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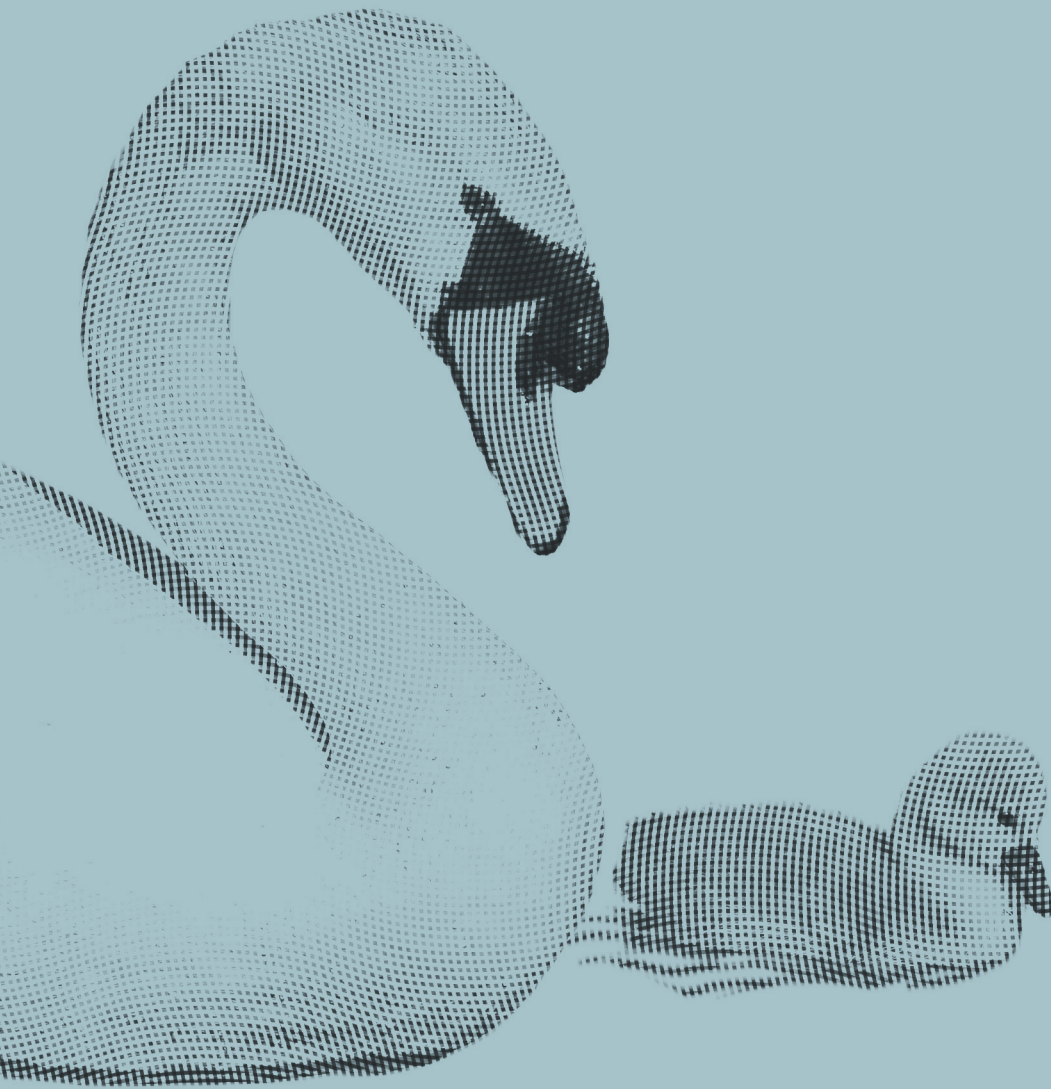
DEFENSIVE  
PORTFOLIO

EDITION 24 January 2016

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RISK

2





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# DEFENSIVE PORTFOLIO

EDITION 24 January 2016

The Defensive Portfolio is a blended style strategy. It is aimed at medium to long term investors who are seeking a cautious investment that has a genuine prospect of capital growth above cash based investments.

