

Discretionary Management Service – October 2018 Portfolio Performance

Your financial affairs in a safe pair of hands

The Offering

The NLPFM Discretionary Management Service offers a number of different portfolios to clients. The needs of each client are considered independently and different portfolios are selected based on suitability and approach to risk after a discussion directly with the client. The philosophy of NLPFM is that irrespective of which standard portfolio or specially tailored portfolio is used, clients can be assured that their money is looked after with their interests at heart.

The Month in Review

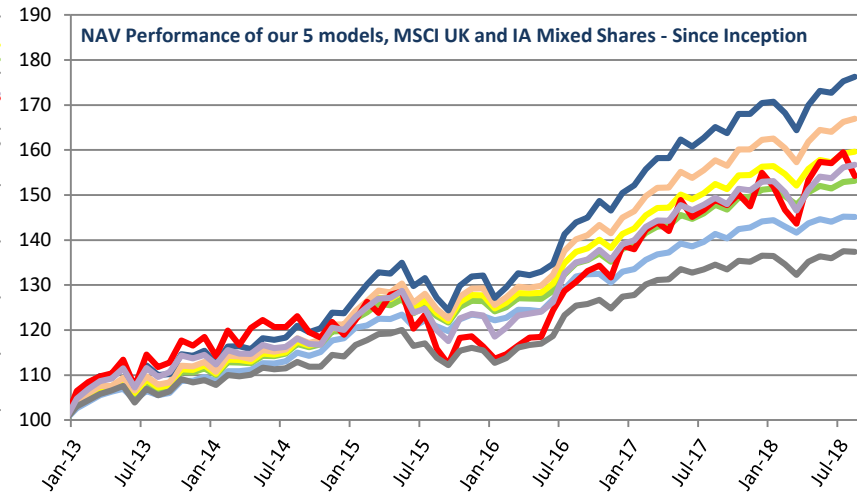
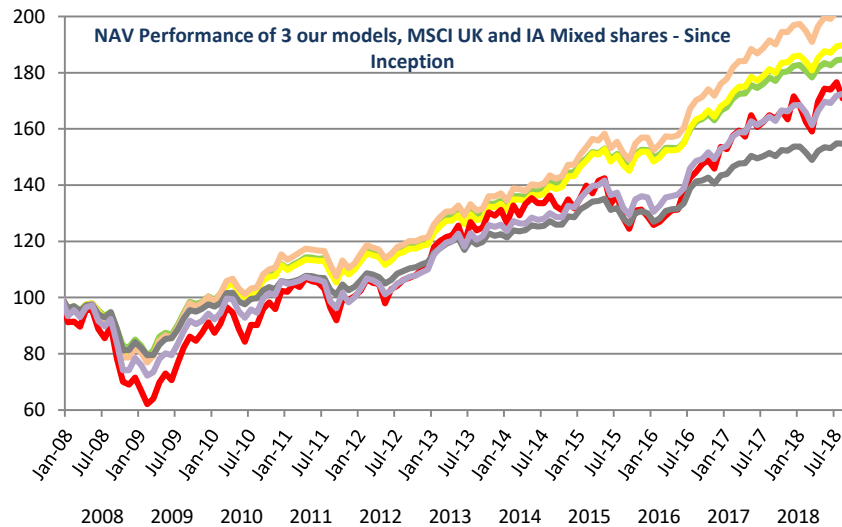
October saw a return to volatility for global equity markets, with most major indices reversing their 2018 gains. Stock markets disappointed in what was one of the worst months in recent years, as market sentiment has been dampened by a cocktail of fears including the ongoing trade war between the US and some of its largest economic allies, and trepidation over the upcoming mid-term elections. Whilst equity markets struggled, the fundamental case for investing in the asset class remains strong with falling unemployment and impressive corporate earnings. Our diversified approach to investing allowed us to capture less of the downside, with our alternatives bucket providing important protection with a strong positive month. Our property allocation continued to tick along as it has done all year and whilst our bond funds were mixed, they were a small positive to performance for the month. The MSCI UK Index was down 4.83% whilst the mixed investment sectors were -3.07% and -4.77% for the month. Our portfolios are ahead of their benchmarks and the UK market for the year so far, and we continue to deliver superior risk adjusted returns.

