blackrock European Dynamic Fund were the standout performers. Our UK equity holdings modestly outperformed the domestic market, with Cairn Homes and Rentokil Initial performing well. Cairn Homes share price was bolstered by them operating a share buy-back exercise. Whilst Rentokil announced the acquisition of US firm Terminex, which provides them with even wider influence in the growing pest control market.

The diversified assets also produced positive returns. Assura, a medical centres Real Estate Investment Trust (REIT), and the Brevan Howard Absolute Return Government Bond fund were the main contributors within this part of the portfolios.

We also funded some further bond fund purchases by selling some of our US denominated assets, which have benefited from recent Sterling weakness as well as our holdings in the iShares Physical Gold Exchange Traded Commodity (ETC).

**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 31/10/2022

	1 Year Return % <sup>1</sup>	3 Year Return % <sup>1</sup>	5 Year Return % <sup>1</sup>	Volatility % <sup>2</sup>
SP3 Cautious	-11.14	-3.00	1.89	6.35
SP4 Cautious Balanced	-10.95	1.28	6.41	7.43
SP5 Balanced	-10.81	5.27	9.84	9.38
SP6 Balanced Growth	-11.18	7.01	13.21	10.36
SP7 Growth	-10.83	10.09	15.79	11.64
SP8 Adventurous	-8.97	15.88	20.42	12.77

Data source FE Analytics 31/10/2022. 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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