



**tavistock**  
WEALTH

# TAVISTOCK PROFILE 4

## OVERVIEW

Tavistock Wealth has collaborated with **BLACKROCK®** for data services that enable Tavistock to provide a range of Tavistock PROFILES that provide investment exposure to both ACUMEN Portfolios (sophisticated baskets of passive investments, known as ETFs, that comprise 50% of each client's holdings) and a range of actively managed BlackRock funds.

Tavistock PROFILES have the advantage of being constructed by Tavistock using research allocation examples from BlackRock and Aladdin, BlackRock's world class risk management system.

## MANAGER COMMENTARY

**Tavistock PROFILE 4 returned 1.04% in May. The Market Composite Benchmark and the IA Mixed Investment 20-60% Shares sector returned 0.76% and 1.78% respectively. The profile has a rolling 1-year return of 10.97%.**

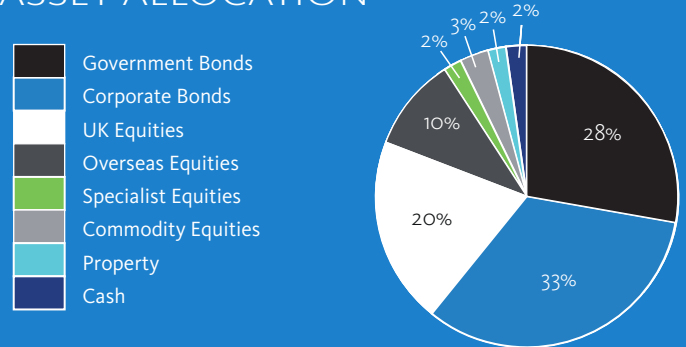
The latest opinion polls in the UK indicate that the average gap between the Conservative and Labour parties has narrowed to less than 10 points. This is not a surprise given the size of the lead that the Tories allegedly had prior to announcing the snap general election, but Theresa May will certainly be concerned with the notoriously unpredictable polls. The Conservatives are in a commanding position across much of the country and the opposition parties continue to lack strong leadership and credible policies. The chances of a hung parliament are remote and the odds still favour an enlarged majority for the Prime Minister on the 8th of June. The UK equity markets are looking beyond the "white noise" created by the pollsters and are pricing in a strong set of cards for the UK in the upcoming Brexit negotiations. The global recovery in the mining and energy sectors drove the FTSE 100 up 4.39% to a new high of 7,585 and the FTSE 250 climbed 1.82%. Sterling was marginally lower versus the US dollar and fell -3.49% against the euro following Emmanuel Macron's victory over Marine Le Pen in the French presidential election. Donald Trump continues to court controversy on a number of fronts. This has become the new pattern in US politics and is increasingly ignored by investors. The S&P 500 rose 1.16% and the NASDAQ reached a record high of 5,809. The MSCI World gained 1.78%, but trading in commodity markets was subdued as the GSCI declined -1.57%. The price of WTI oil fell -2.05% and closed at \$48.32 per barrel. Ten-year gilt yields fell -3.5 basis points to 1.05%. The UK bond markets offer little value to investors given the recent increase in inflation to 2.70%. History suggests that periods of negative real yields tend to be short-lived, which explains our overweight position in the front end of the yield curve.

## INVESTMENT POLICY

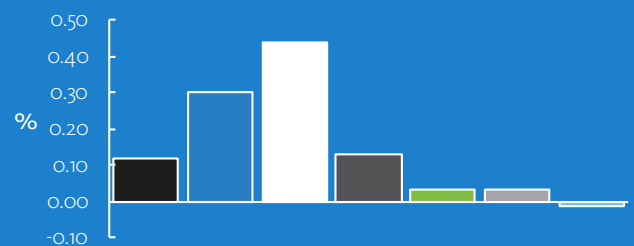
The investment policy of PROFILE 4 is to gain exposure through investment in a diversified portfolio comprised of both active and passive regulated collective investment schemes, transferable securities and cash. The minimum bond and/or cash exposure is 30% and equity exposure ranges between 20-60%.