Performance & Volatility (%)	1 Month Returns	YTD Returns	1 Year Returns	5 Years Returns	10 Years Returns	Volatility Since January 2013	Returns since January 2008	Volatility Since January 2008
NLPFM Defensive	-1.43	-1.08	-0.12	31.16	N/A	3.88	N/A	N/A
NLPFM Cautious	-2.14	-1.23	-0.17	35.02	118.69	4.73	80.11	7.03
NLPFM Balanced	-2.87	-1.10	0.05	39.02	129.26	5.39	83.77	7.71
NLPFM Progressive	-3.63	-1.15	0.14	43.26	147.45	6.07	94.75	8.52
NLPFM Adventurous	-4.34	-1.36	0.05	47.07	N/A	7.32	N/A	N/A
MSCI UK Index	-4.83	-3.92	0.91	27.69	138.91	10.63	64.84	13.96
Mixed Investment 20-60% Shares	-3.07	-2.75	-1.76	22.55	83.97	5.21	49.52	6.97
Mixed Investment 40-85% Shares	-4.77	-2.81	-1.54	30.78	120.50	7.09	63.63	10.17

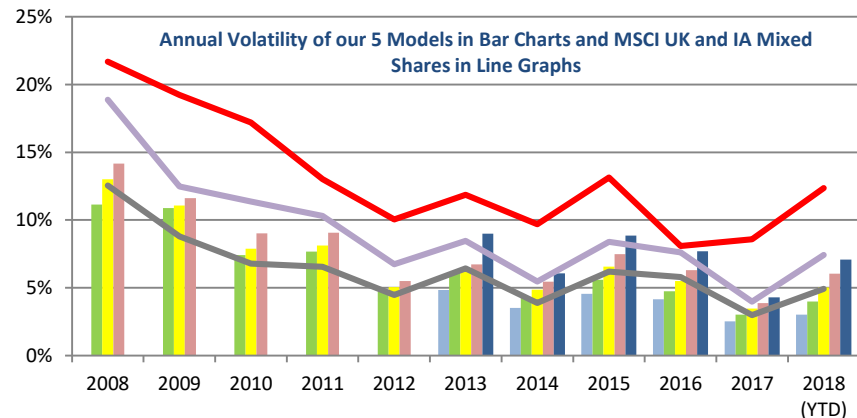
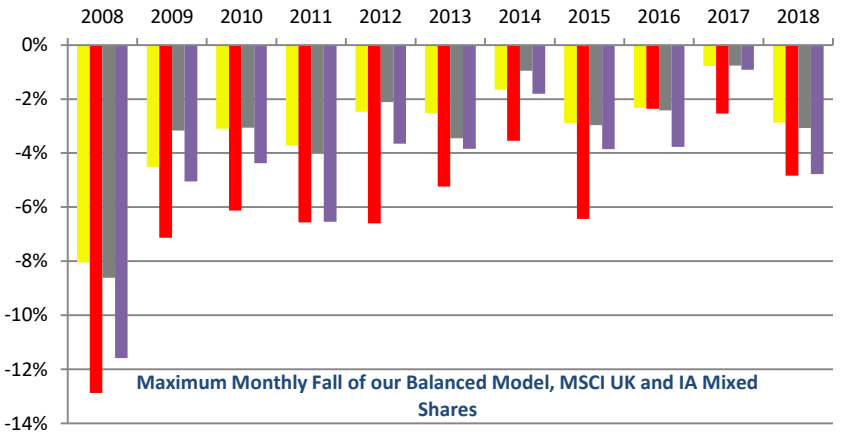
Discretionary Management Service relative performance

January 2008 to October 2018

The graphs below show the performance and volatility of our DMS portfolios against the MSCI UK Index and the IA Mixed Shares Indexes.



- NLPFM Defensive
- NLPFM Cautious
- NLPFM Balanced
- NLPFM Progressive
- NLPFM Adventurous
- MSCI UNITED KINGDOM
- IA Mixed Investment 20-60% Shares
- IA Mixed Investment 40-85% Shares



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