



THROGMORTON
PRIVATE CAPITAL

Throgmorton Select Portfolios



Monthly Commentary December 2019

Independent Advice. Bespoke Solutions.

Market Update & Portfolio Positioning

“Global equities rallied in November, advancing by 2.3% due to a pick-up in economic data & improved sentiment towards a U.S. / China trade deal ”



Matthew Cove DipFA
Director
01304 371 753

November Review

Equities performed well in November significantly outperforming bonds. November's rally followed a strong month for equities in October and was propelled by similar drivers: a pick-up in sentiment due to improving global macroeconomic data and increased optimism about the prospects for a U.S. / China trade deal. The market may yet be disappointed by further developments but the parties are expected to agree a “phase one” deal.

Global equities advanced 2.3% by month end, with one of the best performers being the U.S. small company sector, which responded to reduced recession risk. U.S. large company stocks outperformed European and Japanese large companies and Canadian stocks also did well, driven up by higher oil prices.

LGT Vestra Portfolio Positioning

With political uncertainty in the UK ongoing, we decided to make a few minor changes to the portfolios during November to ensure they were not positioned for any specific election outcome. This included taking profits, adding exposure to infrastructure in the lower risk portfolios and increasing exposure to UK medium sized companies in the higher risk portfolios.

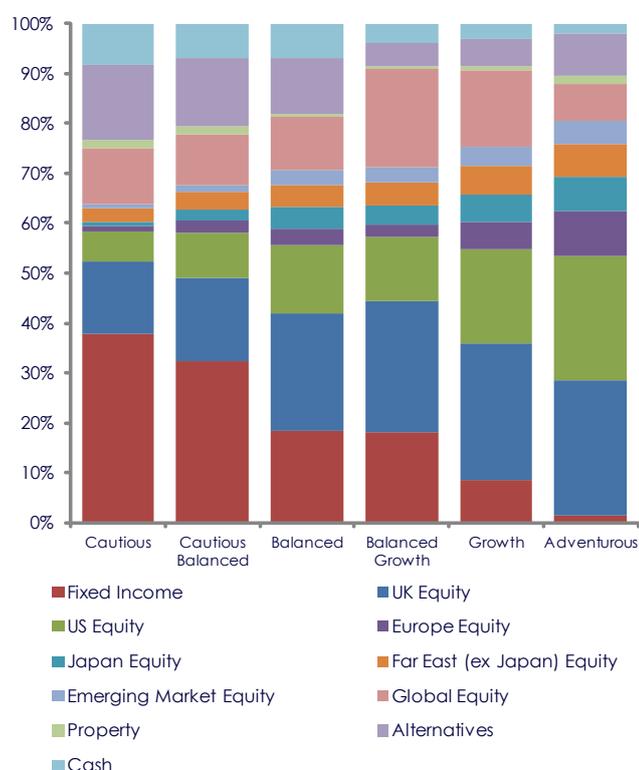
The exposure to the Fundsmith Equity Fund has hurt the portfolios recently, but it has outperformed the MSCI World Index by 50% over the last 5 years.

Throgmorton Select Portfolios Powered by:



Cornelian

Asset Allocation as at 30/11/2019



Cornelian Portfolio Positioning

All portfolios delivered positive returns in November, as a stronger environment in most equity regions was complemented by the outperformance of our direct U.K. equity portfolio and active allocations in Europe, Asia, Emerging Markets and the global technology sector. Fixed income also made a positive contribution to returns, led by strong performance from specialist credit investment trusts providing finance to infrastructure projects and commercial property.

LSE Group plc was bought for the portfolios. The business operates across three divisions; Capital Markets, Information Services and Post Trade Services and owns numerous high-quality assets, including Refinitiv, a global provider of financial markets data, analytics and infrastructure. The combined business should be able to grow sales and significantly expand profit margins.

A shareholding in Future plc was also added to portfolios during the month. The company is a leading platform for specialist consumer and business-to-business magazine content. On-line, their brands have 219 million monthly users. The company is highly cash generative and is currently experiencing strong growth.

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 30/11/2019

	1 Year Return % ¹	3 Year Return % ¹	5 Year Return % ¹	Volatility % ²
SP3 Cautious	7.37	14.37	26.33	4.26
SP4 Cautious Balanced	8.15	16.05	30.26	5.19
SP5 Balanced	8.96	18.22	36.17	6.76
SP6 Balanced Growth	9.95	21.83	41.70	7.21
SP7 Growth	10.63	22.10	44.37	8.32
SP8 Adventurous	10.81	20.68	43.87	9.18

Data source FE Analytics 30/11/2019. 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.

IMPORTANT: Throgmorton Private Capital Ltd 31-33 High Street, Deal, Kent, CT14 6EL Tel: 01304 371753 www.throgmortononline.co.uk is authorised and regulated by the Financial Conduct Authority (FCA). This document is a general communication and is being provided for informational purposes only. It is not designed or intended to be advice or a personal recommendation of any kind. You are recommended to seek appropriate professional independent advice before taking or refraining from taking any action on the basis of the contents of this publication, which does not contain sufficient information to support an investment decision and should not be relied upon in the evaluation of the merits of any specific investment, investment strategy, product or transaction.