



THROGMORTON
PRIVATE CAPITAL

Throgmorton Select Portfolios



Monthly Commentary November 2023

Independent Advice. Bespoke Solutions.

“Bonds & equities fell in October, with geopolitical uncertainties such as war in the Middle East & Ukraine impacting investor confidence”



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Director
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Market Update & Portfolio Positioning

October Review

Inflation remains resilient in most global economies along with the increase in geopolitical uncertainties. With the wars in the Middle East and Ukraine, and the ongoing tensions between the US & China, both equities and bonds fell during October. Investors are also concerned about the potential for US interest rates remaining higher for longer. The price of gold rose as investors sought safe haven assets.

Blackrock Portfolio Positioning

Our views on the economic outlook mean that we have pivoted the portfolios and added risk, having been broadly cautious throughout the year to date.

The trade-off between economic growth and inflation is better than we expected, especially in the US where leading growth indicators remain solid and inflation has over the year to date, significantly fallen, despite remaining stubbornly higher than the US Federal Reserve target. This is not the case globally as the European economy has weakened and the impact of China's re-opening is fading, but we see the risk of “very negative” investment scenarios reducing as the economic data improves.

As a result of our pivot to add risk, the portfolios were rebalanced in October with equity allocations increased across the range.

Throgmorton Select Portfolios Powered by:

Vanguard

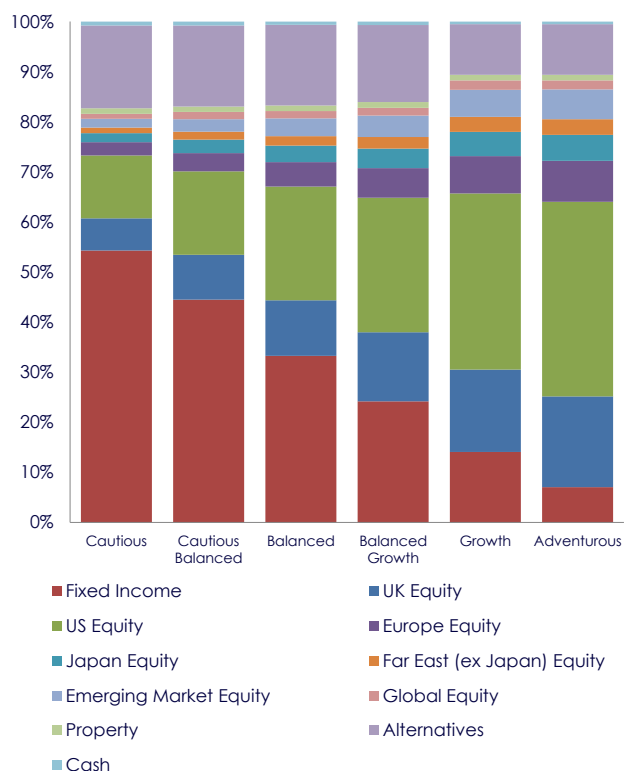
Dimensional

BlackRock

**ATLANTIC HOUSE
GROUP**

Cornelian

Asset Allocation as at 31/10/2023



Cornelian Portfolio Positioning

It was a relatively quiet month for the bond markets and our bond investments performed in line with the market.

Our international and UK equity holdings, were behind their respective benchmarks. This was partly due to our underweight to the US, which was the best performing market in October, and our holding in Rentokil Initial, whose Q3 trading update showed an unexpected slowdown in the growth rate of their US operations. This has led to concerns about the ability of the management team to turn their US business around. However, trading at their other global operations surpassed expectations and therefore at this time, we continue to rate the management team and believe this company remains an attractive investment opportunity.

Our alternative investments produced a positive return in aggregate. The BH Macro and BH Absolute Return Government Bond funds both produced positive returns. The share price of Hipgnosis, the songs catalogue owner, was impacted by a shareholder revolt against the board's proposal to sell a selection of their song catalogue to a related party. We voted to remove all the directors from the board.

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 31/10/2023

	1 Year Return % ¹	3 Year Return % ¹	5 Year Return % ¹	Volatility % ²
SP3 Cautious	0.96	-3.90	4.35	6.45
SP4 Cautious Balanced	1.76	1.02	10.36	7.47
SP5 Balanced	2.19	4.81	15.68	9.22
SP6 Balanced Growth	2.59	8.22	19.34	10.20
SP7 Growth	2.82	11.24	23.45	11.41
SP8 Adventurous	3.55	18.16	30.65	12.44

Data source FE Analytics 31/10/2023. 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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