

# Discretionary Management Service – December 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.

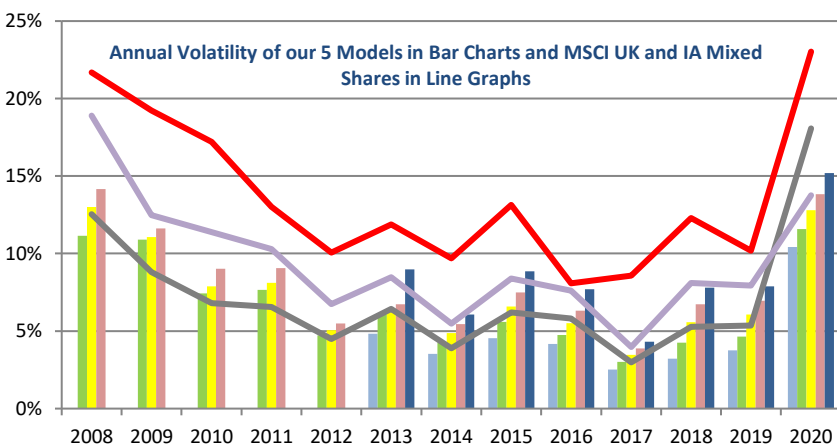
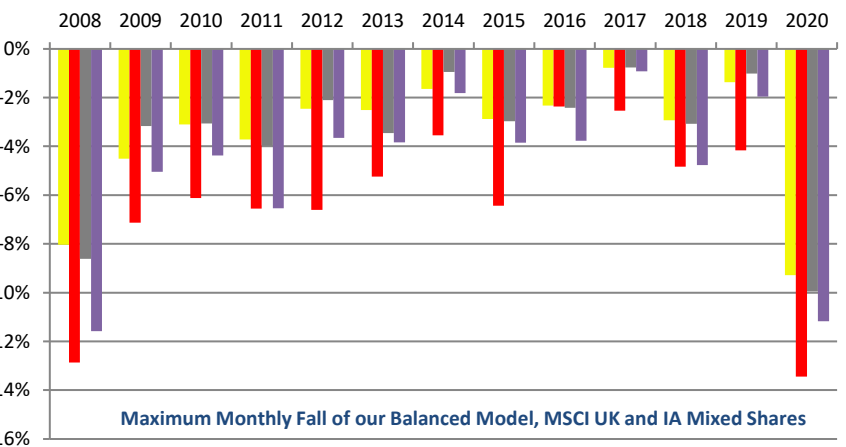
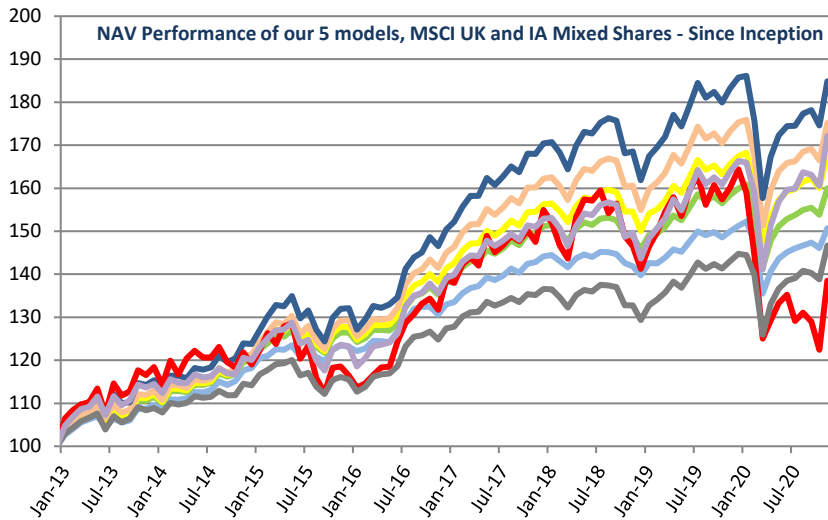
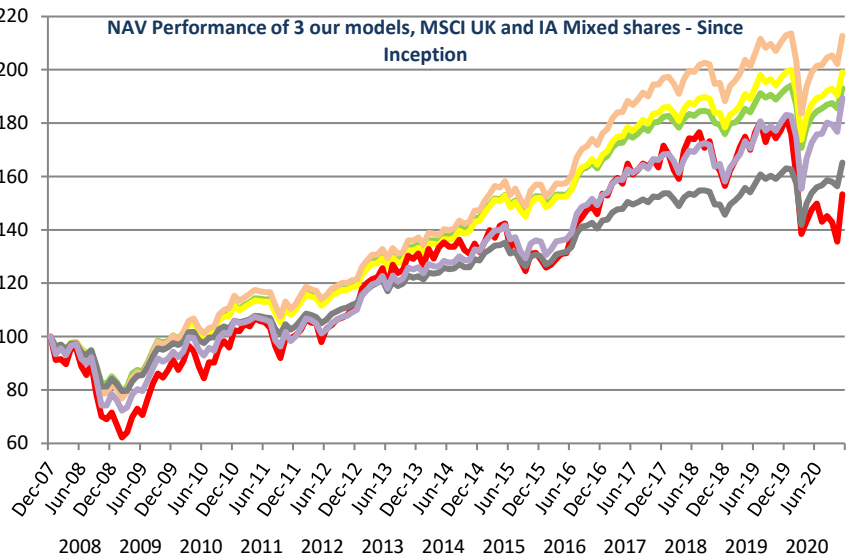
**The Month In Review December** Saw a continuation of the rally in global markets following the announcements of various vaccines with high efficacy against Coronavirus. In the UK and worldwide, vaccination programmes began in earnest with the hope of some return to normality in 2021. The stocks which saw a return to favour were the cyclical companies which had been badly hit during the start of the pandemic and had not yet recovered, such as oil stocks, travel and leisure. Markets shrugged off the worsening of the infection rates in most European countries on the hope of a successful vaccination effort, with the UK performing very strongly to cap off a solid quarter. The year ended with the announcement of a Brexit deal with Brussels, which will also encourage investors. Asia and emerging markets also ended the year on a positive note, having been the first region to lockdown and subsequently recover from the pandemic. Bond yields remained low after renewed stimulus from central banks, and rates are likely to remain low until economies