
BALANCED INCOME
PORTFOLIO

EDITION 29 June 2018

RISK

6



ESTATE  CAPITAL

Balanced Investor

You are aiming for higher long term returns & accept some sustained periods of poorer performance. You accept the risk of a greater than moderate loss.

*Potential return of 29.72%
& potential loss of -18.48%*

BALANCED INCOME PORTFOLIO

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The Balanced Income Portfolio is a value style strategy. It is aimed at medium to long term investors who are seeking a sustainable level of income within a balanced portfolio along with a genuine prospect of income and capital growth.

The chosen investment funds can invest in UK and overseas equities, commercial property, cash and fixed interest securities. They are actively managed by leading fund managers to maximise total return whilst maintaining control of risk.

The Balanced Income Portfolio performance is benchmarked against the average performance of the IA Investment 20%–60% sector. The Balanced Income Portfolio has a risk rating and investor profile of 6 out of 10.

RISK

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6

ACTIVE

Managed daily by our personally
selected fund managers.

85%

EQUITY

Held in risk to drive growth, vs
the stability of bonds & property.

51%

YIELD

Income from assets either
distributed or reinvested.

3.17%

FEEES

The weighted total cost
for the portfolio including
management, trading &
research costs.

0.89%

Risk

Prospective Risk Level



Historic Risk Level



A **risk level 6** investor should be prepared to accept annual returns somewhere **within the range of a -18.48% loss and a 29.72% gain** — returns within this range would be expected 95% of the time. It should be remembered that there is a 5% chance that **risk level 6** portfolios will experience an annual return outside this range — this means an investor may experience **losses greater than -18.48% or gains greater than 29.72%** at some point(s) during their investment in one year.

It is important to remember the figures are not intended to be and should not be taken as a projection of the likely returns from the portfolio risk levels. This is intended to support the risk discussion following the completion of a risk profile questionnaire. They show the implied volatility and mean expected return of risk levels 1 to 10 to two standard deviations in one year (ie all returns are expected to be between these extremes in 95 years out of 100; this is often described as a 95% confidence level). The figures shown are the expected arithmetic average returns and the ranges assume that returns are based on a log normal distribution. Figures are shown net of tax and underlying manager fees.

Range of Returns

Upper Return

29.72%

In 95 years out of 100, this is the highest expected level of return for a given level of risk. There is a 2.5% chance that returns could fall outside the upper return figure in one year.

Average of All Returns

5.62%

This is the average of all possible returns within a risk level in one year.

Lower Return

-18.48%

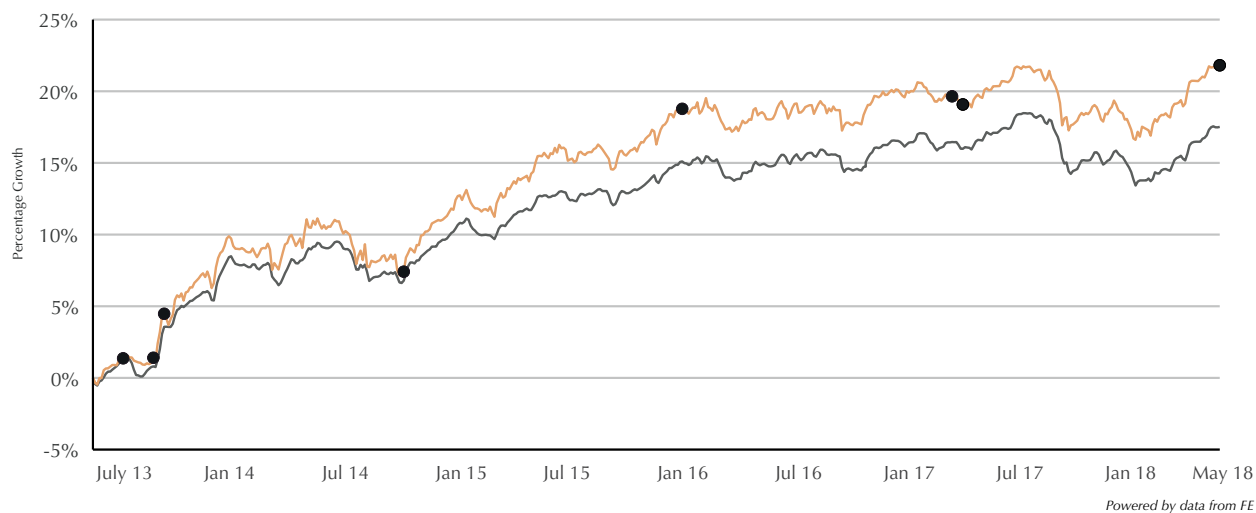
In 95 years out of 100, this is the lowest expected level of return for a given level of risk. There is a 2.5% chance that returns could fall outside the lower return figure in one year.

