

Discretionary Management Service – December 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.

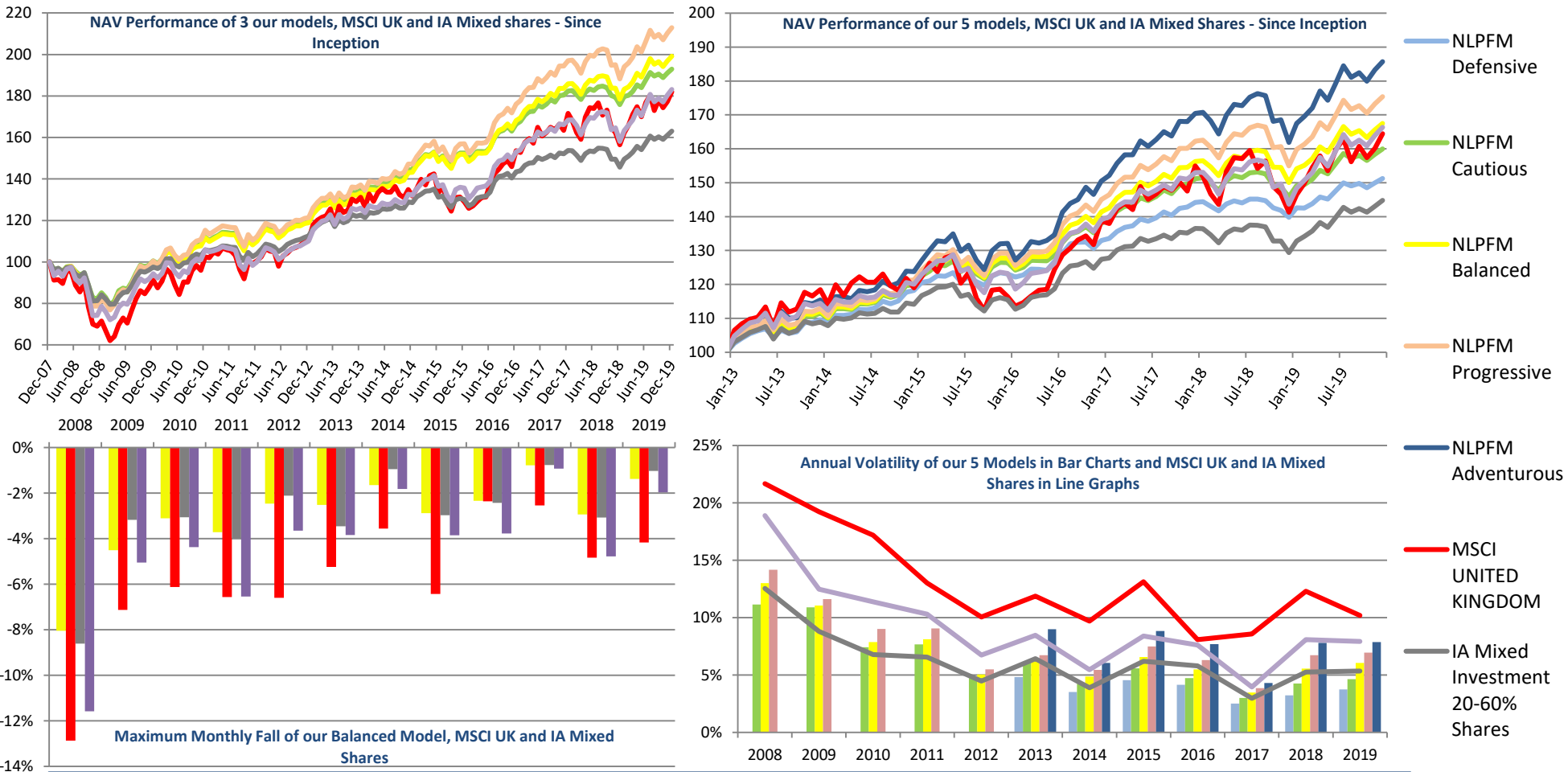
The Month In Review 2019 was strong year for most asset classes, with equity markets delivering returns from 15% to over 30%. The fourth quarter of 2019 was a stark contrast to the end of the 2018, as markets continued along a trend of positive momentum fueled partly by central bank support and stronger than expected economic data in the US and Europe, abating fears of an imminent recession. Donald Trump secured a phase one trade deal with China, avoiding the scheduled tariff increase on 15 December, which led to a relief rally in Asian equities. On the domestic front, The Conservative Party won by a landslide in the UK General Election, ending fears of nationalisation as well as any doubts over whether Brexit will happen. This led to an initial surge in sterling, however this soon faded as it was announced that there would be no extension to the transition period beyond 2020. UK markets also bounced on the news, particularly those sectors which would have been affected by a Corbyn-led government. Gilts suffered as all main parties promised to borrow more to expand fiscal spending. Our bond funds were mixed but positive on the whole, and our alternatives were above flat for the month. The UK market had a strong month and finished up 2.67%, whilst the Mixed Investment sectors were +1.22% and +1.51%. Our portfolios have broadly remained in line with their benchmarks this year and continue to deliver superior risk adjusted returns over the longer term.

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	0.85	8.17	8.17	27.92	N/A	3.83	N/A	N/A
NLPFM Cautious	0.99	9.70	9.70	33.47	92.02	4.68	92.94	6.81
NLPFM Balanced	1.12	11.63	11.63	39.03	100.63	5.44	99.12	7.54
NLPFM Progressive	1.22	13.15	13.15	44.64	112.11	6.13	112.93	8.34
NLPFM Adventurous	1.36	14.76	14.76	50.08	N/A	7.31	N/A	N/A
MSCI UK Index	2.67	16.37	16.37	38.19	99.56	10.48	82.08	13.61
Mixed Investment 20-60% Shares	1.22	11.89	11.89	26.82	67.07	5.18	62.99	6.81
Mixed Investment 40-85% Shares	1.51	15.81	15.81	38.60	94.11	7.14	83.09	9.94

Discretionary Management Service relative performance

January 2008 to December 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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