

# PERFORMANCE

## MPS PERFORMANCE TABLE to 31<sup>st</sup> August 2019

MPS performance pre 01.11.2018 is simulated using the IBOSS PMS portfolios

Portfolio	Cumulative Performance								Discrete Annual Performance										Rolling 5 year Data						
	Outperformance	YTD	1 Year	2 Years	3 Years	4 Years	5 Years	10 Years	Since Launch*	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	Alpha	Beta	Sharpe Ratio	Info Ratio	Vol	Max DD
Portfolio 0	6.13	2.52	4.62	10.53	16.17	18.18	57.98	74.59	14.31	7.20	1.33	7.54	6.60	3.07	2.49	5.01	5.22	-2.45	1.02	0.87	0.55	0.56	2.53	-3.40	81.47
IA Benchmark	5.52	3.11	3.67	6.70	13.62	14.37	41.30	56.31	9.42	6.25	1.15	5.03	3.46	3.39	0.31	5.95	3.40	-2.23	0.00	1.00	0.28	0.00	2.61	-3.14	100.00
Portfolio 1	7.00	2.78	5.39	12.89	20.11	23.09	70.81	92.23	14.93	8.25	0.75	8.40	9.04	3.25	3.66	6.08	6.58	-2.78	1.37	0.75	0.70	0.26	3.18	-3.94	70.54
IA Benchmark	7.77	4.17	4.87	9.21	19.32	20.37	56.74	77.44	11.71	7.77	1.38	6.22	4.20	4.84	0.38	8.47	4.84	-3.35	0.00	1.00	0.48	0.00	3.72	-4.49	100.00
Portfolio 2	8.88	3.03	7.16	17.67	27.49	31.66	88.59	117.56	13.97	9.85	-0.88	9.48	10.69	5.10	4.49	7.72	9.56	-3.51	1.77	0.83	0.81	0.68	4.49	-5.37	72.39
IA Benchmark	9.17	2.95	5.17	12.77	24.26	25.31	72.05	96.11	15.90	8.56	-1.89	8.35	8.85	4.85	1.21	10.32	7.16	-5.10	0.00	1.00	0.50	0.00	5.25	-6.56	100.00
Portfolio 3	10.09	3.21	7.80	20.49	33.27	37.62	110.57	154.40	21.41	12.90	-2.83	11.54	12.18	5.44	4.99	9.62	11.97	-4.50	1.86	0.85	0.85	0.65	5.42	-6.25	76.01
IA Benchmark	10.63	2.90	6.49	15.97	29.17	30.71	86.17	116.63	18.00	10.43	-3.72	9.16	11.64	4.86	1.94	11.60	8.56	-5.60	0.00	1.00	0.56	0.00	6.23	-7.62	100.00
Portfolio 4	10.82	3.04	7.93	22.35	36.08	41.22	120.98	171.83	23.70	14.41	-4.41	12.30	14.29	5.51	5.93	9.88	13.51	-5.19	1.89	0.81	0.85	0.34	6.07	-7.02	74.21
IA Benchmark	12.10	2.83	7.80	19.23	34.23	36.28	101.19	138.95	20.12	12.29	-5.51	9.97	14.47	4.87	2.66	12.87	9.98	-6.11	0.00	1.00	0.61	0.00	7.24	-8.68	100.00
Portfolio 5	11.32	3.09	8.14	24.49	40.61	45.69	135.45	198.62	27.20	16.24	-6.02	13.73	15.50	5.75	6.38	11.39	15.15	-5.68	2.12	0.87	0.86	0.66	6.76	-7.40	79.65
IA Benchmark	11.88	2.42	7.29	19.76	34.93	36.47	101.50	141.21	22.07	13.44	-7.13	10.05	14.51	4.88	2.33	13.34	10.59	-6.41	0.00	1.00	0.59	0.00	7.50	-9.34	100.00
Portfolio 6	11.94	3.09	8.36	25.47	43.03	49.16	145.38	219.93	31.08	17.87	-7.27	14.41	16.01	6.01	7.31	12.17	15.49	-5.95	2.51	0.88	0.89	0.86	7.12	-7.91	80.65
IA Benchmark	11.66	2.02	6.77	20.30	35.61	36.65	101.73	143.37	24.03	14.57	-8.73	10.13	14.54	4.89	1.99	13.82	11.21	-6.72	0.00	1.00	0.57	0.00	7.78	-10.00	100.00

Please find the details for the associated benchmarks at the back of this document.

\*Since Launch: Launch of PMS Portfolio 01/11/2008

Source of Data:  **FE ANALYTICS**  
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The past performance figures above in the bold grey highlighted column is actual data from our MPS. The Managed Portfolio Service (MPS) past performance figures include simulated performance to 1st November 2018. Simulated figures are based on the actual performance figures of the Portfolio Management Service provided by IBOSS Limited. The simulated past performance is not a reliable indicator of future performance.