recover fully. Our bond funds were a positive contribution to returns for the month, whilst our alternatives also added to the overall performance. The MSCI UK ended the month up 3.00%, with mixed investment sectors making 1.94% and 2.38%. Our models ended the year strong and finished up for the calendar year versus a weak UK market which finished the year -13.23%. Longer-term, we continue to deliver strong, 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	1.17	0.85	0.85	23.88	N/A	5.16	N/A	N/A
NLPFM Cautious	1.34	1.37	1.37	28.27	74.75	6.01	95.59	7.30
NLPFM Balanced	1.54	1.48	1.48	33.02	81.11	6.83	102.07	8.07
NLPFM Balanced Growth	1.73	1.61	1.61	37.85	87.60	7.57	116.37	8.89
NLPFM Growth	1.97	1.51	1.51	42.70	88.54	8.72	N/A	N/A
NLPFM Sustainability	2.50	10.68	10.68	N/A	N/A	N/A	N/A	N/A
MSCI UK Index	3.00	-13.23	-13.23	22.58	54.36	12.83	57.99	14.59
Mixed Investment 20-60% Shares	1.94	3.30	3.30	29.45	58.98	6.88	68.37	7.58
Mixed Investment 40-85% Shares	2.38	5.93	5.93	43.01	83.12	8.90	93.95	10.60

# Discretionary Management Service relative performance

January 2008 to December 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 Balanced Growth
- NLPFM Growth
- MSCI UNITED KINGDOM
- IA Mixed Investment 20-60% Shares
- IA Mixed Investment 40-85% Shares

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