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

The Defensive Portfolio performance is benchmarked against the average performance of the IMA Mixed Investment 0%–35% sector and has a risk rating and investor profile of 2 out of 10.

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## RISK

Potential return of 11.87%  
& potential loss of -4.91%.

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## ACTIVE

Managed daily by our personally  
selected fund managers.

56%

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## EQUITY

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

22%

## Risk

### Prospective Risk Level



### Historic Risk Level



A **risk level 2** investor should be prepared to accept annual returns somewhere **within the range of a -4.91% loss and a 11.87% 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 2** portfolios will experience an annual return outside this range — this means an investor may experience **losses greater than -4.91% or gains greater than 11.87%** at some point(s) during their investment in one year.

## Range of Returns

### Upper Return

**11.87%**

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

**3.48%**

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

### Lower Return

**-4.91%**

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

	<i>Risk /10</i>	<i>Money Markets</i>	<i>Fixed Interest</i>	<i>Property</i>	<i>UK Equity</i>	<i>US Equity</i>	<i>European Equity</i>	<i>Asian Equity</i>	<i>Japan Equity</i>	<i>Global Equity</i>	<i>Other Assets</i>
Defensive	2	44%	13%	20%	11%	7%	3%	1%	0%	0%	0%
Benchmark	2	9%	63%	6%	12%	0%	0%	0%	0%	6%	4%

## Cumulative Performance Chart

### KEY

Defensive

Benchmark

● Automated Switch

○ Other Transaction



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Cumulative performance chart shows % growth from 04/12/2010 to 03/12/2015 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 03/12/2015

	6 months %	1 year %	2 years %	3 years %	5 years %
Defensive	0.20	3.22	9.80	13.17	25.32
Benchmark Mixed Investment 0%-35%	-1.46	1.28	6.89	11.49	21.38
Difference Portfolio vs Benchmark	1.66	1.94	2.91	1.68	3.94

## Discrete Performance to Month End Shown: % Growth to 03/12/2015

	30/11/15	30/11/14	30/11/13	30/11/12	30/11/11
Defensive	2.95	6.26	3.38	9.62	1.37
Benchmark Mixed Investment 0%-35%	0.75	5.18	4.86	7.01	2.07

## Performance Ratios Over 3 Years

Risk Rating	Volatility	Alpha	Beta	Sharpe	Information Ratio	Weighted Average TER	Max Loss	Max Gain	Negative Periods	Positive Periods
2	2.94	1.82	0.65	0.23	0.33	0.56	-2.28	5.12	10	26

## Individual Fund's Performance To 03/12/2015

## 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>
Artemis Global Income I Acc	4%	Jacob de Tusch-Lec	-3.24	8.30	25.53	65.91	87.76
Artemis High Income I Inc	4%	Adrian Gosden	-1.22	3.04	9.94	26.46	52.32
BlackRock Cash D Acc	42%	Bea Rodriguez	0.08	0.17	0.42	0.59	1.27
CF Lindsell Train UK Equity Acc	5%	Nick Train	0.33	11.32	25.34	61.86	107.74
CF Woodford Eq Inc Z Acc	5%	Neil Woodford	4.71	17.43	-	-	-
Fundsmith Equity I Acc	4%	Terry Smith	7.35	13.82	43.17	74.16	121.55
Henderson UK Property OEIC I Acc	11%	Marcus Langlands Pearse	4.26	8.81	22.30	29.98	-
Kames Investment Grade Bond B Acc	3%	Euan McNeil	0.94	3.60	13.03	17.14	42.70
Threadneedle Hi Yld Bd Z Inc £	4%	Barrie Whitman	0.01	2.82	7.85	17.43	33.93
Threadneedle UK Property Inst 0 Acc	11%	Don Jordison	4.79	9.57	27.26	32.20	34.19
TwentyFour Dynamic Bond I NetAccE	3%	Gary Kirk	-0.49	3.87	10.91	22.26	42.24
Vanguard FTSE DvpWldExUK 2 Eqldx A	4%	Europe Equity Index Team	-3.15	3.48	19.17	46.91	57.61

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 between an adviser and a client 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.



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

Financial Advice & Wealth Management



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