

# Ethical Managed portfolio

Quarterly update - October 2019

## Portfolio Manager



James Kempster  
Manager since September 2019

## Portfolio objective

Selecting funds that place an emphasis on ethical investment criteria whilst providing a long term capital return in excess of the UT Mixed Investment 40%-85% Shares sector .

## Investment approach

Funds are selected by applying a filter to identify those that meet our strict ethical criteria. The objective is achieved by using a balanced investment approach, gaining exposure to a number of different asset types including shares and bonds across a broad range of international markets. The performance of all the funds in the portfolio is constantly monitored and formally reviewed on a quarterly basis by an investment committee.

## Portfolio manager’s commentary

The portfolio rose by 2.08% over the quarter, ahead of its benchmark. Markets faced somewhat challenging conditions over the period as ongoing trade tensions between the US and China along with slowing global growth eroded investor confidence. The rate cut made by the Federal Reserve in the United States was no more than markets were expecting and much of the reaction, including from President Trump, was that they had not been decisive enough to counter the weak data that is starting to show in the country.

We saw strong returns from our fixed income holdings which benefitted from the low interest rate environment but this was countered by lower returns in domestic equities. Given our view that the final quarter of the year is likely to see a similar theme of higher volatility we have reduced the allocation to Global Equity in favour of Sterling Bonds. Full details are available on the Fund Changes summary.

## Indicative risk rating



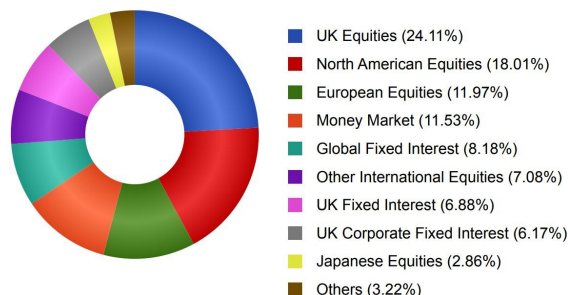
## 5 year fund performance versus benchmark



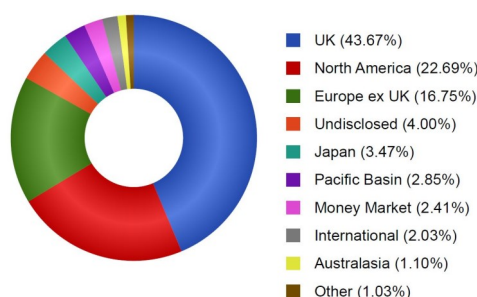
## Top 10 Holdings

Royal - London Cash Plus	9%
ASI - Ethical World Equity	8%
Janus Henderson - Global Sustainable Equity	8%
Liontrust - Sustainable Future Corporate Bond	8%
Liontrust - Sustainable Future Global Growth	8%
Rathbone - Ethical Bond	8%
Royal London - Sustainable Leaders	8%
BMO - Responsible Global Equity	7%
BMO - Responsible UK Equity	7%

### Asset allocation



### Regional breakdown



### Important notes

All data are to 30.09.2019. Any fund performance data include explicit (OCF) and implicit (ongoing) fund manager charges but do not include platform, adviser or investment management fees. Full details will be outlined in your product provider illustration. For further information please contact your financial adviser.

Past performance is not a guide to future performance. The value of investments and any income from them may fall as well as rise; you may get back less than the amount invested. Higher volatility investments are subject to sudden and large falls in value and could result in a loss equal to the sum invested. Certain investments (e.g. property) are not readily realisable and investors may experience difficulty in realising the investment or in obtaining reliable information on the value or associated risks. Changes in rates of exchange may have an adverse effect on the value, price or income of investments denominated in currencies other than Sterling.

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Key Investor Information Disclosure Documents (KIIDs) or Key Information Documents (KIDs) for the underlying funds can be found on our website: [www.imscapital.co.uk/kiid](http://www.imscapital.co.uk/kiid).

### Key facts

Ongoing charge figure	1.29%
ISA qualification	Yes
Twelve month historical yield	1.77%
Volatility*	9.03 (Benchmark 7.81)
Sharpe ratio**	0.43 (Benchmark 0.07)

\*Volatility measures how much an investment deviates from its average over a period.

\*\*The Sharpe Ratio measures the trade-off between risk and return.

For the purposes of comparison the ongoing charge figure shown above represents the highest potential fund charge and therefore the actual cost will depend on the provider selected. It does not include adviser or platform fees.

Full details of all charges will be outlined in your product provider illustration. For further information please contact your financial adviser.

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