## REVOLUTIONARY THINKING

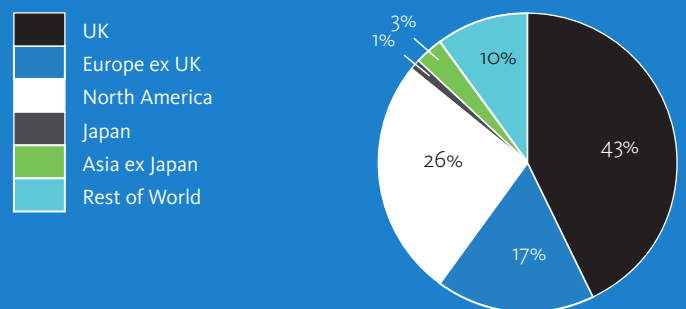
### ASSET ALLOCATION



### MONTHLY ATTRIBUTION



### REGION ALLOCATION



### MONTHLY ATTRIBUTION



May 2017 Return

**1.04%**

The value of an investment in the Tavistock PROFILES or in the ACUMEN Portfolios may fall as well as rise. Past performance should not be seen as an indication of future performance. Source of data: Tavistock Wealth Limited, Thomson Reuters and Lipper for Investment Management. Inception date: 1st October 2015

Year to Date : **3.30%**

Rolling 1-Year Return : **10.97%**

# TAVISTOCK PROFILE 4

## PROFILE FEATURES

- IA Sector - Mixed Investment 20-60% Shares
- eValue Risk Level 4 - Cautious to Moderate Risk
- Target volatility - 4.6% to 6.0%
- Daily dealing
- Minimum investment of £1,000
- Multi-Asset:
  - Equities
  - Bonds
  - Commodities
  - Property

### TOP 5 ACTIVE FUND HOLDINGS

- BlackRock Absolute Return Bond
  - BlackRock Cash
  - BlackRock Fixed Income Global Opportunities
  - BlackRock UK Absolute Alpha
  - BlackRock Managed Index Portfolios - Defensive
- The top 5 holdings comprise 38% of PROFILE 4

## ABOUT BLACKROCK

**BLACKROCK**® is the largest fund manager in the world. As at March 31, 2016, BlackRock had \$4.737 trillion of assets under management, approximately 12,400 employees in more than 30 countries and a major presence in key global markets.

## ALADDIN

Aladdin is BlackRock's proprietary portfolio risk management software which is licenced by over 20,000 users including 50 of the world's largest financial institutions. Approximately \$15 trillion is analysed by Aladdin across 33,000 portfolios every minute.

## INVESTMENT PHILOSOPHY

Asset allocation, rather than stock selection, is the key driver of risk and returns and the PROFILES are structured accordingly, in line with the Investment Association's Sector guidelines. Each PROFILE combines a 50% allocation to "best of breed" active managers with a 50% allocation to the Tavistock ACUMEN Portfolios. Each ACUMEN Portfolio invests in a highly diversified basket of ETFs providing cost effective and tax efficient exposure to global markets.

## INVESTMENT OBJECTIVE

The investment objective of PROFILE 4 is to deliver long term capital growth by investing in a range of global financial markets. The portfolio is typically comprised of lower and medium risk investments such as cash, bonds and property as well as a few higher risk investments such as equities and commodities.

## BENCHMARKS

The market composite benchmark (GBP Hedged) is the Bloomberg Barclays Global Aggregate Bond Index (60%) and the MSCI World Equity Index (40%). The peer group benchmark is the Investment Association's Mixed Investment 20-60% Shares sector. Benchmark performance is evaluated over a rolling twelve-month investment cycle.

## THIRD-PARTY RISK RATING

Tavistock PROFILE 4 has been independently reviewed by the Synaptic Risk Rating Service. Projections are based on the asset allocation of the underlying investments. The Synaptic Risk Rating Service has issued the following rating for the Tavistock PROFILE 4:



## DFM FEE - PER ANNUM

# 0.125% PLUS VAT

## PORTFOLIO MANAGER

Christopher Peel is the Chief Investment Officer of Tavistock Wealth and carries direct responsibility for all investments in the Centralised Investment Proposition at the firm. Together with the research and investment team, he manages the ACUMEN Portfolios and more than fifty model portfolios including the TW PROFILES and the Tavistock PROFILES. Christopher has more than 30 years' experience in financial markets, working with both traditional and alternative asset managers, having held senior management positions at both Citibank and Salomon Brothers. Christopher holds a B.A. degree in Economics from Colorado College.

## CONTACT INFORMATION

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LOWERING YOUR COSTS. INCREASING YOUR VALUE.

ACUMEN Portfolios are constructed and optimised by Tavistock using

**iShares**®  
by **BLACKROCK**®

The TAVISTOCK PROFILES are available on the following platforms:

**AEGON • ASCENTRIC • NOVIA  
NUCLEUS • STANDARD LIFE • TRANSACT**

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REVOLUTIONARY THINKING

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