

Discretionary Management Service – May 2019 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.

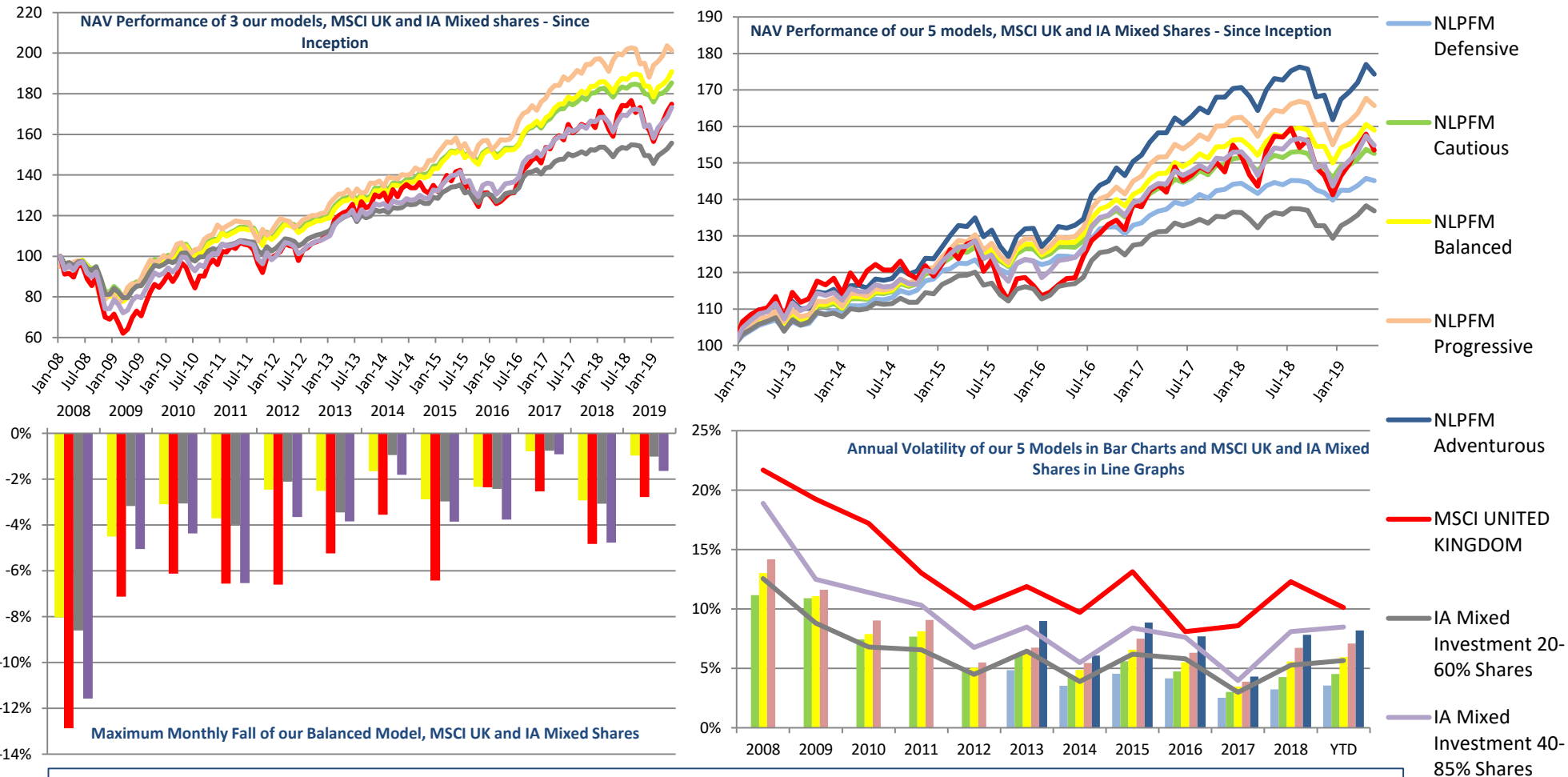
The Month In Review After a relatively placid start to the year, politics once again came to the fore and ruffled the feathers of market participants. Negotiations between the US and China were seemingly heading in the right direction, yet at the beginning of the month the US announced it would be pushing ahead with increased tariffs on China, which will inevitably provoke a reaction from the Eastern giant. Central banks remain accommodative and the US Fed are signaling the possibility of an interest rate cut is on the horizon. Whilst this does give additional impetus to the economy and US corporates, it suggests a more pronounced slowing down of the economy and the risk of a recession much earlier than expected. Elsewhere, UK PM Theresa May announced she would be stepping down, which could increase the likelihood of either a hard Brexit or a second referendum depending on who succeeds the departing leader of the Conservatives. As a result, equity markets ranged between -3% and -8% for the month. Our bond, property and alternative funds were however positive for May and helped protect the portfolios on the downside. The MSCI UK Index was down 2.78% whilst the Mixed Investment sectors were down 1.02% and 1.64%. Our portfolios beat their benchmarks last month, and 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	-0.43	3.86	0.37	28.88	N/A	3.89	N/A	N/A
NLPFM Cautious	-0.72	4.64	0.34	33.47	110.51	4.74	84.03	6.93
NLPFM Balanced	-0.97	5.99	0.74	38.50	119.43	5.48	89.05	7.64
NLPFM Progressive	-1.21	6.92	0.77	43.43	132.32	6.20	101.21	8.46
NLPFM Adventurous	-1.51	7.72	0.71	47.49	N/A	7.42	N/A	N/A
MSCI UK Index	-2.78	8.66	-2.45	25.61	132.87	10.55	70.02	13.78
Mixed Investment 20-60% Shares	-1.02	5.78	0.36	22.59	80.67	5.26	54.10	6.91
Mixed Investment 40-85% Shares	-1.64	7.80	0.48	32.71	112.39	7.22	70.43	10.09

Discretionary Management Service relative performance

January 2008 to May 2019

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



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