

Discretionary Management Service – February 2020 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.

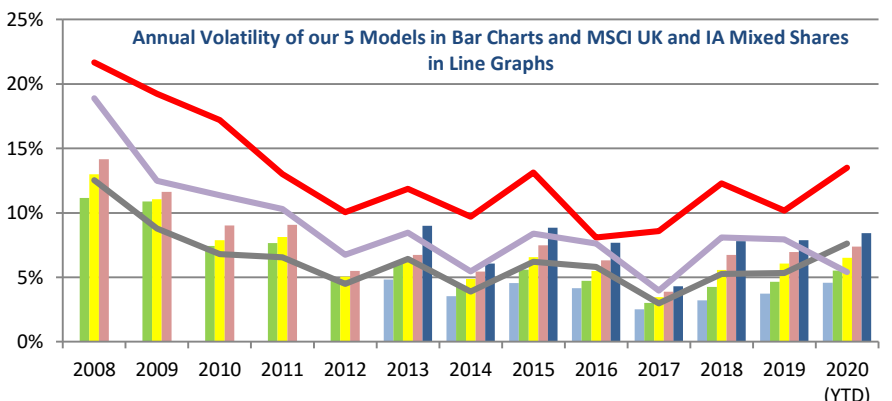
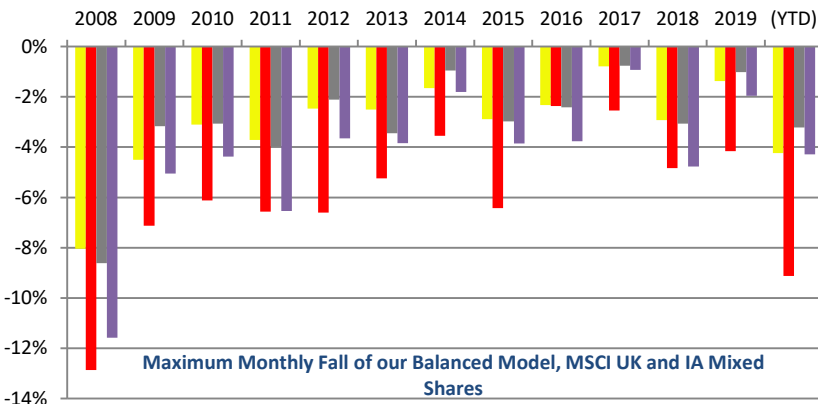
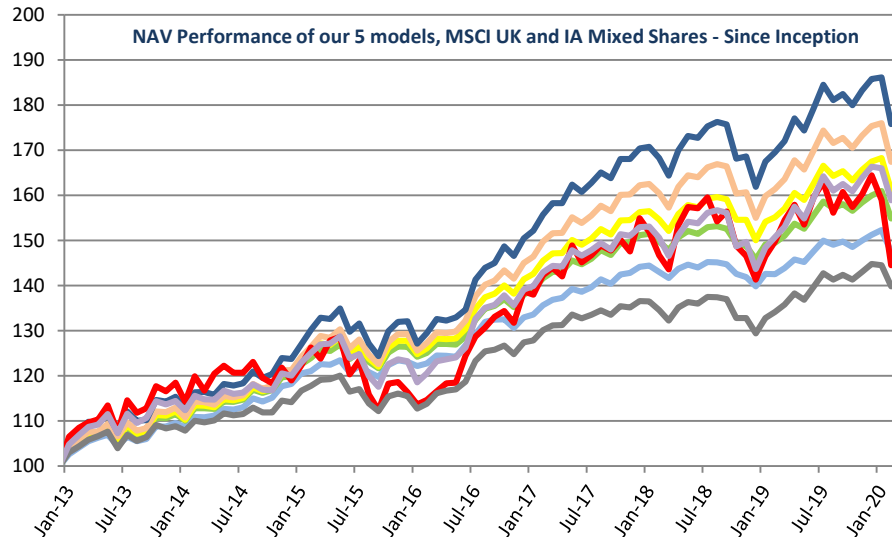
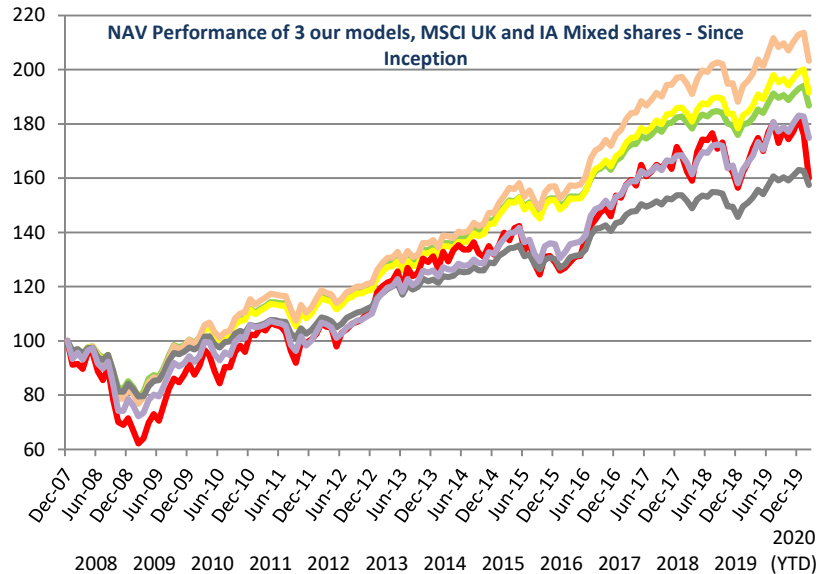
The Month In Review February saw market participants switch their focus entirely on the Coronavirus outbreak as it began to grip the rest of the world. Initially, investors were not too concerned by the virus as they expected it would be mostly centralised around China. However, as Italy started to report a surge in new cases and this began to reach the rest of Europe, risk assets sold off heavily with portfolios rotating towards the safety of government bonds. Commodities were no exception, with the price of oil falling further after a bleak outlook for supply and demand levels. As concerns moved closer to home, European and UK equities were the biggest victims of the sell-off, and actually ended the month worse off than Asia and emerging markets. Our portfolios were boosted by the exposure to alternatives, government bonds and other high quality bonds. Our equity funds were big negative detractors and the decision was made early in the month to reduce risk substantially. The UK market struggled and ended the month down 9.12%, whilst the Mixed Investment sectors were -3.22% and -4.29%. Our portfolios were in line with the sectors for the month but held up substantially better than the MSCI UK Index, and over the longer term continue to show 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	-3.20	-2.50	3.46	21.80	N/A	4.03	N/A	N/A
NLPFM Cautious	-3.79	-3.21	3.60	24.91	84.26	4.90	86.74	6.88
NLPFM Balanced	-4.24	-3.80	3.86	28.79	91.06	5.67	91.55	7.61
NLPFM Progressive	-4.86	-4.54	3.75	32.42	100.10	6.41	103.27	8.42
NLPFM Adventurous	-5.59	-5.38	3.67	35.02	N/A	7.62	N/A	N/A
NLPFM Sustainability	-3.38	-2.45	10.17	N/A	N/A	N/A	N/A	N/A
MSCI UK Index	-9.12	-12.13	-3.54	14.40	76.24	11.07	60.00	13.83
Mixed Investment 20-60% Shares	-3.22	-3.41	4.24	18.71	60.56	5.31	57.43	6.84
Mixed Investment 40-85% Shares	-4.29	-4.50	5.42	27.02	85.05	7.30	74.85	9.96

Discretionary Management Service relative performance

January 2008 to February 2020

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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