The Managed Portfolio Service (MPS) performance is produced using the preferred share classes, this may differ from platform to platform.

The Managed Portfolio Service (MPS) is shown net of fund fees only, they do not incorporate platform costs, adviser's client fee or DFM service charge.

# SUMMARY

We have had several comments from advisers and clients over the last few months about the value of investing in bonds given their very low yields. This is something we have discussed often within the team, and we have been asking similar questions to the fund managers we use in the fixed income space. Right now, the maxim 'don't fight the Fed' seems particularly apt and, in fact, it could be expanded to say 'don't fight the world's Central Banks'. The race to the bottom for interest rates and currency devaluations shows no sign of stopping any time soon. With this as the backdrop, we have maintained our investments in fixed income but over the last few months we have continued to shorten duration and increase credit quality. In August, the best performing IA Sectors were UK Gilts, followed by the rest of the fixed income sectors. The only poorly performing fixed income sector was emerging market debt and this is not a sector we have ever actively invested in. It may be a surprise to many how popular gilts are, given the backdrop of Brexit and already low yields, but markets don't care much for sentiment or political ideology.

There was a small amount of underperformance in Portfolios 0 and 1; 0.2% and 0.4% respectively. This is due to the portfolios having an underweight in gilts relative to their benchmarks which, as mentioned previously, performed spectacularly well in August, returning 7.6%. Whilst, like many people, we remain invested in these assets, we do wonder how and when this all ends.

Portfolio 2 returned exactly the same as the benchmark. Portfolio 3 had a slight beat of 0.1% over benchmark and Portfolio 4 outperformed by 0.35%. Portfolio 5 beat the benchmark by circa 0.2% and Portfolio 6 by 0.1%.

The biggest detractor to performance was our emerging market exposure, but this was more than positively offset by our underweight to smaller companies' markets, all of which performed badly on both a relative and absolute basis. The worst performer was US Smaller Companies which returned -4.13%. Gold contributed strongly to portfolio performance through our exposure to miners and physical gold (via the gold held in the Investec Cautious Managed fund).

Overall, our performance remains robust, especially given we have been avoiding some of the most momentum driven markets and sectors. We will be running through our positioning and outlook in more detail at our investment days, which take place during October. You can be assured we will give as candid a view as possible on all of the themes affecting your client's investments.

# BENCHMARKS

Portfolio	Benchmark
0	70% IA Mixed Investment/0%-35% Shares/ 30% Composite IA Money Market
1	IA Mixed Investment 0%-35% Shares
2	IA Mixed Investment 20%-60% Shares
3	50% IA Mixed Investment 20%-60% Shares/ 50% IA Mixed Investment 40%-85% Shares
4	IA Mixed Investment 40%-85% Shares
5	50% IA Mixed Investment 40%-85% Shares/ 50% IA Flexible Investment
6	IA Flexible Investment
Equity	IA Global

NB. MPU Figures are calculated on a Total Return basis - Total return shows the total return of the instrument with all income reinvested, assuming income is taxed at basic rates of income tax.

## IMPORTANT INFORMATION

Past Performance is no guarantee of future performance. The value of an investment and the income from it can fall as well as rise and investors may get back less than they invested. Quoted yields are based on the 12 months distributions by the funds in the portfolios and are not guaranteed. The past performance figures are from the Model Portfolio Service provided by IBOSS Limited. The same data has been used for IBOSS Asset Management Limited newly launched Discretionary Fund Management Portfolio Service, but with different share classes. The simulated past performance data is not a reliable indicator of future performance. Future distributions may differ and will be subject to market factors. Risk factors should be taken into account and understood including (but not limited to) currency movements, market risk, liquidity risk, concentration risk, lack of certainty risk, inflation risk, performance risk, local market risk and credit risk. This communication is designed for Professional Financial Advisers only and not approved for direct marketing with individual clients. It does not purport to be all-inclusive or contain all of the information which a proposed investor may require in order to make a decision as to whether to invest in the portfolio. Nothing in this document constitutes a recommendation suitable or appropriate to a recipient's individual circumstances or otherwise constitutes a personal recommendation. It is the responsibility of the Financial Adviser to ensure they are satisfied with the research undertaken by IBOSS Asset Management Limited in relation to the investments included within each portfolio; copies of which are available on written request. Data is provided by Financial Express (FE). Care has been taken to ensure that the information is correct but FE neither warrants, neither represents nor guarantees the contents of the information, nor does it accept any responsibility for errors, inaccuracies, omissions or any inconsistencies herein. Please note FE data should only be given to retail clients if the IFA firm has the relevant licence with FE.

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