

Model Portfolio Solutions

PBIM Growth Portfolio - December 2018

The value of investments can fall and you may get back less than you invested. Past performance is not a guide to future performance. Any specific investments mentioned are for illustrative purposes only and are not intended as investment advice. Performance is shown inclusive of underlying fund charges but gross of PBIM charge or any platform, custody or adviser charges. Deduction of this charge will have the result of reducing the illustrated performance.

PBIM Growth Portfolio Objective

The strategy aims to deliver steady returns over the market cycle balancing the need for capital growth with the generation of some income. The strategy will operate within the bounds of the IA OE Flexible Investment. The portfolio is diversified across major asset classes and geographically and will aim to have 80%+ in equities. As such the fund is more suitable for higher risk clients.

Portfolio Management

The weightings will be rebalanced quarterly with the managers reserving the right to change the asset allocation intra quarter if events dictate it is necessary. This process ensures we keep transaction charges to a minimum and allows the portfolio to closely reflect the views of the PBIM investment team.

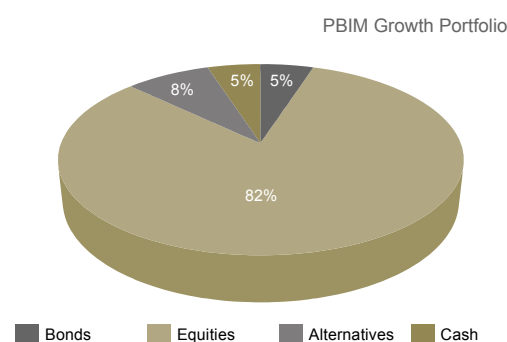
Commentary

Hopes of a year-end rally did not materialise as the S&P suffered its worst monthly fall since 1929 in December. The aggressive sell off both in October and December eradicated all the gains for the models. The usual worries of Trump, trade wars with China and Brexit triggered a leg down in December.

This meant that whilst the funds fared very well on a relative basis they all finished in negative territory for 2018. Whilst we believe the sell off was overdone we do not have the conviction to go overweight in many of the regions on account of the risks still being prevalent. We have rebalanced back to our current weightings in the models. The disparity of returns was illustrated by our best performer (Gold ETF) up 9.7% and our worst performer (Artemis Global Income) being down 16.9% for the final quarter of 2018.

Looking forward we hope that global markets will post positive albeit moderate gains in 2019. We will eagerly await the earnings season in the US which should be a bellwether for the health of the economy. We are optimistic on emerging markets as we feel they were oversold last year. Cash will remain at the current levels until we have some more optimism in the global economy.

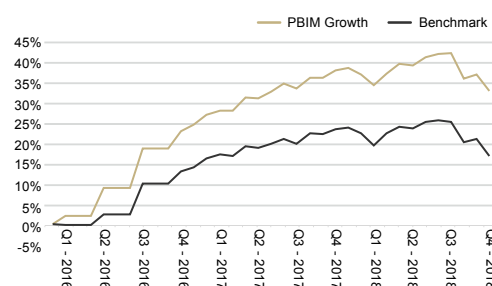
Multi Asset



Portfolio Information

Portfolio benchmark	IA OE Flexible Investment
Investment Management Charge (p.a.)	0.30% +VAT
Fund Underlying OCFs*	0.81%
Estimated Annual Yield	2.11%

Performance



Performance Since Inception %

	2016	2017	2018	Since Inception
Portfolio**	23.21	15.35	-5.31	33.25
Benchmark***	14.16	11.22	-6.68	18.09
Relative +/-	9.05	4.13	1.37	15.16

Past performance is not a guide to future performance. ** Data from PBIM calculated arithmetically on a quarterly basis
*** Data from Morningstar as at end December 2018. Benchmark is the IA OE Flexible Investment

Important Information

Performance is shown inclusive of underlying fund charges but gross of Peregrine & Black Investment Management charge of 0.3% plus VAT or any platform charges, custody charges or adviser charges. The effect of these additional charges would be to reduce the total return of the portfolio.

*Underlying holdings charges are estimated using provider KIIDs and represent the weighted average of historic costs charged within the underlying collective investment scheme. Performance is calculated through Morningstar direct and provided for illustrative purposes only and should not be viewed as the performance of a specific client account.

The value of your investments and the income from them may go down as well as up, you could get back less than you invested. Past performance is not a guide to future performance. Changes in exchange rates may have an adverse affect on the value, price or income of an investment. Investors should also be aware of the additional risks associated with funds investing in emerging or developing markets.

This document is not intended and should not be construed as an offer, solicitation or recommendation to buy or sell any specific investments or participate in any investment (or other) strategy. It is recommended that potential investors should seek advice concerning the suitability of any investment from their Financial Adviser. Tax treatment depends on individual circumstances and may be subject to change in the future.

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