Asset Allocation

	Money Markets	Fixed Interest	Property	UK Equity	US Equity	European Equity	Asian Equity	Japan Equity	Global Equity	Other Assets
Balanced Income	19%	24%	6%	24%	7%	6%	8%	5%	1%	0%
Benchmark IA Mixed Investment 20%-60%	6%	17%	2%	22%	12%	7%	7%	0%	14%	13%
Difference Portfolio v Benchmark	13%	7%	4%	2%	-5%	-1%	1%	5%	-13%	-13%

Cumulative Performance Chart

KEY Balanced Income Benchmark ● Automated Switch



Cumulative performance chart shows % growth from 18.05.2016 to 18.05.2018 calculated using bid prices with income re-invested into the fund net of tax. The cumulative performance chart shows how the portfolio has performed against the benchmark taking into account the changing composition of the portfolio over the period of time shown.

Cumulative Performance: % Growth to 18/05/2018

	6 months %	1 year %	2 years %	3 years %	5 years %
Balanced Income	1.95	4.75	21.81	-	-
Benchmark IA Mixed Investment 20%-60%	1.29	3.33	17.51	15.05	25.79
Difference Portfolio vs Benchmark	0.66	1.42	4.30	-	-

Discrete Performance to Month End Shown: % Growth to 18/05/2018

	30/04/18	30/04/17	30/04/16	30/04/15	30/04/14
Balanced Income	4.43	14.45	-	-	-
Benchmark IA Mixed Investment 20%-60%	2.96	12.41	-2.03	8.58	2.98
Difference Portfolio vs Benchmark	1.50	2.04	-	-	-

Individual Fund's Performance To 18/05/2018

Cumulative Performance: % Growth

<i>Fund</i>	<i>% Holding</i>	<i>Fund Manager</i>	<i>6 months %</i>	<i>1 year %</i>	<i>2 years %</i>	<i>3 years %</i>	<i>5 years %</i>
BlackRock Cash	15.00%	Matt Clay	0.11	-0.40	-0.20	0.12	-0.30
BlackRock Continental European Income	4.00%	Andreas Zoellinger & Alice Gaskell	-2.08	6.38	30.60	35.27	65.89
Franklin UK Equity Income	6.00%	C Morton, B Russon & M Hall	6.16	7.76	33.05	30.16	57.79
GAM Star Credit Opportunities	4.00%	Anthony Smouha	-0.48	5.17	20.89	23.30	-
Janus Henderson UK Property PAIF Feeder	4.00%	M Langlands Pearse & A McLennan	4.80	8.83	10.73	12.47	37.52
JPM US Equity Income	6.00%	Clare Hart & Jonathan Simon	2.55	11.04	40.37	49.94	86.32
Jupiter Japan Income	5.00%	Dan Carter	8.50	21.48	55.20	58.86	74.13
L&G UK Property	4.00%	Michael Barrie & Matt Jarvis	4.64	8.61	11.28	20.33	50.95
LF Miton UK Multi Cap Income	6.00%	Gervias Williams & Martin Turner	6.24	9.83	26.66	36.32	90.81
M&G Global High Yield Bond	3.00%	S Isaacs, J Tomlins & L Coxa	0.71	3.02	13.26	12.77	21.97
MI Somerset Emerging Markets Dividend Growth	2.00%	Edward Lam & Edward Robertson	-3.72	7.06	41.86	29.89	32.83
Royal London Short Duration Gbl High Yield Bond	4.00%	Azhar Hussain & Stephen Tapley	0.62	1.40	4.81	8.76	18.56
Royal London Sterling Extra Yield Bond	4.00%	Eirc Holt	1.68	7.03	26.15	26.03	45.53
Royal London UK Equity Income	6.00%	Martin Cholwill	6.56	7.73	33.45	27.43	65.09
Schroder Asian Income	7.00%	Richard Sennitt	2.03	12.27	52.21	44.16	51.46
Schroder Global Equity Income	4.00%	Ian Kelly	7.56	18.64	60.26	52.89	83.26
Schroder High Yield Opportunities	4.00%	Michael Scott	1.95	5.37	19.61	23.49	41.96
Schroder Income	6.00%	Kevin Murphy & Nick Kirrage	14.88	18.04	48.00	31.95	64.36
Threadneedle European High Yield Bond	2.00%	Michael Poole	-2.04	4.78	25.52	33.69	27.24
Threadneedle High Yield Bond	4.00%	Barrie Whitman & David Blackhouse	0.68	3.31	12.66	12.95	25.72

Performance Ratios Over 1 Year

<i>Volatility</i>	<i>Alpha</i>	<i>Beta</i>	<i>Sharpe</i>	<i>Information Ratio</i>	<i>Weighted Average TER</i>	<i>Max Loss</i>	<i>Max Gain</i>	<i>Negative Periods</i>	<i>Positive-Periods</i>
4.84	1.19	1.09	0.19	1.10	0.89	-2.63	2.69	6	6

*Maximise your returns with
a level of risk you're entirely
comfortable with*

Financial Advice & Wealth Management



7 Uplands Crescent
Swansea
SA2 0PA

Phone: 01792 477763
Email: mail@estatecapital.co.uk
www.estatecapital.co.uk

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